

# One Report 2023



56-1 ONE REPORT

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## Vision

The company is determined to become a leading service provider in installment loan services, hire purchase loans, and consumer loans under the concept of promoting financial literacy and strong financial immunity in customers.

## Missions



Encourage every customer to have financial literacy, financial security, and strong financial immunity.



Give importance to providing oversight and managing risks cautiously while overseeing debts according to good governance principles.



Give importance to designing products and services that meet customers' needs by using technologies and databases



Commit firmly to being an organisation of honesty and transparency to create lasting value for customers, shareholders, employees and society.



Commit to repaying society where the company is established by creating mutual and lasting value.

## Business Objectives

The company has set objectives for operating business in the next 4 years from 2023 to 2026 by developing and expanding upon new and varied financial loan products and expanding branches to cover the service areas of key regions within the country.

The company has an objective to oversee and manage risks cautiously and to use the company's successful business in the Eastern Region as the company's business model.



## Business Strategy

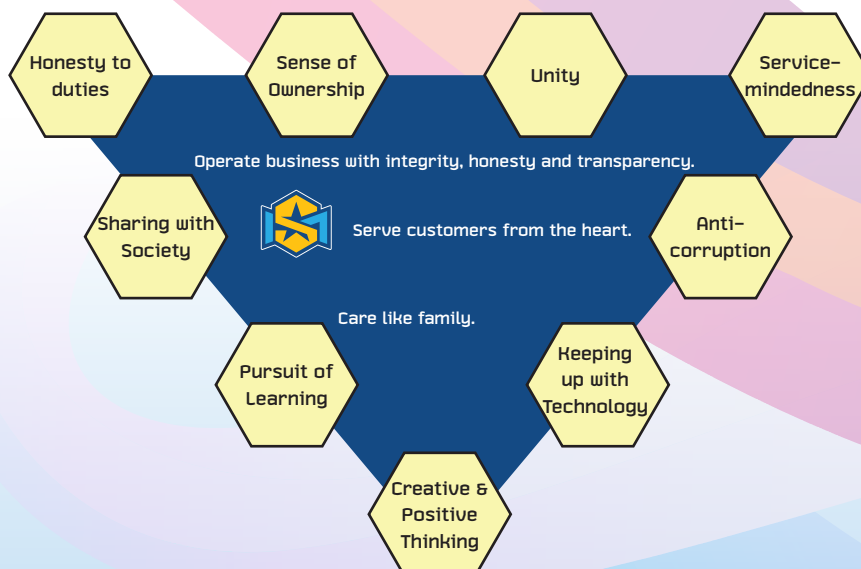
- Focus on lending car loans and hiring purchase loans for more occupations.
- Expand the customer base among companies/juristic persons.
- Increase service channels by opening minor branches, express branches, tele-sales channels, And direct sales channels sales channels to allow customers to access services with greater service area coverage with consideration to the suitability of each channel for each locality.
- Increase customer relationship management agencies to reach target customers.
- Prioritize providing services as a non-life insurance broker and expanding the insurance customer base.
- Regularly create sales promotion programmes to sell products.
- Add online channels for the sales of electrical appliances.

## Organization Culture

Operate business with integrity, honesty and transparency,  
and serve customers from the heart with care like family.

## Organisation Values

Honesty to duties, sense of ownership, unity,  
service-mindedness, anti-corruption,  
keeping up with technology, creative ideas,  
pursuit of learning and giving to society.



## General Information

<b>Company Name:</b>	Star Money Public Company Limited
<b>Abbreviation:</b>	SM
<b>Company Registration:</b>	0107565000263
<b>Industry group</b>	Financial
<b>Category</b>	Finance and Securities

### Business Type

A dealer in electrical appliances which sell the products both in cash and installment and a credit provider in various types such as

- (1) Personal loan under regulations of Bank of Thailand ("BOT") with an original car registration as a mortgage security
- (2) Personal loan under regulations of BOT which is not a credit with an original car registration as a mortgage security
- (3) Secured loan with mortgage securities such as an original car registration, land and buildings including insurance broker service business.

### Registered and Paid-up Capital

The company has a registered capital of 550 million baht, of which 550 million baht is paid-up capital, divided into 1,100 million shares at 0.50 baht marked value per share. The company is listed in the Stock Exchange of Thailand.

### Head office

<b>Address:</b>	No. 204/1-8, Sukhumvit Road, Thang Kwian Sub-district, Klaeng District, Rayong Province 21110.
<b>Telephone:</b>	061-393-9988
<b>Fax:</b>	-
<b>Website:</b>	<a href="http://www.starmoney.co.th">www.starmoney.co.th</a>
<b>Email:</b>	<a href="mailto:info@starmoney.co.th">info@starmoney.co.th</a>

## Company Branches

Branch Office (1)	No. 10/35-37, No. 10/41-42 and No. 10/47, Rak Sak Chamun Road, Tha Chang Sub-district, Mueang Chanthaburi District, Chanthaburi Province.
Branch Office (2)	No. 57, Moo 3, Thung Bencha Sub-district, Tha Mai District, Chanthaburi Province.
Branch Office (3)	No. 96/1, Moo 4, Kaeng Hang Maeo Sub-district, Kaeng Hang Maeo District, Chanthaburi Province.
Branch Office (4)	No. 888/8, Moo 1, Sukhumvit Road, Kong Din Sub-district, Klaeng District, Rayong Province.
Branch Office (5)	No. 239 Sukhumvit Road, Thang Kwian Sub-district, Klaeng District, Rayong Province.
Branch Office (6)	No. 269/37-39, Moo 1, Chum Saeng Sub-district, Wang Chan District, Rayong Province.

Branch Office (7)	No. 93/14-17, Taksin Maharat Road, Tha Pradu Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (8)	No. 235, Sukhumvit Road, Noen Phra Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (9)	No. 44/21, Sukhumvit Road, Map Ta Phut Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (10)	No. 199/25, Moo 2, Nikhom Phatthana Sub-district, Nikhom Phatthana District, Rayong Province.
Branch Office (11)	No. 68/9, Moo 3, Phala Sub-district, Ban Chang District, Rayong Province.
Branch Office (12)	No. 631, Moo 1, Thetsaban Phatthana Road, Pluak Daeng Sub-district, Pluak Daeng District, Rayong Province.
Branch Office (13)	No. 278/6, Moo 1, Ban Khai Sub-district, Ban Khai District, Rayong Province.
Branch Office (14)	No. 574/4, Moo 1, Phana Nikhom Sub-district, Nikhom Phatthana District, Rayong Province.
Branch Office (15)	No. 4/13, Moo 10, Phluang Sub-district, Khao Khitchakut District, Chanthaburi Province.
Branch Office (16)	No. 88/3-4, Moo 11, Phlappla Sub-district, Mueang Chanthaburi District, Chanthaburi Province.
Branch Office (17)	No. 259/10, Moo 1, Ma Kham Sub-district, Ma Kham District, Chanthaburi Province.
Branch Office (18)	No. 12, Thetsaban Sai 4 Road, Tha Mai Sub-district, Tha Mai District, Chanthaburi Province.
Branch Office (19)	No. 349/25, Moo 2, Wang Kra Chae Sub-district, Mueang Trat District, Trat Province.
Branch Office (20)	No. 426/8, Moo 1, Saen Tung Sub-district, Khao Saming District, Trat Province.
Branch Office (21)	No. 63/208, Moo 2, Thung Khwai Kin Sub-district, Klaeng District, Rayong Province.
Branch Office (22)	No. 7/13, Moo 3, Ka Chet Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (23)	No. 124/15, Moo 3, Phe Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (24)	No. 85/254, Moo 1, Choeng Noen Sub-district, Mueang Rayong, Rayong Province.
Branch Office (25)	No. 20/48, Moo 2, Phlu Ta Luang Sub-district, Sattahip District, Chon Buri Province.
Branch Office (26)	No. 81/19, Moo 5, Sattahip Sub-district, Sattahip District, Chon Buri Province.
Branch Office (27)	No. 166/10, Moo 9, Na Chom Thian Sub-district, Sattahip District, Chon Buri Province.
Branch Office (28)	No. 354/4, Ban Bueng Sub-district, Ban Bueng District, Chon Buri Province.
Branch Office (29)	No. 207/210, Moo 6, Bo Win Sub-district, Si Racha District, Chon Buri Province.
Branch Office (30)	No. 444/30, Moo 3, Bo Win Sub-district, Si Racha District, Chon Buri Province.
Branch Office (31)	No. 9/23, Moo 3, Nong Chak Sub-district, Ban Bueng District, Chon Buri Province.
Branch Office (32)	No. 89, Maharat Road, Talat Sub-district, Mueang Chanthaburi Province.
Branch Office (33)	No. 554, 2 <sup>nd</sup> Floor, Room No. A2-001, Sukhumvit Road, Noen Phra Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (34)	No. 99, 99/1, 2 <sup>nd</sup> Floor, Room No. 228/2, Bang Na-Trat Road, Choeng Noen Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (35)	No. 226, Moo 4, Map Yang Phon Sub-district, Pluak Daeng District, Rayong Province.
Branch Office (36)	No. 156, Moo 2, Thap Ma Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (37)	No. 200/1-4, Sukhumvit Road, Thang Kwian Sub-district, Klaeng District, Rayong Province.
Branch Office (38)	No. 155/74, Moo 2, Thap Ma Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (39)	No. 24/7, Moo 4, Sattahip Sub-district, Sattahip District, Chon Buri Province.
Branch Office (40)	No. 77/12, Moo 1, Nong Prue Sub-district, Bang Lamung District, Chon Buri Province.
Branch Office (41)	No. 173/20, Moo 6, Nong Prue Sub-district, Bang Lamung District, Chon Buri Province.
Branch Office (42)	No. 87/6, Moo 5, Na Kluea Sub-district, Bang Lamung District, Chon Buri Province.
Branch Office (43)	No. 552/193, Moo 11, Nong Kham Sub-district, Si Racha District, Chon Buri Province.
Branch Office (44)	No. 135/137, Moo 2, Surasak Sub-district, Si Racha District, Chon Buri Province.
Branch Office (45)	No. 65/40, Moo 7, Surasak Sub-district, Si Racha District, Chon Buri Province.
Branch Office (46)	No. 101/230, Moo 3, Samet Sub-district, Mueang Chon Buri District, Chon Buri Province.
Branch Office (47)	No. 118/9, Moo 1, Samet Sub-district, Mueang Chon Buri District, Chon Buri Province.
Branch Office (48)	No. 100/34, Moo 6, Kut Ngong Sub-district, Phanat Nikhom District, Chon Buri Province.
Branch Office (49)	No. 145/2, Moo 8, Thung Sukhla Sub-district, Si Racha District, Chon Buri Province.
Branch Office (50)	No. 27/3, Moo 10, Phan Thong Sub-district, Phan Thong District, Chon Buri Province.
Branch Office (51)	No. 97/8, Moo 7, Ban Kao Sub-district, Phan Thong District, Chon Buri Province.

Branch Office (52)	No. 4/36, Sunthon Wohon 9 Alley, Thang Kwian Sub-district, Klaeng District, Rayong Province.
Branch Office (53)	No. 235/32, Moo 5, Nong Prue Sub-district, Bang Lamung District, Chon Buri Province.
Branch Office (54)	No. 209/8, Moo 10, Nong Prue Sub-district, Bang Lamung District, Chon Buri Province.
Branch Office (55)	No. 135/17, Sukhumvit Road, Si Racha Sub-district, Si Racha District, Chon Buri Province.
Branch Office (56)	No. 9/206, Moo 11, Bang Pakong Sub-district, Bang Pakong District, Chachoengsao Province.
Branch Office (57)	No. 376/10 Sukprayun Road, Na Mueang Sub-district, Mueang Chachoengsao, Chachoengsao Province.
Branch Office (58)	No. 715 Moo 1, Phanom Sarakham Sub-district, Phanom Sarakham District, Chachoengsao Province.
Branch Office (59)	No. 166/13, Moo 2, Tha Than Sub-district, Phanom Sarakham District, Chachoengsao Province.
Branch Office (60)	No. 54, Rabiapkit Anuson Road, Bang Kla Sub-district, Bang Kla District, Chachoengsao Province.
Branch Office (61)	No. 108/6, Moo 1, Patong Sub-district, Soi Dao District, Chanthaburi Province.
Branch Office (62)	No. 9/35, Moo 1, Thap Sai Sub-district, Pong Nam Ron District, Chanthaburi Province.
Branch Office (63)	No. 136/126-127, Moo 9, Ban Suan Sub-district, Mueang Chon Buri District, Chon Buri Province.
Branch Office (64)	No. 111/5, Long Hat Bang Saen Road, Saen Suk Sub-district, Mueang Chon Buri District, Chon Buri Province.
Branch Office (65)	No. 239/19, Moo 2, Bang Phra Sub-district, Si Racha District, Chon Buri Province.
Branch Office (66)	No. 339/67, Moo 10, Tha Tum Sub-district, Si Maha Pho District, Prachin Buri Province.
Branch Office (67)	No. 47/2, Moo 2, Prachantakham Sub-district, Prachantakham District, Prachin Buri Province.
Branch Office (68)	No. 194/10, Rat Damri Road, Na Mueang Sub-district, Mueang Prachin Buri District, Prachin Buri Province.
Branch Office (69)	No. 140/6, Thetsaban Damri Road, Na Mueang Sub-district, Mueang Prachin Buri District, Prachin Buri Province.
Branch Office (70)	No. 20/11, Maha Chakaphat Road, Na Mueang Sub-district, Mueang Chachoengsao District, Chachoengsao Province.
Branch Office (71)	No. 159/3, Moo 4, Nikhom Phatthana Sub-district, Nikhom Phatthana District, Rayong Province.
Branch Office (72)	No. 29/5, Moo 13, Taphong Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (73)	No. 114/341, Moo 7, Phlu Ta Luang Sub-district, Sattahip District, Chon Buri Province.
Branch Office (74)	No. 37/39, Moo 5, Samnak Thon Sub-district, Ban Chang District, Rayong Province.
Branch Office (75)	No. 456, Moo 1, Ta Sit Sub-district, Pluak Daeng District, Rayong Province.
Branch Office (76)	No. 259/16, Moo 2 Huai Thap Mon Sub-district, Khao Chamao District, Rayong Province.
Branch Office (77)	No. 121/1, Moo 3, Bueng Sub-district, Si Racha District, Chon Buri Province.
Branch Office (78)	No. 135/4, Moo 14, Khu Yai Mi Sub-district, Sanam Chai Khet District, Chachoengsao Province.
Branch Office (79)	No. 140, Suwannason Road, Sa Kaeo Sub-district, Mueang Sa Kaeo District, Sa Kaeo Province.
Branch Office (80)	No. 90/1, Moo 2, Wang Yen Sub-district, Wang Yen District, Sa Kaeo Province.
Branch Office (81)	No. 447, Moo 10, Wang Sombun Sub-district, Wang Sombun District, Sa Kaeo Province.
Branch Office (82)	No. 379/272, Moo 10, Nong Ki Sub-district, Habin Buri District, Prachinburi Province.
Branch Office (83)	No. 227/17, 227/18, Udon Dutsadi Road, Mak Khaeng Sub-district, Mueang Udon Thani District, Udon Thani Province.
Branch Office (84)	No. 440/5, Mittrapap-Nong Khai Road, Nai Mueang Sub-district, Mueang Nakhon Ratchasima District, Nakhon Ratchasima Province.
Branch Office (85)	No. 3, Room No. PG522, Sun Kan Kha Sai 5 Lane, Sukhumvit Road, Thapradu Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (86)	No. 1/21, Moo 1, Nong Bua Sub-district, Ban Khai District, Rayong Province.
Branch Office (87)	No. 112/2, Moo 3, Sattahip Sub-district, Sattahip District, Chon Buri Province.
Branch Office (88)	No. 9/21-23, Moo 1, Nong Sak Sub-district, Ban Bueng District, Chon Buri Province.
Branch Office (89)	No. 11/30, Sukhumvit Road, Khlung Sub-district, Khlung District, Chanthaburi Province.
Branch Office (90)	No. 237/53, Moo 8, Plaeng Yao Sub-district, Plaeng Yao District, Chachoengsao Province.
Branch Office (91)	No. 239/14, Moo 4, Si Maha Pho Sub-district, Si Maha Pho District, Prachinburi Province.
Branch Office (92)	No. 56/26, Moo 6, Ban Suan Sub-district, Mueang Chon Buri District, Chon Buri Province.



Branch Office (93)	No. 18/278-279, Village No. 3, Surasak Sub-district, Si Racha District, Chon Buri Province.
Branch Office (94)	No. 245, Moo 8, Mueang Kao, Kabin Buri District, Prachin Buri Province.
Branch Office (95)	No. 3/42-44 Moo 5, Phluang Subdistrict, Khao Khitchakut District Chanthaburi Province
Branch Office (96)	No. 333 Moo 7, Ban Kao Subdistrict, Phan Thong District, Chonburi Province
Branch Office (97)	No. 450/4 Moo 4, Koh Pho-Three Yaek Road, Tha Boon Mee Sub-district, Koh Chan District Chonburi Province
Branch Office (98)	No. 190/7 Moo 1, Bangwua Subdistrict, Bangpakong District Chachoengsao Province

## Company Secretary/Investor Relations

Tel.: 061-393-9988  
Direct Line: 084-559-1788 ,089-247-2419  
Email: solossaya.kh@starmoney.co.th , ir@starmoney.co.th  
kobkeaw.pa@starmoney.co.th

## References

### Registrar

Thailand Securities Depository Co., Ltd.

No. 93, Stock Exchange of Thailand Building, 14th Floor,

Ratchadaphisek Road, Din Daeng Sub-district, Din Daeng District, Bangkok 10400.

Tel: 0-2900-9999

## Auditor

EY Office Co., Ltd.

Ms. Bongkot Kriengpanamorn

Licensed Auditor Registration No. 6777

Ms. Saranya Phadsri

Licensed Auditor Registration No. 6768

Ms. Wanwilai Phetsang

Licensed Auditor Registration No. 3515

Ms. Somjai Khunapasut

Licensed Auditor Registration No. 4499

No. 193/136-137 Lake Ratchada Complex, 33<sup>rd</sup> Floor,

Ratchadaphisek Road, Khlong Toei Sub-district,

Khlong Toei District, Bangkok 10110.

Tel.: 0-2264-9090

Fax: 0-2264-0789

## Financial Consultant

HGI Securities (Thailand) PCL.

No. 173, Asia Center Building,

8-11th Floors,

Sathon Tai Road,

Thung Mahamek Sub-district,

Sathon District,

Bangkok 10120.

Tel.: 0-2658-8888

Fax: 0-2658-8000

# Important Financial Information (Consolidated Financial Statement)

Ending on 31 December

Unit : Million baht

	2021	2022	2023
Sales and service income	722.26	845.79	773.88
Hire Purchase interest income	58.33	85.12	84.56
Loan interest income	410.99	410.44	455.35
Fee and service income	14.59	13.96	16.76
Other income	31.25	44.13	49.30
Total Revenues	1,237.42	1,399.44	1,379.85
Cost of Sales	619.40	722.51	656.84
Selling Expenses	7.02	13.90	12.41
Administrative Expenses	338.47	400.32	408.90
Net Profit (Loss)	102.94	81.15	61.75
Total Assets	2,298.03	3,209.88	2,959.61
Total Liabilities	1,784.08	2,098.53	1,831.98
Shareholders' Equity	513.95	1,111.35	1,127.63
<b>Financial Ratios</b>			
Net Profit Margin (%)	8.32	5.80	4.48
Return on Equity (%)	21.05	9.99	5.52
Return on Assets (%)	8.11	6.35	5.04
Dividend Pay-out Ratio (%)	154.46	54.22	53.44
Debt to equity ratio (times)	3.47	1.89	1.62
Earning per share (THB)	0.13	0.10	0.06
Dividend per Share (THB)	0.20	0.04	0.03
Book Value per Share (THB)	0.64	1.01	1.03
Number of employees	619	717	744

## Message of the Board of Director

Covid-19 outbreak , but the country's economic and social situation continues to be affected. It is a result of the severity of the epidemic problem. and has been aggravated by the Ukraine - Russia war, which has continued impacts throughout the supply chain for the past 2023 . We continue to be side by side with our employees, customers, partners, business partners. and communities, including stakeholders by promoting and supporting the business, industry, and tourism sectors and small entrepreneurs ( SMEs) have moved forward. Including having the ability to compete, generate income and revive the economic system to grow again. The operating results are reflected through the indicators that the company received from the company Various related matters are follows:

**In terms of corporate governance,** the Company received an assessment of the corporate governance of Thai listed companies ( Corporate Governance Report of Thai Listed Companies 2023) from the Thai Institute of Directors Association at the level of "excellent".

**In terms of sustainability,** the company has assessed greenhouse gas emissions. It is planned to start at the main office in Klaeng District, Rayong Province, in order to fully align with Thailand and international goals in raising the level of solving climate problems. Ready to focus on clean energy and reduce carbon oxide emissions to zero (Net Zero Emissions) and carbon neutrality (Carbon Neutrality) within 2050 and 2065, respectively (2050 and 2022). . 2608)

The Company received a certificate certifying its membership in the Thai Private Sector Collective Action Against Corruption (CAC Recertification) from the Thai Private Sector Collective Action Against Corruption (CAC) . receive such certification From December 30 , 2023

On behalf of the Board of Directors Thank you to shareholders, customers, partners, business partners. and all employees Including stakeholders in the sector who have always provided good support and trust. The company is committed to Create continuous good development and sustainability for the organisation.

Mr. Visit Ongpipattanakul  
Chairman of the Board





# Board of Directors



**Mr. Visit Ongpipattanakul**

- Chairman of the Board, Independent Director
- Audit Director



**Mr. Vitiit Lavansthien**

- Deputy Chairman of the Board
- Chairman of the Executive Committee



**Mr. Pinit Ngamsoppee**

- Independent Director
- Chairman of the Audit Committee
- Chairman of the Nomination and Remuneration Committee



**Mr. Senee Vacharasiritham**

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



**Mr. Chusak Vivatwongskasem**

- Director
- Managing Director
- Nomination and Remuneration Director
- Risk Management Director
- Executive Director



**Mrs. Savitree Lavansathien**

- Director
- Executive Director
- Nomination and Remuneration Director
- Deputy Managing Director of Business Development and Corporate Support



**Mr. Suragut Lawansathien**

- Director
- Executive Director
- Risk Management Director
- Deputy Managing Director of Loan Verification and Debt Management



**Mr. Akeapop Lavansathien**

- Director
- Executive Director
- Risk Management Director
- Deputy Managing Director of Marketing and Merchandising Division



**Mr. Panukorn Chantaraprab**

- Director

# Part 1

## Business Operation and Performance

1. Structure and Operation of the Company's Group
2. Risk Management
3. Driving Business Sustainability
4. Management Analysis and Discussion
5. General Information and Other Important Information

# 1. Company Structure and Operation

## 1.1 Business Overview and Policy

In the year 1987, Mr. Vithit Lavanstien developed an idea to provide assistance to farmers and villagers struggling with debt problems in Rayong Province to give them access to capital without having to rely on loan sharks and thus established a loan business for financing motorcycles, cars and land at low interest rates through fast service and friendly repayment terms. As a result, the business rapidly gained new customers by word-of-mouth, and then on 25 July 1991, Thanathiwat Co., Ltd. ("Thanathiwat") was officially established to operate a secured loan business at Klaeng District, Rayong Province. Eventually, the business expanded to include sales of popular products such as household electrical appliances, computers, mobile phones, etc., with branches opened up in both community areas and department stores in Rayong Province and Chanthaburi Province. The business has always been well-received by customers, so as a result Thanathiwat became one of the major distributors of electrical appliances in the Eastern Region and acquired widespread recognition. Then, in 2016, for the sake of clarity specifically for the loan service business, Star Money Co., Ltd. ("Company") was established.

Through the vision of the company's executives in expanding business registering the company and financing the company in the Stock Exchange of Thailand, in 2018 the company's business was restructured through the transfer of all product distribution businesses and other loan-related businesses of Thanathiwat to the current company, Star Money Public Company Limited ("company"), which has a registered and paid-up capital of 550 million baht, divided into 1,100 million shares with marked price at 0.50 baht per share. The company operates 2 main businesses as follows:

(1) Distribution of household and commercial electrical appliances such as televisions, refrigerators, washing machines, air conditioners, mobile phones, computers, freezers, motorcycles and other devices for cash and by- installment payments.

(2) Loan business covering various types of loans such as (1) regulated personal loans with vehicle registration as security; (2) regulated personal loans without vehicle registration as security; and (3) loans with security such as vehicle registration, land, and structure.

As of 31 December 2023, the company has a total of 98 branches, divided into 16 main branches, 69 minor branches and 8 express branches, 2 HUB branches along with 3 additional business support branches consisting of goods warehouses, auction grounds, and registration centers.

- **Main branches:** These branches provide services covering the sale of electrical appliances for cash and installment payments, have branch-specific warehouses and provide loan services. Each branch is staffed by about 10–20 employees (depending on the branch size).

- **Minor branches:** These provide only loan services. Each branch is staffed by 2–3 employees composed of branch service personnel responsible for evaluating loans in a similar manner to loan officers.
- **Express branches:** These provide the same services as main branches in that they both sell electrical appliances for cash and installment payments and provide loan services. However, these branches are smaller and are staffed by about 5–7 employees each. Overall, the company's branches offer services covering 7 provinces in the Eastern Region, namely, Rayong, Chanthaburi, Chon Buri, Trat, Chachoengsao, Prachin Buri and Sa Kaeo, and 2 provinces in the Northeastern Region, namely Udon Thani and Nakhon Ratchasima. The company plans to expand its loan businesses to cover other related services such as non-life insurance broker services and customer loan guarantee services, etc. in other regions of Thailand in the future.

### 1.1.1 Vision, Mission, Goals and Strategies

#### **Vision**

The company strives to become a leading service provider in loans repaid by installment, hire purchase loans, and consumer loans based on the concept of providing financial literacy along with strong financial immunity.

#### **Mission**

The company has a mission to its stakeholders as follows:

- Promote financial knowledge and understanding, financial security and strong financial immunity in all customers.
- Prioritize governance, careful risk management, and debt collection according to the principles of good governance.
- Focus on designing products and services to meet customers' needs by using technology and databases.
- Firmly commit to an organizational culture of integrity, honesty and transparency in to deliver sustainable value to customers, shareholders, employees, and society.
- Firmly commit to returning value to communities where the company is established by creating mutually beneficial and sustainable value.

#### **Organizational Culture**

"Operate business with integrity, honesty and transparency and serve customers from the heart with care like family."

### Business Goals

The company has set the following business goals:

- The company has set a business goal for the next 4 years from 2023 to 2026 to develop and expand upon new and diversified financial loan products and increase branches to cover the service areas of the country's key provinces.
- The company has a goal to supervise risk management with caution and to use the company's successful business format in the Eastern Region as its business model.

### Business Strategies

The company has set strategies to operate business in a way that promotes the growth of the business and organization as follows:

- Lending car loans and hiring purchase loans for occupations.
- Expand the customer base among companies/juristic persons.
- Increase service channels by opening minor branches, express branches, tele sales channels, channels to allow customers to access services with greater service area coverage with consideration to the suitability of each channel for each locality.
- Increase customer relationship management agencies to reach target customers.
- Prioritize providing services as a non-life insurance broker and expanding the secured customer base.
- Regularly create sales promotion programs to sell products.
- Add online channels for sales of electrical appliances.

## 1.1.2 Significant Changes and Development

The history and significant developments of the company relating to the business changes and the basic information of the company are summarized as follows:

Year	Significant Developments
2016	<ul style="list-style-type: none"> <li>• Star Money Co., Ltd. ("Company") was established with a registered capital of 80 million baht, divided into 800,000 shares with a marked price per share of 100 baht, to operate a secured loan business with a main office located at Mueang Chanthaburi District Chanthaburi Province.</li> <li>• The company increased its registered capital by 220 million baht from 80 million baht to 300 million baht through the issuance of 2.20 million capital increase shares with a marked price of 100 baht per share. This was done to support the growth of the company's secured loan business.</li> <li>• The company opened 13 service branches in Rayong Province and Chanthaburi Province.</li> <li>• By the end of 2016, the company had 13 branches total.</li> </ul>
2017	<ul style="list-style-type: none"> <li>• The company opened an additional 43 service branches in Rayong Province, Chanthaburi Province, Chon Buri Province, and Trat Province.</li> <li>– By the end of 2017, the company had 56 branches total.</li> </ul>

Year	Significant Developments
2018	<ul style="list-style-type: none"> <li>• Business restructuring caused the company to receive transfer of all product sales and secured loan businesses of Thanathiwat. (Currently, Thanathiwat is not operating a business that competes with the company.)</li> <li>• The company opened 22 additional service branches in Rayong Province, Chanthaburi Province, Chon Buri Province, Prachinburi Province, and Chachoengsao Province.</li> <li>• By the end of 2018, the company had 78 branches in total.</li> </ul>
2019	<ul style="list-style-type: none"> <li>• On 5 June 2019, the company was authorized to become a non-life insurance broker pursuant to the Non-Life Insurance Act, B.E. 2535 (1992), in the category of direct management to provide insurance by the Office of Insurance Commission (OIC).</li> <li>• The company started operating the non-life insurance broker business.</li> <li>• On 30 August 2019, the company received permission to operate a personal loan business under the supervision of the Ministry of Finance.</li> <li>• The company increased its capital by 100 million baht from 300 million baht to 400 million baht by issuing 1 million capital increase ordinary shares at the marked price of 100 baht per share to support the company's secured loan business.</li> <li>• The company closed 1 service branch and opened 6 additional service branches in Chon Buri Province, Chachoengsao Province and Sa Kaeo Province.</li> <li>• By the end of 2019, the company had 83 branches in total.</li> </ul>
2020	<ul style="list-style-type: none"> <li>• On 16 January 2020, the company received authorization to operate a minor loan business for professional occupations under supervision (nano finance loans) by the Ministry of Finance.</li> <li>• On 1 July 2020, the company began providing supervised non-car-secured personal loan services for use as insurance premium in the "0% interest insurance project"</li> <li>• The company opened 1 additional service branch in Udon Thani Province.</li> <li>• By the end of 2020, the company had 84 branches in total.</li> </ul>
2021	<ul style="list-style-type: none"> <li>• The company closed 1 service branch and opened 2 new service branches in Nakhon Ratchasima Province and Rayong Province.</li> <li>• By the end of 2021, the company had 85 branches total.</li> <li>• The company received an appointment to be a non-life insurance broker for over 11 insurance companies by the end of 2021.</li> </ul>



Year	Significant Developments
2022	<ul style="list-style-type: none"> <li>On 1 April 2022, at the general meeting of shareholders 2022, the company passed a resolution to become a public limited company under the name “Star Money Public Company Limited”, along with a resolution to increase registered capital by 150 million baht from 400 million baht to 550 million baht through the issuance of 300 million capital increase ordinary shares with a marked price of 0.50 baht per share for the initial public offering (IPO).</li> <li>The company registered to become a public company with the Ministry of Commerce on 7 April 2022.</li> <li>The company became traded in the Stock Exchange of Thailand under the stock name “SM” on 20 December 2022.</li> <li>By the end of 2022, the company had 98 branches total.</li> </ul>
2023	<ul style="list-style-type: none"> <li>The company has been appointed as a casualty insurance broker from more than 12 insurance companies. At the end of 2023.</li> <li>The company moved to 2 new branch offices in Chanthaburi Province and Nakhon Ratchasima Province.</li> <li>The company received an assessment of corporate governance of Thai-listed companies for the year 2022. At the level of “Very Good” from the Thai Institute of Directors Association (IOD).</li> <li>The company has been certified as a member of the Thai Private Sector Coalition Against Corruption (CAC).</li> </ul>

### 1.1.3. Objectives of the Utilization

The company spends money according to the initial public offering objectives described as follows:

Resolution of the Board of Directors Meeting No. 1/2023 on February 27, 2023, resolved to acknowledge the allocation of the utilization of capital increase from ordinary shares due to initial Public Offering (IPO) proceeds insignificantly (Announcement of the Securities and Exchange Commission SorChor.63/2561 Subject: Change in Objectives of Proceeds According to the Registration Statement and Draft Prospectus) and proposed to the 2023 Annual General Meeting of Shareholders as follows:

The Board of Directors acknowledges the allocation of the utilization of capital increase from ordinary shares due to initial Public Offering (IPO) as follows:

Objectives of the utilization using the company's money which has been published to the Stock Exchange of Thailand On January 20, 2023, (1) Expanding business, new branches and related business such as non-life insurance brokerage and life insurance, etc. and 3) Working





capital The Company will use the capital increase from ordinary shares due to initial Public Offering (IPO) To repay loans from financial institutions (2) Partial repayment of loans from financial institution Repay some loans from financial institutions first and when withdrawing for business expansion and working capital. according to the stated purpose Will gradually withdraw from the loan from financial institutions under the specified amount and period

While the withdrawal of money according to the objectives in item 1 for business expansion There will be a gradual withdrawal according to the actual lending amount. It is expected to take about 15 months and the withdrawal of money according to the objectives in item 3 is for working capital. There will be disbursements gradually according to actual expenses, which are expected to take approximately 12 months. The company would like to bring the money under the objectives of business expansion (item 1) and working capital (item 3) remaining as of February 25, 2023, in full, to repay the loan from a financial institution (item 2) first so that The interest burden of the Company's loans decreased. And because the said credit line is a revolving credit line the company withdraws to extend the credit line received. As a result, the Company has an outstanding credit line available for lending that has increased from the above debt repayment. The company will withdraw from the above credit limit which will be within the specified amount and period. and still maintains the main objective of business expansion and working capital as stated in the prospectus. However, such action will enable the Company to manage for the benefit of the Company and its shareholders more efficiently.

Therefore, such action is to distribute the use of funds within the original objectives specified in the prospectus. It does not change the Objectives of the Utilization.

More details are attached below as follows:

(Unit: million baht)

Objectives of the Utilization	Estimated Utilization (Revised on February 27, 2023)	Balance as at June 30, 2023	Actual use proceeds for the period ended December 31, 2023	Balance as at December 31, 2023
1. Expanding business, new branches and related business such as non-life insurance brokerage and life insurance etc.	236.38	0.00	0.00	0.00
2. Partial repayment of loans from financial institution	344.29	163.93	163.93	0.00
3. Working capital	2.34	0.00	0.00	0.00
<b>Total</b>	<b>583.01</b>	<b>163.93</b>	<b>163.93</b>	<b>0.00</b>

The company has no remaining of capital increase from ordinary shares due to the Initial Public Offering.

#### **1.1.4 Company commitments given in the information disclosure form for asset sales and/or licensing terms from the Office (if any) and/or stock acceptance terms of the Stock Exchange of Thailand (if any).**

None.

#### **1.1.5 Company Information**

Star Money Public Company Limited, Registration No. 010756000263, Industry group financial business , Category Capital and Securities operates business in the sale of electrical appliances for cash and by installment and provision of various loan services such as (1) regulated personal loans with vehicle registration as security; (2) regulated personal loans without vehicle registration as security; and (3) loans with security such as vehicle registration, land and structure, including non-life insurance broker services.

Main Office Address: No. 204/1-8, Sukhumvit Road, Thang Kwian Sub-district, Klaeng District, Rayong Province, 21110.

Tel.: 061-393-9988 Fax: - Website: [www.starmoney.co.th](http://www.starmoney.co.th) Email: [info@starmoney.co.th](mailto:info@starmoney.co.th)

The company has 550 million baht of registered capital, of which 550 million baht is paid up, divided into 1,100 million shares marked at 0.50 baht per share.

## **1.2 Nature of Business**

Character of the Firm The principal operations of the corporation are separated into the following two categories: 1) Product Sales Enterprise Hire purchase agreements are used by the company to sell electrical appliances for homes and businesses, including televisions, refrigerators, washing machines, air conditioners, computers, freezers, motorbikes, and other gadgets. Payment methods accepted include cash and installment payments. These goods can be purchased online as well as from "Star Money" outlets located in the provinces of Rayong, Chonburi, Prachinburi, and Chanthaburi.

A dealer in electrical appliances which sell the products both in cash and installment and a credit provider in various types such as (1) Personal loan under regulations of Bank of Thailand ("BOT") with an original car registration as a mortgage security (2) Personal loan under regulations of BOT which is not a credit with an original car registration as a mortgage security (3) secured loans with vehicle registrations, land and structures for security, where loan security includes motorcycle registration books, registration books of cars with no more than 7 seats and registration books of commercial cars, whether they are pickup , vans, trucks, etc., including title deeds to land with structures. In addition, the company operates with the "Trust us for your comfort" slogan and offers loans through

the company's branches, which cover both the Eastern Region and important provinces in the Northeastern Region. The company is licensed to operate a personal loan business under the regulation of the Bank of Thailand (BOT). In addition, the company also provides other related loan services such as by being a non-life insurance broker and providing required car insurance purchase services (Road Accident Victims Protection) and annual vehicle tax services, etc.

### 1.2.1 Revenue Structure

The company's revenue structure by business type according to the financial statement for the years 2021–2023 can be shown as follows:

Revenue Type	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
Sales and service income	722.26	58.37	845.79	60.44	773.88	56.08
Loan interest income	410.99	33.21	410.44	29.33	455.35	33.00
Hire Purchase interest income	58.33	4.71	85.12	6.08	84.56	6.13
Total Main Revenues from Business	1,191.58	96.29	1,341.35	95.85	1,313.79	95.21
Fee and service income	14.59	1.18	13.96	1.00	16.76	1.22
Other income	31.25	2.53	44.13	3.15	49.30	3.57
<b>Total</b>	<b>1,237.42</b>	<b>100.00</b>	<b>1,399.44</b>	<b>100.00</b>	<b>1,379.85</b>	<b>100.00</b>

The company's revenues are derived from

1) Sales and service income by 58.37%, 60.44% and 56.08% of the total revenues from 2021 to 2023 respectively

2) Loan interest income by 33.21%, 29.33% and 33.00% of the total revenues from 2021 to 2023 respectively; and

3) Hire Purchase interest income by 4.71%, 6.08% and 6.13% of the total revenues from 2021 to 2023 respectively. The revenues not derived from main business activities include fee and service income and other income, such as revenue from commission fees from the non-life insurance broker business, revenue from bad debts received back, revenue from promotion of other sales, interest revenue from employee welfare loans, net profit from asset sales and interest revenue from bank deposits, etc.





## 1.2.2 Products and Services

### 1) Nature of Products and Services and Business Innovations

The company operates a business to sell electrical appliances and commercial electrical appliances such as televisions, refrigerators, washing machines, air conditioners, mobile phones, computers, freezers, motorcycles and other devices under the store name “Star Money”. The company is a major dealer in the Eastern Region of Thailand in the sales of leading electrical appliance brands from Thailand and abroad such as Samsung, Panasonic and Haier, among others. Currently, the company sells over 9 categories of products, and the company makes sure to choose high-quality products with suitable prices that are popular in the market in order to meet the needs of customers in Rayong Province, Chanthaburi Province and Chon Buri Province.

#### Cash and Installment Electrical Appliance Sales Business (Hire Purchase)

Product Type	Product Examples	Product Brand Examples
Televisions		Aconatic, Altron, Haier, LG, Nano, Panasonic, Samsung, TCL,
Refrigerators		Aconatic, Haier, Hitachi, LG, Midea, Mitsubishi, Panasonic, Samsung, Toshiba
Washing Machines		Haier, Hitachi, LG, Midea, Panasonic, Samsung, Toshiba
Air Conditioner		Aconatic, Comfee, Daikin, Haier, Hitachi, LG, Midea, Mitsubishi, Panasonic, , Samsung, Toshiba, Xiaomi
Mobile Phone		Ais, Apple, Oppo, Samsung, Uivo, Xiaomi, Itos

Product Type	Product Examples	Product Brand Examples
Computers		Acer, Asus, Brother, Canon, Dell, HP, Lenovo, Pantum
Freezers		Fresher, Haier, Hitachi, Midea, The Cool, Toshiba
Motorcycles		Honda, Yamaha
Other Electrical Appliances		Aconatic, Ezviz, Fresher, Garmin, Haier, Hatari, Hitachi, MD, Midea, , Mitsubishi, Newwave, Noname, Panasonic, Samsung, Sherman, Smart home, Toshiba, Xiaomi

#### Revenue by Products

Item	2021		2022		2023	
	million THB	%	million THB	%	million THB	%
Electrical Appliances <sup>(1)</sup>	514.98	71.30	524.56	62.02	495.74	64.06
Mobile Phones	180.50	24.99	294.60	34.83	262.78	33.96
Computers	19.70	2.73	25.17	2.98	13.27	1.71
Motorcycles	7.08	0.98	1.46	0.17	2.09	0.27
<b>Total</b>	<b>722.26</b>	<b>100.00</b>	<b>845.79</b>	<b>100.00</b>	<b>773.88</b>	<b>100.00</b>

Remarks: <sup>(1)</sup> Electrical appliances include all types of electrical appliances the company sells aside from mobile phones and computers, such as televisions, refrigerators, washing machines, air conditioners, freezers, etc.

Most of the company's product sales revenues are derived from household electrical appliances in the categories of televisions, refrigerators, washing machines and air conditioner. The percentage of product to total revenue from sales in year 2021 to 2023 are 71.30%, 62.02% and 64.06%. products are daily life amenities that are more attractive for customers to buy than other types of products. Secondary is Telephone and percentage of telephone product to total revenue from sales in year 2021 to 2023 are 24.99%, 34.83% and 33.96%. respectively.

### Sales Channels

The Company has Sales Channel by Branch through 24 branches, comprising 16 are main branches and 8 are Express branches. Under the name of "Star Money" distributed in Rayong Province has 13 branches, in Chanthaburi Province has 5 branches, in Chonburi Province has 5 branches and 1 branch in Prachinburi Province. The characteristics of each branch type are summarized as follows:

**Main branches:** These branches provide services covering sales of electrical appliances for cash and installment payments, have branch-specific warehouses and provide loan services. Each branch is staffed by about 10-20 employees (depending on the branch size).

**Express branches:** These provide the same services as main branches in that they both sell electrical appliances for cash and installment payments and provide loan services. However, these branches are smaller and are staffed by about 5-7 employees each.

Furthermore, the company uses online channels to publicize product sales and various promotions. These include the company's website and Facebook and LINE accounts and are meant to provide consumers with news and promotions related to the company's products and services. They also provide channels for interested persons to make contact and inquire about company products and services. However, product purchases and/or services from the company have to be received at the company's service branches.

Furthermore, the company experiments with the sale of some products via Shopee's e-marketplace platform. Although the sales figures for this channel remain low when compared to branch-based sales, if this channel is well received, the company might consider increasing product sales through it.

Accordingly, main branches can be further divided by characteristics into 2 types as follows

**1) Standalone Branches:** Standalone Branches

**Store Name:** Star Money.

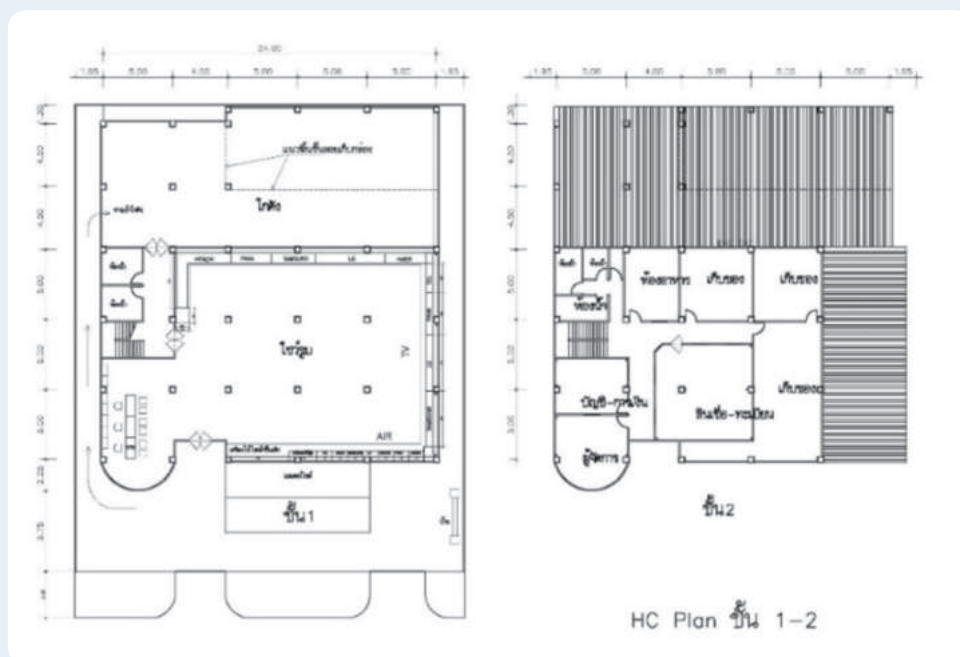
**Branch Description:** Commercial buildings located in high-potential communities.

**Business Days:** Monday-Saturday.

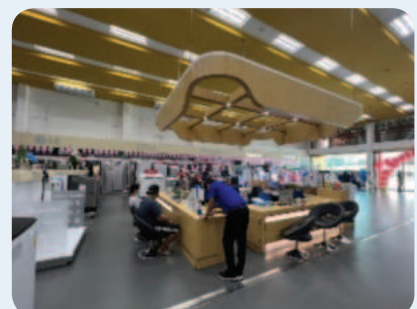
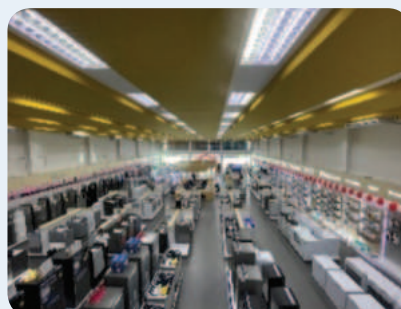
**Business Hours:** 8:30 am-17:30 pm.

**Branch Area:** About 400-1,500 square meters used to display product samples and offer customers convenience in directly coming into contact with products as they deliberate on their purchase decisions.

**Branch Layout Example:**



**Example**





## 2) Branches Located Inside Department Stores (Non-Standalone Branches): 2 branches.

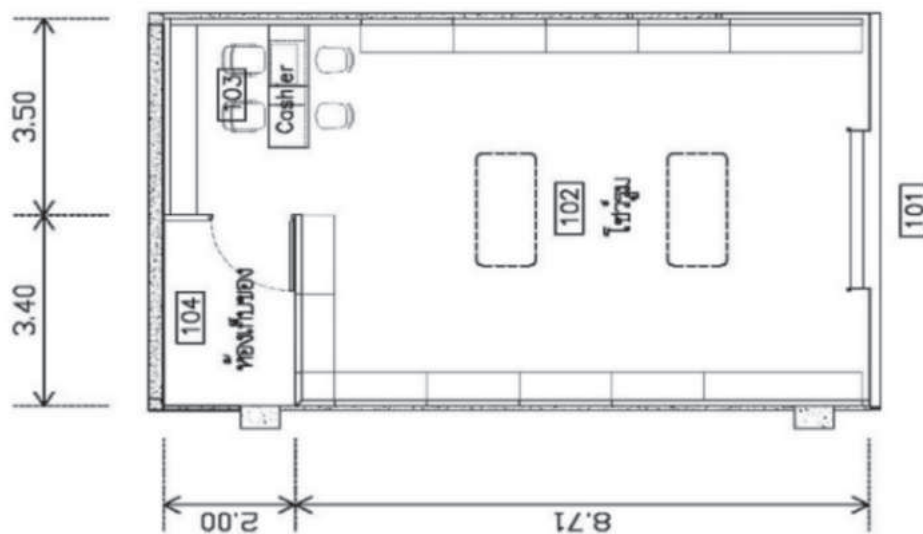
**Branch Description:** Located inside department stores for the purpose of offering convenience to customers in viewing products and receiving services.

**Business Days:** Monday-Sunday (every day).

**Business Hours:** 10:30 am-20:30 pm

**Branch Area:** About 200 square meters.

**Branch Layout Example:**



Example



### 3) Express branch. Characteristics of the branch are:

**Standalone Branches :** 8 branches.

**Store Name :** Star Money.

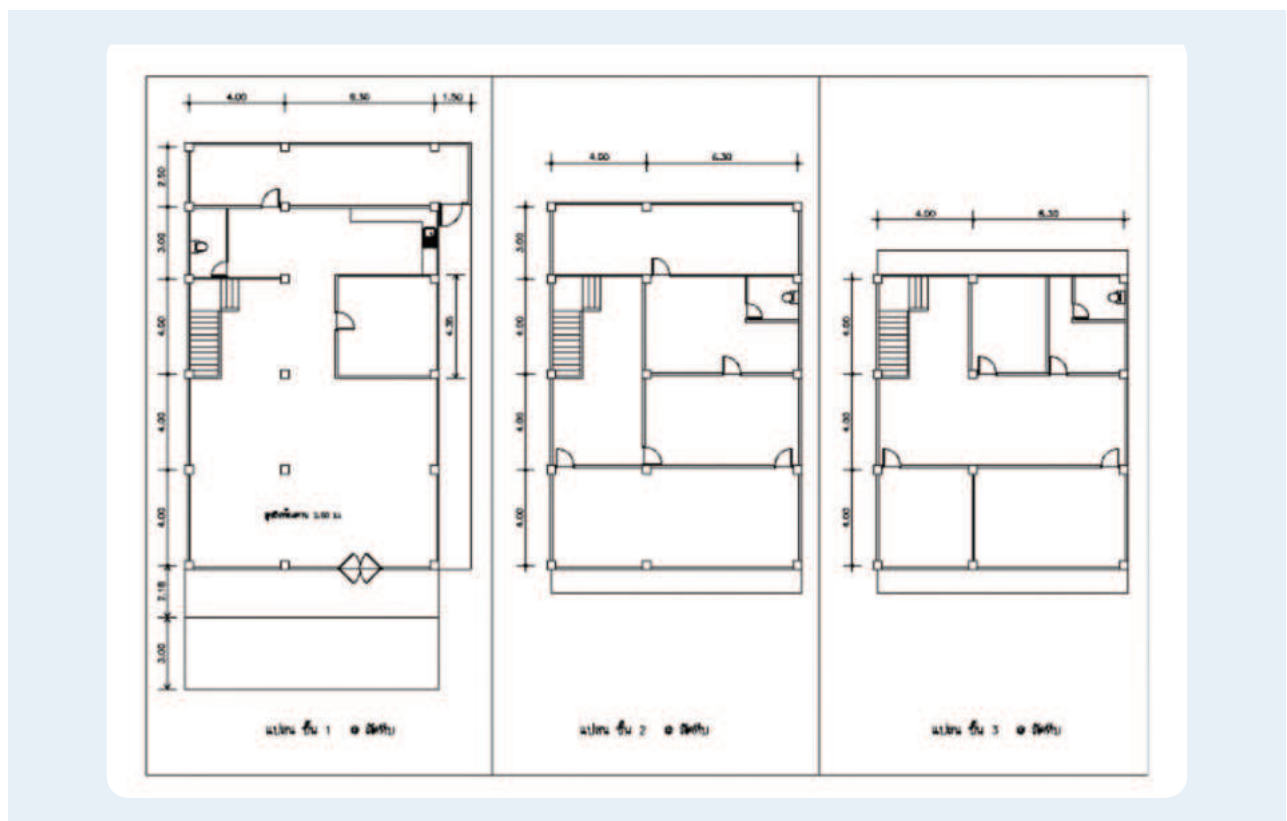
**Branch Description:** Commercial buildings located in high-potential communities.

**Business Days :** Tuesday – Thursday

**Business Hours :** 9.00 am.– 18.00 pm.

**Branch Area:** About 300– 1,100 square meters. used to display product samples and offer customers convenience in directly coming into contact with products as they deliberate on their purchase decisions.

#### Branch Layout Example:



#### Example



The following is a summary of the proportions of sales by various channels:

Item	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
1. Stand-alone Branches	676.52	93.67	778.48	92.04	711.12	91.89
2. Non Stand-alone Branches	42.37	5.86	56.98	6.74	57.83	7.47
3. Online	3.37	0.47	10.33	1.22	4.93	0.64
<b>Total</b>	<b>722.26</b>	<b>100.00</b>	<b>845.79</b>	<b>100.00</b>	<b>773.88</b>	<b>100.00</b>

In 2022, the company began opening express branches as a sales and service channel to have better customer reach and provide greater convenience. Express branches are in the form of showrooms for sale of electrical appliances, mobile phones and computers. Growth in this type will be judged based on the potential and purchasing power of each area to primarily meet the current situation at any given time. Accordingly, the company first launched express branches in March 2022.

### Product Sales Format

The company's product sales are divided into 2 methods on of payment, namely, product sales for cash and product sales for payments by installment. The proportions of product sales by type are shown as follows:

Item	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
Cash sales	124.60	17.25	111.15	13.14	120.01	15.51
Installment sales	597.66	82.75	734.64	86.86	653.87	84.49
<b>Total</b>	<b>722.26</b>	<b>100.00</b>	<b>845.79</b>	<b>100.00</b>	<b>773.88</b>	<b>100.00</b>

The most of revenue from sales are product sales with installment payments. The percentage of installment sales to total revenue from sales in year 2021 to 2023 are 82.75%, 86.86% and 84.89%, respectively. The details of each type of product sales can be described as follows:

#### 1) Cash Payment Product Sales

- **For individual customers**, customers are to pay for products in cash right away on the date of their transaction.
- **For juristic persons**, products are sold in large volumes or by project, by which the company allows a payment time period (credit term) of no more than 45 days, which the company considers based on how established the juristic person is as well as the juristic person's income, along

with customer financial documents provided to accompany sales, such as copy of company certificate, copies of the national identification cards of juristic person directors, commercial registration, income statements, directors' house registration copies and project map (if customers are condominium projects), etc.

## 2) Installment Payment Product Sales (Hire Purchase)

These are sales of products in which the company offers installment payment conditions to customers through the making of hire purchase agreements. For these, terms are specified on the amount due to be paid in each installment, duration of payments and the interest rate and they depend on the payment capabilities of each customer and the product type. Accordingly, sales persons make authorization decisions based on the establishment, income, and, if they are old customers, debt repayment history, of the customers.

### Hire Purchase Agreement Terms and Specifications (Product Fact Sheet)

#### Hire Purchase Agreements

Type	New electrical appliances and motorcycles.
Regulatory Agency	Office of the Consumer Protection Board (OCPB).
Assets Tied to Agreements	New electrical appliances and motorcycles.
Maximum Loan Amount or Maximum Number of Agreements per Customer	<ul style="list-style-type: none"> <li>Maximum per-agreement figure &lt; 50,000 baht with total loan amount controlled to not exceed company announcements</li> <li>Maximum per-agreement figure &gt; 50,000 baht with total loan amount controlled to not exceed company announcements.</li> </ul>
Duration	3 – 36 months.
Guarantor	<p>(1) If the hire purchase agreement has a value that is &gt; 100,000 baht, there must always be a guarantor.</p> <p>(2) If the hire purchase agreement has a value that is &lt; 100,000 baht, decisions will be based on address and duration of time of staying in the area, which must meet the requirements stated in the company's announcements.</p>
Customer Type(s)	All occupations.
Nationality	Thai or foreign.
Age of Borrower and Guarantor	20 – 65 years (age not exceeding 70 years throughout the entire duration of the contract).

In the years from 2021 to 2023, the company's hire purchase loan figures and number of hire purchase agreements each year, and value of the outstanding hire purchase agreements were as follows:

#### Figures for New Hire Purchase Agreements Each Year by Loan Type

Hire Purchase Type	2021		2022		2023	
	million THB	%	million THB	%	million THB	%
Electrical Appliances <sup>(1)</sup>	397.12	66.45	418.61	56.98	385.06	58.89
Mobile Telephones	175.80	29.41	290.98	39.61	254.58	38.93
Computers	18.25	3.05	23.76	3.23	12.19	1.87
Motorcycles	6.49	1.09	1.29	0.18	2.04	0.31
<b>Total</b>	<b>597.66</b>	<b>100.00</b>	<b>734.64</b>	<b>100.00</b>	<b>653.87</b>	<b>100.00</b>

Remarks: <sup>(1)</sup> Electrical appliances include all types of electrical appliances the company sells aside from mobile phones and computers, such as televisions, refrigerators, washing machines, air conditioners, freezers, etc.

#### Number of New Hire Purchase Agreements Each Year by Loan Type

Hire Purchase Type	2021		2022		2023	
	Agreements	%	Agreements	%	Agreements	%
Electrical Appliances <sup>(1)</sup>	34,240	66.83	28,153	63.13	33,834	60.50
Mobile Telephones	15,993	31.21	15,497	34.75	21,387	38.24
Computers	861	1.68	934	2.09	659	1.18
Motorcycles	145	0.28	12	0.03	42	0.08
<b>Total</b>	<b>51,239</b>	<b>100.00</b>	<b>44,596</b>	<b>100.00</b>	<b>55,922</b>	<b>100.00</b>

Remarks: <sup>(1)</sup> Electrical appliances include all types of electrical appliances the company sells aside from mobile phones and computers, such as televisions, refrigerators, washing machines, air conditioners, freezers, etc.

### Annual Outstanding Hire Purchase Debtors by Type

Hire Purchase Type	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
Electrical Appliances <sup>(1)</sup>	108.97	61.20	133.35	50.05	108.78	48.62
Mobile Telephones	51.81	29.10	116.76	43.83	104.63	46.77
Computers	7.21	4.05	11.05	4.15	5.08	2.27
Motorcycles	10.05	5.65	5.24	1.97	5.24	2.34
<b>Total</b>	<b>178.04</b>	<b>100.00</b>	<b>266.40</b>	<b>100.00</b>	<b>223.73</b>	<b>100.00</b>

Remarks: <sup>(1)</sup> Electrical appliances include all types of electrical appliances the company sells aside from mobile phones and computers, such as televisions, refrigerators, washing machines, air conditioners, freezers,

### Table Showing the Hire Purchase Performance of the Company

Performance	As of 31 December		
	2021 %	2022 %	2023 %
Loan Yield <sup>(1)</sup>	40.28	38.30	34.51
Non-Performing Loans Ratio <sup>(2)</sup>	2.52	5.82	5.11

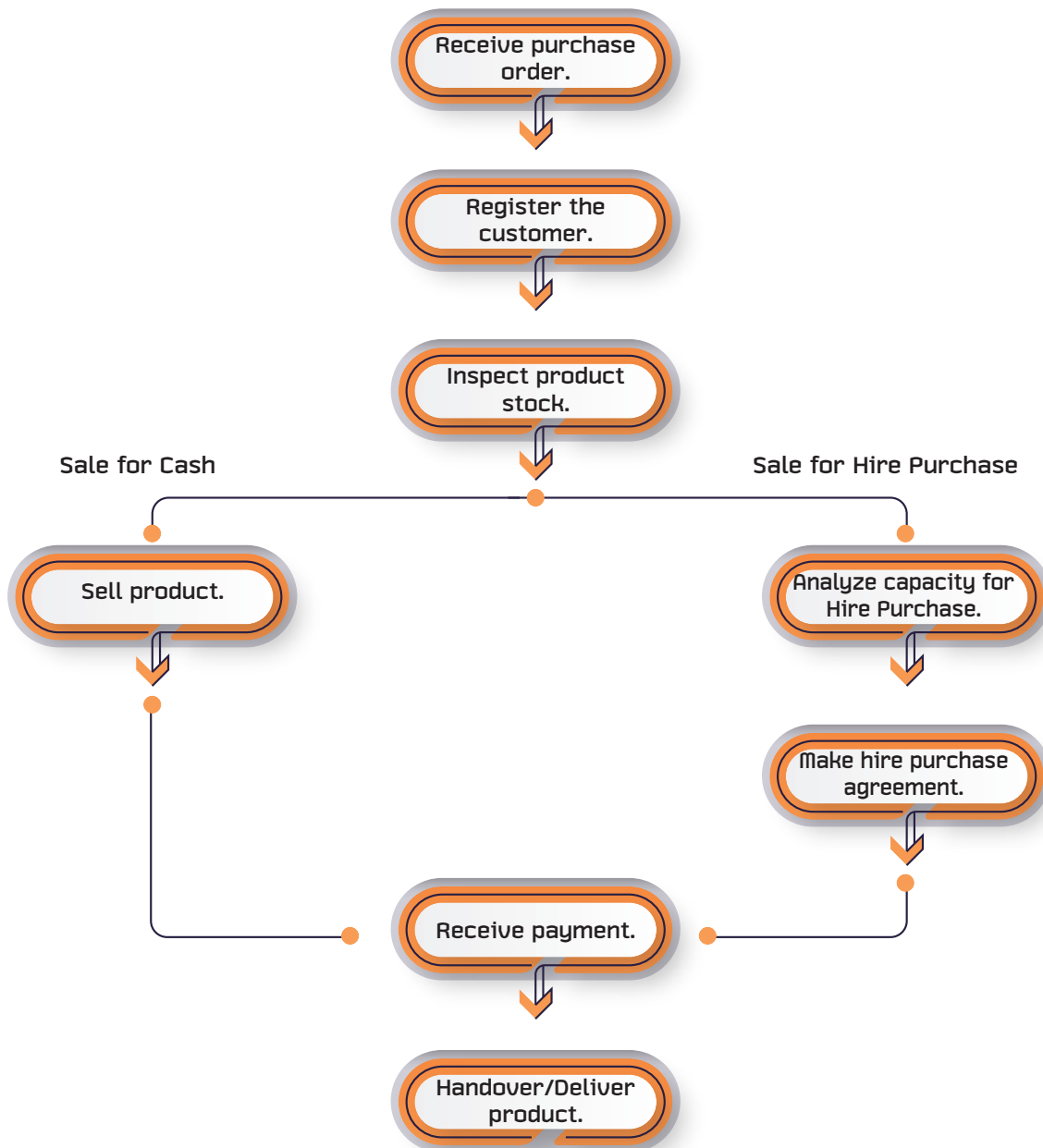
Remarks: <sup>(1)</sup> Loan Yield is annualized hire purchase interest income divided by the average total hire purchase receivables (before the deduction of loan loss provisions)

<sup>(2)</sup> The ratio of non-performing loans to total gross hire purchase loans is the value of non-performing loans divided by the total value of the loan portfolio (including non-performing loans before the deduction of loan loss provisions)

## Customer Types and Target Customer Groups of the Product Retail Business

The company's existing customers and target customer groups largely consist of ordinary persons. The company prioritizes customers residing in the same locality or near to open service branches who have low to medium income levels regardless of whether the income is regular or irregular, since these customers pay greater attention to high-quality products while emphasizing value, comfort and a variety of product payment channels that are suitable to their payment capabilities.

## Product Sales Procedure



### (1) Receive purchase order.

When a customer arrives to make a purchase order, the sales staff will provide to the customer the details and promotional offers regarding the available products to give the customer choices and information to accompany the customer's purchase decision.

### (2) Register the customer.

When a customer makes a purchase order, the sales staff will record the customer's information into the system and inquire for additional basic information (in the case of installment purchase) such as occupation, residence type and income, etc.



**(3) Inspect products in stock.**

After receiving a purchase order and recording the customer's information, the sales staff will coordinate with the product inventory staff to inspect whether the product the customer wants is in stock. If the product is unavailable or not adequate for the customer's needs, the sales staff will inform the customer. Otherwise, a purchase order will be made, and a deposit will be collected.

**(4) Receive payment.**

For cash sales, the sales staff accepts cash payment from the customer or instruct the customer to transfer funds into the company's account via QR code before issuing a receipt as proof of payment to the customer.

For installment sales, after the customer is approved for an installment sale and has made a down payment along with an agreement, the sale staff will issue a receipt to the customer and inform the customer of a personal reference number for use in making installment payments.

**(5) Handover/Deliver products.**

After receiving payment from the customer, the sales staff will immediately deliver the product to the customer or deliver the product to an address reported by the customer via the customer's desired channel on that day.

**(6) Analyze capacity for installment payments.**

The sales staff analyzes the customer's capacity for making installment payments based on income information and, if the customer is an old customer, debt repayment history (if any), in order to calculate the installment amounts and numbers that are suitable to the customer and the installment payment conditions for each product type. For example, for old customers (Grade A or Grade B), can use services to make installment purchases electrical appliances. of mobile phones and computers. By paying a down payment of not less than the first installment., but new customers are required to make a down payment amounting to at least 15%, and, after performing analysis of installment payment capabilities, the sales staff will send information to the loan consideration department for further authorization.

**(7) Make hire purchase agreement (for installment sales).**

After a sales order and hire purchase loan is approved, the sales staff will inform the customer of the authorization results and the documents required to accompany the agreement and then make the agreement.

### Product Procurement

In the procurement of products for sale, the procurement department and the marketing department will work together to analyze the appropriate quantity of products to prepare for sale by doing so on a regular basis every week based on the average sales figures of the 3 latest months for each product type and based on evaluation of the market demand at any given time to ensure that products are procured adequately and appropriately to be able to meet customer needs in a timely manner. Accordingly, the sales staff will order products regularly every week and reserve sufficient products in stock for up to 1 at least 1 month of sales, and the company will make product purchases directly from the product brand owners and/or official retail representatives of each brand. In any case, 100% of the products procured by the company are procured from domestic suppliers, and a sample list of suppliers is shown in the table below.

Product Brand	Supplier
ACONATIC	Hifi Orient Thai PCL.
ALTRON ,NEWWAVE	Thai Habel Industrial Co., Ltd.
DAIKIN	Siam Diakin Sales Co., Ltd.
FRESHER	Fresher Co., Ltd.
HAIER	Haier Electrical Appliances (Thailand) Co., Ltd.
HATARI	Hatari Electric Co., Ltd.
HITACHI	Hitachi Sales (Thailand) Co., Ltd.
LG	LG Electronics (Thailand) Co., Ltd.
MIDEA	MD Consumer Appliance (Thailand) Co., Ltd.
MITSUBISHI	Mitsubishi Electric Kang Yong Watana Co., Ltd.
PANASONIC	Panasonic A.P. Sales (Thailand) Co., Ltd. Panasonic Siew Sales (Thailand) Co., Ltd.
NANO, SMART HOME	Inanos (Thailand) Co., Ltd.
SAMSUNG	Thai Samsung Electronics Co., Ltd.
SHERMAN	Nicon Thai Sales & Service Co., Ltd.,
TCL	TCL Electronics (Thailand) Co., Ltd.
THE COOL	The Cool Co., Ltd.
COMFEE TOSHIBA	Toshiba Thailand Co., Ltd.
USTECS	UST ECS (Thailand) Co., Ltd.
WTG	Welltech Group Co., Ltd.
HONDA	Ruamyon Honda Rayong Company Limited
YAMAHA	Honda M.C. Racing Company Limited Siam Yanyon (Rayong) Company Limited

Product Brand	Supplier
ACER, ASUS, BROTHER, CANON, DELL, HP, LENOVO, PANTUM	Siam Yanyon (Rayong) Company Limited UST ECS (Thailand) Company Limited SiS Distribution (Thailand) Company Limited
AIS	Advance Wireless Network Company Limited
APPLE	Synnex (Thailand) Public Company Limited
OPPO	Possefy Group Company Limited
SAMSUNG	UST ECS (Thailand) Company Limited
VIVO	Sunmu Telecom Company Limited
XIAOMI	SiS Distribution (Thailand) Company Limited
Others	บริษัท ดี เพาเวอร์ ไอที เทคโนโลยี จำกัด บริษัท โปรเอ็นจิเนียริงเซอร์วิส จำกัด บริษัท ระยองอีคอมเมิร์ซ จำกัด บริษัท วัฒนานุกิจ จำกัด บริษัท เอก-ชัย ดิสทริบิวชั่น ซิสเทม จำกัด

### Warehouse

The company has 1 central warehouse for electrical appliances, namely, the new shipping warehouse, and 34 in-branch warehouses for a total of 35 warehouses. The company uses the central warehouse for product storage and distribution and to support the distribution of products among 5 branches that have little warehouse storage space. In the event that products run out of stock in any branch, the company will inspect the product stocks of nearby branches and transfer products between them to make stock management more effective. Accordingly, the company counts the products in the central warehouse and branch warehouses every month, and the warehouse staff works together with the accounting staff to verify the actual products in stock and the products stated to be available in the system. Additionally, the company has product safety management mechanisms in place to prevent potential damage such as the following:

- Provide security guards and/or employees for there to be 24-hour presence at the central warehouse and branch warehouses.
- Provide CCTVs with 24-hour coverage over all areas.
- Provide a warehouse by locking access system it by assigning keys rights granted only to the warehouse staff.
- Provide a warehouse insurance to protect products.

### 2) Loan

The company operates a loan business. Accordingly, the company became licensed to operate a regulated personal loan business as of 30 August 2019. The company's loans can be divided into 5 categories by type of security as follows:

- **Motorcycle loans:** These are loans with motorcycle registration used as security, such as for motorcycles and big bikes.
- **Car loans:** These are loans with car registration used as security, such as for all types of passenger cars and pickup trucks.
- **Commercial vehicle loans:** These are loans with commercial vehicle registration for security, such as for vans, buses, medium-sized trucks such as four-wheeled to six-wheeled trucks and large trucks such as trucks with ten wheels or more.
- **Agricultural vehicle loans:** These are loans with agricultural vehicle registration for security, such as for tractors, etc.
- **Land and structure loans:** These are loans with land or land with structure for security. The land or structure used as security must be connected to a public road and be accessible by public utility systems. Accordingly, the loan totals evaluated by the company will vary depending on the type of land and structures on the land.



## Terms and Specifications for Each Type of Loan (Product Fact Sheet)

### Secured Loans

Regulated Personal  
Loans with Vehicle  
Registration for Security

Loans with Land and  
Structure for Security

Loans with Vehicle  
Registration for Security  
(Corporate Customers)

Regulatory Agency	Bank of Thailand.	Office of the Consumer Protection Board under consumer agreements.	Office of the Consumer Protection Board under consumer agreements.
Security	Motorcycles. Cars Commercial vehicles. Agricultural vehicles.	Land and structures.	Motorcycles. Cars Commercial vehicles. Agricultural vehicles.

Regulated Personal  
Loans with Vehicle  
Registration for Security

Loans with Land and  
Structure for Security

Loans with Vehicle  
Registration for Security  
(Corporate Customers)

	Regulated Personal Loans with Vehicle Registration for Security	Loans with Land and Structure for Security	Loans with Vehicle Registration for Security (Corporate Customers)
Maximum Loan Amount or Maximum Number of Agreements per Customer	<ul style="list-style-type: none"> <li>Maximum per-agreement figure ≤ 50,000 baht with total loan amount</li> <li>Maximum per-agreement figure &gt; 50,000 baht with total loan amount controlled to not exceed company announcements.</li> </ul>	<ul style="list-style-type: none"> <li>Maximum per-agreement figure ≤ 50,000 baht with total loan amount.</li> <li>Maximum per-agreement figure &gt; 50,000 baht with total loan amount controlled to not exceed company announcements.</li> </ul>	<ul style="list-style-type: none"> <li>Maximum per-agreement figures are controlled to ensure that the total loan amount does not exceed company announcements.</li> </ul>
Maximum Interest Rate	The effective rate, when including all fees, does not exceed 24%	The effective rate, when including all fees, does not exceed 15%	The effective rate, when including all fees, does not exceed 15%
Duration	<ul style="list-style-type: none"> <li>6-36 months for motorcycles.</li> <li>6-84 months for cars, commercial vehicles and agricultural vehicles.</li> </ul>	6-84 months.	<ul style="list-style-type: none"> <li>6-36 months for motorcycles.</li> <li>6-84 months for cars, commercial vehicles and agricultural vehicles.</li> </ul>
Guarantor	<p>There must be a guarantor when the monetary value of the agreement meets the specifications stated in company announcements.</p> <p>*The guarantor must be employed and have provable income and be aged 20-69 years (with the age for the total contract duration not exceeding 70 years). In addition, if a spouse is a guarantor, the spouse must have a different source of income.</p>	No guarantor is required.	<p>There must be a guarantor when the monetary value of the agreement meets the specifications stated in company announcements.</p> <p>*The guarantor must be employed and have provable income and be aged 20-69 years (with the age for the total contract duration not exceeding 70 years). In addition, if a spouse is a guarantor, the spouse must have a different source of income.</p>
Customer Type(s)	All occupations.	All occupations.	All businesses.

Regulated Personal  
Loans with Vehicle  
Registration for Security

Loans with Land and  
Structure for Security

Loans with Vehicle  
Registration for Security  
(Corporate Customers)

Nationality	Thai	Thai	Both the borrower and guarantor must have Thai nationality.
Age of Borrower and Guarantor	20 – 69 years (age not exceeding 70 years throughout the entire duration of the contract).	20 – 69 years (age not exceeding 70 years throughout the entire duration of the contract).	<ul style="list-style-type: none"> <li>At least 1 year of business duration of operation (for ordinary cases).</li> <li>At least 2 years of business duration of operation (for amounts exceeding 1 million baht).</li> <li>At least 3 years of business duration of operation (for amounts exceeding 2 million baht).</li> </ul>

In May 15, 2020, the company became licensed to operate a regulated personal loan business without vehicle registration for security, and currently the company has begun offering personal loan services for installment payments of insurance premiums within loan limits. As at 31 December 2023 the company has net personal loan receivables amounted to 0.20% of total loan receivables. Furthermore, In January 20, 2020 the company became licensed to operate a business for Nano Finance. Although the company had a strategic plan to start offering the nano finance business since last year. the company must begin operating the nano finance business from November 1, 2022 onward.

### Hire Purchase and Loan Channels

The company offers credit services through 95 branches, divided into 16 main branches, 71 minor branches and 8 express branches, dispersed in the Eastern Region, namely, 26 branches in Rayong Province, 12 branches in Chanthaburi Province, 34 branches in Chonburi Province, 2 branches in Trat Province, 9 branches in Chachoengsao Province, 7 branches in Prachinburi Province and 3 branches in SaKaeo Province, with branch expansions in the Northeastern Region by 1 branch in Udon Thani Province and 1 branch in Nakhon Ratchasima Province. A description of each branch type is provided as follows:

**Main branches:** These branches provide services covering sales of electrical appliances for cash and installment payments, have branch-specific warehouses and provide loan services. Each branch is staffed by about 10–20 employees (depending on the branch size) consisting of a sales staff, financial staff, warehouse staff, logistics staff and loan staff, etc.



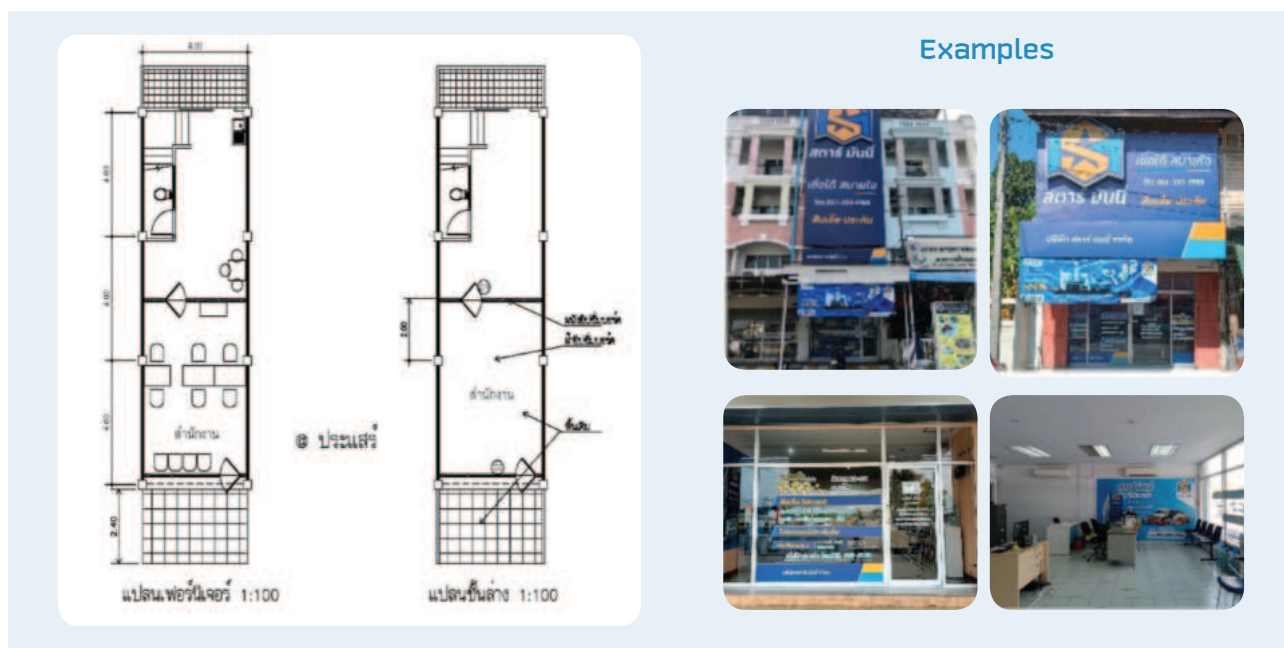
**Minor branches:** These provide only loan services. Each branch is staffed by 2-3 employees composed of branch service personnel responsible for evaluating loans in a similar manner to loan officers.

**Express branches:** These provide the same services as main branches in that they both sell electrical appliances for cash and installment payments and provide loan services. However, these branches are smaller and are staffed by about 5-7 employees each.

A description of minor branches is provided as follows:

<b>Store Name:</b>	Star Money
<b>Branch Description:</b>	Commercial buildings spanning 1-2 units.
<b>Business Days:</b>	Monday-Saturday.
<b>Business Hours:</b>	8:30 am – 5:30 pm.
<b>Branch Area:</b>	About 30 square meters located in high-potential communities as judged based on the population, occupation of community members and source of income of community members.

#### Branch Layout Example:



#### Relations Agency Customer (Relationship Management: RM)

The company has established a customer relations agency or relationship management (RM) team to provide an additional channel for contacting, coordinating and facilitating for customers interested in the company's loans but who struggle with access limitations, whether in terms of time or faraway places of living. Accordingly, the RM team works to supervise, coordinate and provide information, knowledge and understanding about the company's loan products to said customer groups and assists in monitoring application results, payments and suggestions and critiques from customers to improve products such that the organization can more effectively and quickly meet customers' needs.



A summary of the proportions of product sales by various channels is provided as follows:

Item	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
1. Main branches	557.07	44.63	647.13	40.42	575.98	33.54
2. Minor branches	495.55	39.70	625.10	39.04	544.32	31.69
3. RM	195.64	15.67	312.16	19.50	566.40	32.98
4. Express branches	0.00	-	16.70	1.04	30.69	1.79
<b>Total</b>	<b>1,248.26</b>	<b>100.00</b>	<b>1,601.09</b>	<b>100.00</b>	<b>1,717.39</b>	<b>100.00</b>

For the years 2021 to 2023, the company's figures each year for loans and loan agreements and outstanding loan values are as follows:

#### New Loans Each Year by Loan Type

Loan Type	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
Motorcycle	186.76	14.96	219.99	13.73	213.47	12.43
Car	670.50	53.71	909.26	56.79	788.57	45.92
Commercial vehicle	255.82	20.49	312.49	19.52	531.82	30.97
Agricultural vehicle	52.99	4.25	52.52	3.28	55.98	3.26
Land and structure	75.72	6.07	91.37	5.71	104.47	6.08
Personal	6.47	0.52	7.63	0.48	10.70	0.62
Nano Finance	0.00	-	7.83	0.49	12.37	0.72
<b>Total</b>	<b>1,248.26</b>	<b>100.00</b>	<b>1,601.09</b>	<b>100.00</b>	<b>1,717.38</b>	<b>100.00</b>

#### Number of New Loan Agreements Each Year by Loan Type

Loan Type	2021		2022		2023	
	Agreements	%	Agreements	%	Agreements	%
Motorcycle loans	8,931	60.75	9,416	55.90	8,849	53.52
Car loans	4,342	29.53	5,319	31.58	4,493	27.17
Commercial vehicle loans	559	3.80	564	3.35	912	5.52
Agricultural vehicle loans	101	0.69	93	0.55	103	0.62
Land and structure loans	286	1.94	358	2.13	388	2.35
Personal loans	483	3.29	586	3.48	821	4.97
Nano Finance	0	-	507	3.01	968	5.85
<b>Total</b>	<b>14,702</b>	<b>100.00</b>	<b>16,843</b>	<b>100.00</b>	<b>16,534</b>	<b>100.00</b>

### Outstanding Debtors Year

Loan Type	2021		2022		2023	
	million THB	%	million THB	%	million THB	%
Motorcycle loans	129.59	6.84	155.92	7.14	160.29	6.45
Car loans	1,053.74	55.48	1,210.54	55.43	1,215.17	48.88
Commercial vehicle loans	542.00	28.54	596.11	27.30	833.59	33.53
Agricultural vehicle loans	82.29	4.33	95.92	4.39	117.50	4.73
Land and structure loans	88.33	4.65	114.56	5.25	144.07	5.80
Personal loans	3.17	0.17	3.18	0.15	5.01	0.20
Nano Finance	0.00	-	7.51	0.34	10.13	0.41
<b>Total</b>	<b>1,899.30</b>	<b>100.00</b>	<b>2,183.74</b>	<b>100.00</b>	<b>2,485.76</b>	<b>100.00</b>

### Table Showing the Loan Performance of the Company

Performance	As of 31 December		
	2021 %	2022 %	2023 %
Loan Yield <sup>(1)</sup>	21.22	20.10	19.50
Non-Performing Loans Ratio <sup>(2)</sup>	3.47	3.67	3.46

Remarks: <sup>(1)</sup> Loan Yield is annualized loan interest income divided by the average total loan receivables (before the deduction of loan loss provisions)

<sup>(2)</sup> The ratio of non-performing loans to total gross loans is the value of non-performing loans divided by the total value of the loan portfolio (including non-performing loans before the deduction of loan loss provisions)

Accordingly, as of 5 June 2019, the company has been licensed by the Office of Insurance Commission and has begun to operate a non-life insurance broker business in 2019 to provide supplementary services to loan customers through the same branches offering loan services. From 2021 to 2023, the company's revenues from being a non-life insurance broker amount to 15.57 million baht, 18.93 million baht and 17.88 million baht, respectively.

As of 31 December 2023, the company has been operating as a non-life insurance broker for 12 insurance companies in total. Accordingly, the insurance products for which the company is a sales representative are as follows:

**1. Vehicle Insurance**

- 1.1 Compulsory vehicle insurance (Royal Act) for cars and motorcycles.
- 1.2 Voluntary vehicle insurance for cars and motorcycles.

**2. Fire Insurance**

**3. Logistics Insurance**

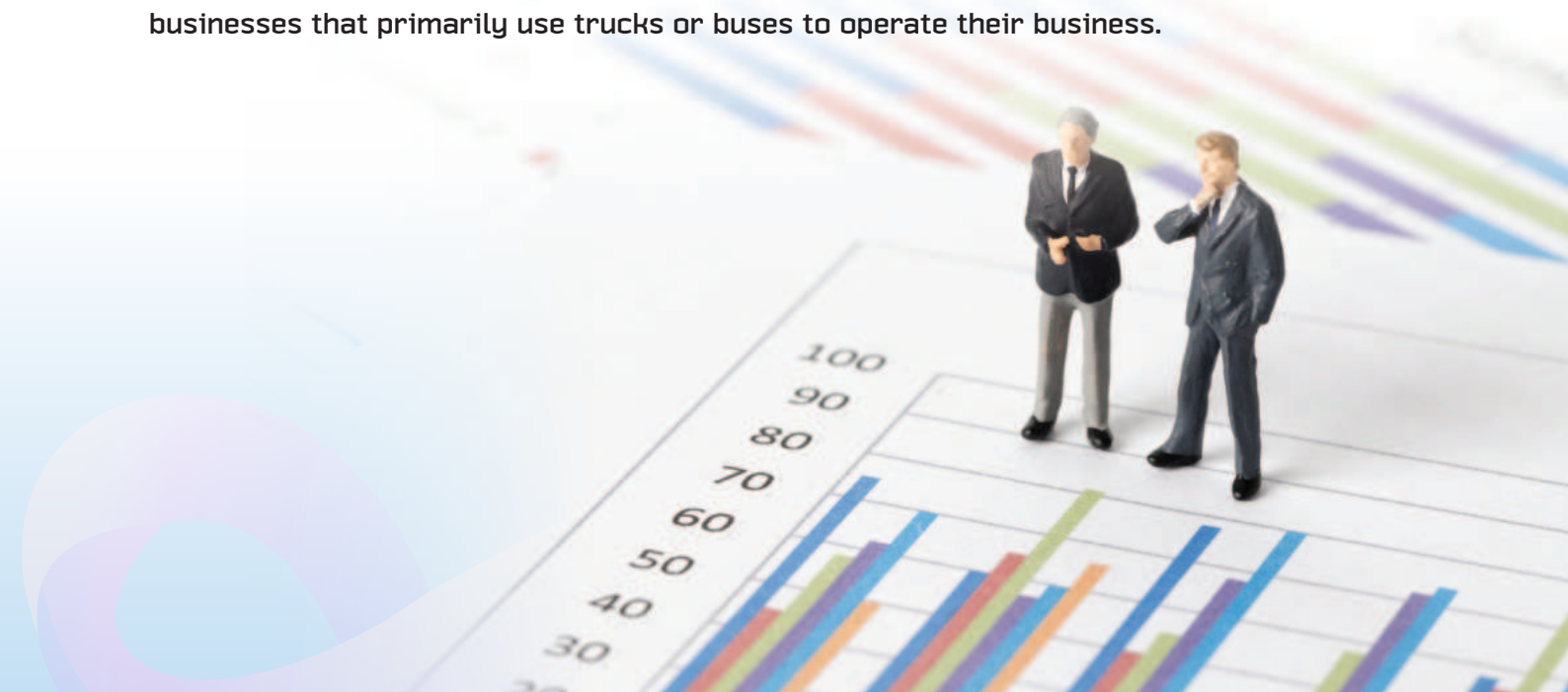
- 3.1 Domestic shipping insurance

**4. Miscellaneous Insurance**

- 4.1 Health insurance.
- 4.2 Personal accident insurance.
- 4.3 Loan protection insurance.
- 4.4 Accident protection loan insurance.
- 4.5 Liability insurance for third parties.
- 4.6 Asset risk insurance.
- 4.7 Electrical appliance warranty extension insurance.
- 4.8 Carrier's liability insurance.

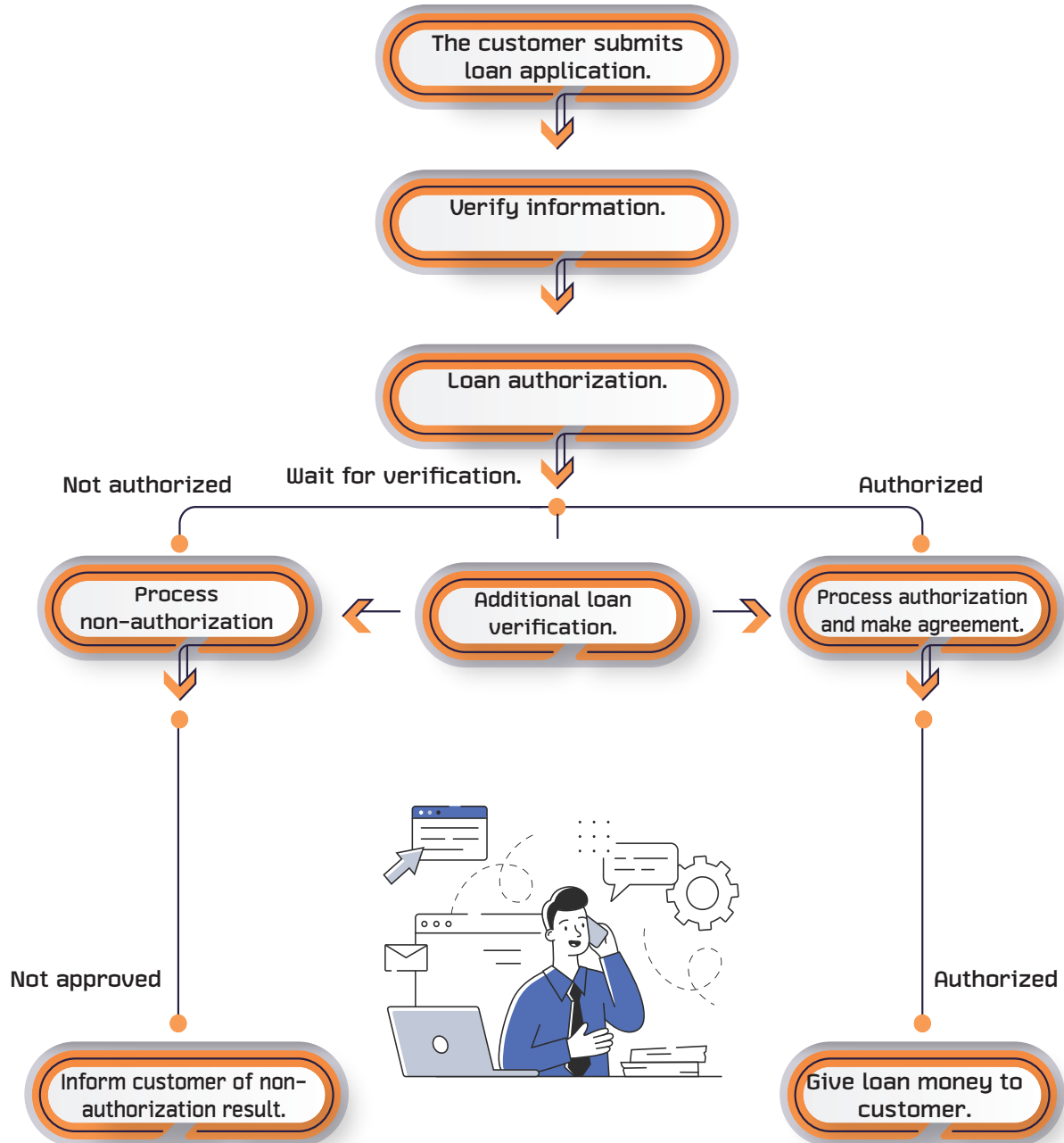
## Description of Customers and Target Customer Groups of the Loan Business

The existing customers and target customers of the company mostly consist of ordinary persons. The company prioritizes customers living in the same neighborhood or near to open service branches who have low to medium income regardless of whether their income is regular or irregular who might have difficulty in accessing sources of capital from commercial banks due to various limitations such as nature of occupation or income not meeting minimum bank requirements, etc. At the same time, the company also has other customers that are corporate customers in the logistics or tourism businesses that primarily use trucks or buses to operate their business.



## Work Procedures

### Loan Authorization Procedure



#### (1) The customer submits a loan application.

When a customer contacts the company to apply for a loan, the loan officer will provide to the customer information about the details and conditions of each type of loan along with the required documents to apply for loan.

#### (2) Verify information.

**Customer information (existing customer)** The loan officer will scan the customer's identification card to confirm or update information on the customer's name, address, workplace, telephone number and occupation.

**Customer Information (new customer)** The loan officer will scan the national identification card (if the customer is a person) or record information according to the company certificate (if the customer is a company) of the company and pin the customer's address in the company's system before issuing an identification code to the customer.

**Guarantee** The loan officer will verify the assets used by the customer as security by examining ownership documents such as photographs of the security, vehicle registration, land title deed, etc.

### (3) Loan Analysis

After receiving the documents to accompany the loan application such as the copy of the national identification card, copy of the house registration, company certificate (if a company), proof of income, vehicle registration, etc. the central loan officer will verify the accuracy of the documents and existence of the security and then assess the loan amount that can be given to the customer. Consideration will be based on the loan-to-value ratio (LTV ratio), which is considered based on multiple factors such as customer grade, condition and age of the security, etc. Accordingly, the company specifies the maximum loan amount that can be given to each customer (limit check) by controlling both the number of contracts per debtor and evaluating the debt burden of the customer relative to the customer's net income.

### (4) Loan

After learning about the loan amount that has been approved by the analysis of the central staff, an authorized person will judge the repayment capabilities of each customer before authorizing the loan according to his or her power to grant authorization. In cases where the customer has fully prepared all documents, the company will give authorization on the same day of submission.

#### Showing Important Authorization Powers Related to Loan Authorization

Important Authorization Powers	Board of Directors	Executive Committee	Managing Director	Deputy Managing Director	Assistant Managing Director	Director	Department Manager	Branch Manager (Area Manager)
Loan amount authorization in every category (per agreement)	–	> 10 million baht	≤ 10 million baht	≤ 5 million baht	≤ 2 million baht	≤ 1.5 million baht	≤ 1 million baht	≤ 0.3 million baht
Loan limit authorization per customer per time	> 50 million baht	≤ 50 million baht	≤ 30 million baht	≤ 10 million baht	≤ 5 million baht	≤ 4 million baht	≤ 3 million baht	–
Interest reduction authorization to below announcement levels (per agreement)	–	> 0.3%	≤ 0.3%	≤ 0.2%	≤ 0.1%	–	–	–

#### **(5) Additional Loan Verification**

If an authorized person has any questions about the customer's information or security, the transaction will be sent to the loan verification staff to perform additional customer information verification, such as on the customer's workplace and actual living conditions, including inspection of the security, etc. before preparing loan review documents. However, if the authorized person does not approve of the transaction, the authorized person will have the choice to refuse to authorize the transaction and inform the customer of the results.

#### **(6) Authorization Notification and Agreement-Making**

If the authorized person approves of the transaction and has authorized the loan in the system, the loan officer will notify the customer and prepare a loan agreement for it to be made with and signed by the customer.

### **Procedure for Delivering Loans to Customers**

Once a customer's loan is authorized and a loan agreement is made, the company will pay the customer on a working day same. The customer can choose to receive loan monies between 2 channels as follows:

#### **(1) Receive the loan in cash (for main branches only).**

After a loan officer authorizes loan payment to a customer, the loan officer can pay the loan to the customer in cash if the loan officer belongs to a main branch. However, the amount must not exceed 100,000 baht.

#### **(2) Receive the loan by bank account transfer.**

- For transferring funds into the customer's bank account: the head office financial will transfer funds into the customer's bank account according to the information the customer provided on the agreement making date.
- For transferring funds into an account belonging to another person in cases where the customer does not have a bank account: the customer must notify of their wishes with the company and make a power of attorney to receive a loan and attach a copy of the national identification card and a copy of the bank book of the person into whose account the customer wants the company to transfer, both of which are to be signed and certified.

### **Procedure for Receiving Installment Payments from the Customer**

The company provides an SMS notification service for every customer, Along with an invoice link attached with each notification stating the payment reference number, payment due date and the installment amount that the customer has to pay each month and other expenses (if any) The company sends notifications by about 5 days in advance of each due date, and the company currently has 3 channels for customers to make payment.

(1) Payments can be made at the counter of any company branch.

(2) Payment can be made by 3 commercial banks, namely, Bangkok Bank, Kasikorn Bank and Siam Commercial Bank via bank counters, ATMs and mobile banking.

(3) Payment can be made at the payment service points inside Tesco Lotus's department stores.

After the company receives payment, a receipt will be issued along with an SMS to confirm the payment receipt date and the outstanding amount to the customer in 3 business days.

### Debt Collection Procedure

For the collection of overdue debts, the company has a debt collection department to oversee the collection of debt from debtors. Accordingly, the debt collection staff will handle debtors according to an assigned list, which is revised monthly to ensure that no staff member oversees the same debtor consecutively over an extended period of time, which might lead to corruption. While collecting debts, every member of the debt collection staff will carry a unique identification card for identifying themselves every time they work in the field to confirm that they are company personnel and work according to the debt collection requirements stipulated by the Debt Collection Act, B.E. 2558 (2015). Then, after the personnel successfully collect money or seize security, they will be required to deliver said money or security to the company on a business day. Accordingly, the debt collection process can be divided by debtor type as follows:

Debtor's Age	Debt Collection Process
Normal debtors.	<ul style="list-style-type: none"> <li>SMS notification is sent 5 days before each payment due date.</li> </ul>
Debtors with payment due for no more than 30 days (no more than 1 installment).	<ul style="list-style-type: none"> <li>SMS notification is sent 5 days before each payment due date.</li> <li>Call center staff is assigned to make calls to follow-up on additional installment payments.</li> </ul>
Debtors with payment due for 31-180 days (from 1-6 Installments).	<ul style="list-style-type: none"> <li>SMS notification is sent 5 days before each payment due date.</li> <li>The company's field collection staff is assigned for follow-ups.</li> <li>Inquiry letters and agreement termination letters are sent according to company policy.</li> </ul>
Debtors with payment due for 181 days (more than 6 installments) or bad debts.	<ul style="list-style-type: none"> <li>SMS notification is sent 5 days before each payment due date.</li> <li>Debt collection is outsourced to third parties.</li> </ul>
Lawsuits by debtors.	<ul style="list-style-type: none"> <li>File legal complaint documents to litigate the case according to company policy.</li> </ul>



When customers default on a payment installment, the company has a rule to issue an inquiry letter and an agreement termination letter by business type as shown in the table below:

Letter Type	Hire Purchase Business	Loan Business
Inquiry letter	Overdue for 30 days or more	30 days of default or more
Agreement termination letter	Overdue for 60 days or more	60 days of default or more

### Security Seizure Procedure

When a debtor defaults and has 6 or more installments of outstanding payments, the company will assign an outsourced agent (or “OA”) to follow up on the debt and to seize the security. During this process, the OA must clearly identify himself or herself to the customer before asset seizure such as by presenting an identification card and power of attorney letter issued by the company that authorizes asset seizure.

As part of the asset seizure process, the OA will only be able to take the aforementioned actions after having negotiated with the customer to the utmost for debt repayment and the customer is unable to repay the debt as agreed upon. Only then will the OA seize the security assets as appropriate and in line with the company’s policy. After seizing the security, the OA will instruct the customer to sign their name as evidence before the security assets are placed in the product warehouse on the date of asset seizure, in the event that the security is an automobile, and within 3 days if the security is a motorcycle or electrical appliance.

### Seized Asset Disposal Procedure

After seizing security, the company will inspect the condition of the security before recording the intake of the security into the central warehouse. Security in the form of motorcycles and cars are placed in the Klaeng branch warehouse. Then the seized assets are entered into the disposal process (in total requiring about 15 days on average).

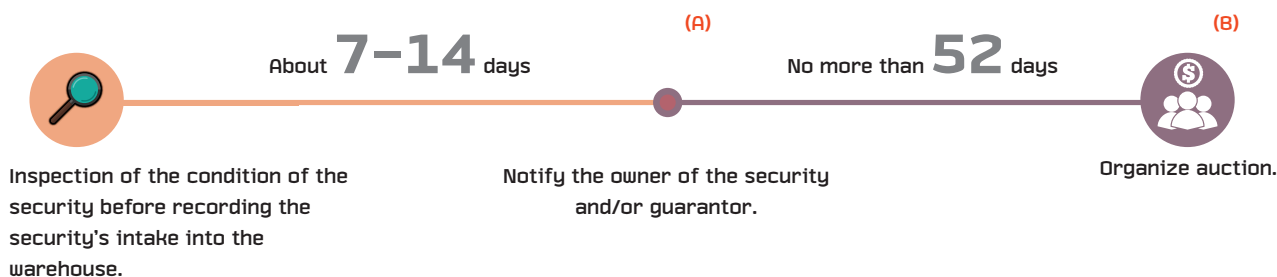
There are 2 types disposals of seized assets as follows:

**1. Security in the form of electrical appliances** is sold through the main branches and express branches that sell such types of electrical appliances. The appliances are sold by placing them for sale in front of the branches, so they can be sold immediately after security asset seizure and inspection.

**2. Security in the form of cars and motorcycles** is sold through auction after seizure. Auctions are organized by the company, and sales of the seized assets are done through other auction companies according to the following details:

### (1) Disposal of Security via Company Auctions

The company sells security through auctions it organizes itself. The company is licensed to organize sales by auction by the local authorities, whether for motorcycles or cars. Before each auction, the company has a guideline for providing information to all parties involved as follows:



(A) The company issues a notification to inform the borrower and guarantor by giving them the right to buy back the asset they used as security or to pay the outstanding debt. This is divided by agreement and security type as follows:

**In the case of disposing of collateral from motorcycles** hire-purchase contracts, the Company will send a letter granting rights to Hire Purchase and Guarantor Pay the outstanding debt within 7 days (the letter will state the amount to be paid If the debtor wishes to buy the property back) so that the hire purchaser and the guarantor exercise the right to buy it back within 30 days. If the period is over, the hire purchaser and the guarantor will not receive the right to buy back the collateral assets. (The letter will specify the price, place, date, time, and bidder to the customer) with a total period of 22 days for both the hirer and the guarantor. will continue to dispose of assets (total of 52 day) sale as for the one issued to the borrower. If the guarantor forfeits the right to buy back the security or does not reply to the aforementioned letter (which constitutes a forfeiture of rights), the company's personnel will take further actions to sell the asset (22 days total).

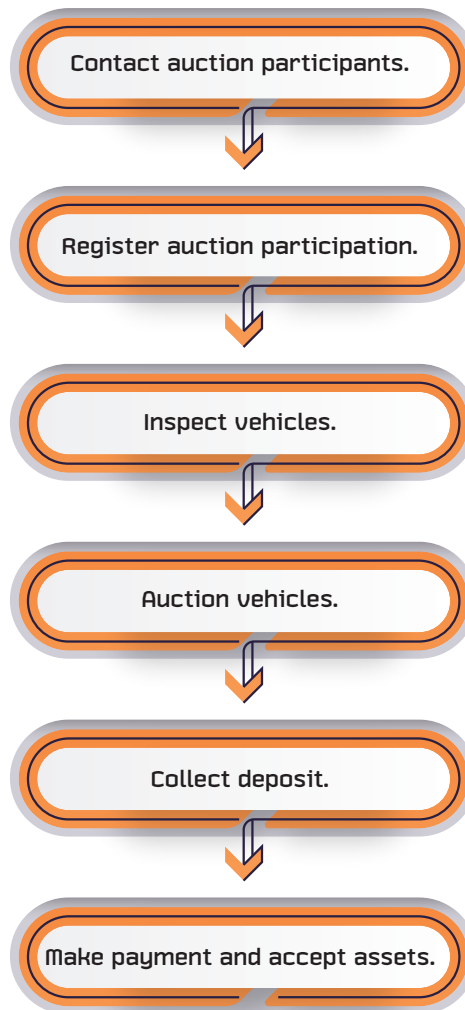
**In the case of disposing of collateral from a car loan agreement and motorcycles** the company will send a letter informing the date of sale of the property to the borrower and the guarantor at the same time before the auction date. not less than 14 After that, the company's staff Will proceed to continue disposing of assets

(B) The company will prepare to enter the aforementioned assets to enter the sales process. The product auction method is described in the next section.

### The Auction Process

The company organizes auctions regularly by once per month at the Klaeng branch warehouse, where motorcycle auctions are held on days 10–20 of each month, and car auctions are held on days 15–25 of each month.

The vehicle auction process can be described as follows:



#### (1) Contact auction participants.

The company publicizes through the main branch and the website [www.set.or.th](http://www.set.or.th), specifying details of the date, time, place and details of the assets that the company will put into the preliminary auction of assets.

#### (2) Register auction participation.

On the date of the auction, auction participants must register to take part in the auction by using verification documents such as copy of national identification card or copy of juristic person registration certificate. After registering to take part in the auction, auction participants will receive a description of the vehicles and auction rules. For motorcycles, the company will hold open-envelop auctions by dividing them into lots. Each lot will be made up of 7–10 vehicles, and for cars, the company will auction them off one at a time by the paddle-raising method.

### **(3) Inspect vehicles before auctions.**

After registering auction participation, the company will allot time to auction participants to inspect the conditions of auctioned vehicles for 60 minutes to accompany their decisions.

### **(4) Vehicle Auctions**

**Motorcycles:** Upon reaching the scheduled time, the company will instruct every bidder to state their desired purchase price for each lot in a piece of paper and to put it inside a box. Then the company's staff will unseal envelopes to declare the name and bid of every bidder. The highest bidder wins the bid.

**Cars:** Upon reaching the scheduled time, the company will instruct bidders to state their purchase intention by raising their bidding paddles for one vehicle at a time while charging a fee of 2,000 baht for each raise of a paddle. The highest bidder wins the bid, but in any case the company will first state the starting price of each vehicle.

### **(5) Collect deposit.**

**Motorcycle:** After concluding an auction, the company's staff will collect a deposit from the winning bidder by a minimum rate of 10% of the bid price, which must not be less than 3,000 baht, as the deposit for each lot. In doing so, the company's staff at the event will issue a temporary receipt to the winning bidder.

**Cars:** After concluding an auction, the company's staff will collect a deposit from the winning bidder by the amount of 5,000 baht per vehicle. The company's staff at the event can issue a temporary receipt to the winning bidder.

### **(6) Accept payment and deliver auctioned assets.**

After paying a deposit, the winning bidder has to pay the rest of the price within 7 days and before he or she can pick up the registration book on the auction date. The company's staff at the event will first issue a temporary receipt before the company will deliver the actual receipt to the bidder at a later date.



## (2) Disposal of Security through Other Vehicle Auction Companies

In each case where there are unauctioned vehicles, the company will first attempt to auction off these vehicles in subsequent rounds, and if they still cannot be auctioned off after that, the company will gather all remaining vehicles from the auctions and then employ a vehicle auction company to auction them. The vehicle auction company will pick up vehicles according to a list from the company, and, after successfully selling them, the auction company will send funds to the company within 7 days following the conclusion of auctions/ sales. If after 3 months the company is still unable to close sales, the company will instruct the auction company to return the vehicles. Currently, the company uses the services of 2 vehicle auction companies.

## Sources of Capital

The company has 2 sources of capital used in issuing secured loans. These are financial institute loans and shareholders' equity (registered capital and cashflow from operating activities). The proportions of capital sources each year are shown in the following table:

Sources of Capital	2021		2022		2023	
	million THB	%	million THB	%	million THB	%
Commercial bank loans						
– Promissory notes	1,176.66	56.11	1,428.24	48.10	1,275.78	46.84
– Long-term loans	406.46	19.38	430.12	14.48	320.20	11.76
Total loans	1,583.12	75.49	1,858.36	62.58	1,595.98	58.60
Shareholders' equity	513.95	24.51	1,111.35	37.42	1,127.63	41.40
Grand Total	2,097.07	100.00	2,969.71	100.00	2,723.61	100.00

From years 2021 to 2023, the company largely sourced its capital from commercial bank loans, making up 75.49%, 62.58% and 58.60% of the company's total capital sources, respectively. As of 31 December 2023, the company commercial bank borrowings from 3 banks (excluding guarantee letters and forward contract circulating capital to support IRS transactions) totaled approximately 2,325 million baht, of which approximately 1,595.98 million baht has already been spent, bank overdraft and short-term credit facilities from financial institutions, that have not yet been drawn down amounting to 449.22 million baht

### Expected Credit Losses and Elimination of Write-off Debts

The company has a policy to specify the expected credit losses of debtors according to hire purchase agreements and loan agreements based on the 9th Thai Financial Reporting Standards, which perceive depreciation according to the expected credit loss model. The company recognizes allowance for expected credit losses for hire purchase agreement debtors and loan debtors by relying on the general approach. The value of said allowance must be measured based on an amount that matches the expected credit losses within the next 12 months, except in cases where credit risks significantly increase after initial transaction recognition and cases where financial assets depreciate, in which cases the depreciation value must be measured by an amount matching the expected credit losses throughout the entire age of the financial instruments in question. The company also has an additional management overlay to cushion against some risks that might arise.

### Write-off

The company has set the criteria for writing off bad debts of receivables under hire-purchase contracts and contracts Loans as follows:

- Hire-purchase receivables must be overdue for 6 months.
- Loan contract receivables must be overdue for 13 months.
- In the case of the debtor's death, disappearance, or evidence of disappearance and no assets will be able to pay the debt able to write off bad debts immediately

In addition to the aforementioned bad debt write-off criteria the company would like to criteria for write-off in special cases Types of hire-purchase contracts and contracts loan according to the following details

- Hire-purchase receivables Overdue less than 6 months
- Debtor Loan Agreement Overdue less than 13 months Either there

Either there must be follow-up and demand as appropriate with clear evidence of follow-up and has already terminated the contract but did not receive payment The consideration is by the Company's approval authority policy.

In case that the amount of debt is less than or equal to 500,000 baht, it must be approved by the executive level of the agency's department.

Aside from the aforementioned criteria for eliminating bad debts, the company reserves the right to set requirements for deleting bad debts in special cases for the loan agreement category as follows:

(1) The debt must be from operating business or due to operating business or be debt that is included as income in the net profit calculations, without including debt of debtors who are or were directors or managing partners, regardless of whether the debt occurred before or while said persons are or were directors or managing partners.

(2) The debt must not be expired according to the statute of limitations, and explicit evidence must be available to permit litigation of the debtor.

(3) In the event that the debt of each debtor has a value exceeding 2,000,000 baht, the bad debt to be disposed from the debtor's account must have the characteristics described in Clauses (1) and (2), and one of the following actions have to be taken:

(3.1) Inquiries had already been made for debt repayment to take place as deemed fitting, with clear evidence of debt inquiries, without debt repayment taking place, by which it appears that

(3.1.1) the debtor has died or become a missing person, or evidence exists to suggest that the debtor has gone missing and no assets are available for debt repayment; or

(3.1.2) the debtor's business is discontinued, and debts belonging to other creditors with superior preferential rights over the debtor's assets exceed the value of the debtor's assets.

(3.2) Attempts had already been made to litigate the debtor in a civil case, or a motion had already been filed to average the debt in a case in which the debtor was subjected to a civil lawsuit by other creditors and a court's legal execution order had already been issued with a report that the first legal execution of the legal execution officials showing that legal execution has taken place but that the debtor had no assets available for debt repayment.

(3.3) Actions had already been taken to litigate the debtor in a bankruptcy case or a motion had already been filed to request for debt repayment in a bankruptcy case filed by other creditors against the debtor or in a case in which the liquidator requested for the court to rule the debtor as bankrupted with debt settlement with the debtor, for which the court already issued a ruling in favor of the debt settlement or the debtor was subjected by a court order to be declared bankrupt with the debtor's assets divided in the first time or the court already issued a ruling to close the case.

(4) In cases where the debt of each debtor does not exceed 2,000,000 baht, for the bad debt to be disposed from the debtors' account, in addition to needing to have the characteristics in (1) and (2), one of the following actions must also be completed:

(4.1) The actions in Clauses (3.1), (3.1.1) and (3.1.2) were already completed.

(4.2) A civil case was already filed against the debtor, and the court issued a ruling to accept the case complaint, or a request was filed to average the debt in a civil case against the debtor that was filed by other creditors and the court already issued a ruling to accept the request.



(4.3) A case complaint was already filed against the debtor in a bankruptcy court and the court issued a ruling to accept the case complaint, or a liquidator in a case requested the court to rule the debtor as bankrupt and the court already issued a ruling to accept the case complaint, or a motion was filed to request for debt repayment in a bankruptcy case filed by other creditors against the debtor, and receivership officials or the court, depending on the case, issued a ruling to accept the motion requesting for debt repayment.

For the cases in (4.2) or (4.3), in cases where a director or managing partner of a company or juristic partnership is a creditor, an order must have been issued to authorize the disposal of the debt as bad debt from the debtors' account within 30 days from the end of the given accounting period.

(5) In the event that the debt of each debtor not exceed 200,000 baht and there are characteristics according to Clauses(1) and (2), the disposal of the debt from the debtors' account is permissible without completing the required actions in Clause (3) or Clause (4) if evidence is available to show that appropriate debt repayment inquiries had already been made without debt repayment taking place and that, if legal complaints were to be filed against the debtor, the expenses involved would not be worth the debt repayment.

(6) For debt belonging to any debtor for whom actions had already been taken according to the criteria, procedures and conditions specified in the ministerial regulation in full in any accounting period, the debt is to be disposed as bad debt from the debtors' account and be classified as an expense in the accounting period in question, except for the cases in Clauses (4.2) and (4.3), which are to be counted as expenses in the accounting period in which the court received the complaint or request for averaging the debt or the receivership officials or the court issued an order to accept the request for debt repayment.

(7) In the authorization of disposal of bad debts from the debtors' account in the 2nd paragraph of Clause (4), which was amended by the ministerial regulation, for actions taking place within the accounting period starting on or after 1 January 2020 but without exceeding 31 December 2020, the directors or managing partners of the company or juristic partnerships who are the creditors are to issue an order authorizing disposal of the debt as a bad debt from the debtors' account within 60 days from the end of the accounting period or within 60 days from the date of publication of this ministerial regulation in the Royal Thai Government Gazette, depending on whichever date is later, and from the accounting period starting on or after 1 January 2021 an onward, the directors or managing partners of the company or juristic partnership are to take actions according to the 2nd paragraph of Clause (5), which was amended by this ministerial regulation.

## Innovations Business

Guidelines for bringing digital lending to develop online lending services at present, it has been found that credit services have started to tend to provide services through various platforms that include Web Service, Mobile Applications, and many other channels for providing services, such as Bank and Non-Bank financial institutions, which the Company It is one of the non-Bank companies that provide mortgage loan services. and provides installment loan services for electrical appliances and probably will not deny the approach that can be used to develop services in the future that there must be a development plan in the way of digital lending for sure because the company believes that in the next 3-5 years, customers who come to use Loan services with the company will come from the digital lending continues to increase.

As follows, the company has a system development plan that will focus on providing fast service.

- Along with selecting products that are appropriate to the customer's qualifications. It will use the information on various aspects of the customer, such as professional qualifications. residential properties Features of the credit bureau income features and qualifications regarding various debt obligations, etc.
- Implementing a technology called Simplify products as the core system in selecting products that are suitable for customers' qualifications to consider appropriate credit amounts. It is also used to consider the qualifications of risky customers to provide the appropriate credit amount for that customer by using artificial intelligence technology to help verify their identity. and inspecting documents used in connection with applying for a loan This part will help reduce the work process. It also helps to verify the identity of the customer against various documents. that customers bring to apply for credit with the company.
- Credit Scoring for considering credit to suit different qualifications. of customers by analyzing data (Data Analytics) to connect from the existing customer database that the company already must predict new customers who will apply for credit from Credit Scoring by setting the appropriate credit limit. To customers by using the Simplify Products system, including the development of tracking receivables arising from the company's accounts receivable report. The analysis of debtor behavior data will be developed by using Data Analytics to analyze different debt classes. to manage debt appropriately It increases the efficiency of debt collection.

The company places great importance on investment in information technology because taking advantage of the use of digital technology can help change existing processes to be the most efficient for the company. Both believe that investment in this area will bring differences from other service providers in the same business.

In addition, investments also create advantages in terms of bringing data to analyze demographic changes, consumer behavior and economic aspects that will occur in this type of industry. Including reducing work procedures to be able to compete with other operators. Changes from using documents in various processes in the lending business. Hire-purchase insurance brokers in the coming future can change in the direction of using digital technology to replace, which the company predicts that within the next 10 years, the competition will increase. And the proportion of customers in the loan service business has increased another 50% from digital technology channels. therefore, focusing on investing heavily in this field to develop various processes to be on the digital platforms to be used for the benefit of doing business to compete in this industry as well and with maximum efficiency.

## **(2) Marketing and Competition**

### **(A) Overall State of the Thai Economy**

Overall, the Thai economy in 2023 grew less than expected. The first 9 months grew only 1.9%, with exports still slowing in line with major economies, especially China. Production of industrial goods continued to shrink and production slowed to replenish. Inventory In addition, revenue from foreign tourists was lower than expected. There will be approximately 28 million foreign tourists instead of approximately 30 million. Per capita spending will drop to just 430,000 baht from the previous estimate of 455,000 baht.

The Thai economy in 2024 is likely to expand at 2.8–3.3%. There is a risk that the Thai economy will grow less than 3%, which is its potential level for the 6th year in a row, in the face of a slowing global economy, and domestic fragility factors such as household debt Debt of the business sector, especially SMEs, including the impact on access to credit in the system from the introduction of the BoT's responsible lending measures. Emphasis is on discipline, not creating more debt than you can afford. Including returning to normal debt quality classification after the COVID-19 era. In addition, there are challenges from the country's declining growth potential. Adapting to changes in the world to maintain competitiveness Both technology Increase labor productivity to face the transition into an aging society, and moving towards a low carbon society. Positive factors for 2024 include the recovery of the tourism sector. It is expected that there will be 33 million tourists, or an additional 5 million from 2023. If the digital wallet top-up policy can be implemented to the full extent of 500 billion baht, it is estimated that it will help increase GDP growth by at least 1. –1.5%

- In 2024, there are many variable factors that affect the economy. Thailand needs to focus on restructuring the economy to create competitiveness, focusing on accelerating FTA negotiations, attracting investment in the decoupling era, taking care of energy prices along with creating stability to create a balance. and manpower preparation Including attracting highly skilled foreign workers. In addition, the problem of fragility problems in the country must be accelerated. In particular, household debt found that bad debts (NPL) in the commercial banking system continued to increase from 2.68% as of Q1/2023 to 2.79% as of Q3/2023 from all products and car loans in stage 2 were about 15% high. In addition, Informal debt is a continuing problem due to the presence of a large informal economy. From the registration data for solving informal debt problems as of December 5, 2023, there were 62,030 people who registered, with a total debt amount of 2,793.29 million baht.

Economic projection framework for 2023-2024 of the FTI.

% YoY	Year 2023 (as of Oct. 2023)	Year 2023 (as of Nov. '23)	Year 2023 (as of Dec. 2023)	Year 2024 (as of Jan. 2023)
GDP	2.5 to 3.0	2.5 to 3.0	2.5 to 3.0	2.8 to 3.3
export	-2.0 to -0.5	-2.0 to -1.0	-2.0 to -1.0	2.0 to -3.0
inflation	1.7 to 2.2	1.7 to 2.2	1.3 to 1.7	1.7 to 2.2

Source: Joint Committee of 3 Private Sector Institutions (CPF)

### Regulated Personal Loans

Graph Showing Outstanding Regulated Personal Loans at End of Year for 2019-2023

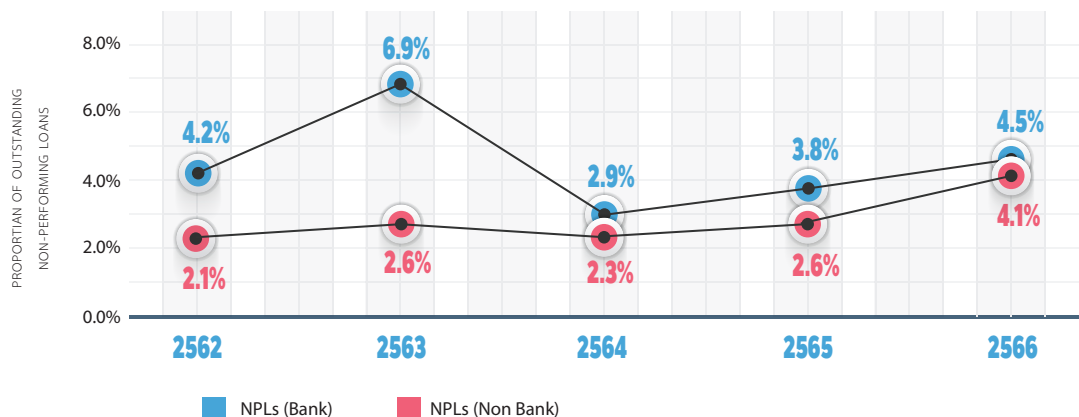
(Unit: Million THB)



Source: Bank of Thailand year 2023

The above information, it shows the outstanding balance of personal loans under supervision from 2019–2023, both of financial institutions (Bank) and non-financial institutions (Non-bank). continued to increase from 579,911 million baht to 842,175 million baht, representing a compound Annual Growth Rate (CAGR) to 7.75%. This increase largely occurred from non-bank regulated loans.

Graph showing the proportion of non-performing loans (NPLs) of personal loans under supervision at the end of year 2019 to 2023.

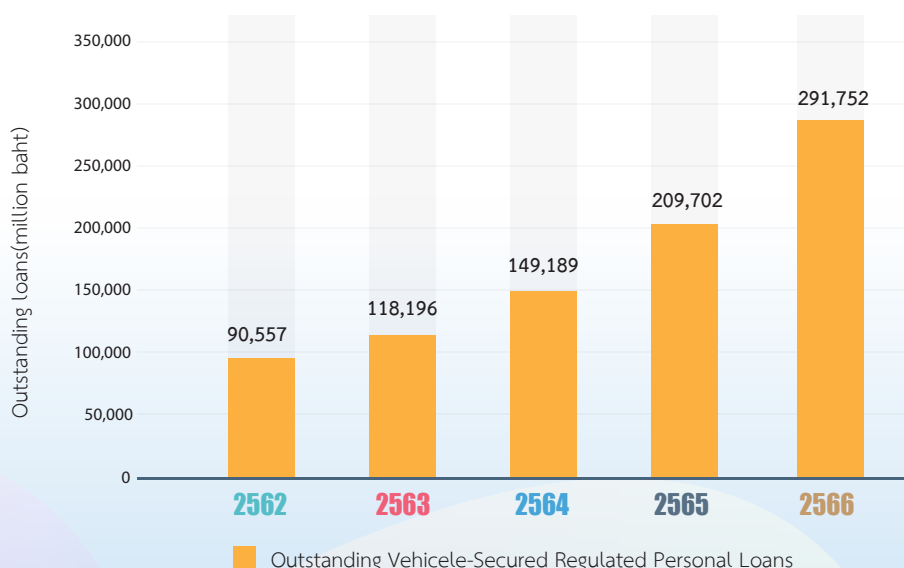


Source: Bank of Thailand year 2023

The above information shows that the proportion of non-performing loans of personal loans under supervision from years 2019 to 2023 was such that the proportion of NPLs of the bank category ranged from 2.9 % to 6.9 % and the proportion of NPLs of the non-bank category ranged from 2.1 % to 4.1%. This shows that non-bank NPLs were significantly lower than bank NPLs.

### Car Title Loans (Non-Bank)

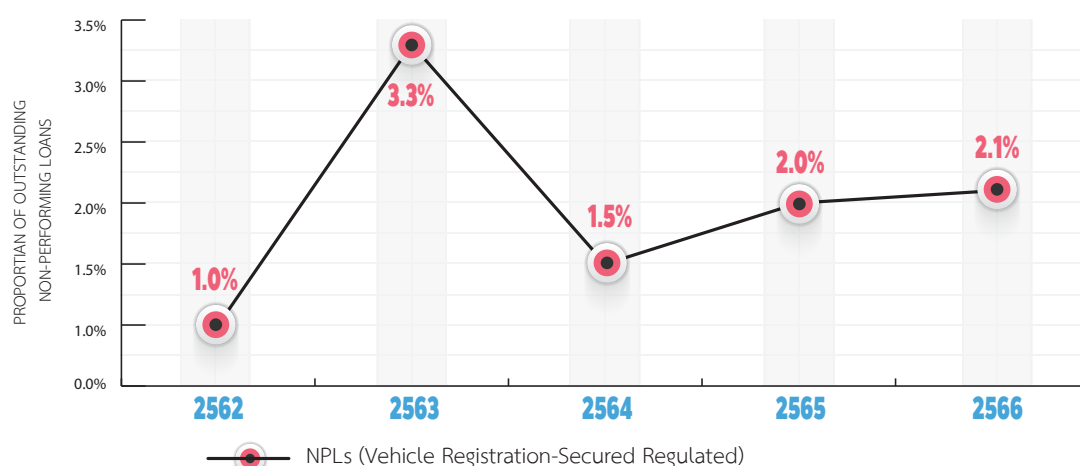
Graph showing the car title loans under supervision (non-bank) at the end of year 2019 to 2023. (Unit: Million baht).



Source: Bank of Thailand

The above information shows the outstanding car title loans under supervision (non-bank) for years 2019 to 2023. It shows that the outstanding loan increased continuously from 90,557 million baht to 291,752 million baht (a compound Annual Growth Rate (CAGR) to 26.36%).

Graph Showing the proportion of non-performing loans of outstanding car title loans at the end of year 2019 to 2022. (Unit: Million baht).



Source: Bank of Thailand. Year 2023

The above information shows the proportion of non-performing loans of outstanding car title loans (non-bank) for years 2019 to 2022, with the NPLs ranging from 1.0% to 3.33%.

An important factor that creates opportunities for growth in car title loans is increased total number of cars registered that are in use in the country. Accordingly, statistics from the Department of Land Transport can be distributed as follows:

Table Showing the Cumulative Number of Registered Vehicles in Thailand

Vehicle Type		2019	2020	2021	2022	2023
Motorcycle	Vehicles	21,403,678	21,567,486	21,843,842	22,281,329	22,703,746
	%	52.57	52.01	51.62	51.35	51.18
Cars	Vehicles	17,281,445	17,850,860	18,373,720	18,969,171	19,481,784
	%	42.45	43.04	43.42	43.71	43.91
Trucks and Large Passenger Vehicles	Vehicles	1,315,303	1,325,977	1,342,722	1,358,971	1,376,939
	%	3.23	3.20	3.17	3.13	3.10
Agricultural Vehicles	Vehicles	669,392	683,865	709,681	740,077	756,947
	%	1.64	1.65	1.68	1.71	1.71
Other Vehicles	Vehicles	42,230	43,157	44,003	44,556	44,559
	%	0.10	0.10	0.10	0.10	0.10
Total		40,712,048	41,471,345	42,313,968	43,394,104	44,363,975

Source: Department of Land Transport year 2023



from the table above It is found that the cumulative number of registered cars throughout Thailand during 2019 – 2023 increased steadily, from 40.71 million cars in 2019 to 44.36 million cars in 2023, representing a CAGR of 1.73%, which if considering the proportion according to the type of registered vehicles nationwide in 2023, it was found that motorcycles had the highest proportion. which accounted for 51.18% of registered cars accumulated followed by cars accounted for 43.91% of registered cars accumulated and the rest (Large trucks and buses, agricultural vehicles and other types of cars) totaling 4.91% of registered cars

Table Showing the Cumulative Number of Registered Vehicles in the Eastern Region

Vehicle Type		2019	2020	2021	2022	2023
Motorcycles	Vehicles	2,372,077	2,385,303	2,415,565	2,486,349	2,558,646
	%	58.96	58.24	57.80	57.68	57.71
Cars	Vehicles	1,465,806	1,521,444	1,569,481	1,624,903	1,671,311
	%	36.44	37.15	37.55	37.70	37.70
Trucks and Large Passenger Vehicles	Vehicles	153,012	155,890	159,435	162,923	166,273
	%	3.80	3.81	3.81	3.78	3.75
Agricultural Vehicles	Vehicles	27,799	29,102	30,823	32,413	33,384
	%	0.69	0.71	0.74	0.75	0.75
Other Vehicles	Vehicles	4,214	4,161	4,111	4,060	3,980
	%	0.11	0.10	0.10	0.09	0.09
รวม		4,022,908	4,095,900	4,179,415	4,310,648	4,433,594

Source: Department of Land Transport 2023

The company's customers are people living or working in the Eastern Region, which, based on the cumulative total number of registered vehicles in the Eastern Region, represent about 10% of the cumulative total number of registered vehicles across Thailand. The growth trend in the Trend of growth in the number of cumulative registered vehicles This is in line with the overall picture of the number of accumulated registered cars throughout Thailand during 2019 – 2023. The number of accumulated registered cars in the Eastern region has continued to increase from 4.02 million cars in 2019 to 4.43 million cars in 2023, representing an average growth rate (CAGR). 1.96% per year

which if considering the proportion according to the type of registered cars accumulated in the eastern region in 2023, it was found the motorcycles had the highest proportion. which accounted for 57.71% of registered cars accumulated followed by cars accounted for 37.70% of registered cars accumulated and the rest (Large trucks and buses, agricultural vehicles and other types of vehicles) totaling 4.59% of registered vehicles which from the overview of the growth of the number of cars Especially in the eastern region, it shows an opportunity to expand the customer base in the company's target areas. In terms of loan products with vehicle registration as collateral, it is very good.

### Eastern Economic Corridor or EEC Development Plan

With the 20-year national strategies and policy vision for driving Thailand forward under Thailand 4.0, the Eastern Economic Corridor development plan was specified with focus aimed at 3 eastern provinces, namely, Chachoengsao, Chon Buri and Rayong. In total, the initial investment allotted for this project is as high as 1.06 trillion baht, and the initial stage of development prioritizes basic infrastructure and utility systems and seamless multi-model transport system and covering road, rail, water and air transport, along with related logistics systems to integrate key economies with neighboring countries. Accordingly, its major projects include the following:

- Phase 3 upgrade of Laem Chabang Port to accommodate more rail transportation.
- Phase 3 upgrade of Map Ta Phut Port to enhance capabilities in transporting liquid and gas products.
- Development of dual railway systems connecting 3 ports (Laem Chabang, Map Ta Phut and Chut Samet) to link them with industrial areas and enhance logistics for goods shipping.
- Development of roads, highways and motorways to extensively integrate industrial areas, tourist destinations and cities.
- Upgrade of U-Tapao Airport to support up to 60 million passengers, with the goal of having it serve as the third major airport in addition to Don Mueang Airport and Suvarnabhumi Airport.
- Development of a high-speed railway system that connects U-Tapao Airport to Suvarnabhumi Airport and Don Mueang Airport to connect Bangkok with the Eastern Region and promote growth and spread of urban prosperity, with long-term plans to connect Rayong, Chanthaburi and Trat with neighboring countries.



This EEC development plan will help enhance every sector on the national level, local development level in the special development zone, and especially on the provincial level, i.e., Chachoengsao, Chon Buri and Rayong will gain enormous benefits, such as an average gross domestic product growth over 20 years by up to 5.04% per year and EEC gross domestic product average growth rate of 6.30% per year, with 1.3 million more jobs created over a 20-year period, 2.5% average growth in employment rate per year, and 11.3% and 7.6% average increase in international and Thai tourists over 20 years, respectively.

### Regulated Personal Loan Business

From the above information, it is possible to conclude that the regulated personal loan businesses of non-financial institute businesses will experience sustained growth due to many factors such as increased stringency by financial institutes in issuing loans due to the impacts of high household debts, as a result of which non-financial institute businesses might gain some customers from among the existing customers of financial institutes, followed by a low level of bad debts to loans issued by non-financial institute loans and sustained increases in the cumulative number of registered vehicles. This shows that more of the company's primary target group will be able to use their vehicles as security when applying for loans. Moreover, the company's primary customers are people living in the Eastern Region, who are tied to the increases in employment in the EEC area, so the company will gain opportunities for expanding its customer base in the future.

### Domestic Electrical Appliance Retail Business

Table Showing the Figures for Domestic Sales of Electrical Appliances<sup>1</sup>

Electrical Appliance Type		2019	2020	2021	2022	2023
Fans	Units	8,096,795	8,072,227	8,839,193	8,195,516	8,381,479
Refrigerators	Units	1,881,606	1,981,507	1,924,620	1,824,174	1,592,712
Washing Machines	Units	1,665,214	1,538,722	1,657,597	1,462,754	1,413,101
Rice Cookers	Units	2,750,068	2,698,265	2,557,607	2,237,976	2,012,842
Air Conditioners	Units	4,117,786	4,128,540	3,908,712	4,177,874	4,463,073
Compressors	Units	5,098,927	4,284,221	4,633,258	4,958,901	4,257,024
<b>Total</b>	<b>Units</b>	<b>23,610,496</b>	<b>22,703,482</b>	<b>23,520,987</b>	<b>22,857,195</b>	<b>22,120,231</b>

Source: Office of Industrial Economics (OIE).

Remarks: <sup>1</sup> The data is available only for fans, refrigerators, washing machines, rice cookers, air conditioners and compressors, because the OIE collected data only on the electrical appliances manufactured in Thailand.

The table above shows the total sales of electrical appliances manufactured in Thailand Year 2019 – 2023, it will be found that during the year 2019 – 2023, the Staples of electrical appliances slightly decreased from 23.61 million units to 22.12 million units, representing an average reduction rate (CAGR) of 1.29%. The decrease was from fans, refrigerators, washing machines, rice cookers and compressors. Buy a small ratio This is in line with the purchasing power of the private sector which is pressured by the country's overall economy.

### Impacts of E-Commerce on Electrical Appliance Retail Businesses

Recently, e-commerce businesses have been playing an increasingly large role in today's economic system. A factor contributing to continuous development in the e-commerce sector is improvements in information communications technology (ICT), which led to rapid increases in the growing number of internet users worldwide. Furthermore, smart phones have become an essential component to the lives of practically every person today, and increased interconnectivity between countries and lower connection costs have all contributed to sustained growth in borderless international transactions.

In terms of impacts from e-commerce businesses on local businesses, the Bank of Thailand views that the arrival of e-commerce businesses is leading to the formation of new connected businesses in the supply chain of the trade sector, most of which are businesses with unique expertise that helps entrepreneurs sell products online more easily such as the following:

- (1) E-marketplace platforms, which function as online markets where vendors can use their space to sell products. E-marketplaces attract customers to make product purchases from their platforms.
- (2) Fulfillment businesses that provide warehouse or delivery services or that perform the function to "collect, pack and deliver."
- (3) Product price comparison website businesses.
- (4) Software development businesses for online store management.
- (5) E-payment businesses.
- (6) Affiliate marketing businesses for enabling online product sales.
- (7) E-commerce enabler businesses that offer one-stop service to online vendor businesses from website construction to product marketing, storage and delivery.

Growth in e-commerce businesses, especially in e-marketplace platforms has impacted Shopee and Lazada electrical appliance retail businesses. Although traditional storefront product purchases give customers the experience of being able to learn about the quality of their products and coming into contact with products, trying them out and receiving various product services and recommendations, which online channels can never replace, at a time when consumers prioritize convenience and speed, online product purchases naturally are suitable. Thus, bargaining power has shifted more toward the consumers' side through product and service purchases with primary consideration to prices, convenience and satisfaction. As a result of the increased intensity of competition in attracting customers in the trade sector and less attachment to product brands, along with the spread of Covid-19, the change in consumer behaviors has been accelerated toward greater use of e-commerce platforms. Consumers have been forced to familiarize themselves with and adapt to buying daily essentials and other products through online channels, due to lockdown and social distancing measures to reduce the spread of the disease. Thus, as purchasing products online has now become the daily habit of consumers, entrepreneurs must urgently adapt to engage in e-commerce in order to support consumer demand.

Thus, electrical appliance retail businesses will experience greater challenges from new entrepreneurs arriving to steal their market share via various e-marketplace channels and must adapt to changing consumer behaviors from offline product purchases toward more online purchases. Nevertheless, the sales figures for electrical appliances in the country are increasing with the resolution of the Covid-19 situation. Therefore, the domestic electrical appliance retail sector is improving. Moreover, with the company's customers residing in the Eastern Region, where the EEC development plan is being implemented, the increased employment and greater trend in favor of migration toward living in the Eastern Region will contribute to people living in this region gaining increased income, so all of the aforementioned factors can help the company sell more of its products.

## **(B) Competition**

### **1) Loan Business**

The loan business, especially vehicle-registration-secured loans, has been experiencing a fairly high rate of growth and competition, because secured loan products can be resold for cash more easily than other securities and offer a high rate of return. The entrepreneurs in this business can be divided into 2 groups as follows:

#### **Financial Institute Businesses (Banks)**

Most of the businesses in this group are financial institutes or are affiliated with financial institutes. Examples of businesses in this category include Krungsri Auto (Car4Cash), TISCO Bank (TISCO Auto Cash or Somwang Nguen Sang Dai), Thanachart Bank (Rot Laek Nguen or Cash Your Car), Kasikorn Bank (K-Car to Cash), Siam Commercial Bank (My Car My Cash) and Krung Thai Leasing (KTBL Car Convenience Cash), etc.

The businesses in this group have the advantage in terms of having a low financial cost, strong capital foundation and a large number of networked branches that help publicize and provide payment channels, which give convenience to and comfort to local customers. The customers of the businesses in this group are primarily oriented toward financial documents, secure occupations, fixed incomes and good financial backgrounds.

#### **Non-Financial Institute Businesses (non-Bank)**

The customers of the businesses in this group include customers with and without regular income and consist of people who are unable to access financial institute loans, due to not having clear financial evidence and lack of familiarity in conducting transactions with financial institutes. They include small businesses, factory employees, ordinary workers and ordinary farmers, etc. The loan considerations of this group of businesses are based primarily on the local customer database, security and debt repayment capabilities and may include actual local visits to verify customer information, with emphasis on expanding branches in community areas in order to establish ties with communities and community leaders and organize activities, advertisements and public

relations to build good relations with the local customers. However, the businesses in this group largely suffer from limitations in financing capabilities from having to borrow financial capital from other sources or banks.

In addition, competition among the businesses in this group is fairly high, due to the fact that loan products such as vehicle-secured loans, are secured loans with a high rate of return. Nevertheless, currently the government, whether through the Ministry of Finance or the Bank of Thailand, has come to regulate personal loan businesses more, and this includes secured loans, so new entrepreneurs looking to enter the business must obtain permission from the aforementioned agencies, thus creating a limitation for new entrepreneurs. That being said, the company is a non-bank business whose target customers reside primarily in the Eastern Region, so the company's competitors are businesses that expand their branches in the same area. A summary of the main competitors, whether registered or not registered in the Stock Exchange of Thailand, is provided as follows:

Item	The Company	Muang Thai Capital PCL. (MTC)	Srisawad Corporation PCL. (SAWAD)	Ngern Tid Lor PCL. (TIDLOR)	Heng Leasing & Capital PCL. (HENG)	Sak Siam Leasing PCL. (SAH)
Trademark						
Security Type						
- Cars	✓	✓	✓	✓	✓	✓
- Motorcycles	✓	✓	✓	✓	✓	-
- Agricultural vehicles	✓	✓	✓	✓	✓	✓
- Commercial vehicles	✓	✓	✓	✓	✓	✓
- Land and house	✓	✓	✓	-	✓	-
Number of branches as of 31 December 2023	98 branches	7,365 branches	5,500 branches	More than 1,600 branches	More than 600 branches	1,029 branches
Branch distribution (regions)	Eastern	All regions.	All regions.	All regions.	All regions.	Northern Region, Central Region, Northeastern Region and Western Region







## 2) Electrical Appliance Retail Business

The electrical appliance retail business has no limitations for new competitors, so new businesses can easily steal market share. As a result, the business is classified as a highly and intensely competitive. Whether it is rapid changes in consumer behaviors or advances in modern technology, new product sales channels created, such as online product trading through Lazada and Shopee. However, most of the customers of the electrical appliance retail business, especially for large and fairly expensive products, continue to want to test the effectiveness and inspect the quality of products directly to increase their confidence before making each purchase decision, and in responding to these customers, businesses have to develop brand loyalty among their customers, increase product diversity and open branches that cover the areas where target customers reside and offer post-sale services. Accordingly, businesses can be divided into 3 groups as follows:






### 1. Modern Trade Retailers

Most modern trade businesses sell a wide variety of products that are not specific only to a single type of electrical appliances. For electrical appliances, by being mass merchandise distributors, this group of businesses focus on selling products that are such as small to medium-sized electrical appliances, and they sell them for cash and credit card payments. The businesses in this group include the following:

Item	The Company (SM)	Ek-Chai Distribution System Co., Ltd.	Berli Jucker PCL. (BJC)	Home Products Center PCL. (HMPRO)
Trademark				
<b>Product Types</b>				
- Household electrical appliances	✓	✓	✓	✓
- Computers	✓	✓	✓	-
- Mobile phones	✓	✓	✓	✓
- Freezers	✓	-	-	-
- Other electronic devices	✓	✓	✓	✓
Number of branches/ department stores as of 31 December 2023	24 branches	Over 2,373 branches (over 426 hypermarket branches)	Over 1,810 branches (over 154 hypermarket branches)	Approximately 130 branches
Branch distribution/ department stores (regions)	Eastern Region	All regions.	All regions.	All regions.

## 2. Specialty Electrical Appliance Businesses

Entrepreneurs in this group focus on customers who want to purchase specialty electrical appliances. These electrical appliances are more diverse than those offered by modern trade businesses and examples may include freezers for businesses, etc., and they offer a wider range of electrical appliance brands, because some brands are not available in department stores, such as Mazuma, Skyworth and Media, among others. Furthermore, the businesses in this group prioritize customers who wish to pay by installment but are unable to access credit card payment services, with additional payment services provided through issuance of loans for electrical appliance hire purchases. Examples of entrepreneurs in this group include the following:

Item	The Company (SM)	Singer Thailand PCL. (SINGER)	Central Retail Corporation PCL. (CRC)	Siam Chai Service Co., Ltd.	The Best One Electric City Co., Ltd.
Trademark					
Product Types					
- Household electrical appliances	✓	✓	✓	✓	✓
- Computers	✓	-	✓	-	✓
- Mobile phones	✓	✓	✓	-	✓
- Freezers	✓	✓	✓	✓	✓
- Other electronic devices.	✓	✓	✓	✓	✓
Installment payment services	✓	✓	-	✓	✓
Number of branches/ department stores as of 31 December 2022	22 branches	300 store branches, Over 7,000 franchise	140 branches	640 branches	9 branches
Branch distribution/ department stores (regions)	Eastern Region	All regions.	All regions.	All regions.	Eastern Region



### 3. E-Commerce Electrical Appliance Businesses

The Covid-19 situation starting in 2019 was a major factor that pushed for the trading of products to take place on websites (e- marketplaces). As a result, e-commerce grew significantly, so electrical appliance trading businesses and ordinary electrical appliance stores and the sales representatives of major electrical appliance brands, along with the electrical appliance brand owners themselves began adding ways to sell their own products through the aforementioned channel such as on the Shopee and Lazada platforms. Currently, e-marketplace trading of electrical appliances has become significant and is claiming a greater share of the market from electrical appliance retail businesses.

#### Business Strategies

The company has specified business strategies for promoting the growth of the business and organization as follows:

##### **Focus on issuing occupations car loans.**

The company has a strategy to give greater focus to issuing loans to businesses, especially those in the land transportation sector, for occupations business operations such as for pickup trucks, buses, tour buses and large trucks (such as ten-wheeled trucks or more). This is because these businesses need capital to operate and expand business in order to generate income and successfully repay their loans. As a result, these businesses have a low likelihood of defaulting on their debts, which differ from personal consumer loans.

##### **Expand through express branches.**

The company has a strategy to expand its customer base to new areas by opening up new express branches that provide services in both sales of electrical appliances for cash and installments and one-stop loan services. Although these branches are smaller than main branches, they add flexibility in expanding branches in other areas and they target customers who want convenience, speed, simple procedures and the option to make fairly low installment payments. Accordingly, the company provides services with focus on providing services quickly and attentively from sales to offering convenience in making home deliveries for customers. In the future, the company plans to open new express branches to increase coverage over high-potential areas in the Eastern Region.

##### **Establishment of a relationship management agency to reach target customers.**

The company has established a relationship management agency (RM team) to work to find target customers or new customers by offering convenience to customers who are interested in the company's loans but who might have access limitations, whether in terms of time or living in places far away from the company's service branches. The RM team works to supervise, coordinate, provide information and provide knowledge and understanding about the company's loan products to these customers as well as to monitor application results, payments and accept suggestions and criticisms from customers to improve problems and the organization to more effectively and swiftly respond to

customers. Furthermore, the RM team also reaches out to high-potential and juristic person customers operating businesses that can use the company's services by offering services to the aforementioned customers.

**Focus on providing services as a non-life insurance broker and expanding the insurance customer base.**

The company has a strategy to focus on expanding services more as a non-life insurance broker, whether in loan insurance, life insurance or disaster insurance, for the service customers in 7 provinces. In being a broker for the aforementioned services, the company will generate increased revenues from insurance business activities as well as to expand the company's customer base in the loan business. Furthermore, the company supports the company's sales staff to all complete examinations to receive permits to become insurance brokers authorized by the Office of Insurance Commission (OIC), which is a way to develop the organization's personnel and to support every salesperson in having the ability to sell non-life insurance without losing business opportunities when they are contacted by interested customers.

**Regularly promote sales to clear out products.**

Rapid technological changes can cause house hold appliances, including computers and mobile phones to suffer from the risk of becoming outdated. As a result, the company has a work team for monitoring developments and trends in technologies and products in order to be able to sell and have in place guidelines for promoting sales on a regular basis to stimulate sales totals and manage inventory. Normally, sales promotion is organized in 2 ways as follows: (1) The company promotes sales regularly every month or every quarter to clear products that are slow to sell and to increase sales figures to meet set targets. (2) The company collaborates with product brand owners to create joint sales promotion programs to stimulate sales of new products and push out old products remaining in stock, such as in providing marketing financial assistance or offering 0% interest payment promotions, etc.

**Adding electrical appliance sales channels via e-commerce.**

From the growth in product sales via website (e-marketplaces), the company has begun to expand sales to include the aforementioned channel by using a strategy to sell only small electrical appliances that require no installation in order to give opportunities in reaching new customers and promoting brand awareness among customers

The company online channels to publicize product sales and organize various promotional programs via the company's website, Facebook and LINE account to allow consumers to receive news and promotions related to the company's products and services while also providing ways for interested persons to contact and inquire about company products and services. In any case, in order to buy company products and/or receive company services, it is necessary to do so at the company's service branches.

### **Brand Loyalty**

The company has strategy to maintain relations with existing customers continuously by creating sales promotion programs to create distinction between existing customers and new customers to impress existing customers. The company reviews this strategy regularly to ensure that existing customers consistently return for repeat services.

### **Screening loan quality.**

The company has clearly specified the criteria and guidelines for screening the quality of debtors to control loan quality. To begin with, the staff will explain each loan product type to the customer to allow the customer to develop understanding and appropriately use services according to their needs. As for the company's loan considerations, the company makes considerations based on the loan amount, security, occupation and address of the customer and the company considers the value of security as fair and appropriate. so, the company makes comparisons with common, generally-accepted prices and updates these common prices regularly. Additionally, for loan repayment capability considerations, the company makes considerations based on customer income along with job security to determine whether or not a customer has the capability to repay the loan that the customer wants or not. Moreover, in cases of repeat loan service by existing customers, the company will make additional considerations based on past debt repayment history. The company supports and encourages investment by existing customers with good payment history to expand the customer's business and provide sufficient circulating capital and liquidity for operating business or covering daily expenses. For loan authorization, the company has specified the scope of authorization powers to ensure that the loan consideration process is strictly verified and reviewed in order to prevent potential damage.

In any case, in the aforementioned loan consideration process there is insufficient information, the company will send loan checkers to verify the customer's identity, whether in terms of occupation, workplace, residence and income to ensure that the information provided is accurate and complete. Furthermore, the company has specified its target customers in order to prevent and reduce risk of occupational clustering.

### **Collect debts effectively.**

The company provides loan services to customers with monthly repayment specifications. After 5 days from the date of agreement making, every company customer will receive a welcome call to inquire about their service satisfaction, along with identity verification and a notification of the date of payment and payment channels.

At 5 days before the date of repayment, the company will issue an SMS notification to remind the customer and make another telephone call to inform the customer by 3 days ahead of the repayment date.

As for field debt collection operations, the company has a plan to manage and track down debts regularly and makes appropriate adjustments with periodic extensions to ensure consistency and to keep up with the current situation, with priority to maximum effectiveness. In addition, the company specifies debt collection plans appropriately to the outstanding status of debtors in each debt tier to avoid reserve allocation risks and bad debt risks.

For bad debts, the company hires an outsourcing agent with experience and expertise in debt collection to visit local areas and negotiate with debtors and uses legal processes to effectively minimize non-performing loans. In every process of debt collection, the company must strictly adhere to the law and the Debt Collection Act, B.E. (2015).

### Environmental Impacts

None.

## (3) Product and Service Procurement Procurement As described in

(1) Nature of Products and Services and Business Innovations.

## (4) Assets Used in Business

The main assets that the company uses in business consist of the following:

### 1) Right-of-use Assets

Types of Use Rights Assets	31 December 2022		31 December 2023		Ownership Rights	Obligations
	Amount	Net Book Value (Million THB)	Amount	Net Book Value (Million THB)		
Main office, parking lot and 3 business support branches. <sup>1</sup>	5 locations	9.38	5 locations	9.73	Lease rights	No obligations.
Main branch office buildings	16 branches	46.20	16 branches	44.91	Lease rights	No obligations.
Minor office branch office buildings	71 branches	18.79	71 branches	17.34	Lease rights	No obligations.
Express branches	8 branches	8.82	8 branches	5.29	Lease rights	No obligations.
Branch cars	16 cars	7.06	24 cars	9.02	Hire purchase	No obligations.
Data storage server	-	0.07	-	0.18	Lease rights	No obligations.
<b>Right-of-use Assets-Net</b>	<b>116</b>	<b>90.32</b>	<b>124</b>	<b>86.47</b>		

Remarks<sup>1</sup> : Business support branches include a new shipping warehouse branch, auction yard branch and registration center branch.



## 2) Hire Purchase receivables

As at 2021 – 2023 hire purchase receivables mostly have agreement terms ranging from 3 to 36 installments, with equal installment payments across all installments and fixed interest throughout the entire agreement age. The hire purchase receivables can be summarized as follows:

Item	Net Book Value as of 31 December 2021	Net Book Value as of 31 December 2022	Net Book Value as of 31 December 2023	Ownership Rights	Obligations
Hire Purchase receivables	199.95	302.04	254.24	Company	NO obligations.
Unearned income	(21.91)	(35.65)	(30.51)		
Less: Allowance for expected credit losses	(9.85)	(20.18)	(19.10)		
<b>Hire Purchase receivables – Net</b>	<b>168.19</b>	<b>246.21</b>	<b>204.63</b>		

As at 2021–2023 the company has hire purchase receivables from which income is no longer perceived valuing 5.19 million baht 18.58 million baht and 13.49 million baht respectively.

## 3) Loan receivables

As at 2021 – 2023 the loan receivables normally had an agreement duration of about 3–84 installments. (Accordingly, as assistance for debtors for Covid-19 impacts, the company has implemented a measure to partially extend the loan duration of some debtors in the project, with the highest duration at 144 installments). Loan receivables can be summarized as follows:

Item	Net Book Value as of 31 December 2021	Net Book Value as of 31 December 2022	Net Book Value as of 31 December 2023	Ownership Rights	Obligations
Loan receivables	1,871.26	2,137.42	2,434.24	Company	It is business collateral with a financial institution.
Less: Unearned income	(8.76)	(3.23)	(3.75)		
Add: Accrued interest	36.81	49.55	55.27		
Less: Allowance for expected credit losses	(119.08)	(112.40)	(124.31)		
<b>Loan receivables – Net</b>	<b>1,780.23</b>	<b>2,071.34</b>	<b>2,361.45</b>		

As at 2021 – 2023 the company's loan receivables with credit depreciation amounted to 65.93 million baht 80.23 million baht and 86.10 million baht respectively.

#### 4) Inventories

Item	Net Book Value as at 2021	Net Book Value as at 2022	Net Book Value as at 2023	Ownership Rights	Obligations
Electric appliance	85.08	97.02	89.07	Company	No obligations.
Mobile phone	8.56	7.07	13.86		
Computer	2.85	1.85	1.02		
Others <sup>1</sup>	0.37	0.92	0.90		
Reduce cost to net realisable value	(0.13)	(0.11)	(0.13)		
<b>Inventories-Net</b>	<b>96.73</b>	<b>106.75</b>	<b>104.72</b>		

Remarks: <sup>1</sup> includes gifts the company purchases to accompany sales promotion activities.

As at 2021 – 2023 the company's goods that have remained in inventory for more than 360 days amounted to 1.06 million baht 0.87 million baht and 3.03 million baht, respectively, with the allowance for impairment in inventories for more than 360 days amounting to 0.03 million baht, 0.07 million baht, 0.09 million baht, respectively.

#### 5) Assets foreclosed

Item	Net Book Value As at 2021	Net Book Value As at 2022	Net Book Value As at 2023	Ownership Rights	Obligations
Cars	20.79	22.24	29.20	Company	No obligations.
Land	10.34	10.34	10.34		
Motorcycles	0.59	0.43	0.83		
Electric appliance	0.82	1.67	0.75		
Other assets foreclosed	0.10	0.75	0.22		
Less: Allowance for impairment	(6.56)	(9.78)	(14.41)		
<b>Assets foreclosed – net</b>	<b>26.08</b>	<b>25.65</b>	<b>26.93</b>		

## Assets foreclosed Aging

Duration in Inventory	As at 2021		As at 2022		As at 2023	
	Cost Price (Million THB)	Allowance (Million THB)	Cost Price (Million THB)	Allowance (Million THB)	Cost Price (Million THB)	Allowance (Million THB)
1-90 days	14.16	(3.10)	6.08	(1.43)	12.52	(5.81)
91 - 180 days	0.63	(0.37)	3.84	(1.18)	2.75	(1.04)
181 - 360 days	14.74	(1.57)	7.10	(3.36)	5.72	(2.22)
more than 361 days	3.11	(1.52)	18.41	(3.81)	20.35	(5.34)
<b>Total</b>	<b>32.64</b>	<b>(6.56)</b>	<b>35.43</b>	<b>(9.78)</b>	<b>41.34</b>	<b>(14.41)</b>

## 6) Leasehold improvements and equipment


Item	Net Book Value As at 2021	Net Book Value As at 2022	Net Book Value As at 2023	Ownership Rights	Obligations
Leasehold improvements	40.69	41.97	44.53	Company	No obligations.
Office equipment	41.31	46.44	42.63		
Furniture and fixtures	45.63	48.74	43.72		
Motor Vehicles	26.34	27.03	25.28		
Assets under construction and installation	0	0.30	0		
Less: Accumulated depreciation	(92.12)	(109.43)	(113.10)		
<b>Leasehold improvements and equipment-Net</b>	<b>61.85</b>	<b>55.05</b>	<b>43.06</b>		

## 7) Intangible Assets

Item	Book Value as of 31 December 2021	Book Value as of 31 December 2022	Book Value as of 31 December 2023	Ownership Rights	Obligations
Computer software	7.19	8.23	8.56	Company	No obligations.
Computer software in process	0.11	0.56	0.95		
Leasehold	0.13	0.13	0.18		
Less: Accumulated amortization	(1.09)	(1.85)	(2.72)		
Intangible Assets – Net	6.34	7.07	6.97		

## 8) Trademarks

As of 31 December 2023, the company has trademarks pending registration as follows:

	Trademark	Registration No./ (Application No.)	Registration Date	Description	Protection Duration
1	 สตาร์ มัณนี	221101806 (200135035)	18 September 2020	<b>Products/Services Category 35</b> List of Products/Services: Procurement, goods purchase agreements, sale by auction, warehouse control, retail and wholesale trade of electrical appliances and devices, business management related to auctioning goods for third parties, computer sales, electrical appliance sales, motorcycle sales, mobile phone sales, product and service purchase agreement preparation for third parties, online retail business management and sales offers for third parties.	10 years.

	Trademark	Registration No./ (Application No.)	Registration Date	Description	Protection Duration
2	 สตาร์ มัณนี	221101800 (200135036)	18 September 2020	<b>Products/Services Category 36</b> List of Products/Services: Business loan amount control, guarantee, loan guarantee, installment loans, loan for payment by installments, loans, loan preparations, loan and credit procurement, hire purchase financing, mortgage and mortgaging of real estates, payments, bill payments, electronic invoice payments, customer finances verification before loan approval, debt collection, mortgage business, life insurance broker, loan guarantor broker, fire insurance broker, accident insurance broker, financial services, mortgaging services, mobile phone payment services, utility payment services, payment collection according to debtors' accounts, debt collection, outstanding debt collection, damage compensation demanding, loan for sales, hire purchase loans, loans guaranteed by assets or guarantors, secured loans, insurance consultation, trade credit services, hire purchase (computers), hire purchase (electrical appliances), hire purchase (mobile phones), hire purchase (new motorcycles), loan credit granting.	10 years
3		211109639 (190146770)	2 December 2019	<b>Products/Services Category 35</b> List of Products/Services: Electrical appliance sales, motorcycle sales, car sales, computer sales, mobile phone sales, online retail business management, business management related to auctioning goods for third parties.	10 years
4		221101800 (200135036)	18 September 2020.	<b>Products/Services Category 36</b> List of Products/Services: Financial services, loans with assets or guarantors for security, electrical appliance hire purchase, mobile phone hire purchase, computer hire purchase, IT equipment hire purchase, motorcycle hire purchase, debt collection, loan insurance broker, loan accident insurance broker, car insurance broker, fire insurance broker, miscellaneous non-life insurance broker, life insurance broker.	10 years

## 9) Business Permits

The company holds important permits for operating each of its businesses as follows:

### **Permit for Operating a Regulated Personal Loan Business (granted on 30 August 2019)**

The permit was granted for the company to operate a secured loan business, which is a business regulated by the Ministry of Finance through the Bank of Thailand pursuant to Ministry of Finance Announcement on Businesses: Businesses Requiring Permits under Clause 5 of Revolutionary Council Announcement No. 58 (on regulated personal loans) dated 9 June 2005 and amendments.

### **Permit for Operating a Regulated Microfinancing Loan Business for Engaging in Occupations (granted on 16 January 2020).**

The permit was granted for the company to operate a regulated microfinancing loan business for engaging in occupations, which is a business regulated by the Ministry of Finance through the Bank of Thailand pursuant to the Ministry of Finance Announcement on Businesses: Businesses Requiring Permits under Clause 5 of Revolutionary Council Announcement No. 58 (on regulated microfinancing loans for engaging in occupation) dated 26 December 2014 and amendments.

Accordingly, the company postponed its commencement of the regulated microfinancing loan for engaging in occupations business to commence by 4 January 2023 in line with Chapter 2 of the Ministry of Finance Announcement on the Conditions for Operation, Clause 17, last paragraph.

### **Non-Life Insurance Broker Permit (expires on 4 June 2027)**

The permit was granted for the company to operate the company's non-life insurance broker business under the Non-Life Insurance Act, B.E. 1992.

### **Certificate of Registration for Operating a Debt Collection Business (registered on 18 July 2017)**

The certificate's purpose is for the company to collect the company's debts in line with Section 5 of the Debt Collection Act, B.E. 2558 (2015).

### **Permit for Trading in Antiques (expires on 31 December 2024)**

The permit was granted for the company to sell the assets that the company seizes in line with the Sale by Auction and Trade of Antiques Act, B.E. 2474 (1931) and amendments and the Ministry of Interior Regulation on Control of Sale by Auction and Trade of Antiques, B.E. 2533 (1990).

### **Permit for Sale by Auction (expires on 31 December 2024)**

The permit was granted for the company to auction the assets the company seizes in line with the Sale by Auction and Trade of Antiques Act, B.E. 1931 and amendments and the Ministry of Interior Regulation on Control of Sale by Auction and Trade of Antiques, B.E. 1990.



## **10) Investment Policy in Subsidiaries and Joint Companies**

### **Investment Policy**

The company has a policy to invest in companies in line with the objectives, visions and strategic plans for growth of the company to give the company greater returns or profits or to invest in businesses that are beneficial to the company (synergy) to enhance the company's competitiveness. In addition, the company, subsidiaries and/or joint companies may consider additionally investing in other businesses if they have potential for growth or can help expand business or have benefits to the company's businesses in a manner that will lead to good investment returns. Accordingly, the investment decisions of the company, subsidiaries and/or joint companies are analyzed based on investment feasibility and consideration of investment potential and risk factors, with appropriate steps set for investment analysis, by which approval and/or authorization is required from board meetings or company shareholder meetings (depending on the case), and authorization requests for investment in subsidiaries and/or joint companies must conform to the related announcements of the Capital Market Supervisory Board and announcements of the Stock Exchange of Thailand.

## **11) Work Pending Delivery**

None.

## **1.3 Shareholding Structure.**

### **1.3.1 Company Shareholding Structure**

The company has no subsidiaries or joint companies. Rather, there are four family groups (that all belong to the same group) and Thanathiwat Co., Ltd. (the company belonging to the 4 family groups above), who are the company's direct shareholders.

### **1.3.2 Persons with Potential Conflict of Interest in Company Subsidiaries or Joint Companies with Total Shares Exceeding 10% of the Voting Shares in Such Companies**

None, because the company has no subsidiaries or joint companies.

### **1.3.3 Relationship with the Business Groups of Major Shareholders**

None.

### 1.3.4 Shareholders

**(1) The list of shareholders and proportions of shares held relative to registered and paid-up capital as appearing in the registration book of shareholders as of 2 January, 2024 are as follows:**

**(ก) Group of shareholders who hold the top 10 shares**

No.	List of shareholders	Number of shares	Shareholding proportion (percent)
1.	THANATIWAT COMPANY LIMITED	344,000,000	31.27
2.	Mr.Vitit Lavansthien	88,464,600	8.04
3.	BUALUANG VENTURES COMPANY LIMITED	64,000,000	5.82
4.	Mr. Thinnakon Lawansathian	36,444,100	3.31
5.	Miss Nichanan Lawansathian	34,808,000	3.16
6.	Mr. Akeapop Lavansathien	34,173,400	3.11
7.	Mr. Chavalit Wisrankul	32,300,000	2.94
8.	Mrs. Savitree Lavansathien	24,720,000	2.25
9.	Mr. Danuwat Lawansathian	22,246,400	2.02
10.	Mr. Ekkasakul Manakulissara	19,996,000	1.82
Total		701,152,500	63.74

Remarks: The list of company shareholders is sorted by shareholder relationships (for example, by those sharing the same last names), which constitutes disclosures under Section 69 of the Securities and Exchange Act, B.E. 1992, and has no relations to the nature of relationships or behaviours fitting the description for joint actions performed with other persons according to Capital Market Supervisory Board Announcement No. ThorJor. 7/2009.

### **(2) Agreements among Major Shareholders Affecting Securities Issuances and Offers or Work Management of the Company and Significant Work Operations**

The company has no agreements among major shareholders that affect the issuances and offers of securities, company work management, or significant work operations.



## 1.4 Number of Registered and Paid-up Capital

### 1.4.1 Registered capital, paid-up capital and number of Shares

As of 31 December, 2023, the company's registered capital amounted to 550,000,000 baht, divided into 1,100,000,000 shares with a marked price per share of 0.50 baht. Paid-up capital amounted to 550,000,000 baht, divided into 1,100,000,000 shares with a marked price per share of 0.50 baht.

Accordingly, after the initial public offering of 300,000,000 shares, the company's registered and paid-up capital amounted to 550,000,000 baht, divided into 1,100,000,000 ordinary shares at 0.50 baht marked price per share.

### 1.4.2 Types of Shares with Rights or Conditions Differing from Ordinary Shares

None.

### 1.4.3 Conversion of Company Shares or Securities

## 1.5 Issuance of Other Securities

### 1. Convertible Securities

None.

### 2. Bonds

None.

In the resolution of the 2023 Annual General Meeting of Shareholders on Thursday, April 27, 2023, there was approval for the issuance and offering of bonds. Credit limit not exceeding 1,000 million baht. It is a preparation for business expansion and the management of risk of losing business opportunities. Help support the company to be flexible and have options for managing the company's finances for maximum efficiency in each period. The list and details are as follows, :

List	Details
objective	The proceeds derived from the issuance and offer for sale of debentures will be used in the business operation and/or to business expansion and/or, repay the existing loan of the company, and/or as working capital of the company, or for other purposes as the Board of Directors may deem appropriate.

List	Details
type	Debentures of all types and kinds, whether name-registered or bearer debentures, subordinated or unsubordinated, secured, or unsecured, with or without debenture holders' representatives, have a fixed redemption date or no redemption date, depending on the appropriateness of the market condition at the time of each issuance and offer for sale.
Currency	THB and/or other foreign currency by using the exchange rate at the time of each issuance and offer for sale.
Total value	Not exceeding THB 1,000 million or an equivalent amount in a other currency. The company can issue and offer debentures and/or issue and offer debentures to replace existing debentures that have already been redeemed within the said limit. The total outstanding principal amount of the bonds that the company has issued for sale at any one time must not exceed the said limit.
interest rate	As will be determined each time. Depending on market conditions while issuing and offering bonds and other factors related. In this regard, the interest rate shall be determined in compliance with the notifications of the Securities and Exchange Commission and/or of the SEC, and/or other relevant notifications or regulations applicable at the time of each issuance and offer for sale.
Term of Debenture	Depending on the market condition at the time of each issuance and offer for sale, it can be determined whether the debenture is callable or perpetual.
Offer for sale	(1) To offer all at one or several times, and/or as a scheme, and/or on a revolving basis. (2) To offer for sale to the general public and/or in a private placement and/or to the institutional investors in the country and/or abroad, at one or several times in accordance with the notifications of the Securities and Exchange Commission and/or the Capital Market Supervisory Board and/or other relevant notifications, ministerial regulations, and laws applicable at the time of each issuance and offer for sale.
Early Redemption	The debenture-holders may or may not have the right to redeem their debentures before their maturity date, or the company may or may not determine that the debentures can be redeemed before their maturity date in a special event (special event redemption). depending on the terms and conditions of each issuance.

List	Details
Other details	<p>Authorized directors, the Board of Directors, or their delegated persons shall be authorized:</p> <ol style="list-style-type: none"> <li>1) To determine details relevant to the debentures, including type, name, interest rate, redemption period, and appointment of the debenture-holders representative(s), as well as to determine the details relating to the offering; for example, the issuance of various kinds of debentures from time to time, and when any amount of debentures becomes mature, such amount may be reissued and reoffered, including but not limited to, price, procedure, and offering and allocation period.</li> <li>2) To appoint the financial advisor and/or the underwriter and/or credit rating institution of the issuer and/or the securities and/or any other person where the appointment is regulated as required by the relevant rules or in any other cases that the Company deems appropriate.</li> <li>3) To deal with, negotiate, execute, and/or amend the agreements and/or documentation, as well as provide information, and submit documentation to the Office of Securities and Exchange Commission and/or other agencies relating to the issuance and offering of such debentures, including the undertaking of any actions relevant to or necessary for such transactions as it deems appropriate.</li> </ol>

## 1.6 Dividend Policy

The company has a policy to pay dividends to company shareholders by a rate of at least 40% of the net profits in the specific financial statements of the company after deduction of tax and legal reserves, and other reserves (if any). However, dividend payments are subject to changes, depending on the work performance, business growth, financial position, liquidity, need for use of circulating capital in business operations, investment plans, future business expansion, market conditions, and other factors related to the company's work performance and management, with the condition that the company must have sufficient cash for operating business and that the aforementioned activities must be for the best interest of shareholders as deemed fitting by the board of directors and/or company shareholders.

### Historical dividend payment information

list	2021	2022	2023
Earning Per Share	25.73	0.10	0.06
Dividends Per Share	39.75	0.04	0.03
Dividend Payout Ratio	154.46%	54.22%	53.44%

## 2. Risk Management

### 2.1 Policy and Plans Risk Management

The Risk Management Committee of the company has specified risk management policy clearly for risk management, and the company's board of directors approves and reviews the policy each year. The latest review and effective approval of the policy is by the resolution of Board Meeting No. 4/2023 on 14 November 2023. Its essential contents are summarized below.

1. Promote and manage risks to develop understanding, conscience and shared responsibility regarding risks and risk impacts on the company in management and work operations throughout the entire company.
2. Manage risks in the most effective manner and maintain acceptable risk levels and involve every employee in the risk management process.
3. Have in place processes, guidelines and measures in risk management that are of an appropriate quality in line with international standards in addition to being adequate and identify, analyze, assess, order, manage, control and monitor reports and evaluate results and communicate information about risks in a continuous and regular manner and apply practices across the entire company.
4. Prioritize management of risks that affect the objectives, policies and reputation and image of the company.
5. Have in place written work regulations for executives and operators to practice in order to control operational risks.

The company has a risk management manual that was prepared by the Risk Management Work Group and that was approved by the Risk Management Committee and it is reviewed regularly each year. This risk management manual was created to provide practice guidelines for work in the organization and to serve as risk And management tools such that the board of directors, executives and company personnel understand risk management principles, concepts, procedures and processes and for them to serve as tools for communication and building understanding and relations as well as to integrate risk management with organizational strategies and serve as tools for specifying risk management guidelines and internal control in the company. A summary of the important risk management guidelines in the risk management manual is as follows:

**The risk management process involves 6 key steps as follows:**

1. Specification of objectives in line with the company's strategies and acceptable risks.
2. Specification of risks impacting the company's objectives or goals.
3. Risk assessment with consideration based on chances for potential risks and impacts from such risks.
4. Specification of a risk management plan for each risk with consideration to various risk management strategies, relationship between costs and benefits and consideration of appropriate current risk management.

5. Reporting of all risks that significantly impact company objectives to the executives in charge.

6. Monitoring to ensure that risk management has quality and is appropriate to ensure confidence in the effectiveness of the risk management process.

**Organizational risk types:** The company has specified guidelines and a policy for risk management and gives importance to managing risks within the organization and supporting and promoting organizational risk management covering 4 risk management areas as follows:

1) Strategic Risk. Risk management has been specified to be part of the consideration process in the specification of strategies and strategic planning along with work plan specification and company operations. Every agency has been tasked with identifying risks, assessing risks and responding to and monitoring risks, not to mention creating reports on risk levels, risk management outcomes, and risk management response measures in cases where risk levels cannot be decreased. In addition, when personnel encounter or learn about risks that might affect the company, the risk owner must report the risks encountered to related persons to find ways to respond to said risks.

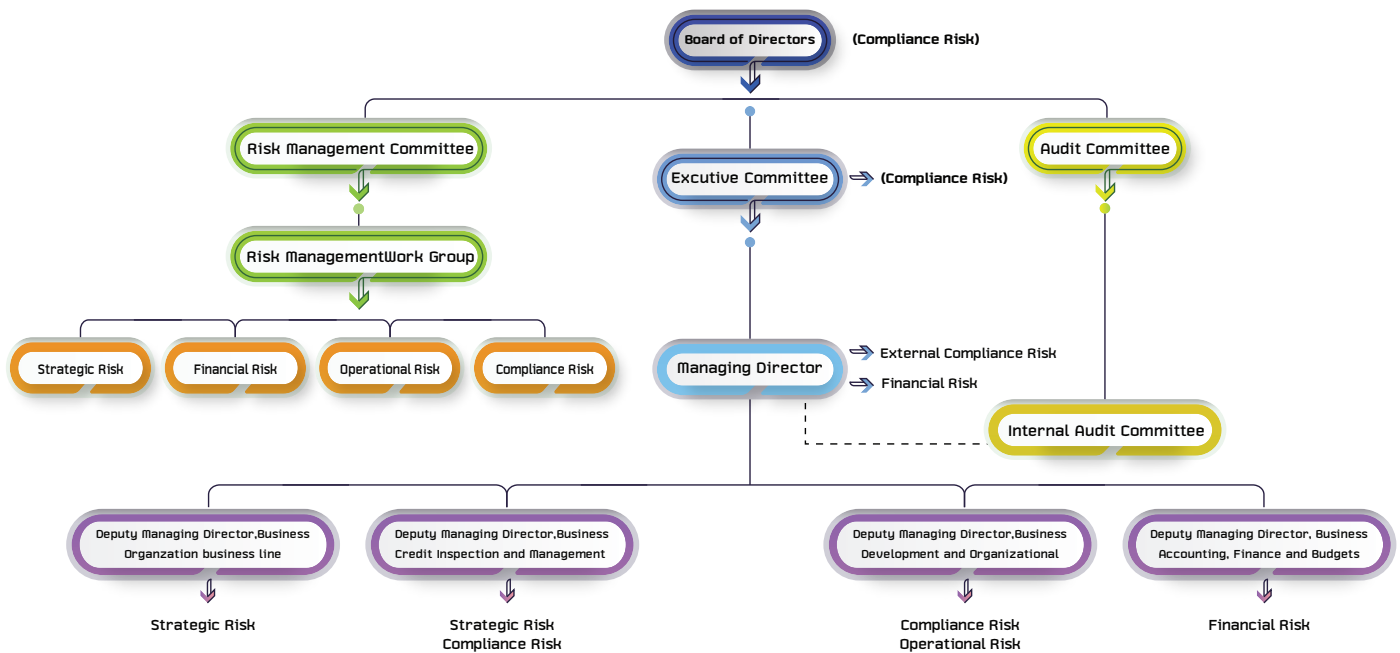
2) Financial Risk. The company has a reporting policy that has a purpose to report finances in a reliable manner and to effectively report information about the company's personnel. As such, the company has specified the importance of risk identification by responsibility such as in accounting and finance, sales and operation and in the company's operations. Accordingly, every department has specified the risks, cause for risks and methods for dealing with risks along with the risk levels of each department in the company in line with the company's reports.

3) Operation Risk. The company has a policy to operate with the objective of increasing operational effectiveness and efficiency. Therefore, the company has specified the importance of risk identification by responsibility, such as for procurement, sales and marketing operations, warehouses and accounting and financial operations. Every department in the company has identified risks, risk causes as well as the risk management methods and risk levels of each department in line with the company's operations.

4) Compliance Risk. The company has the aforementioned policy with the objective of complying with the related regulations, requirements and laws. Thus, the company has sorted risk identification by responsibility such as for company management, human resources management and accounting and financial management. Accordingly, each department has identified risks, risk causes and its risk management methods and risk levels in compliance with related regulations, requirements and laws.



The company's risk management structure is as follows:



1. For corporate risk, the Managing Director and deputy managing directors of each line have been tasked with identifying, evaluating, managing and monitoring corporate risk in areas related to the work under their responsibility.

2. For department risk and internal control self-assessment, department managers are responsible for identifying, evaluating, managing and monitoring risks on the department level in areas related to the work under their responsibility.

3. The internal audit office is tasked with drafting the risk management and internal control framework and giving consultation and advise to executives in making appropriate use of the framework uniformly across the entire organization.

4. The internal audit office works to audit and monitor the outcomes from the risk management activities of each department and to report to the board of directors through the Audit Committee. The audit department can use information to prepare risk guideline inspection plans.

5. The audit department can use information to prepare risk guideline inspection plans.

6. The Audit Committee works together with the Risk Management Committee to ensure confidence that the risk management system is correct and appropriate with work transparency across all process while complying with the company's regulations in line with corporate governance and internal control principles.

## 2.2 Risk Factors Affecting the Company's Business Operation

### 2.2.1 Risks Affecting the Company's Business Operation

#### 1) Risks from Competition in the Electrical Appliance Sales Business

The electrical appliance sales business is highly competitive. Most products are IT and electrical appliances that continuously experience technological changes and developments. In addition, this business has nothing to limit competition, so new competitors can operate business and steal market share freely, regardless of whether the competition is between fellow large dealers in nearby areas or provinces or competition with modern trade business such as Lotus's, Big C and Power Buy, among others, and there is also competition with businesses that use the E-commerce platform to sell products such as Lazada and Shopee. In any case,

Revenues from electrical sales amount to about 35.93% of the overall revenues in 2023. If in the future this business experiences more intense competition from existing businesses or new highly capable businesses, the company's sales and overall performance can be significantly impacted. Nevertheless, the company believes that it is not easy for new businesses to become established, because the electrical appliance sales business is not a high profit margin business and requires capital for the products to be sold as well as space for showcasing products. As such, the company believes that its currently 16 main branches and 6 express branches for electrical appliance sales are located in communities and department stores that provide excellent coverage and reach to the company's target customers. Furthermore, the experience of the company's executives and the company has caused the company to be trusted and collaborated with by brand owners such as LG, Samsung, Panasonic, Daikin, Mitsubishi and others. Moreover, the reputation of the company, which is known among local customers, means that the company is able to plan marketing and sales appropriately in line with current and future situations. In addition, the company trains employees to serve customers with sincerity, honesty and integrity toward customers or consumers, whether in regards to recommending products, brands or post-sale services, which is an important component that the company has always firmly committed to, leading the company to be entrusted to receive services from customers and consumers. As such, the company believes that it will be able to compete with other entrepreneurs in the business.

#### 2) Risk from Competition in the Hire Purchase Loan, Regulated Personal Loan, Regulated Microfinancing Loan and Other Loan Businesses and Arrival of New Business Competitors

The hire purchase loan, regulated personal loan, microfinancing loan and other loan businesses are highly competitive, and currently there are many existing service providers, whether they are local service providers or large companies registered in the Stock Exchange or banking companies that have a large capital foundation and low

financial costs. Large service provider companies are prepared and want to enter and expand their loan businesses to more extensively cover all of Thailand, including the Eastern Economic Corridor or EEC in the Eastern Region. Therefore, if the Company is unable to adapt in the midst of intense competition, the company's performance can be significantly impacted. However, with the company's experience in offering services and the company's reputation, along with executives, especially in Rayong Province and nearby provinces, the company has excellent understanding about the behaviors and needs of the target customers in the Eastern Region. As a result, the company is entrusted by customers who continuously use the company's services. Additionally, the company has guidelines for issuing more loans to target customers who are businesses in need of loans for operating business to help increase the quality of loans and reduce risk of non-performing loans (NPLs)

### **3) Risk from Technological Changes Potentially Contributing to Changes in Consumer Behaviors in Choosing Loan Product or Service Retail customers,**

The customer groups that come to receive the company's services It will be found that they are a group of Retail customers. and are a group that does not have access to credit services from financial institutions caused by not having regular income Lack of documentation showing a clear source of income or other restrictions that disqualify one from receiving services from a financial institution Such customer groups therefore need to approach sources of loans that are not financial institutions such as companies, etc. In today's era, it is found that technology has played a role in changing the behavior of customer groups. In coming to receive the company's services, whether through online channels Through communication that uses the internet to purchase products. or borrowing money through these channels, it will be found that the usage rate is continuously increasing. Therefore, from these behaviors of customer groups who turn to use technology to receive services in purchasing products. Or borrowing money will be found to be a risk arising from changes in technology. and affects the business operations of the company. Therefore, the company Therefore, we have foreseen the development of technological tools to support the growth in this area in an appropriate plan. With the group of customers who will change to use technology to receive services, the company has developed a credit approval system using machine learning tools to play a role in helping recommend credit approval. It also includes forecasts of customer debt levels. before approval in order to reduce the risk in credit consideration In addition, installment payment behavior is used to analyze the debt level of customers after approval in order to behavior monitor customer. And also take this information to group customers. To promote both good marketing To customers with a good history Ready to monitor customers who are expected to have poor payment behavior in order to increase efficiency in sales and debt collection operations. It was also found that the company has developed the Core Business system to support sales channels on both mobile devices. and various communication devices that are currently popular to increase service potential. Customer groups that are undergoing technological changes in the Company's current business to be able to compete and support the Company's services.

#### **4) Risk from Loans**

##### **4.1) Risks from Debtors' Quality**

The company operates a secured loan business whether with vehicle registration, ownership documents or land title deeds for security. Most of the company's are customers with medium to low income, and some lack regular salaries such as farmers or irregular wage workers and so lack the means to access funds from financial institutes and large non-financial institutes operating similar businesses to the company's business. Accordingly, if the aforementioned customers default on an installment or breach the contract, it might be necessary to record an allowance for non-performing loans (NPLs). Otherwise, if debtors cannot be contacted or followed-up on for seizures of the security deposits, the company's overall performance and liquidity can be impacted. Nevertheless, the company gives importance to the loan issuance process, especially in regards to evaluating the quality of loan applicants, with considerations based on customer loan repayment capabilities (limit check) through verification of information and income and expense evidence documents (along with other debt obligations that the customer must pay), along with inquiring about the customer and payment history for the case of old customers (customer grade), value of security (evaluated based on the central market price and condition of the security), and consideration of the loan-to-value (LTV) amount, by which the LTV rate has already been specified for each type of security and customer grade as a practice guideline, including the history and documents of the guarantor, etc. with considerations based on the debt repayment capabilities of customers (limit checks) In loan considerations, all accompanying loan application documents must be complete. Furthermore, the company has specified the scope of authorization for loan authorization amounts, and loans issued from branches are geared toward customers residing in the same areas as the branches issuing the loans, by which the company's branch employees will make local visits to determine the actual existence of customers to have confidence that the customers actually exist and are local people with actual evidence of living and working in such areas, which make it beneficial and convenient whenever it is necessary to seize debtors' security. The company also gives importance to analysis of customer information and making loan approval considerations for each type of security and specifying the persons with the power to authorize loans, which depend on the loan amounts specified in the company's work manual.

The company has a loan analysis and authorization manual for related personnel to follow. However, the loan analysis process may encounter errors that affect the quality of the company's loan portfolio, and many factors can cause this, such as security evaluation expertise, concealment of important customer information, employee corruption and others. Lower quality of loan portfolio due to extended periods of customer debt default can affect accounts and lead to increased recognized credit losses. Otherwise, if security cannot be tracked down and seized for sale by auction and debt repayment or if the market value of the security, such as cars, decreases to the extent that it is not longer enough to repay outstanding debt, the situation that arises can negatively impact

business, performance, financial position and the company's business opportunities. Regardless, the company trains employees before they work and strictly reminds company personnel to operate strictly and meticulously and to monitor and evaluate the overall quality of the loan portfolio on a regular basis.

#### **4.2) Risk from Security**

In addition to the quality of debtors, the quality and value of security is also important. Most of the company's loans have ordinary cars, commercial cars and motorcycles for security. Debtors have to sign in a form to transfer the ownership rights of the security for the company in advance (indirect transfer) and handover the registration book to the company as security for debt repayment from the date of making of the loan agreement. Such security consists of assets that are easy to move, deteriorate quickly and can go missing. As a result, the company might have some risks from security arising out of inability to track down security or losses from selling seized security, which can occur as a result of depreciation in the security as a result of use, and this can in turn affect the company's overall performance. In any case, the company recognizes this risk and, therefore, has in place measures for managing potential risks such as by having strict procedures for loan authorization, for example, by inspecting the condition of security, specifying the common value of the security according to standards, evaluating the loan amount based on the condition of the security alongside customer quality, verifying the residence of debtors or updating debtor contact information regularly. Furthermore, the company has set in place close and stringent procedures for collecting debt from debtors such as by sending SMS notifications to remind debtors before each payment installment is due. In addition, if a payment is overdue, both telephone inquiries and field work will occur, and after seizing security, the company will swiftly auction the security to sell it to repay debt as soon as possible. Normally, it takes over 1 month on average, but in cases where seized assets cannot be sold after an extended period of time, the company might experience increased expenses in maintaining the assets pending sale and might be unable to sell them at fairly good prices in line with the deterioration in the condition of the assets. On this part, the company has guidelines in place for sending such seized vehicles to a third-party auction yard to take further actions. In any case, the company is confident that the company has a strict policy and practice guidelines for loan analysis, debt collection and management of assets pending sale to mitigate the loan security risks.

In addition to vehicle-secured loans, the company also has loans with land and structure for security. The company specifies the monetary amount to be registered for mortgaging as security. If the amount is not very high, the customer will not be required to mortgage the security, because mortgaging involves a registration fee, and the company does not wish to push this expense burden onto customers. However, in loan agreements, customers are required to handover the land title deed used as security for debt repayment to be stored at the company throughout the entire agreement duration. In the consideration of this type of loans, on-site visits are made with inquiries

made to obtain information from nearby areas, and the nature of the land security will be assessed. For example, the land must be connected to a public road, not be in a swampy area, nor have had its top soil removed, etc. These are combined with considerations of the debt repayment capabilities of the borrower along with the official appraised value of the security. In cases where the debtor does not meet the criteria for mortgaging and later on fails to repay debt and has to be litigated, the company can file a lawsuit according to the loan agreement to rely upon the court's authority to execute the case to allow the borrower's land or other assets be taken to sell by auction to repay the debt.

In addition to the loan assets pending sale, the company also has assets seized from hire purchase loans, most of which consist of electrical appliances, which are easy to sell and are wanted by specific groups of consumers. The company gives special promotional offers to sell these assets at discounted prices. The branches that perform such seizures are the ones to undertake this effort and they do so by setting prices based on the usage condition of each item, which is sorted if put on display at a storefront. As a result, interested buyers quickly buy these items, because some consumers want low-cost goods in usable condition and do not always need to use first-hand products.

### **5) Risk from Confidentiality of Information and Important Agreement Documents**

In issuing loans, the company makes agreements to be signed in duplicates. One copy is given to the customer, and the other copy is kept at the company. Such documents are important, because they represent evidence of ownership of security. As a result, in cases where a debtor is overdue for payment, or for litigation purposes, the company has risks from the aforementioned documents becoming damaged, missing or stolen or destroyed by fire, which can make it impossible for the company to track down security or to use the documents as evidence for legal actions to exercise the right to collect payment from debtors. Therefore, the company places great importance on the safe storage of the afore- mentioned documents by providing a secure storage environment in an appropriate environment and at appropriate temperatures with an access control system to prevent un- authorized access by third parties and 24- hour CCTV cameras. These documents are stored systematically and also kept in electronic form with equipment and systems in place for preventing fires, and the company also has fire insurance to provide protection in cases where the documents are damaged by fire. The company accordingly believes that these actions are measures for preventing damage that might occur from storage of important information and documents. In addition, the company never previous encountered any of the aforementioned problems.

#### **5.1) Information Security Management Risk (IT Security Risk)**

Data and information are important resources. Protection from external threats and systematic supervision and standards are things that the company places great importance on. The risks and opportunities for risk are arranged as follows:



- Install protective equipment. Computer network system (Fire Wall) and keep it up to date. To prevent outsiders from attacking the company's important information. Including installing antivirus software to prevent damage to the company's computer system.
- Install a data backup system to prevent data loss in the event that the operating system and main data storage system (Servers) are damaged. and cannot be repaired and returned to use They also make server storage rooms that can withstand a fire for 10 hours and have a power backup system in this case as well.

#### **6) Risk from Fires Impacting Inventory Goods**

As of 31 December 2023, the company has goods in inventory amounting to 104.72 million baht 3.54 % of total assets. Most of these are high-value electrical appliances and have risk of suffering from fire damage, which might affect the company's performance and financial position. Nevertheless, the company recognizes this risk and, therefore, has policy and procedures in place for managing the central product warehouse, whether by controlling access by external parties, creating a layout to match goods storage, managing the amount of goods in inventory to not be excessively high, installing fire extinguishers, making plans and organizing firefighting and fire evacuation drills regularly and obtaining insurance for the product warehouse (central warehouse) and branches that store products for sale. These include main branches , Sub-branches and express branches, and the purpose is to cover the average value of products in inventory at each location. In any case, the average value of products in inventory at each location is based on the total products in inventory going back 12 months retrospectively, which are used to evaluate the insurance cost for each product warehouse or branch that stores products. Accordingly, the average value of products in inventory is monitored regularly. In addition, in cases where any branch experiences better sales, due to which it might be necessary to keep more products in stock, which might exceed the product insurance coverage procured, the company might consider increasing the insurance budget for the specific branch in question. Similarly, if a branch has a smaller stock, the company might consider reducing the product insurance budget as well. Overall, the product insurance for the central warehouse and branches that store products covers the average value of the products in inventory by valuing up to about 165% of the average value of products in inventory. The company is confident that these efforts can reduce risk of inventory products suffering from fire damage.

#### **7) Risk of Corruption from Employees Branch**

As for the electrical appliance sales, as of 31 December 2023, the company's inventory goods amounted to 104.72 million baht, with sales occurring through 16 main branches 8 express branches and 1 central product warehouse. Because these products are electrical appliances with fairly high per-unit value, the company might suffer from risk of corruption by branch employees and warehouse employees in multiple steps from



product acceptance to shipping between branches and product sales, etc. However, the company gives attention to this risk and, therefore, has a policy to prevent against this risk such as by counting the products in stock at the end of every month, having in place a process for auditing and approving product intake and sales, having the company's Internal Audit Department perform random inspections, including reconciling the actual inventory with the inventory stated in the system, etc. If any corruption or differences are discovered, the employees related will be required to take responsibility. As a result, the related employees have to exercise greater work caution.

As for the loan business, the company has specified a policy for transferring loan monies to authorized customers. By this, 16 main branches, 8 express branches (as of 31 December 2023) can deliver loans to customers by two ways, namely, by transferring funds into the bank account of the customer through the main office (Finance Department) or by making payment in cash to customers accepting payment at a main branch, with the maximum amount set to no more than 100,000 baht per person. In addition, other minor branches are unable to give loan monies to customers in cash. Rather, customers will receive their funds via transfer by the Finance Department of the main office into their bank accounts only. Furthermore, in accepting installment payments, customers can pay by multiple channels, such as via internet banking/bill payment supported by commercial banks such as Kasikorn Bank, Bangkok Bank, Siam Commercial Bank and any Lotus's department store and payment counters at the company's branches, by which payment can be made in cash or via transfer into the company's account by QR code. Each day, each branch is instructed to transfer the funds they receive from installment payments into the company's account twice daily within the limits stipulated by the company. In addition, the company has in place a strict process for selecting branch employees to ensure confidence that employees are quality employees who can work with the company with honesty and integrity. In addition, employees tasked with accepting and making payments must be guaranteed by other people, with such guarantors being required to be regular employees/civil servants in any position. Hence, the company believes that the various risk prevention measures of the company will be able to reduce the corruption risk of employees. Moreover, the company has never previously experienced any significant problems related to this issue.

#### **8) Risk from Changes in Accounting Standards or Financial Reporting Standards**

The company is required to follow the accounting standards and financial reporting standards issued by the Federation of Accounting Professions in the preparation and presentation of financial statements according to correct standards. Recently, both revised and new accounting standards have been continuously issued. As a result, whenever the Federation of Accounting Professions issue revised or new accounting standards, the company might have to change its processes and work procedures in account recordkeeping and financial statement preparations, or else the company might have to gather additional information or prepare additional information to be able to

record accounts correctly according to any revised or new accounting standards that are issued in the future. In addition, the company might also encounter experiences from the aforementioned occurrences. Nevertheless, the company regularly improves or builds upon the accounting standards related to the preparation of the company's financial statements on a regular basis. Moreover, in the enforcement of new accounting standards, time is given to allow the company to make preparation, so this risk does not significantly affect the company. Throughout the past, the company was able to take actions correctly and according to the required timeframes.

#### **9) Risk from Loan Business Regulation by Government Agencies and Risk from Failure to Comply with Related Regulations, Requirements and Announcements**

Ever since 2019, the government through the Ministry of Finance and the Bank of Thailand has been regulating the vehicle-secured and personal loan businesses to encourage the public to access loans and receive fair treatment from loan business operators, whether in terms of interest rates and debt collection, in order to eliminate dependence on informal loans. Accordingly, the company has letters of permit by the Ministry of Finance allowing the company to operate a regulated personal loan business and regulated microfinancing loan business, which require the company to strictly comply with the criteria and conditions in related announcements and take actions under the supervision of the Bank of Thailand, and the company is also licensed to operate a non-life insurance broker business under the regulation of the Office of Insurance Commission. In any case, these regulatory agencies continuously amend their regulatory requirements, especially the Bank of Thailand, and they inspect the company's operations to determine whether or not the company has complied with the related laws, announcements, standards or guidelines in full. If it appears that the company did not operate business according to related regulations, the company might suffer from risk of having its business license revoked, which would significantly impact the company's business operations. Nevertheless, the board of directors recognizes this risk and, therefore, has established the Risk Management Committee, which is a sub-committee, to help specify policies and strategies and monitor risk management activities regularly, which also include management of risk from government rules, regulations and requirements. The committee works together with the Risk Management Work Group, which consists of the board of directors, executives and various department directors. In addition, the company's Internal Audit Office works to monitor changes in the various laws, regulations and announcements that are related to the company's business to ensure that the company can operate business fully in accordance with the regulation of related agencies. Most recently, on 13 October 2022, the Royal Thai Government Gazette published the Announcement by the Agreements Committee on Classifying Car and Motorcycle Hire Purchase Businesses as Agreement-Controlled Businesses, B.E. 2022, which comes into effect on 10 January 2023. Its contents can be essentially summarized as follows: Such businesses are to charge the actual annual interest rate by using the effective interest

rate with the interest calculated based on the remaining principal on each installment, even though previously the flat rate method was previously used. Additionally, the hire purchase interest rate was set to the effective rate with the interest for new cars being required to not exceed 10% per year, and the same is no more than 15% per year for used cars and no more than 23% per year for motorcycles. In any case, because the company does not offer hire purchase services for cars and only has a small portion of its business consisting of motorcycle hire purchases, which as of 31 December 2023 amounts to a proportion of just 2.41% of the company's hire purchase loan portfolio. Moreover, the hire purchase agreements made before the effective date of the aforementioned announcement can still use their existing agreement terms, and the company still focuses on expanding hire purchase loans more toward electrical appliances than motorcycles, so, even though the company has to follow the related parts of the aforementioned announcement, the impacts on the company's business is minor at best.

#### **10) Risk from Compliance with Personal Data Protection Laws**

The Personal Data Protection Act, B.E. 2019 (the "Act"), stipulates that personally-identifiable information, whether direct or indirect, is personal information and that the owners of personal data have the right to receive protection along with other specified rights, whereby the enforcement date of the act was extended to 1 June 2022 and onward. Accordingly, personal data controllers are tasked with complying with the act by making preparations for successful implementation before 1 June 2022. The company, as a personal data controller of customers' data is also required to comply with the Act by having to collect, gather and process large amounts of customer personal information in the company's normal business operation, which requires resources and additional operational expenses. In addition, the company has to create policies and adjust related work procedures to comply with related laws. Nevertheless, in cases where the company is unable to comply with existing laws and potential future laws in full, the company might be subjected to complaints or might have to pay compensation from improper actions, which might significantly impact the company's business operations.

The company gives importance to complying with the Act. Therefore, the company has a work committee for studying and attending lectures related to complying with the Act and had been making preparations in various areas to be able to comply with the Act according to schedule and by the time of its enforcement on 1 June 2022, and the company has already created a personal data protection policy and announced it on the company's website.

#### **11) Risk from Fluctuations in Interest Rates from Financial Institute Loans That Make up the Company's Primary Source of Finance**

Issuing loans is the company's main business. Therefore, the company is required to have a large source of capital in order to operate business. Accordingly, the company's main source of funding is financial institute loans. Mostly, the interest rates for such loans are floating rate interests, and at the same time when issuing the

company's regulated personal loans, the company sets the maximum interest rate that can be charged and this rate is fixed throughout the entire agreement term and not a float rate. Thus, as the interest rate from financial institute loans increase, the loan interest cannot be adjusted to keep up with said increase. Therefore, this can negatively affect the company's loan business, since the company would have higher financial expenses or loan costs while the difference in the interest income and interest expenses decreases. However, the company continues to receive interest revenues from hire purchase agreements, which have no specified ceiling for the collectible interest rate. As a result, even though the difference in the interest income and interest expenses of the regulated personal loan business decrease, the company can still manage to increase the issuance of hire purchase loans to increase remunerations while maintaining the company's overall interest level difference. Nevertheless, because the company recognizes the aforementioned risk, the company gives importance to managing work to maintain a steady interest rate difference by engaging in negotiations with financial institutes to lower interest rates or to search for other sources of capital that offer the same or better interest rates, such as by the issuance of debentures. If the company is able to obtain funds from such sources, the company will be able to mitigate this risk. Moreover, the Bank of Thailand's policy to increase interest rates might affect the financial status or debt repayment capabilities of debtors with debt burdens with floating interest rates with financial institutes, which might affect the debt repayments with the company and potentially increase the rate of debt default. Thus, the aforementioned factor might negatively affect business and the company's performance, financial position and business opportunities.

#### **12) Risk from Failure to Comply with Loan Agreement Terms on Maintaining Financial Ratios or Shareholding Ratios by Major Shareholders**

The company's main sources of capital for operating business are the 2 following sources: funds from the company's shareholders and financial institute loans. As of 31 December 2023, the company's financial institute loan debt obligations totaled 1,605.19 million baht or about 58.74% of the company's total sources of capital, respectively. Accordingly, the company's financial institute loans totaled 2,342 million baht (including loan guarantee letters (LGs) and forward contracts). The company has always received excellent support from financial institutes, and the company is tasked with maintaining financial ratios according to the conditions set by each financial institute. Currently, the company has 3 financial institutes that support the company, which have set the debt-to-equity ratio (D/E ratio) as shown in the following table:

Financial Institute	Total Amount (Million THB)	Debts As of 31 December 2023 (Million THB)	D/E Ratio as of 31 December 2023 (Times)	Bank D/E Ratio Specifications <sup>1/</sup>
Institute 1	1,800	1,257.30	1.62	No more than 2.5 times.
Institute 2	260	227.54	1.62	No more than 4.0 times.
Institute 3	282	120.35	1.62	No more than 4.0 times.
Total	2,342	1,605.19		

1/ Debts refer to all debts and shareholders' equity. This means all of the shareholders' equity along with related business loans.

As of 31 December 2023, the company's debt-to-equity ratio equaled 1.62 times, which exceeded the value specified by a financial institute. Although the company has never exceeded 4 times, in the 2nd quarter of 2022, the company paid dividends to shareholders, which decreased shareholders' equity and caused the debt-to-equity ratio to increase. Accordingly, all 3 financial institutes issued letters granting a postponement of the terms for maintaining the debt-to-equity ratio up to 31 December 2023. In addition, the first financial institute set additional conditions, by which whenever the company borrows funds from directors, the company is prohibited from repaying the directors before receiving approval from the financial institute. Presently, the company has no funds borrowed from any director whatsoever, and the company has always received the support of and maintained good relationships with financial institutes. In addition, the company has always made repayments for borrowed funds according to schedule and has never faced any problems with delays or premature demand for loan repayment, and the company might be able to negotiate with financial institutes to improve conditions. That being said, the company cannot guarantee that the company will always receive support from the financial institutes in the future. If the financial institutes refuse to provide loan support, whether due to the financial institutes' policies themselves or the company's failure to meet the various terms and conditions set by the financial institutes such that default occurs, for example, by failing to maintain the specified debt-to-equity ratio in a manner that the financial institutes may not grant exemptions for, the company might be instructed to repay the borrowed funds early, which might cause the company to have to seek other sources of capital that might cause cost to be higher than before or carry conditions that are more difficult to meet than before. If such a situation occurs, the company's business, performance, financial position and business opportunities can be negatively impacted. Regardless, the company has always maintained good relations with the supportive financial institutes, and the loans taken from each financial institute are secured by land and structures that are owned by the company's shareholders. In addition, the first financial institute also has other security such as bank account deposits and

business security (loan debtors' portfolio), which have a value assessed by the financial institute to be at least 60% of the total loan amount. Therefore, in the event that the company needs to prematurely repay debts, the company would still have a fairly high value of security for repaying the aforementioned debts. Furthermore, after the company became listed in the Stock Exchange the shareholders who hold ownership rights in said security will definitely not request for the release of any security in a manner that causes the company to receive less loans or that violates conditions or that affects the operation of the company's main business. In any case, the company's Accounting and Finance Department is tasked with verifying and monitoring financial status and maintaining the debt-to-equity ratio and reporting to executives on a regular basis to permit timely solutions to problems. Moreover, after the initial public offering of ordinary shares (IPO), the company will gain additional funds from the offer, and part of the funds obtained will be used to repay debts and provide capital for operating the company's business, which will reduce the company's debt-to-equity ratio to not exceed the terms of the financial institutes supporting the company.

In addition to setting conditions for the debt-to-equity ratio of the 3 financial institutions, the third financial institution has also set conditions for maintaining the Good Port/Funded Debt ratio, which is set to be not less than 1.20 times (approved to adjust the ratio from 1.30 times to 1.20 times on August 8, 2023) As of December 31, 2023, the Company's Good Port/Funded Debt ratio was 1.64 times, which is in accordance with the specified conditions.

Furthermore, the first financial institute also set a condition for the entire duration that contract debt obligations exist that the shareholders in the Lawansathian Family (persons whose last name is "Lawansathian") to hold shares in the company directly or indirectly by a total of at least 57.76% of the registered shares. The Lawansathian Family founded the company and will continue to hold shares in the company. Therefore, the risk from the direct and indirect share ratio of the aforementioned family falling to below 51% is extremely low.

## **2.2.2 Risk from Stockholder Investments**

### **1) Risk from Dependency on the Executive Team and Guarantee by Shareholders**

The company has a team of executives that largely consists of the Lavansthien group and Uivatwongskasem group, namely, Mr.Utit Lavansthien (Chief Executive Officer), Mr. Chusak Uivatwongskasem (Managing Director), Mrs. Savitree Lavansathien (Deputy Managing Director of Business Development and Organizational Support), Mr. Surayut Lawansathien (Deputy Managing Director of Loan Auditing and Administration), and Mr.Akeapop Lavansathien (Deputy Managing Director of Marketing and Procurement).

This team of executives possesses extensive knowledge, expertise and experience in the company and industry, whether in setting marketing strategies, issuing loans, product sales and purchases, and they have good relations with distributors and financial institutes, which provide the major sources of financing for business operations. Furthermore, a loan condition set by one of the financial institutes is for the Lawansathian group to hold a share in the company by no less than 51%.

Therefore, the company has risk from depending on the executive team from the Lawansathian group. Accordingly, if the company loses any member of the executive team and fails to recruit an appropriate replacement with similar attributes, the company's future operations can be significantly impacted. Nevertheless, the company recognizes this risk and so supports for the company's personnel to participate and play roles in fully expressing their opinions on various matters to ensure that the personnel participate in the specification of the company's business strategies and plans and to push for teamwork to take place to increase work potential and effectiveness, in addition to providing training for personnel to always have additional knowledge and understanding about their work in order to create experienced personnel with the capabilities to inherit work from executives through specified succession plans. Furthermore, most important persons in the company have worked for extended periods with the company, so the company believes that the company will be able to retain important persons to remain with the company.

At the present, the company's shareholders have guaranteed financial institute loans and consented for assets to also be mortgaged as security for loans. In addition, after the company is registered in the Stock Exchange, the shareholders who own said security will definitely not request for the release of any of the security in a manner that causes the company to receive less loans or to be in violation of conditions or to cause impacts on the company's main business. Rather, there will only be negotiations with financial institutes to release individual persons from being guarantors.

## **2) Dependence on executives and personnel**

General nature of business operations: The company must rely on personnel with experience and specialized expertise. which currently the company There is a management team consisting of 1) Mr. Vithit Lavansathien Chief Executive Officer) Mr. Chusak Uivatwongskasem Managing Director, Mrs. Savitree Lavansathien Deputy Managing Director of Business Development and Organizational Support, Mr. Surayut Lawansathien (Deputy Managing Director of Loan Auditing and Administration, and Mr. Akeapop Lavansathien Deputy Managing Director of Marketing and Procurement.

All 5 executives are company directors and shareholders. who has experience and expertise in running a business for a long time and is well known in the industry Play an important role in determining the direction of the company's business operations. and have good relationships with the company's customers. Therefore, if the company is



unable to recruit personnel with equivalent qualifications to fill the position in the future, it may affect the continuity of management, operations, and operating results of the company significantly

However, the company has measures to support this by setting guidelines and a succession plan for senior executives. By requiring that there be executives at similar levels or the next level is acting in the position until the selection and selection of qualified persons according to the criteria set by the company and must be people with vision, knowledge and ability and experience Suitability for organizational culture by consideration of the Nomination and Remuneration Committee, the Company also has a policy to determine appropriate remuneration.

## **6) Emerging Risk**

### **6.1 Effects of war Russia-Ukraine**

Impact of the Russo-Ukrainian War It is an indirect impact because the company does not have trading partners from these two countries, but the impact causes the price of energy to increase greatly, affecting the price of raw materials and various materials. increased due to higher transportation costs and related production costs and global inflation. This has caused a slowdown in the growth of the world economy, causing people around the world to reduce consumption.

## 3. Driving Business Sustainability

The company places importance on conducting business with sustainability, considers factors that affect business operations, customers, and society, as well as factors that affect stakeholders in the economic, social, and environmental areas. Important issues include enterprise risk management. Respect for human rights Greenhouse gas management There are guidelines for managing sustainability issues based on priorities and urgency, to achieve maximum efficiency.

### 3.1 Goals Sustainability Management Policy

The company recognizes that having in place a good corporate governance process is a major contributing factor for sustained, secure and sustainable business growth. Therefore, the company gives importance to and strives to develop good management standards to promote reliability and create benefits for all persons and stakeholders involved. As such, the company has specified a sustainable management policy to serve as guidelines for specifying corporate governance strategies and on the economy, society and environment as follows:

1) Corporate Governance: The company firmly adheres to 7 good corporate governance principles as follows:

- Accountability – Accountability to duties.
- Responsibility – Conscience in one's own duties with sufficient capabilities and effectiveness.
- Equitable Treatment – Equitable treatment of stakeholders.
- Transparency – Transparency in work and disclosure of verifiable information.
- Value Creation – Creation of greater value for the business in the short-term and long-term.
- Ethics – Promotion of excellent practices with good business ethics.
- Social Awareness – Operating with a conscience for social responsibility.

The company has a corporate governance work group assigned with ESG tasks (environment, social and governance) to refine and monitor the company's practice guidelines according to the principles of good governance and in line with business activities, vision and mission.

2) Business fair Practices: The company strictly operates in compliance with laws, regulations, corporate governance policies, code of conduct and code of ethics and strives to establish an anti-corruption work system through an internal audit system to ensure that business is conducted with transparency, integrity, honesty and fairness.

3) Anti-corruption: The company has an anti-corruption policy, to be a guideline Practice for employees Including reporting clues or complaints. Last year, in the 3<sup>rd</sup> quarter, the company submitted documents to join the Thai private sector anti-corruption project and announced its intentions. And is in the process of considering documents, and

later the company received certification to participate in the Thai private sector anti-corruption project and announced its intention. completed on December 30, 2023.

4) Respect for human rights and fair treatment of labor: The company places importance on taking care of Working environment to be safe for employees Do not support the use of unfair labor. child labor illegal foreign workers and pays attention to the principles of human rights of employees at all levels Be fair in selecting determination of compensation and is committed to developing the potential of employees In addition, the company A provident fund has been established for employees to support long-term savings and for use upon retirement.

5) Responsibility to the Environment, Communities and Overall Society: The company takes responsibility for and supports caring for the environment, education and religion in communities and engages in social, community and environmental activities to instill a sense of responsibility for the society and environment within the company and trade partners.

6) In addition, the company places importance on using resources and conserving energy and environment, focusing on reducing the amount of greenhouse gases. in 2022–2023, the company has assigned the corporate governance working group Study methods for evaluating greenhouse gas emissions resulting from business operations. including studying verification guidelines. To prepare the company's assessment guidelines.

To comply with the resolution of the Board of Directors The company hires expert consultants. To act as a consultant Develop a project to report greenhouse gas emissions.

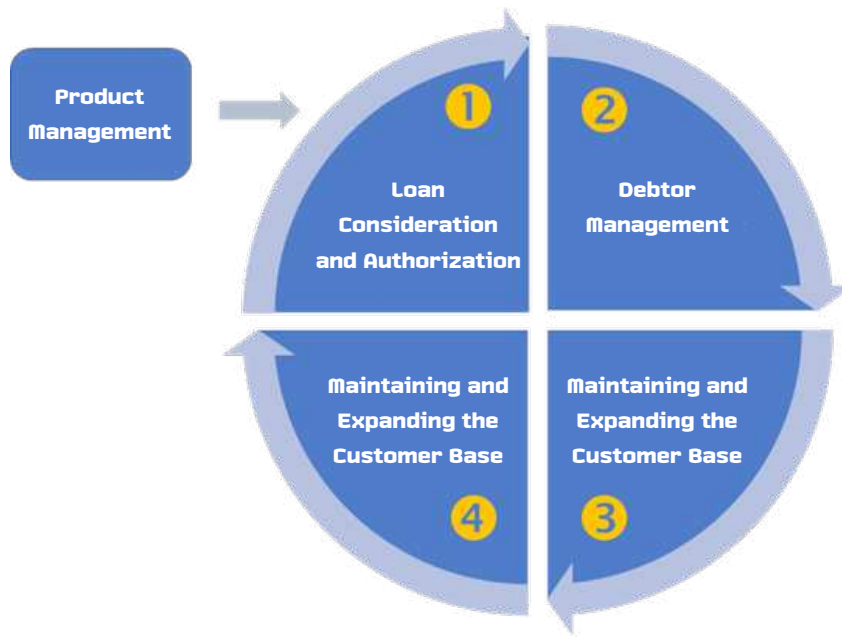
7) Social responsibility: The company focuses on executives and employees at all levels. Participate in volunteer activities Part of social responsibility

8) Business process development: The company is aware of creating added value of products and Long-term service and taking into account customer satisfaction. and stakeholders Including promoting and developing business innovation along with social and environmental innovation. for sustainable business operations.

## 3.2 Management of Stakeholder Impacts in the Value Chain

### 3.2.1 Business Value Chain

The company's business value chain reflects the loan value chain, covering loan authorization considerations, debtor management, debt collection, customer base maintenance and customer base expansion, not to mention procurement of goods for cash and installment sales.



**Product Procurement:** The company aims to present products that meets customers' needs and with consideration to the quality of products and hire purchase loans, and the company selects and refurbishes a variety of products that are known and accepted in the market by procuring them directly from manufacturers or from the proper retail distributors of each brand to ensure that customers receive high-quality products.

**1 Loan Consideration and Authorization:** The company primarily makes considerations based on the condition of the assets used as security alongside customer income information in order to give opportunities for people who lack regular income to have better access to loans. The company focuses on having in place an airtight loan policy with consideration to quality and a number of other requirements such as visits to examine the residences of customers, among others, and the company has criteria for grading existing customers who have history of previously taking loans from the company, and these are included in the company's considerations.

**2 Debt Management:** The company has the Call Center Department and an SMS system established for contacting debtors for their own convenience, such as in the notification of loan approval results and reminding customers of due payments and/or overdue payments, and the company has developed a mobile application to better meet the usage requirements and use technologies that provide greater access to the target customers. The company also has a policy for protecting the personal information of customers/ debtors and organizes activities to provide financial knowledge to customers and ordinary persons.

**3 Debt Collection:** The company has a debt collection process that complies with the law and ethical principles. The company gives importance to fair debt collection and is strict in following its procedures, and the company trains debt collection employees to possess and be enhanced in their debt collection skills while treating debtors in a lenient and friendly manner.

**4 Maintaining and Expanding the Customer Base:** The company establishes new branches to give new customers greater access to the company's services, and the company constantly renovates branches and service formats to be consistent with the needs of customers who require services.

In the management of the company's value chain, the company commits to good corporate governance guidelines, adheres to business ethics and has in place appropriate and adequate risk management, and the company develops information systems that benefit business operations and complies with related laws and regulations. These actions are meant to allow the company to sustainably increase the general public's access to the company's loans

### 3.2.1 Analysis of Stakeholders in the Value Chain

The company has categorized stakeholders inside and outside the organization that are related to the company's business value chain and has set guidelines for meeting the expectations of these stakeholders as follows:

Stakeholders	Stakeholder Communication Channels	Stakeholder Expectations	How Stakeholder Expectations Are Met
Internal Stakeholders			
Shareholders	<ul style="list-style-type: none"> <li>Shareholder meetings.</li> <li>Company website.</li> </ul>	<ul style="list-style-type: none"> <li>Good performance; good returns.</li> <li>Equitable and fair treatment of all shareholders.</li> <li>Access to correct, timely and complete information.</li> <li>Work management by executives with honesty, integrity, transparency and verifiability.</li> </ul>	<ul style="list-style-type: none"> <li>Supervise to ensure that shareholders are treated fairly in accordance with the law without diminishment in any of the shareholders' rights.</li> <li>Complete, correct and timely information disclosures.</li> <li>Work management with honesty, integrity, transparency and verifiability.</li> <li>Presence of good corporate governance policy and business ethics.</li> </ul>

Stakeholders	Stakeholder Communication Channels	Stakeholder Expectations	How Stakeholder Expectations Are Met
Employees	<ul style="list-style-type: none"> <li>Employee announcements in offices and in the company's internal software system.</li> <li>Work performance evaluations.</li> <li>Channels for complaints/whistleblowing.</li> <li>Human Resources Department.</li> </ul>	<ul style="list-style-type: none"> <li>Appropriate and fair salaries, remunerations and welfare.</li> <li>Equitable treatment.</li> <li>Good and sanitary work environment.</li> <li>Appropriate work hours.</li> <li>Opportunities for work suggestions.</li> <li>Appropriate and fair criteria for evaluating performance and opportunities for work advancement.</li> <li>Training to improve capabilities or enhance knowledge.</li> </ul>	<ul style="list-style-type: none"> <li>Presence of appropriate criteria for providing employee remunerations in line with duties and responsibilities and fairness.</li> <li>Equitable and fair treatment of employees.</li> <li>Appropriate welfare for employees in accordance with the law.</li> <li>Establishment of a work environment that has the appropriate occupational health and hygiene for work.</li> <li>Provision of training to enhance employee capabilities and knowledge.</li> <li>Activities for employees to participate in and participation contribute to the organization's growth.</li> </ul>
External Stakeholders			
Customers	<ul style="list-style-type: none"> <li>Offices, branches.</li> <li>Company sales staff.</li> <li>Mobile application</li> <li>Company website.</li> <li>Company Facebook page.</li> <li>Company activities and seminars.</li> </ul>	<ul style="list-style-type: none"> <li>Fair treatment without exploitation, e.g., in terms of loan conditions, interest rates and product prices.</li> <li>Receive fast and high-quality products and services.</li> <li>Polite treatment by company employees.</li> <li>Protection of customer data confidentiality.</li> </ul>	<ul style="list-style-type: none"> <li>Fair and equitable treatment of customers without exploitation and compliance with related laws.</li> <li>Honesty and integrity to customers and delivery of good and high-quality products and services.</li> <li>Polite, non-aggressive and patient treatment of customers.</li> <li>Customer data protection policy.</li> <li>Policy for providing customer assistance when necessary.</li> <li>Activities for customer participation such as financial future design projects related to financial planning and earning sustainable income, etc.</li> </ul>

Stakeholders	Stakeholder Communication Channels	Stakeholder Expectations	How Stakeholder Expectations Are Met
External Stakeholders			
Customers		<ul style="list-style-type: none"> <li>• Enhancement of financial literacy and strong financial immunity.</li> </ul>	<ul style="list-style-type: none"> <li>• Activities for customer participation such as financial future design projects related to financial planning and earning sustainable income, etc.</li> </ul>
Trade Partners	<ul style="list-style-type: none"> <li>• Procurement department contacts.</li> <li>• Trade partner evaluations.</li> <li>• Joint meetings with some trade partners.</li> </ul>	<ul style="list-style-type: none"> <li>• Transparent business operations with fair conditions and no exploitation.</li> <li>• Payments for goods and services according to established agreements.</li> <li>• Trade partner information confidentiality protection.</li> </ul>	<ul style="list-style-type: none"> <li>• Honest business operations with integrity, trade ethics and transparency without taking advantage of or exploiting trade partners.</li> <li>• Maintenance of good relations with trade partners and strict compliance to established agreements.</li> <li>• Fair procurement/ hiring practice guidelines.</li> </ul>
Communities	<ul style="list-style-type: none"> <li>• Business operation with consideration to social and community impacts.</li> <li>• Company website.</li> <li>• Company Facebook page.</li> </ul>	<ul style="list-style-type: none"> <li>• No environmental and community impacts.</li> <li>• Support for making better, more livable communities.</li> <li>• Corporate social responsibility.</li> </ul>	<ul style="list-style-type: none"> <li>• Appropriate business operation with attentiveness to provide benefits to society.</li> <li>• Activities to improve the living conditions of community members.</li> <li>• Existence of a corporate social responsibility policy.</li> </ul>



## 3.3 Sustainable Environmental Management

### 3.3.1 Environment Policy and Practice Guidelines

The company intends to care for the environment, hygiene, occupational health and safety for employees to ensure that all of the company's activities do not affect the environment and safety of employees in a manner that impacts the confidence of the public and stakeholders. As such, the company has specified an environmental, hygiene, occupational health and safety policy for employees. Its practice guidelines can be summarized as follows:

- The company will take actions to manage and create a working framework to specify and review objectives, goals and activities related to the environment, hygiene, occupational health and safety of employees in accordance with the law, regulations and other specifications, including a management standard that complies to international standards.
- Reduce use of chemicals and have in place a system for managing all types of wastes that impact the environment and nearby communities to minimize them as much as possible and strive to continuously remedy environmental problems.
- Minimize use of electricity, water, paper and consumable materials inside offices by using them in the most conserving and effective manner.
- The company that its policy on the environmental health, hygiene, occupational health and safety for employees is the duty and responsibility of the owners, executives and employees on every level of the company, along with employees and all related persons, who are to cooperate in following set measures, monitoring, checking and participating in expressing opinions in order to control and reduce risks from accidents and occupational health and illnesses, including damage to assets and the environment.
- The company strives to and supports the development of knowledge to raise awareness with a positive attitude toward employees and related persons in order to instill conscience and promote participation in maintaining the environment, hygiene, occupational health and safety in work.
- The company will monitor and evaluate outcomes of its efforts according to this environmental policy to ensure effective and efficient practice.

Because the company operates a service business with guidelines in favor of conservative and effective use of resources, the aforementioned have always been undertaken within the organization and contributed to minimizing green- house gas emissions problems. However, the company still has not compiled data on its greenhouse gas emissions in line with international standards or equivalent standards.

For the year 2023, the company will start with the main office for the first time in accordance with the carbon footprint guidelines of the CFO of the Greenhouse Gas Management Organization. (Public Organization) or TGO, ISO14064-1 standard. The company has taken steps to provide knowledge. Everyone's understanding. By the said project Gave knowledge about legal information and company regulations. related to the operations of each operating unit So that the responsible person can see the picture, understand and be able to comply with the law. or related requirements effectively and is expected to be able to disclose such information as follows:

### 3.3.2 Environmental performance

Sustainability framework				Performance Year 2023		target Year 2023–2025
Environmental		amount	unit	amount	unit	
Efficient use of electrical energy		208,262.6	kilo-watt-hour	3,552.00	58.63 kilo watt-hours per square meter	Not more than 6,247.88 kilowatt – hours per square meter. and decreased by no less than 3 percent compared to 2023
Water consumption				5,947.00	cubic meter per year	Not more than 178.41 cubic meters per year and decreased by not less than 3 percent when compared to 2023.
Paper usage		3,390.14	kg	3.39	tons per year	0.101 tons per year and reduced by not less than 3 percent
The amount of greenhouse gas emissions of the headquarters building and the correspondence office	Scope 1*			79.00	ton carbon dioxide equivalent	The amount of greenhouse gas emissions of the headquarters building and the Correspondence Office (Scope 1 and 2) Decreased by not less than 1.70 percent from the base year : year 2023
	Scope 2*			105.00		
	Scope 3*			134.00		

In the past, the company had a project for its employees to Participate in activities that help preserve the environment, such as the Star Green Office project, which is a campaign and instills knowledge among the company's employees. Be mindful of the environment through reducing the use of plastic materials. and/or materials that are difficult to decompose and damage the environment Employee cooperation to save resources by reducing the use of paper within the organization and increase green space By having employees bring plants to plant on their work desks. To help increase oxygen in the air Helps tired eyes from staring at a computer screen for a long time. You can relax when you look at the green leaves. Make employees relax

The Company has considered organizing environmental activities for 2023 as follows.

1. Reforestation project with Star Money Year 2 at the Wetland Community, Village No. 4, Chak Phong Subdistrict and Rayong Botanical Garden to increase green space for the community. Reduce the amount of carbon dioxide Including building good relationships with customers and business partners, doing walk rallies about the environment as well and stimulating the economy in the form of community tourism.



2. Project to donate used aluminum materials for people with disabilities, soda cans were donated. Beer cans, can rings, and used scraps. for the International Association of Physically Disabled People and the Pollution Control Department To be melted down to make prosthetic devices and sold as a factor in purchasing equipment to help people with disabilities. By campaigning for employees to bring aluminum materials to donate. instead of throwing away It is not harmful to the environment.





## 3.4 Sustainability management in the social

### 3.4.1 Social policies and practices

The Company has a policy of social responsibility. The Company views that business operations must be coupled with morality, ethics, and honesty. Under good corporate governance and business ethics It is considered a common practice guideline for people in the organization. It is a duty and responsibility that should be towards service users, shareholders, and stakeholders. Under laws and regulations Company Regulations. The Company has a policy that benefits society and the community. The ultimate goal is to be a company that lives in harmony with society sustainably. Make progress and grow together by adhering to the principles of overall social and environmental responsibility.

The Board of Directors is committed to being a growth organization. Stable and sustainable towards being a Growth Company without creating or causing damage to society and the environment. It also strengthens financial support for people in the community to have a good quality of life. Based on the principle of interdependence The Board of Directors has set guidelines for practice as follows:

- Conduct business in accordance with relevant laws and regulations, such as consumer protection laws, labor laws, tax payments, etc.
- Consider the ability to survive the business and provide returns to shareholders. The profits obtained must not be profits that result from social oppression in any way.
- Have business ethics By conducting business appropriately and with care to provide benefits to society. Especially the surrounding society that expects to be taken care of. or attention from business operators.
- Conduct business to bring benefits to society voluntarily, without being required by society. which is based on focusing on the benefits of society as a priority.
- Commitment to conducting business with the aim of living together with society. Create tangible returns to society and instill values of social responsibility to everyone in the organization.



### 3.4.2 Social performance

Operating framework	Indicators Year 2023	Performance Year 2023	target Year 2023–2025
customer satisfaction	Satisfaction score of the customer	91 percent	95 percent
Providing financial knowledge to customers, employees, and the public	Number of project participants	105 people	300 people
Reforestation project with Star Money Year 2 at Wetland Community, Village No. 4, Chak Phong Subdistrict and Rayong Botanical Garden.	Satisfaction scores	89 percent	95 percent
Project for donating used aluminum materials for disabled people	Donated aluminum weight	12 kg	5 kg
Project supporting activities “National Children's Day 2023”	Create a good image	100 percent	100 percent
Leftover project (Donate items to the Canary Foundation)	Cooperation of employees who donate items	100 percent	100 percent
Support the athletes of Star Money Public Company Limited.	Create a good image for the organization	100 percent	100 percent
Supporting the Lukthung Singing Contest Project at SUT Chanthaburi.	Create a good image for the organization	100 percent	100 percent
YEC Rayong Talk with CEO project , new generation businessmen in Rayong Province	Success and feedback from co-workers	100 percent	100 percent
Financial planning activities through playing board games	Satisfaction scores of activity participants	93 percent	95 percent
On Tour provides financial knowledge	Number of project participants	50 people	200 people
Supporting the Chamber of Commerce golf event activities	Create a good image for the organization	100 percent	100 percent
Project to build toilets for wetland communities	% successful	100 percent	100 percent
Support the organization of cycling competition activities.	% successful	100 percent	100 percent

Operating framework	Indicators Year 2023	Performance Year 2023	target Year 2023–2025
Support the activity "Run Together, Share with Children"	% successful	100 percent	100 percent
Memorandum of Understanding (MOU) on Academic Cooperation with Sripatum University and the Rayong Chamber of Commerce	% successful	100 percent	100 percent
Doing endless good together with the Ministry of Defense , Rayong.	Create a good image for the organization	100 percent	100 percent
Supporting the project "Tutting all over Thailand, conquering the university of your dreams" together with the Rayong Chamber of Commerce.	Create a good image for the organization	100 percent	100 percent

The company has Human Rights Policy (see details at <https://www.star.money.co.th>) is aware of the importance in social responsibility In order to conduct business responsibly and sustainably, we adhere to and respect human rights principles. To be used as a guideline for conducting business with respect for human rights as specified in laws, rules and regulations, both national and international standards regarding human rights, including the United Nations Universal Declaration of Human Rights (UNDHR). ) the United Nations Global Compact (UNGC), the International Labor Organization Declaration on Fundamental Principles and Rights at Work (ILO) and the Guiding Principles on Business and Human Rights of the United Nations (UN Guiding Principles on Business and Human Rights: UNGPs), which takes into account .That humans are born with include equality in human dignity. and the right to live with dignity and be treated equally. Regardless of physical differences, race, religion, nationality, skin color, gender, age, language, education, health, social status. political opinion Any other culture or belief that depends on social background. Laws of each country and according to the treaty that each country has an obligation to comply with Human rights are individual rights. It cannot be conveyed or transferred to others. In the past year 2023, the company operated in various areas as follows:

### **(1) Employee and labor aspect**

The company adheres to the principles of human rights from hiring to taking care of employees and personnel so that all employees and personnel feel connected as one family to the organization. In 2023, the company has important employee operations as follows.

### Employment

details	Number of employees (people)	
	Male	Female
Permanent employee	130	308
Disabled employees	2	0
<b>Total</b>	<b>132</b>	<b>308</b>

Remarks ; Employment does not include contract employees.

### Employee training

In 2023, the company organized 46 employee training courses to increase skills and work potential for employees, with an average number of training hours or knowledge development activities for employees of 18.05 hours per person per year from a target of 12 hours per person per year.

### Employee training courses to increase skills and work potential for the year 2023

No.	Training course	Number of employees attending training	Number of training hours	Average number of training hours / person / year
1	Orientation for new employees	253	6	2.07
2	Salesperson planning	42	6	0.34
3	High Voltage Salesman (2 models)	140	6	1.15
4	HAIER products	32	3	0.13
5	Techniques for checking car models	97	6	0.79
6	General knowledge about general insurance	77	6	0.63
7	Credit consideration criteria and case analysis	144	6	1.18
8	Car insurance and sales techniques	27	6	0.22
9	Personal Data Protection Act 2019 (PDPA)	72	6	0.59
10	Calculating daily interest rates	72	3	0.30
11	Debt Provision ( Provision)	72	3	0.30
12	Debt Collection Act	72	3	0.30
13	Debt tracking system (New collection system)	72	3	0.30
14	How to calculate commission for the new system	60	3	0.25



No.	Training course	Number of employees attending training	Number of training hours	Average number of training hours / person / year
15	How to calculate tracking fees	60	3	0.25
16	Methods and conditions for transferring installment payments through the banking system	72	3	0.30
17	Creating a digital ecosystem	5	6	0.04
18	Design Your 4.0 Spark Your Business with Transformative Technology	5	6	0.04
19	Creating work motivation and analyzing customer groups for sales management	33	6	0.27
20	General knowledge about general insurance for the year 2023	77	6	0.63
21	Work place project , welfare loan for employees for groups Companies that join the MOU with Star Money Public Company Limited	28	3	0.11
22	Sales Key Act	112	3	0.46
23	Knowledge about car insurance and insurance products from Bangkok Insurance Company.	43	6	0.35
24	Risk management and anti- corruption	51	6	0.42
25	Techniques and skills to become a professional sales executive	35	6	0.29
26	Entrepreneurial skills: How to sell for a million per month	34	3	0.14
27	How to view basic financial statements For case consideration	32	6	0.26
28	Talent Dynamics (4 Genius): Search for yourself to discover your potential.	400	6	3.28
29	Thanachart Insurance Products	13	3	0.05
30	Using the Nuovo pay system	11	3	0.05
31	Working steps of the insurance sales system through the Insur Tech channel and the 2c2p payment system	49	3	0.20
32	Direction of operations Sales and credit departments	67	3	0.27

No.	Training course	Number of employees attending training	Number of training hours	Average number of training hours / person / year
33	Firefighting drills and fire evacuation drills	100	6	0.82
34	Fraud protection Cars and motorcycles and litigation and guidelines for solving the problem of tracking vehicles back to financial institutions	5	6	0.04
35	Credit consideration and case analysis At-risk customers	8	6	0.07
36	How to effectively collect debt	95	3	0.39
37	Steps and methods for calculating installments for finance work	26	3	0.11
38	Steps and methods for calculating installments Sales and leasing work	26	3	0.11
39	prevention and suppression of money laundering and prevention and suppression of financing of terrorism and the proliferation of weapons of mass destruction.	2	6	0.02
40	Private sector moral health organization	3	6	0.02
41	Project to develop personnel potential to Become a Spatial Research Manager” and join in listening to TED Talks “ Bringing the University to a Spatial Research Manager”	2	6	0.02
42	Guidelines for comprehensive human rights due diligence ( Human Rights Due Diligences:HRDD) for listed companies	2	6	0.02
43	Financial Management PromptBiz system Trade Payment & Supply Chain management assistant	2	6	0.02
44	Sustainability report	2	6	0.02
45	Innovation in managing good governance for sustainability	2	6	0.02
46	First Aids & CPR by doctor	50	6	0.41

### Safety, occupational health and working environment

In 2023, the company continues to develop and improve the efficiency of safety operations to reduce the risk of illness, injury or death, and take care of the quality of life of employees or employees appropriately. The important actions are as follows:

- Organize fire evacuation training courses for employees. When a fire occurs to let employees know how to properly escape a fire.
- Organize First Aids & CPR training courses that provide knowledge by doctors, and medical personnel from emergency centers Bangkok Rayong Hospital. It is a practice session on first aid and life-saving CPR.



- The company has arranged group insurance welfare. That covers treatment costs in the event of an accident, illness, hospital admissions, serious illnesses, and death to take care of the quality of life of employees and their families if an employee dies.



In 2023, there were no cases of work-related injuries resulting in time off work or cases of work-related injuries.

### **Employee engagement**

In 2023, the company plans to develop employee engagement by organizing HR Variety and Happy Workplace activities with the objectives being:

- To relieve stress from work.
- To create a working atmosphere.
- To build relationships between employees Get to know each other better.

**The activities organized include:**  
organisational culture activity base



Star Money Activity Base, Search the Sky, Grab the Stars: to emphasize teamwork.





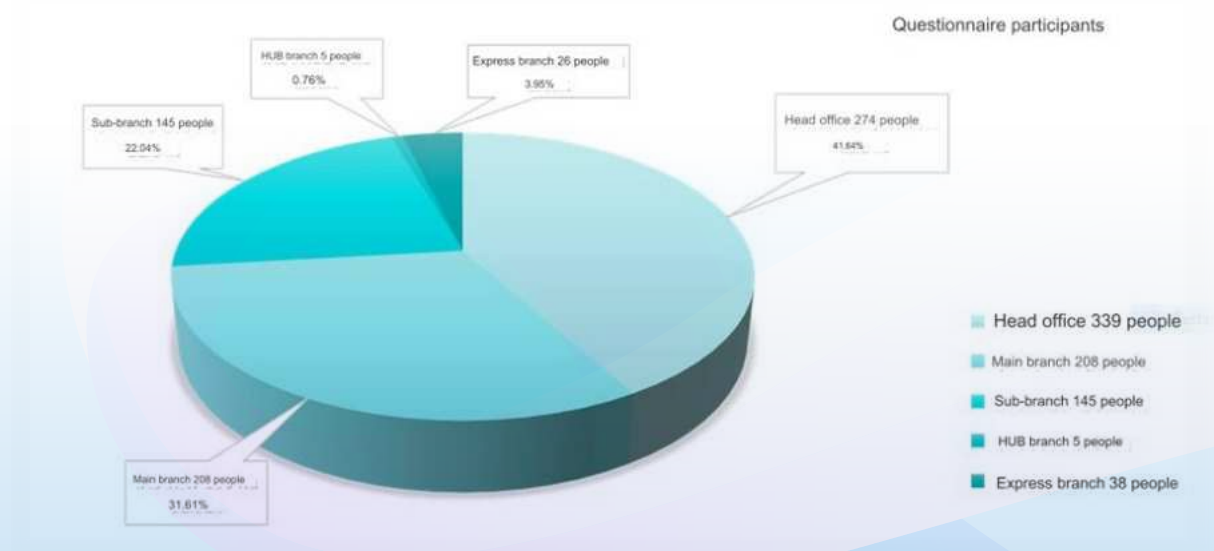
### Star Money Smart fin activity base: Organize financial board game competitions



### Star Money activity base, this one has only things to offer: activities to increase unity and work as a team.



In 2023, employees voluntarily resigned from work (turnover rate) at 23.16 percent, a rate decreased by 2.08 percent from the previous year, and the results of employee engagement assessments for the organization were 71.72 percent. Number of employees was 735 people who participated. Responded to the questionnaire: 658 people or 89.52%



### Summary of the results of employee engagement and happiness with the organization for the year 2023

Relationships in each side	Score results The highest you can get	result (%)
Topic 1 How happy are you with your work?	4	72.74%
Topic 2 How do you feel about work-life balance? and personal life)	4	70.21%
Topic 3 Supervisors/colleagues Together we support and create a working atmosphere.	4	76.84%
Topic 4 How much do you understand mission (mission) / visions (vision) and core values (core values of the organization)?	4	72.49%
Topic 5 Work pressure level	3	63.62%
Topic 6 When your work is completed according to your goals. How often have you been praised?	3	61.55%
Topic 7 Is your team communicating and working well together?	4	77.51%
Topic 8 Overall, how good is Star Money Public Company Limited as an organization to work for?	4	72.55%
หัวข้อที่ 9 Would you like to introduce the company? Let your friends and family know? Whether you come to buy products Use credit services or work	4	75.50%
หัวข้อที่ 10 How much do you feel loved and connected to the organization?	4	74.16%
Average ( $\bar{X}$ )	3.8	71.72%

#### (2) Customer

The company continuously develops products and services to satisfy customers with responsibility, honesty, and ethics. In 2023, the company received customer satisfaction at a level of 95.43%. And there are no complaints from customers on important matters.

#### (3) Community and society

The company conducts business with responsibility to the community and society. Emphasis is placed on reducing environmental impacts and avoiding operations that may have a negative impact on the quality of life of communities around the establishment. In 2023, there will be no complaints from the community on social or environmental issues.

The company has set up a social responsibility working group to work and organize activities to help and be socially responsible. The said working group has been operating since 2020, and in 2023 it has organized activities as follows:

1) Support activities “National Children's Day 2023” at Suan Sri Mueang area To publicize the organization to people in the area and various organizations that attended the event got to know the organization even more



2) Leftover project (Donate items to the Nokkamin Foundation) The company takes part in delivering leftover items such as toys, books, clothes, shoes, sports equipment, bags, dolls to children in the Nokkamin Foundation. to share Delivering happiness to children who lack opportunities by promoting it to customers of Star Money Public Company Limited to participate in donating as well.



3) Support the running athletes of the company. Star Money Public Company Limited has supported the running athletes of the company in terms of budget for purchasing equipment that will be used in the competition. To support employees with sports abilities Has created a reputation for the company This time reinforces the organization's commitment to promoting people's health and good lives. It's morale. and is a public relations event for those attending the event to get to know the organization even more.





4) Support country singing contest project MCOT Chanthaburi Supported the singing contest project Gathering of country people (MCOT CHAN) so that youth in the community can use their free time beneficially, and is a public relations event for those attending the event to get to know the organization even more.



5) YEC Rayong Talk with CEO project, new generation business in Rayong Province, Rayong Chamber of Commerce Representatives from Star Money Public Company Limited were honored to lecture on knowledge and pass on experiences. To new business owners in Rayong Province about Star Money's business operations, which became a public limited company and entered the stock market to deliver inspiration for doing business.

6) Financial planning activities through playing board games: A workshop was organized for financial planning activities through playing board games to learn how to set financial goals using SMART. This time reinforces the organization's commitment to encourage everyone who participates. Have knowledge and understanding of financial stability and strong financial immunity according to the organization's mission and is a public relations activity for those attending the event to get to know the organization more.



7) On Tour provides financial knowledge by organizing On Tour work shop, financial planning activities at schools. To teach children and youth the basics of finance. Reinforcing the organization's commitment to promoting children and and the participating youth have financial knowledge and understanding



8) Support the Chamber of Commerce golf event activities. Has supported the Rayong Chamber of Commerce golf competition. The objective is to raise income to support charitable activities of the Rayong Chamber of Commerce. and to build relationships among the committee Chamber of Commerce Member Government agencies and private sector organizations



9) Project to build toilets for wetland communities. Villagers in Chak Phong Subdistrict, Wetland Village No. 4, Rayong Province, have supported the money. to build bathrooms in wetlands Area for planting trees because he saw that this area When people come to do CSR activities, there is no convenience. There is no bathroom to use, so we provide support from the bathroom design. and supported money to build 2 bathrooms





10) Support the organization of cycling competition activities. Has supported the organising of the cycling competition "Rayong Together Bicycle, Field 4" with the objective of promoting cycling activities for health. Promote community tourism activities Wang Chan District and generate income for the community With 800-1,000 people participating in the competition.



### 3.4.3 Educational performance results

1) Supporting the activity "Run Together, Sharing with Children" We supported the activity of "Run Together, Sharing with Children" in order to use the money donated to build a pedestrian canopy for Huai Yang Suksa School this time, reinforcing the commitment. The organization's commitment to promoting people's health and good lives. It's morale. and is a public relations event for those attending the event to get to know the organization even more.



2) Memorandum of Understanding (MOU) on Academic Cooperation with Sripatum University (Chonburi Campus) and the Rayong Chamber of Commerce attended the Memorandum of Understanding (MOU) on academic cooperation. Business administration and accounting between the Rayong Chamber of Commerce and the Faculty of Accountancy, Sripatum University, Chonburi Campus To agree to be an establishment that provides support to students who wish to pursue internships in the accounting and finance fields.

3) Support work activities "Running for Children, Year 2" has supported the event activities. "Run for Children, Year 2" join in being a part In helping and sharing kindness to raise scholarships for the Foundation for Helping Poor Students in Klaeng District on Sunday, May 28, 2023, this time reinforces the organization's commitment to promoting people to good health. and is a public relations event for those attending the event to get to know the organization even more.



4) Do endless good deeds together with MCOT Rayong, together with MCOT Rayong, went to the area to improve the playground area, painted it, and provided sports equipment. for Ban Tao Poon Hai School, Rayong Province

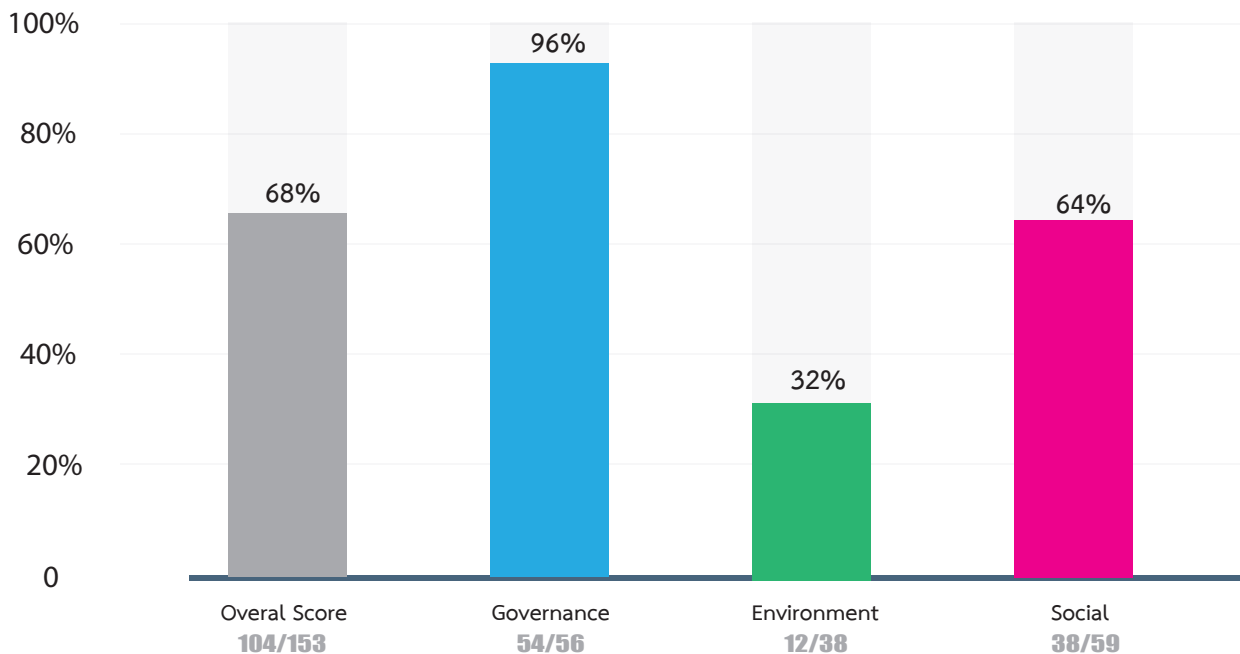


5) Support the project "Tutting all over Thailand, conquering the university of your dreams" together with the Rayong Chamber of Commerce. Participated in activities in the project "Tutting all over Thailand, conquering the university of your dreams" together with the Rayong Chamber of Commerce and the University of the Thai Chamber of Commerce. Support souvenirs such as drinking water, cloth bags, thermal water bottles, and umbrellas, but students participating in the project



*The person in the picture, the company has received consent from said person. and in accordance with the policy and notification of personal data protection (Privacy Notice)*

And last year, the company conducted an ESG Health Check assessment and received an Overall ESG Performance Score of 68%, summarized as follows: a full score of 153, consisting of scores as shown in the graph below.



From the said evaluation results, the company has put it into development planning. To be the next goal, the company has arranged for a working group to take care and supervise this matter clearly, starting from the beginning. Planning-Execution -Inspection-continuous development

The company has prepared a table summarizing indicators. About policies, plans and results from operations to reflect the Company's operational capabilities (refer to the Sustainability Reporting Manual For listed companies: Stock Exchange of Thailand) see details at <https://www.starmoney.co.th>





## 4. Management Discussion and Analysis (MD & A)

### 4.1 Analysis of Performance and Financial Position

The management discussion and analysis of Star Money Public Company Limited (Company) as to be described below should be read alongside alongside notes to financial statement appearing in the attachment to this document. Accordingly, the financial statement as of 31 December 2023 have already been audited by the company's auditor and were prepared in line with the Thai Financial Reporting Standards (TFRS).

#### 4.1.1 Business Overview

Star Money Public Company Limited (Company) registered its transformation into a public limited company on 7 April 2023 with a registered capital of 550 million baht, divided into 1,100 million ordinary shares with. with a par value of Bath 0.50 each. The company's registered and paid-up capital amounted to 550 million baht, divided into 1,100 million ordinary shares. with a par value of Bath 0.50 each. The company's head office is located in Klaeng District, Rayong Province. The company is licensed to operate a personal loan business and nanofinancing loan business under the regulation of the Bank of Thailand ("BOT"), and title lone under the BOT.

The conducting business of the company has given importance and publiciz it to all parties Sustainable operations.

E-Environment	S-Social	G-Governance
Environmentally	Social responsibility	Principles good governance
Global warming	Health	Honest
Crisis Water Air	The community	Fair customers
Reduce greenhouse gases	Human Rights	Transparency
Resources Effective	Stakeholders	Anti-corruption

The company has joined the ESG DNA project to begin providing basic knowledge. For employees to understand ESG working principles through ESG knowledge, create organization-specific landing pages , and support contact and measurement systems.

Currently, the company operates business in 2 main

1) A business in the retail of electrical appliances, computers, mobile phones and other devices for cash and installments through hire purchase agreements, where products are sold via "Star Money" stores in Rayong, Chanthaburi Province, Chon Buri Province and Prachin Buri Province and online channels.

2) A business offering loan services for various loans such as (1) vehicle-secured regulated personal loans with security consisting of motorcycle registrations, registrations of passenger cars with no more than 7 seats, commercial vehicle

registrations, such as pickup trucks, passenger buses and trucks, etc.; (2) non-vehicle-secured regulated personal loans; and (3) secured loans with security such as vehicle registrations, land and structures. The company also provides other additional, related services such as non-life insurance broker services, compulsory vehicle insurance renewal and vehicle registration renewal services, etc.

As of the end of 2023, the company has 98 branches total. Most of these cover the 7 provinces in the Eastern Region of Thailand, namely, Rayong, Chanthaburi, Chon Buri, Chachoengsao, Prachin Buri, Trat and Sa Kaeo Provinces, and there are 2 additional branches in Udon Thani and Nakhon Ratchasima Provinces.

As for financial position, as of the end of 2023, the company's total assets amounted to 2,959.61 million baht or an decreased from 2022 by 250.27 million baht or 7.80 %. Most of these assets consisted of the debtor portfolio according to hire purchase receivables and loan receivables, which amounted to 2,566.08 million baht or about 86.70% of total assets. Following these were products in inventories that amounted to 104.72 million baht or 3.54% total assets. Meanwhile, the company's total liabilities amounted to 1,831.98 million baht, an decreased from year 2022 by 266.55 million baht or by 12.70%. liabilities most of the overall of short-term and long-term from financial institutions at the amount of 1,595.98 million baht or 87.12 % of total liabilities. For shareholders' equity, the company's shareholders' equity amounted to 1,127.63 million baht or an increase from year 2022 by 16.28 million baht or 1.46 %. The shareholders' equity consisted of Issued and fully paid up amounted to 550.00 million, share premium amounted to 466.25 million baht, Appropriated – statutory reserve amounted to 25.05 million baht, Retained earnings Unappropriated amounted to 86.33 million baht

For performance for the years 2021–2023, the company's totall revenues 1,237.42 million baht, 1,399.44 million baht and 1,379.85 million baht, respectively. Of these, operating revenues amounted to 1,205.57 million baht, 1,355.31 million baht and 1,330.55 million baht, respectively, or about 96.43% – 97.43% of total revenues. and net profits amounted to 102.94 million baht, 81.15 million baht and 61.75 million baht, respectively. For the year 2023, the company's total revenues amounted to 1,379.85 million baht, it is operating revenues amounted to 1,330.55 million baht or 96.43% of total revenues, and net profit amounted to 61.75 million baht.

As for cash flow for the years 2021–2023, the company's net cash and cash equivalent transactions increased (decreased) amounted to 5.78 million baht, 497.48 million baht and (497.13) million baht, respectively. Most cash received came from short-term and long-term from financial institutions ,installment payments from loan receivable. increase in the Company's registered share capital , Most cash spent, meanwhile, was spent in issuing secured loans and payment of dividends.

(Additional details are shown in 4.1.2–4.1.6 on performance analysis, financial position analysis, sources of capital, liquidity analysis and important financial ratios).



## 4.1.2 Performance Analysis

### 1) Revenue Structure

Revenue Structure	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
Operating Revenues						
1. Sales and service income	722.26	58.37	845.79	60.44	773.88	56.08
2. Hire purchase interest income	58.33	4.71	85.12	6.08	84.56	6.13
3. Loan interest income	410.99	33.21	410.44	29.33	455.35	33.00
4. Fee and service income	14.59	1.18	13.96	1.00	16.76	1.22
Total Operating Revenues	1,206.17	97.47	1,355.31	96.85	1,330.55	96.43
Other income <sup>1/</sup>	31.25	2.53	44.13	3.15	49.30	3.57
<b>Total Revenues</b>	<b>1,237.42</b>	<b>100.00</b>	<b>1,399.44</b>	<b>100.00</b>	<b>1,379.85</b>	<b>100.00</b>

Remarks <sup>1/</sup> Other income include commission fees from the non-life insurance business, revenues from bad debts recovered, Sales and service income promotion activities, employee welfare loan interest revenues, net profits from asset sales and interest revenues from bank account deposits, etc.

From the years 2021 to 2023, the company's total revenues equaled 1,237.42 million baht, 1,399.44 million baht and 1,379.85 million baht, respectively. The company's main sources of revenue came from two main businesses as follows:

Sales and service income: From the years 2021 to 2023, the company's Sales and service income totaled 722.26 million baht, 845.79 million baht and 773.88 million baht, respectively, or 58.37%, 60.44% and 56.08 % of total revenues, respectively.

Interest income, fee and service income: From the years 2021 to 2023, the company's revenues from interest, fee and services income amounted to 483.91 million baht, 509.52 million baht and 556.67 million baht, respectively, or 39.11%, 36.41% and 40.34% of total revenues, respectively. Accordingly, the company's interest income, fee and services income have been increasing steadily since 2021 to 2023 in line with the company's business plan to prioritize on growth in the secured and unsecured loan business in the future. In 2023, hire purchase interest income decreasing slightly by 0.56 million baht. respectively. Accordingly, the loan-related fees area already included in interest revenue received as effective interest rate (EIR), and the company recognizes it at the rate stipulated by the BOT to not exceed 24% as of 1 August 2020, and the company has discontinued charging loan-related fees such as front-end fees since the end of 2020.

Furthermore, from 2021 to 2023, the company's other income amounted to 31.25 million baht, 44.13 million baht and 49.30 million baht, respectively. Most of the company's other income in 2023 consisted of commission from Insurance brokerage commission income at 17.88 million baht, followed by 26.47 million baht of income from bad debts was recovery and 3.40 million baht of sales promotion income other and other income 1.55 million baht. For 2023, the company's other income amounted to 49.30 million baht, or an increase of 5.17 million baht when compared to the first six months of 2022. Primarily, this happened as a result of revenue from income from bad debts was recovery.

## 2) Sales Income

Revenue from Sales by Type	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
Cash Sales	124.60	17.25	111.15	13.14	120.01	15.51
Installment Sales	597.66	82.75	734.64	86.86	653.87	84.49
<b>Total</b>	<b>722.26</b>	<b>100.00</b>	<b>845.79</b>	<b>100.00</b>	<b>773.88</b>	<b>100.00</b>

From the years 2021 to 2023, the company's sales and services income amounted to 722.26 million baht and 845.79 million baht and 773.88 million baht, respectively. Decreased when compared to 2022 of 71.91 million baht, or 8.50 %. The main reason is due to a reduction in the proportion of sales of mobile phone installment products. Because it is a product that has a high risk of causing distressed debt in the future.

In addition, the table shows that from 2021 to 2023, the company's income from installment sales had a higher proportion than cash sales, with installment sales proportions ranging from 82.75% – 86.86% and cash sales at approximately 13.14% – 17.25%. For installment sales, customers make additional hire purchase agreements as proof of purchase by-installment.

The proportions of sales by product type are shown as follows:

Sales income by Product Type	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
Electrical appliances	514.98	71.30	524.56	62.02	495.74	64.06
Mobile phones	180.50	24.99	294.60	34.83	262.78	33.96
Computers	19.70	2.73	25.17	2.98	13.27	1.72
Motorcycles	7.08	0.98	1.46	0.17	2.09	0.27
<b>Total</b>	<b>722.26</b>	<b>100.00</b>	<b>845.79</b>	<b>100.00</b>	<b>773.88</b>	<b>100.00</b>

From the table, it can be seen regarding product sales by type that from the years 2021 to 2023 the company's generated the most revenues from electrical appliance sales at approximately 62.02 – 71.30 % of total sales income, with the top 5 sales being televisions, washing machine, refrigerators, air conditioners and freezers, respectively. As a result, the company, being a major distributor of electrical appliances in the Eastern Region, has the power to negotiate product sales and has organized promotional offers to stimulate sales, and the company also has knowledge about the direction and time when new products or goods are launched each year for the benefit of the company's sales and product output planning. Accordingly, the product sales by type were consistent with 2021 with continually rising mobile phone sales.

### 3) Cost of sales

From 2021 to 2023, the company's cost of sales amounted to 619.40 million baht, 722.51 million baht and 656.84 million baht, respectively. In 2022, the company's cost of sales increased by 103.11 million baht or 16.65%, Similar to the rate of increased in sales and service income of 17.10% when compared to 2021. As for the year 2023, the company's cost of sales decrease by 65.67 million or 9.09% when compared with year 2022, which was consistent with the rate of decrease in sales and service income, which equaled 8.50%. Accordingly, the company has set a Reduce cost to net realisable value account for the years 2021–2023 by 0.05 million baht (0.01) million baht, and 0.01 million baht, respectively, according to the net realizable value method (NRV).

### 4) Gross Profit and Gross Profit Margin from Sales

Item	2021 Million THB	2022 Million THB	2023 Million THB
Sales and service income	722.26	845.79	773.88
Cost of Sales	(619.40)	(722.51)	(656.84)
Gross Profit from Sales	102.86	123.28	117.04
Gross Profit Margin from Sales (%)	14.24	14.58	15.12

From the years 2021 to 2023, the company's gross profit from sales amounted to 102.86 million baht, 123.28 million baht and 117.04 million baht, respectively, or a gross profit margin from sales of 14.24%, 14.58% and 15.12%, respectively. Accordingly, the company's gross profit margin from sales has been increasing continuously due to its strategy to push for the sale of products with a high profit margin. In 2022, the company's gross profit from sales amounted to 123.28 million baht, or a gross profit margin from sales of 14.24%, which was an increase from year 2021, from sales of mobile phone products with a proportion of brand sales, with higher gross profit margins in 2023, the company's gross profit from sales amounted to 117.04 million baht, or a gross profit margin from sales of 15.12%, which was an decreased from year 2022, the company has income from selling products such as mobile phones and electrical appliances, decreased in line with the reasons described above.

## 5) Revenue from Loans

Revenue from loans consists of interest revenue from hire purchase interest income, loan interest income, fee and service income venue from loan fees and services such as collection fees, late payment fines and other service fees, etc.

Revenue from Loans	2021		2022		2023	
	million THB	%	million THB	%	million THB	%
Hire purchase interest income	58.33	12.05	85.12	16.71	84.56	15.19
Loan interest income	410.99	84.93	410.44	80.55	455.35	81.80
Total Interest Revenues	469.32	96.98	495.56	97.26	539.91	96.99
Fee and service income	14.59	3.02	13.96	2.74	16.76	3.01
<b>Total Revenue from Loans</b>	<b>483.91</b>	<b>100.00</b>	<b>509.52</b>	<b>100.00</b>	<b>556.67</b>	<b>100.00</b>

From the years 2021 to 2023, the company's hire purchase interest income totaled 58.33 million baht, 85.12 million baht and 84.56 million baht, respectively. This revenue varied according to the revenue from installment purchases previously described.

In 2022, the hire purchase interest income increased by 26.79 million baht or 45.93 % when compared to 2021. Accordingly, this was primarily caused by an increase in installment sales due to the company's strategy to focus on installment sales and an expansion in the portfolio of hire purchase receivables. For year 2023, the company's hire purchase interest income totaled 84.56 million baht or an decreased of 0.56 million baht when compared to that of 2022.

From the years 2021 to 2023, the company have loan interest income amounted to 410.99 million baht, 410.44 million baht and 455.35 million baht, respectively. In 2022, the loan interest income slightly increased by 0.55 million baht or 0.04% when compared to 2021. For year 2023, the company's loan interest income equaled 455.35 million baht or a increased of 44.91 million baht when compared to year 2022. This was due to the portfolio of loan receivables in of 2023.

The company's average effective interest rate (EIR) per year for title loans from the end of 2021 to 2023 equaled 23.83%, 23.87% and 23.85%, respectively, which complied with the requirements set by the BOT (where the effective interest rate may not exceed 24% per year beginning as of 1 August 2020).

## 6) Finance cost

Finance cost consist of interests paid from finance institutions loans and interest expenses from Lease liabilities. The aforementioned finance institutions loans contain both floating and fixed interest rates, and from 2021 to 2023, the company's finance costs equaled to 57.31 million baht 69.01 million baht and 77.93 million baht, respectively.

In 2022, the company's finance cost equaled 69.01 million baht. This represented an increase of 11.70 million baht or 20.42% when compared to the year 2021 and was caused by an increase in bank loans from 1,583.12 million baht in 2021 to 1,858.36 million baht in 2022 and an increase in average rate of interest expenses from 3.47% per annum in 2021 to 3.85% per annum in 2022.

In 2023, the company's finance cost equaled 77.93 million baht. This represented an increase of 8.92 million baht or 12.93% when compared to 2022 and was caused by an increase in taking of finance institutions loans in 2022 from 3.85% per annum in 2023 to 4.29% increased of 0.44 per annum.

## 7) Gross Profits from Loans

Item	2021 Million THB	2022 Million THB	2023 Million THB
Hire purchase interest income	58.33	85.12	84.56
Loan interest income	410.99	410.44	455.35
Total Interest Revenues	469.32	495.56	539.91
Finance cost	(57.31)	(69.01)	(77.93)
Gross Profit from Loans	412.01	426.55	461.98

## Profitability Ratios from Loans

Item	Unit	2021	2022	2023
Loan yield	%	22.58	21.89	20.93
Cost of fund	%	(3.47)	(3.85)	(4.29)
Spread	%	19.07	18.04	16.64

From the years 2021 to 2023, the company's gross profit from loans (before deducting sales and administrative expenses) equaled 412.01 million baht, 426.55 million baht and 461.98 million baht, respectively. The company's gross profit from loans increased continuously every year, while the cost of fund rate increased continuously from 2021 to 2023. Because most of the company's loans cost of fund rates increase having a floating interest rate that follows the upward or downward direction of interest. Accordingly, the company was still able to maintain the difference in interest rates (loan yield - cost of fund) to be in the range of 16.64% to 19.07%. For 2023, the company's gross profit from loans amounted to 461.98 million baht, with the difference between loan yield and cost of fund at 16.64%, which was slightly below that of 2022 when the interest rate difference was 18.04%.

### 8) Fee and Services income

Fee and services income consisted of revenues from debt collection and revenues from fines for late payments, along with services income, such as revenue from goods transportation service fees, land survey fees, etc. From 2021 to 2023, the company's fee and services income totaled 14.59 million baht, 13.96 million baht and 16.75 million baht, respectively, with the proportions at 1.18%, 1.00% and 1.22% of total revenues. In 2022, the company's fee and services income to 13.96 million baht decrease slightly by 0.63 million baht from that of 2021. For 2023, the company's fee and services income amounted to 16.76 million baht, which was a slight increase of 2.80 million baht when compared to the 2023.

### 9) Other Income

Other Income	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
Insurance brokerage commission income	15.57	49.82	18.93	42.90	17.88	36.26
Income from bad debts was recovery	11.56	37.00	19.80	44.88	26.47	53.69
sales promotion income other	3.21	10.27	3.85	8.73	3.40	6.9
Interest Income employee welfare loans	0.51	1.63	0.45	1.02	0.40	0.81
Profit from asset sales	0.02	0.06	0.01	0.02	0.18	0.37
Other income	0.38	1.22	1.08	2.45	0.97	1.97
<b>Total</b>	<b>31.25</b>	<b>100.00</b>	<b>44.12</b>	<b>100.00</b>	<b>49.30</b>	<b>100.00</b>

From 2021 to 2023, the company's other income totaled 31.25 million baht, 44.12 million baht and 49.30 million baht respectively. Other income primarily contained Insurance brokerage commission income, Income from bad debts was recovery and sales promotion income other. Other income increased from 2021 to 2023 due to increases in Insurance brokerage commission income, which is a business related to the company's loan business and which the company plans to expand in the future, along with increases in bad debt recovery. for year 2023, the company's other income equaled 44.12 million baht or an increase of 12.87 million baht when compared to 2021. From improvements in the company's debt collection effectiveness and adjustment in the follow-up reporting system, the company's bad debt recovery increased by 8.24 million baht.



For 2023, the company's other income totaled 49.30 million baht or an increase of 5.18 million baht when compared to 2022. From the increase in bad debts recovered as a result of increasing the efficiency of the company's debt collection. As in 2022, there was an increase in bad debt recovery of 6.67 million baht.

#### 10) Selling Expenses

Selling Expenses	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
Selling promotion expenses	2.21	31.48	6.35	45.68	4.85	39.08
Advertisement and public relations expenses	3.78	53.85	3.25	23.38	3.48	28.04
Marketing expenses	0.99	14.10	4.12	29.64	3.95	31.83
Other selling expenses	0.04	0.57	0.18	1.30	0.13	1.05
<b>Total</b>	<b>7.02</b>	<b>100.00</b>	<b>13.90</b>	<b>100.00</b>	<b>12.41</b>	<b>100.00</b>

From the years 2021 to 2023, the company's selling expenses amounted to 7.02 million baht, 13.90 million baht and 12.41 million baht, respectively, which amounted to a share of 0.57%, 0.99% and 0.90% of total revenues, respectively. Accordingly, most selling expenses consisted of sales promotion expenses, advertisement and public relations expenses and marketing expenses for sales promotion activities and sales-boosting promotional offers, etc.

In 2022, the company's selling expenses increased by 6.88 million baht or 98.01% when compared to year 2021. From sales promotional to create incentives and create more customer awareness.

In 2023, the company's selling expenses depreciate by 1.49 million baht or 10.72% when compared to year 2022. This comes from a decrease in sales as described above, causing sales expenses to decrease accordingly.

## 11) Administrative Expenses

Administrative Expenses	2021		2022		2023	
	million THB	%	million THB	%	million THB	%
Employee-related expenses <sup>1/</sup>	176.61	41.54	200.43	41.05	220.61	39.73
Bad debts and allowance for expected credit loss.	74.51	17.53	72.38	14.82	108.30	19.50
Depreciation and amortization	51.31	12.07	55.78	11.42	60.67	10.93
Office rental expenses	21.45	5.05	23.18	4.75	25.78	4.64
Taxes and fees	16.84	3.96	17.21	3.52	19.05	3.43
Professional fee	13.91	3.27	14.15	2.90	8.02	1.45
Loss on impairment and disposals of assets foreclosed	12.18	2.86	15.58	3.19	38.05	6.85
Vehicle-related expenses	7.91	1.86	9.87	2.02	12.22	2.20
Directors' remunerations and meeting attendance fees	41.10	9.67	48.38	9.91	45.28	8.16
Other administrative expenses	9.34	2.19	31.32	6.42	17.27	3.11
<b>Total</b>	<b>425.16</b>	<b>100.00</b>	<b>488.28</b>	<b>100.00</b>	<b>555.25</b>	<b>100.00</b>

Remarks: <sup>1/</sup> Employee related expenses include salaries, overtime fees, bonuses, social security, provident fund contributions and employee welfare.

From the years 2021 to 2023, the company's overall administrative expenses amounted to 425.16 million baht, 488.28 million baht and 555.25 million baht, respectively. Most of these consist of employee-related expenses, bad debts and allowance for expected credit loss, depreciation and amortization, rent/lease fees and service fees for the head office and branches, Loss on impairment and disposals of assets foreclosed, taxes and fees related to loan services, Professional fee, etc.

In 2022, the company's administrative expenses amounted to 488.28 million baht or an increase of 63.12 million baht or 14.85%. This was mainly due to an increase in employee-related expenses by 23.82 million baht from increased salary expenses due to increased hiring of employees to support new work sections and branches, while other administrative expenses increased by 21.98 million baht primarily due to share – based payment expenses by 19.58 million baht. Accordingly, the aforementioned expenses were remunerations paid based on shares in the period when the company's ordinary shares began trading in the Stock Exchange of Thailand for the first day.

In 2023, the company's administrative expenses amounted of 555.25 million baht, or an increase of 66.97 million baht or 13.7% from an increase in the allowance for expected credit losses of loan receivables. 35.92 million baht from changing the data set, PD and LGD values, causing the allowance for expected credit losses of loan debtors to increase. and the sale of foreclosed properties that are not ready for use Increasing impairment losses of 22.47 million baht, including employee expenses. Directors' remuneration Meeting allowance increased by 17.08 million baht from increased salaries from hiring employees to support the increased divisions and branches.

The company's profitability is summarized as follows:

Item	2021		2022		2023	
	Million THB	% <sup>1/</sup>	Million THB	% <sup>1/</sup>	Million THB	% <sup>1/</sup>
Gross profit from sales	102.86	8.31	123.28	8.81	117.04	8.48
Gross profit from loans	412.01	33.30	426.55	30.48	461.98	33.48
Overall gross profits (including other revenues)	546.12	44.13	593.96	42.44	628.32	45.54
Operating profit <sup>2/</sup>	128.53	10.39	105.74	7.56	77.43	5.61
<b>Net Profit</b>	<b>102.94</b>	<b>8.32</b>	<b>81.15</b>	<b>5.80</b>	<b>61.75</b>	<b>4.48</b>

Remarks: <sup>1/</sup> Compared with overall revenues.

<sup>2/</sup> Operating earnings means earnings before income tax (EBIT).

## 12) Operating Profit (Profit before Income Tax)

For the years 2021–2023, the company's operating profit (earnings before income tax) amounted to 128.53 million baht, 105.74 million baht and 77.43 million baht, respectively. Accordingly, most operating earnings came from gross profit from loans by an average of about 77.58 % – 80.02%, while gross profit from sales was about 19.98 % – 22.42% on average.

In 2022, the company's operating profit amounted to 105.74 million baht or a decrease of 22.79 million baht or 17.73% when compared to year 2021 due to increased administrative expenses that caused a decrease in operating Profit.

In 2023, the company's operating profit amounted to 77.43 million baht or a decrease of 28.31 million baht or 26.77% when compared to year 2022 due to increased administrative expenses that caused a decrease in operating Profit.

### 13) Net Profit and Net Profit Margin

From the years 2021 to 2023, the company's net profit amounted to 102.94 million baht, 81.15 million baht and 61.75 million baht, respectively, and the net profit margin was 8.32%, 5.80% and 4.48%, respectively. Accordingly, net profit and net profit margin fluctuated in line with changes in operating profit.

#### Profit per Share

Item	Unit	2021	2022	2023
Net profit	Million THB	102.94	81.15	61.75
Number of ordinary shares	Million Shares	800	814.79	1,100
Net profit per share	THB	0.13	0.10	0.06

From 2021 to 2023, the company's net profit per share was 0.13 baht per share, 0.10 baht per share and 0.06 baht per share, respectively. Accordingly, the company's net profit per share rises and falls in line with the business performance of each year.

## 4.1.3 Analysis of Financial Position

### 1) Overview of Assets

By the end of 2021 – 2023, the company's total assets 2,298.03 million baht, 3,209.88 million baht and 2,959.61 million baht, respectively. These consisted of current assets at amount of 1,085.61 million baht, 1,738.72 million baht and 1,246.50 million baht or a share of 47.24 %, 54.17% and 42.11% of the total assets of each year, respectively. In addition, non-current assets totaled 1,212.42 million baht, 1,471.16 million baht and 1,713.11 million baht, respectively, or a share of 52.76%, 45.83% and 57.88% of the total assets of each year, respectively. The individual items can be described as follows:

### 2) Cash and Cash-Equivalent

By the end of 2021 to 2023, the company's cash and cash equivalent equaled to 21.17 million baht, 518.65 million baht and 39.51 million baht, respectively, or a share of 0.92–16.16% of total assets. Cash and cash-equivalent transactions included cash, saving accounts deposits and current accounts deposits.

### 3) Deposits at bank with Restrictions

By the end of 2021 to 2023, the company's deposits at bank with restrictions amounted to 12.38 million baht, 5.57 million baht and 4.76 million baht, respectively, or a share of 0.16–0.54% of total assets. Accordingly, these items were bank account deposits for the insurance premiums the company received from insurance takers and the company is required to deliver these insurance premiums to insurance companies. The company is not entitled to use or seek benefits from or deduct expenses from these insurance premiums. Accordingly, the company has been operating the insurance broker business since 2019.

#### 4) Trade and Other Receivables

	By the End of 2021		By the End of 2022		By the End of 2023	
	Million THB	%	Million THB	%	Million THB	%
Trade receivables – product sales	0.05	0.57	0.13	1.57	0.01	0.13
Company employee loan receivables	4.29	48.92	3.78	45.71	3.33	43.53
Overdue bill payment receivables	1.12	12.77	0.32	3.87	0.11	1.44
Revenue Department receivables	0.49	5.59	1.28	15.48	1.45	18.95
Other receivables	2.82	32.16	2.76	33.37	2.75	35.95
<b>Total Trade and Other Receivables</b>	<b>8.77</b>	<b>100.00</b>	<b>8.27</b>	<b>100.00</b>	<b>7.65</b>	<b>100.00</b>

By From the end of 2021 to 2023, the compatrade receivable totaled 8.77 million baht, 8.27 million baht and 7.65 million baht, respectively. These largely consist of other receivable mostly in the form of large transactions, i.e., company employee loan receivable according to employee welfare by 4.29 million baht, 3.78 million baht, 3.33 million baht, or 43.53% – 48.92%, of trade and other accounts receivable.

#### 5) Inventories

Inventories Type	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
Electric appliance	85.08	87.96	97.02	90.88	89.07	85.06
Mobile phone	8.56	8.85	7.07	6.62	13.86	13.23
Computer	2.85	2.94	1.85	1.74	1.02	0.97
Others	0.37	0.38	0.92	0.86	0.90	0.86
Reduce cost to net realisable value	(0.13)	(0.13)	(0.11)	(0.10)	(0.13)	(0.12)
<b>Inventories–Net</b>	<b>96.73</b>	<b>100.00</b>	<b>106.75</b>	<b>100.00</b>	<b>104.72</b>	<b>100.00</b>

From the end of 2021 to 2023, the company's inventories totaled 96.73 million baht, 106.75 million baht, and 104.72 million baht, respectively. Most of the inventories consisted of electrical appliances by a share of 85.06 – 90.88%, followed by mobile phones by 6.62% – 13.23% of the inventories.

As of the end of 2022, the company's inventories increased by 10.02 million baht or 10.36% when compared to the end of 2021. The reason is that the target for freezer products was closed at the end of the year. and closing annual purchase targets at some distributors And there is also better inventory management. It can be seen that products with an shelf life of more than 91 days have decreased from 2021 in the amount of 6.90 million baht, or 16.55%, due to cooperation with distributors in organizing sales price adjustment activities. In order to continuously release long-lasting products

As of the end of 2023, the company had a slight decrease in inventories of 2.03 million baht, representing 1.90% compared to 2022. This was due to a policy of decreasing orders to be in line with decreased sales in 2023 and this. In 2023, there were products with a shelf life of more than 91 days, increasing from 2022 in the amount of 5.21 million baht, accounting for 14.98%. Therefore, there must be cooperation with distributors in organizing activities to adjust the selling price of products with a long shelf life continuously in order to It is the next product to be released.

#### Inventories Aging

Inventories Aging	2021		2022		2023	
	million THB	%	million THB	%	million THB	%
1-90 days	55.17	57.04	72.07	67.51	64.85	61.93
91-180 days	26.50	27.39	22.16	20.76	23.48	22.42
181-360 days	14.13	14.61	11.76	11.01	13.49	12.88
Over 360 days	1.06	1.09	0.87	0.82	3.03	2.89
Total	96.86	100.13	106.86	100.10	104.85	100.12
Less: Allowance for diminution in value of inventories depreciation	(0.13)	(0.13)	(0.11)	(0.10)	(0.13)	(0.12)
<b>Inventories – Net</b>	<b>96.73</b>	<b>100.00</b>	<b>106.75</b>	<b>100.00</b>	<b>104.72</b>	<b>100.00</b>

The Company uses the method of comparing cost price with net realizable value (NRV) to record Allowance for diminution in value of inventories depreciation at the end of the year 2021-2023. the company's inventories overdue for 1 year to 1.06 million baht, 0.87 million baht, and 3.03 million baht, respectively. This will include products that are not affected by changes in technology. such as water heaters, freezers and products affected by technological changes such as mobile phone, etc. However, the company does not have a policy to return long-standing products to distributors. But will receive support from distributors in compensation for lower selling prices in order to stimulate sales.

#### 6) Hire Purchase receivables and loan receivables

The balance of hire purchase receivables and loan receivable of the company is shown as follows:

Receivables Type	2021		2022		2023	
	million THB	%	million THB	%	million THB	%
Hire purchase receivables – net	168.19	8.63	246.21	10.62	204.63	7.97
Loan receivables – net	1,780.22	91.37	2,071.34	89.38	2,361.45	92.03
<b>Total</b>	<b>1,948.41</b>	<b>100.00</b>	<b>2,317.55</b>	<b>100.00</b>	<b>2,566.08</b>	<b>100.00</b>



As of the end of 2021 to 2023, the company's portfolio of hire purchase receivables and loan receivables totaled 1,948.41 million baht, 2,317.55 million baht and 2,566.08 million baht, respectively. The company's primary debtors included loan receivables that made up a share of about 89.38% – 92.03% of the net total loan.

**Accounting Policy Related to Management of Hire Purchase Receivables and Loan Receivables/Allowance for Expected Credit Losses Adopted after 1 January 2020**

The 9th Thai Financial Reporting Standards requires the company to estimate the expected credit losses instead of recognizing realized losses according to the previous accounting policy. The current Thai Financial Reporting Standards require the company to recognize depreciation according to the expected credit loss model.

The Company groups hire-purchase receivables and loan receivables into a three-stage approach to measure the value of allowance for expected credit losses. The grouping is based on changes in credit quality since the date of initial recognition as follows:

- Step 1: Hire purchase receivables and loan receivables that do not have a significant increase in credit risk (Performing). The Company measures the allowance for expected credit losses equal to the Expected credit losses within the next 12 months
- Step 2: Hire purchase receivables and loan receivables with a significant increase in credit risk (underperforming). The Company will recognize expected credit losses in the amount. That is equal to the expected credit losses over the expected life of the hire purchase receivables and loan receivables.
- Step 3: Hire purchase receivables and loan receivables with credit impairment. (Non-Performing)

The Company recognizes expected credit losses in an amount equal to the expected credit losses over the expected life of the hire purchase receivables and loan receivables.

The company's hire purchase receivables had agreement durations ranging from 3 installments to 60 installments (with only a single agreement having 84 installments), with equal installment payments for each installment and fixed interest throughout the entire duration of their agreements. As of the end of 2021 to 2023, the company's portfolio of hire purchase receivables equaled 168.19 million baht, 246.21 million baht and 204.63 million baht, respectively. Most of these consisted of receivables due within 1 year by 162.75 million baht, 238.03 million baht and 196.10 million baht, respectively, or a share of about 95.83 %- 96.77% of the hire purchase receivables portfolio, with the remainder being debtors due within more than 1 year by about 3.23% - 4.17% of the hire purchase receivables portfolio.

The details in the table divide agreement repayment due dates as follows:

(Unit : MILLION THB)

Item	2021			2022			2023		
	Within 1 Year	More than 1 Year	Total	Within 1 year	More than 1 Year	Total	Within 1 Year	More than 1 Year	Total
Hire purchase receivables	192.03	7.92	199.95	291.49	10.55	302.04	243.15	11.09	254.24
Less: Unearned income	(20.05)	(1.86)	(21.91)	(34.01)	(1.64)	(35.65)	(28.65)	(1.86)	(30.51)
Present value of the minimum lease payment receivables	171.98	6.06	178.04	257.48	8.91	266.39	214.50	9.23	223.73
Less: Allowance for expected credit losses	(9.23)	(0.62)	(9.85)	(19.45)	(0.73)	(20.18)	(18.40)	(0.70)	(19.10)
Hire purchase receivables - Net	162.75	5.44	168.19	238.03	8.18	246.21	196.10	8.53	204.63
%	96.77%	3.23%	100.00%	96.68%	3.32%	100.00%	95.83%	4.17%	100.00%

As of the end of 2022, the portfolio of hire purchase receivables increase from 2021 to 78.02 million baht. Because in 2022 the company opened an Express branch and pushed to sell more products, causing receivables under hire purchase receivables in 2022 to increase.

At the end of 2023, the portfolio of hire purchase receivables decreased from 2022 in the amount of 41.58 million baht due to the Company being more stringent in granting loans under hire purchase agreements despite having written off bad debts according to the company's policy. increased, resulting in a decrease in the portfolio of hire purchase receivables

Furthermore, upon considering based on security type in the portfolio of hire purchase receivables, it was found that as of the end of 2021 to 2023, most hire purchase agreements were in the category of electrical appliances at 61.68%, 50.65% and 50.36% of the total hire purchase receivables, respectively, followed by mobile phones at 28.97%, 43.47% and 44.95%, respectively, of the total hire purchase receivables.

## Structure of Hire Purchase receivables by Security

Security	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
Electrical appliance hire purchase receivables	103.73	61.68	124.71	50.65	103.05	50.36
Mobile phone hire purchase receivables	48.73	28.97	107.03	43.47	91.98	44.95
Motorcycle hire purchase receivables	8.86	5.27	4.53	1.84	4.92	2.40
Computer hire purchase receivables	6.87	4.08	9.94	4.04	4.68	2.29
<b>Total</b>	<b>168.19</b>	<b>100.00</b>	<b>246.21</b>	<b>100.00</b>	<b>204.63</b>	<b>100.00</b>

Hire Purchase receivables by Overdue Debt Age and Credit Risk Classification and Allowance for Expected Credit Losses for 2021 to 2023.

9 <sup>th</sup> Thai Financial Reporting Standards for 2020	As of 31 December					
	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
Stage 1	162.96	91.53	221.61	83.19	198.70	88.82
Stage 2	10.60	5.95	29.28	10.99	13.59	6.07
Stage 3	4.48	2.52	15.50	5.82	11.44	5.11
<b>Total receivables</b>	<b>178.04</b>	<b>100.00</b>	<b>266.39</b>	<b>100.00</b>	<b>223.73</b>	<b>100.00</b>
Allowance for expected credit losses (ECL) (1)	(7.18)	(4.03)	(17.52)	(6.58)	(18.68)	(8.35)
Allowance for expected credit losses – Management overlay(2)	(2.67)	(1.50)	(2.66)	(1.00)	(0.42)	(0.19)
<b>Less: Allowance for doubtful debts/allowance for expected credit losses (3) = (1) + (2)</b>	<b>(9.85)</b>	<b>(5.53)</b>	<b>(20.18)</b>	<b>(7.58)</b>	<b>(19.10)</b>	<b>(8.54)</b>
<b>Total receivables – Net</b>	<b>168.19</b>	<b>94.47</b>	<b>246.21</b>	<b>92.42</b>	<b>204.63</b>	<b>91.46</b>

As of the end of 2021 to 2023, the portfolio of hire purchase receivables of the company mostly consisted of debtors not yet due for repayment or debtors overdue for no more than 30 days or debtors in a stage without significant increases in credit risks (performing- Stage 1) by representing a share of about 83.19% – 91.53% of the portfolio of hire purchase receivables, followed by debtors overdue for 31–90 days or debtors with significant credit risk increases (under-performing – Stage 2) by a share of about 5.95% – 10.99% of the portfolio of hire purchase receivables, and debtors overdue for more than 90 days or debtors who experienced credit depreciation (non-performing – Stage 3) by a share of about 2.52% – 5.82% of the portfolio of hire purchase receivables.

As of the end of 2021 to 2023, the company's allowance for expected credit losses amounted to 9.85 million baht, 20.18 million baht, and 19.10 million baht, respectively. Or 5.53%, 7.58% and 8.54%, respectively, of the entire portfolio of hire purchase receivables.

Loan receivables have agreement durations from 3 to 84 installments (To assist debtors impacted by the Covid-19 pandemic, the company has implemented a measure to partially extend the credit of some debtors participating in projects, with the highest duration being 144 installments), with equal installment payments for every installment and fixed interest throughout the entire agreement duration.

As of the end of 2021 to 2023, the company's portfolio of loan receivables amounted to 1,780.23 million baht, 2,071.34 million baht and 2,361.45 million baht, respectively. Most of these consist of receivables due for repayment in more than 1 year at the amount of 1,021.63 million baht, 1,240.12 million baht and 1,491.52 million baht, respectively, or calculated into approximately 57.39 – 63.16% of the portfolio of loan receivables. Meanwhile, the debtors due for repayment within 1 year amounted to 758.60 million baht, 831.22 million baht and 869.93 million baht, respectively, or a share of about 36.84% – 42.61% of the portfolio of loan receivables.

A description of debtors sorted by payment due date according to their agreements is provided as follows:

(Unit : MILLION THB)

Item	2021			2022			2023		
	Within 1 Year	More than 1 Year	Total	Within 1 Year	More than 1 Year	Total	Within 1 Year	More than 1 Year	Total
Loan receivables	806.95	1,064.31	1,871.26	853.66	1,283.77	2,137.42	895.76	1,538.48	2,434.24
Less: Unearned income	(5.60)	(3.16)	(8.76)	(5.23)	2.00	(3.23)	(7.19)	3.44	(3.75)
Add: Accrued interest Present value of the	36.81	-	36.81	49.55	-	49.55	55.27	-	55.27
minimum payment receivables	838.16	1,061.15	1,899.31	897.98	1,285.76	2,183.74	943.84	1,541.92	2,485.76
Less: Allowance for expected credit loss	(79.56)	(39.52)	(119.08)	(66.76)	(45.64)	(112.40)	(73.91)	(50.40)	(124.31)
Loan receivables – net	758.60	1,021.63	1,780.23	831.22	1,240.12	2,071.34	869.93	1,491.52	2,361.45
%	42.61%	57.39%	100.00%	40.13%	59.87%	100.00%	36.84%	63.16%	100.00%

As of the end of 2022, the portfolio of loan receivables increased by 291.11 million baht or 16.35% when compared to year 2021 due to growth in the loan portfolio during 2022. In addition, the company amortized fewer bad debts according to the company's policy, and this led the company's loan receivables to increase. As of the end of 2023, the portfolio of loan receivables increase by 290.11 million baht or 14.01% when compared to 2022. This is due to the expansion of the loan portfolio during 2023, continuing from 2022. As a result, the amount for loan receivables increase.

Furthermore, upon making consideration based on the security type of the portfolio loan receivables, it was found that from the end of 2021 to 2023, most security consisted of car registrations by 88.28%, 86.98% and 86.83% of the total loan receivables, respectively, followed by motorcycle registrations by 6.95%, 7.28% and 6.59% of the total loan receivables.

### Structure of Loan Receivables by Security Type

Security	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
Car registrations	1,571.48	88.28	1,801.70	86.98	2,050.31	86.83
Motorcycle registrations	123.74	6.95	150.75	7.28	155.64	6.59
Land	81.95	4.60	108.51	5.24	141.17	5.98
P-Loan	3.06	0.17	3.10	0.15	4.59	0.19
Nano Finance	-	-	7.28	0.35	9.74	0.41
<b>Total</b>	<b>1,780.23</b>	<b>100.00</b>	<b>2,071.34</b>	<b>100.00</b>	<b>2,361.45</b>	<b>100.00</b>

### Loan Receivables by Credit Risk and Allowance for Expected Credit Losses for 2021 to 2023

9 <sup>th</sup> Thai Financial Reporting Standards for 2020	As of 31 December					
	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
Stage 1	1,533.99	80.77	1,692.06	77.49	1,983.63	79.80
Stage 2	299.38	15.76	411.45	18.84	416.03	16.74
Stage 3	65.94	3.47	80.23	3.67	86.10	3.46
Total receivables	1,899.31	100.00	2,183.74	100.00	2,485.76	100.00
allowance for expected credit losses (ECL) (1)	(86.33)	(4.55)	(96.14)	(4.40)	(106.99)	(4.30)
allowance for expected credit losses -Management overlay (2)	(32.75)	(1.72)	(16.26)	(0.75)	(17.32)	(0.70)
Less: Allowance for doubtful debts or expected credit losses (3) = (1) + (2)	(119.08)	(6.27)	(112.40)	(5.15)	(124.31)	(5.00)
Total receivables - Net	1,780.23	93.73	2,071.34	94.85	2,361.45	95.00

As of the end of 2021 to 2023, the portfolio of the company's loan receivables mostly consisted of debtors not yet due for repayment and overdue for no more than 30 days or consisted of debtors without significant increases in credit risks (performing - Stage 1) by a share of approximately 77.49% - 80.77% of the entire portfolio of loan receivables, followed by debtors overdue for 31-90 days or receivables with significant increases in credit risks (under-performing - Stage 2) by a share of approximately 15.76% - 18.84% of the entire loan receivables portfolio and debtors overdue for more than 91 days or debtors who experienced credit depreciation (non-performing - Stage 3) by a share of approximately 3.46% - 3.67% of the entire portfolio of loan receivables.



As of the end of 2021 to 2023, the company has set the allowance for expected credit losses to 119.08 million baht, 112.40 million baht, and 124.31 million baht, or 6.27%, 5.15%, and 5.00% of the entire portfolio of loan receivables,

The company An allowance for expected credit losses – management overlay at the end of 2021 – 2023 in the amount of approximately 32.75 million baht, 16.26 million baht and 17.32 million baht, respectively

due to the company taking precautions regarding various factors that might affect the quality of loans in the future, including the impacts of the Covid-19 pandemic, which slowed the economy and might impact the repayment capabilities of debtors. Accordingly, the company reviews the management overlay every quarter for as long as the company views that the aforementioned situation will continue to impact the quality of the company's loans in the future.

From 2020 to 2022, the company participated in projects under the related announcements of the BOT to assist debtors impacted by the Covid-19 pandemic as follows:

No.	Subject
ThorPorThor.ForNorSor.(23) Wor.276/2563	Guidelines for Assisting Debtors Impacted by Situations Affecting the Thai Economy
ThorPorThor.ForNorSor. (01) Wor.380/2563	Additional Measures for Assisting Debtors during the Covid-19 Pandemic
ThorPorThor.ForNorSor.(01) Wor.648/2563	Additional Measures for Assisting Minor Debtors During the Covid-19 Pandemic, Phase 2
ThorPorThor.KorPorNor. Wor.20/2564	Assistance for Debtors in Response to Covid-19 Outbreaks
ThorPorThor.KorPorNor. Wor.480/2564	Measures for Assisting Minor Debtors during the Covid-19 Pandemic, Phase 3
ThorPorThor.ForNorSor Wor.802/2564	Guidelines for providing assistance to debtors affected by coronavirus disease 2019 (sustainable debt resolution measures)

The company has chosen to adopt the accounting practice guidelines issued by the Federation of Accounting Professions on the temporary relief measures for businesses providing assistance to debtors impacted by situations affecting the Thai economy declared for use from 2020 to 2021.

In 2021, the Federation of Accounting Professions announced a new accounting practice guideline entitled the Practice Guideline for Assisting Debtors Affected by the Covid-19 Pandemic that became effective for the financial statements whose accounting periods started on or after 1 January 2022 to 31 December 2023. The practice guideline was meant for businesses providing assistance to debtors affected by the Covid-19

pandemic by providing assistance to said debtors in the period from 1 January 2022 to 31 December 2023 or until the BOT announces changes, which are to be subsequently adopted.

In 2022, the company joined a project to assist debtors affected by the Covid-19 pandemic according to the ThorPorThor. ForNorSor2.Wor.802/2564 announcement on Guideline for Assisting Debtors Affected by the Covid-19 Pandemic (Sustainable Debt Elimination Measures) and adopted the accounting practice guideline issued by the Federation of Accounting Professions entitled the Practice Guideline for Assisting Debtors Affected by the Covid-19 Pandemic.

As of 31 December 2023, the company's balance of loan receivables who received assistance amounted to 4.91% of the total loan receivables and consisted of the following debtors:

a) Debtors who received assistance from 2020 to 2022. The company gave assistance by suspending debt repayments and modifying the debt structure by extending the time for repaying the remaining installments or by reducing installments. As of 31 December 2023, the company's remaining debtors who joined the projects amounted to 108.93 million baht or 4.48% of all financial loan receivables, divided into 494 agreements or 102.55 million baht in the debt restructuring project and 71 agreements or 6.38 million baht in the debt payment suspension project. The company adopted the practice guideline on providing assistance to debtors affected by the Covid-19 pandemic by ranking debtors and allocating financial reserves according to the related financial reporting standards. (As of 31 December 2022, the company's financial loan receivables who participated in the projects totaled 215.10 million baht or 10.06% of all financial loan receivables, of which there were 825 agreements or 184.57 million baht in the debt restructuring project and 209 agreements or 30.53 million baht in the debt suspension project.)

b) Debtors who received assistance of 2022. These were the company's financial loan receivables who were non-NPL, and the company gave assistance to these debtors more than extending the time for debt repayment alone. Accordingly, the company negotiated with the debtors and analyzed the financial position and businesses of the debtors and viewed that the debtors would be able to perform the restructured debt agreements. Thus, the company immediately reclassified the debtors as normal debtors (Stage 1) by using the accounting practice guideline of the Federation of Accounting Profession entitled the Guideline for Assisting Debtors Affected by the Covid-19 Pandemic. As of 31 December 2023, the company's remaining financial loan debtors who joined the projects totaled 10.68 million baht or 0.44% of total loan receivables, of which 11 agreements were in the debt restructuring project. In any case, the company has already adequately set the ECL in the form of additional management overlay for debtors who fit the criteria for use of the accounting practice guideline in order to prepare for future impacts after the expiration of the time period for adoption of the accounting practice guideline, following which debt classification has to be reverted back to follow related financial reporting standards.

## 7) Assets foreclosed

Assets foreclosed consisted of assets seized from debtors in hire purchase receivables and loan receivables as shown by the cost or the realizable value, depending on whichever amount is lower, less allowance for depreciation, according to the following details:

Security Type	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
Cars	20.79	63.69	22.24	62.77	29.20	70.64
Land	10.34	31.68	10.34	29.19	10.34	25.01
Motorcycles	0.59	1.81	0.43	1.21	0.83	2.01
Electric appliances	0.82	2.51	1.67	4.71	0.75	1.81
Other assets foreclosed	0.10	0.31	0.75	2.12	0.22	0.53
Assets foreclosed total	32.64	100.00	35.43	100.00	41.34	100.00
Less: Allowance for impairment	(6.56)	(20.10)	(9.78)	(27.60)	(14.41)	(34.86)
<b>Assets foreclosed Net</b>	<b>26.08</b>	<b>79.90</b>	<b>25.65</b>	<b>72.40</b>	<b>26.93</b>	<b>65.14</b>

As of the end of 2021 to 2023, the company's net assets foreclosed totaled 26.08 million baht, 25.65 million baht and 26.93 million baht, respectively. Most of the assets foreclosed were in the category of cars such as pickup trucks and private passenger vehicles. As of the end of 2022, the net assets foreclosed decreased slightly from 2021 by 0.43 million baht or 1.65%. As of the end of 2023, the company's net assets foreclosed increased when compared to 2022 by 1.28 million baht or 4.99 %. In any case, the company holds regular monthly auctions to sell the assets foreclosed via auction yard and online channels in order to generate cashflow to circulate in the company.

## 8) Leasehold Improvements and Equipment

Item	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
Leasehold improvements	40.69	26.43	41.97	25.52	44.53	28.51
Office equipment	41.31	26.83	46.44	28.24	42.63	27.30
Furniture and fixtures	45.63	29.63	48.74	29.63	43.72	28.00
Motor vehicles	26.34	17.11	27.03	16.43	25.28	16.19
Asset under construction and installation	-	-	0.30	0.18	-	-
<b>Total</b>	<b>153.97</b>	<b>100.00</b>	<b>164.48</b>	<b>100</b>	<b>156.16</b>	<b>100.00</b>
Less: Accumulated depreciation	(92.12)	(59.83)	(109.43)	(66.53)	(113.10)	(72.43)
<b>Net book value</b>	<b>61.85</b>	<b>40.17</b>	<b>55.05</b>	<b>33.47</b>	<b>43.06</b>	<b>27.57</b>

As of the end of 2021 to 2023, the company's leasehold improvements and equipment totaled 61.85 million baht or 55.05 million baht and 43.06 million baht, respectively. The company amortized leasehold improvements and equipment as expenses in the income statement by using the linear method for their entire lifespan (2–20 years for leasehold improvements and 2–5 years for Motor vehicles, Furniture and fixtures. In 2022, the company's leasehold improvements and equipment decreased by 6.80 million baht when compared to 2021, due to depreciation increased by 17.31 million baht and increased assets by 10.51 million baht. Primarily, this occurred due to increased office equipment by 5.13 million baht. And Furniture and fixtures 3.12 million baht,

In 2023, the company's leasehold improvements and equipment decreased by 12 million baht when compared to 2022 due to increased depreciation by 3.67 million baht and decreased assets by 8.33 million baht, primarily due to decreased Furniture and fixtures by 5.03 million and decreased office equipment by 3.81 million baht.

#### **9) Intangible Assets**

As of the end of 2021 to 2023, the company's intangible assets totaled 6.34 million baht, 7.07 million baht and 6.97 million baht, respectively. As of the end of 2022, intangible assets increased slightly by 0.73 million baht when compared to 2021. This was due to increases in computer software by 1.03 million baht, and computer software in process by 0.46 million baht and decreased amortization by 0.77 million baht.

In 2023, the company's intangible assets decreased by 0.10 million baht, when compared to 2022. And increased amortization by 0.86 million baht. The company amortized intangible assets as expenses in the income statement according to the linear method throughout the entire usage life of 10 years.

#### **10) Rights-of-use-assets**

The company adopted the 16th Thai Financial Reporting Standards on rent contracts for the first time beginning on 1 January 2020. However, the changes in the accounting policy produced no impacts on retained earnings as of 1 January 2020. As of the end of 2021 to 2023, the company's net rights-of-use-assets totaled 45.08 million baht, 90.32 million baht and 86.47 million baht, respectively, most of which were main office building and branch office leasehold rights whose contract ages ranged from 1 to 10 years.

#### **11) Deferred tax assets**

As of the end of 2021 to 2023, the company's deferred tax assets totaled 39.73 million baht, 37.30 million baht and 43.50 million baht, respectively. As of the end of 2023, the deferred tax assets mostly occurred due to temporary differences in the allowance for expected credit losses for loan receivables and provision for long-term employee benefits.

## 12) Other Current Assets

As of the end of 2021 to 2023, the company's other current assets totaled 24.21 million baht, 29.23 million baht and 23.82 million baht, respectively. As of the end of 2023, the company's other current assets decreased by 5.41 million baht or 18.51% when compared to the end of 2022. This primarily occurred as a result of decreased in the Accrued Insurance brokerage commission income by the amount of 4.89 million baht.

As of the end of 2023, the company's other current assets totaled 23.82 million baht. Most of these were accrued revenues from vendors, whether in the form of rebates from product purchases, Income from sales promotions and product price adjustment revenues for a total of 15.66 million baht or 65.74 % when compared to other current assets, followed by other current assets by the amount of 3.02 million baht or 12.68 % when compared to total other current assets.

## 13) Other Non-Current Assets

As of the end of 2021 to 2023, the company's other non-current assets totaled 6.27 million baht, 7.47 million baht and 6.13 million baht, respectively. Most of these were in the form of paid deposits and security deposits for rent of the company's service branches and payment advances amortized by over 1 year.

## 14) Overview of Liabilities

### The Company's Debt Structure

As of the end of 2021 to 2022, the company's total liabilities amounted of 1,784.08 million baht, 2,098.53 million baht and 1,831.98 million baht, respectively, or a share of 77.63%, 65.38% and 61.90% when compared to total assets, respectively.

As of the end of 2023, the company's total liabilities amounted of 1,831.98 million baht, most of which were as follows:

- 1) Short-term loans financial institution at the amount of 1,275.78 million baht or 43.10% of total assets.
- 2) Long-term loans financial institution at the amount of 320.20 million baht or a share of 10.82 % of total assets. Accordingly, the financial institution loans in 1) and 2) combined to 1,595.98 million baht or 53.93% of total assets and were loans used to provide microf- inancing loans under the regulation of the BOT.
- 3) Trade and other payables amount of 71.26 million baht or 2.41% of total assets.
- 4) Lease liabilities totaling 88.55 million baht or 2.99% of total assets;
- 5) Estimated debts from financial reserves for long-term employee benefits totaling 48.17 million baht or 1.63% of total assets.

Each of the aforementioned items is described as follows:

### 15) Loans from financial institutions

Loans	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
Short-term loans from financial institutions	1,176.66	74.33	1,428.24	76.85	1,275.78	79.94
Long-term loans from financial institutions	406.46	25.67	430.12	23.15	320.20	20.06
<b>Total</b>	<b>1,583.12</b>	<b>100.00</b>	<b>1,858.36</b>	<b>100.00</b>	<b>1,595.98</b>	<b>100.00</b>

As of the end of 2021 to 2023, the company's total financial institutions loans were 1,583.12 million baht, 1,858.36 million baht and 1,595.98 million baht, respectively. The company used the loans to offer loan services to the company's customers. These loans are guaranteed by the directors, land and structures of the parent company, and registered agreement for use of debt repayment demand rights as business security. In addition, as of the end of 2023, the company's account overdrafts and short-term financial institute loans unspent totaled 449.22 million baht.

### 16) Trade and Other Payables

As of the end of 2021 to 2023, the company's trade and other payables totaled 70.30 million baht, 76.21 million baht and 71.26 million baht, respectively.

As of the end of 2022, trade and other payables increased by 5.91 million baht or 8.41% when compared to the end of 2021. This primarily occurred as a result of an increase Trade payable-net.

As of the end of 2023, trade and other payables decrease totaled 4.95 million baht or 6.50% when compared to the end of 2022. Primarily, this was due to pay bill other payable

As of the end of 2023, trade and other payables consists of trade produce purchase creditors 57.08 million baht, trade non-life insurance creditors 4.72 million baht, cash advances 3.15 million baht and trade other creditors 6.31 million baht.

### 17) Lease liabilities

The company adopted the 16th Thai Financial Reporting Standards for the first time on 1 January 2020. As of the end of 2021 to 2023, the company's lease liabilities were 47.98 million baht, 91.93 million baht and 88.55 million baht, respectively.

As of the end of 2022, the total increased by 43.95 million baht when compared to 2021, due to the opening of new branches and car leasing for office use.

As of the end of 2023, the total decreased by 3.38 million baht when compared to 2022 due to as a result of gradual repayment of main office and branch office building rents/leases according to rent/lease contracts.



### 18) Estimated Debts from Reserves for Long-term Employee Benefits

As of the end of 2021 to 2023, the company's estimated debts from reserves for long-term employee benefits totaled 42.35 million baht, 39.65 million baht and 48.17 million baht, respectively.

As of the end of 2023, the company's estimated debts from reserves for long-term employee benefits increased by 8.52 million baht or 21.49 % when compared to 2022. This is because it reflects the increased working lives of employees and their increased salaries.

### 19) Other Current Liabilities

As of the end of 2021 to 2023, the company's other current liabilities were 35.20 million baht, 28.30 million baht and 21.38 million baht, respectively. As of the end of 2023, most other current liabilities included outstanding expenses such as outstanding bonuses, outstanding audit fees and outstanding utility fees, etc., and outstanding taxes such as VAT, business-specific taxes and withholding taxes.

As of the end of 2022, the company's other current liabilities decreased by 6.90 million baht or 19.60% when compared to 2021 due to decreasing outstanding bonuses by 5.88 million baht.

As of the end of 2023, the company's other current liabilities decreased by 6.92 million baht or 24.45% when compared to 2022 due to decreasing outstanding bonuses by 6.70 million baht.

### 20) Overview of Shareholders' Equity

Shareholders' Equity	2021		2022		2023	
	Million THB	% <sup>1/</sup>	Million THB	% <sup>1/</sup>	Million THB	% <sup>1/</sup>
Registered	400.00	17.41	550	17.13	550	18.58
Issued and fully paid up	400.00	17.41	550	17.13	550	18.58
Share premium			466.25	14.53	466.25	15.75
Retained earnings						
Appropriated – statutory reserve	12.80	0.56	21.96	0.68	25.05	0.84
Unappropriated	109.01	4.74	73.22	2.28	86.33	2.92
Other components of shareholders' equity	(7.86)	(0.34)	(0.08)	-	-	-
<b>Total Shareholders' Equity</b>	<b>513.95</b>	<b>22.37</b>	<b>1,111.35</b>	<b>34.62</b>	<b>1,127.63</b>	<b>38.10</b>

Remarks <sup>1/</sup> When compared to total assets,

As of the end of 2021 to 2023, the company's shareholders' equity was 513.95 million baht, 1,111.35 million baht and 1,127.63 million baht, respectively, or 22.37%, 34.62% and 38.10 % when compared to total assets.

As of the end of 2022, the company's shareholders' equity increased by 597.40 million baht or 116.24% when compared to 2021 primarily due to an increase in capital increase equity and excess value of shares from the IPO by 616.25 million baht.

As of the end of 2023, the company's shareholders' equity increased by 16.28 million baht or 1.46% when compared to 2022.

#### Book Value per Share

As of the end of 2023, the company's book value 0.06 baht per share (1,100 million ordinary shares of Baht 0.5 ea).

### 4.1.4 Sources of Capital

The company's sources of capital for the end of 2021 to 2023 are described as follows:

Sources of Capital	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
<b>Financial institute loans</b>						
- Promissory notes	1,176.66	56.11	1,428.24	48.10	1,275.78	46.84
- Long-term loans	406.46	19.38	430.12	14.48	320.20	11.76
<b>Total Loans</b>	<b>1,583.12</b>	<b>75.49</b>	<b>1,858.36</b>	<b>62.58</b>	<b>1,595.98</b>	<b>58.60</b>
<b>Shareholders' Equity</b>	<b>513.95</b>	<b>24.51</b>	<b>1,111.35</b>	<b>37.42</b>	<b>1,127.63</b>	<b>41.40</b>
<b>Total Sources of Capital</b>	<b>2,097.07</b>	<b>100.00</b>	<b>2,969.71</b>	<b>100.00</b>	<b>2,723.61</b>	<b>100.00</b>

As of the end of 2023, the company's sources of capital consisted of 2 sources, namely, financial institute loans by a share of 58.60% of all capital sources and shareholders' equity by a share of 41.40% of all capital sources. Financial institute loans were the company's primary sources of capital, most of which were short-term loans in the form of promissory notes by 46.84% of total capital sources and long-term loans by 11.76% of total capital sources.

As of the end of 2021 to 2023, the company's interest-bearing debt to equity ratio (IBD/E ratio) was 3.17 times, 1.75 times and 1.49 times, respectively, and the debt to equity ratio (D/E ratio) was 3.47 times, 1.89 times and 1.62 times respectively, under the terms of the loan agreement from a financial institution State that the Company maintains a D/E ratio of not more than 2.50 times and 4.00 times respectively.

### 4.1.5 Liquidity Analysis

Item	2021 Million THB	2022 Million THB	2023 Million THB
Net cash flows from (used in) operating activities	171.88	(147.75)	(42.87)
Net cash flows used in investing activities	(9.08)	(11.21)	(7.39)
Net cash flows from (used in) financing activities	(157.02)	656.44	(428.87)
Net increase (decrease) in cash and cash equivalents	5.78	497.48	(479.13)

As of the end of 2021, the company's net cash increased by 5.78 million baht due to cash flow from operating activities in 2021, when more debt payments were collected from loan receivables.

As of the end of 2022, the company's net cash increased by 497.48 million baht primarily due to increases in financing activities, and the premium on shares from the stock offering

As of the end of 2023, the company's net cash decreased by 479.13 million baht from spending in repayment of loans and interests to financial institutes.

#### 1) Cash flow from Operating Activities

In 2023, the company had cash flow used in operating activities for 42.87 million baht, which was mainly due to using cash to expand the loan service portfolio for 421.05 million baht. In 2022, the company had cash flow used in operating activities. work in the amount of 147.75 million baht, which is mainly due to the use of cash to expand the loan service portfolio for 350.34 million baht, and in 2021 the company has cash flows from operating activities for 171.88 million baht from gradually receiving payments for Installments from loan receivables.

#### 2) Cash flow from Investment Activities

From 2021 to 2023, the company's cash flow spent in investment activities amounted to 9.08 million baht, 11.21 million baht and 7.39 million baht, respectively, primarily due to cash spent in rent/lease building renovations and equipment by 9.15 million baht, 9.73 million baht and 7.17 million baht, respectively.

#### 3) Cash flow from Financing Activities

In 2021, the company's cash flow spent in financing activities was 157.02 million baht due to repayment of long-term financial institute debts, rent/lease agreement debt repayments and dividend payments by 57.00 million baht.

In 2022, the company's cash flow received in financing activities was 656.44 million baht due to cash received from capital increase and the IPO by 612.00 million baht and cash spent in direct IPO expenses by 19.17 million baht. and dividend payments by 102.00 million baht.

In 2023, the company's cash flow spent in financing activities was 428.87 million baht due to repayment of short term and long-term financial institute debts, lease liabilities and dividend payments by 44.00 million baht.

#### 4.1.6 Important Financial Ratios

##### 1) Liquidity Ratio and Quick Ratio

2) As of the end of 2021 to 2023, the company's liquidity ratio was 0.78 times, 1.03 times and 0.83 times, respectively.

3) As of the end of 2022, the liquidity ratio increased from 2021 due to the company obtaining financing from the IPO and focusing on expanding the loan debtor portfolio in parts due for repayment in one year, which led an increase in current assets. At the same time, current liabilities increased due to focus on repaying short-term and long-term bank loans mostly in the parts due for repayment in one year.

4) As of the end of 2023, the liquidity ratio increased from 2022 due to the remaining bank deposits from the IPO capital increase are used to repay loans from financial institutions in order to reduce financial costs by allocation of the utilization of capital increase within the original objectives.

##### Cash Cycle (Product Retail Business)

รายการ		Unit	2021	2022	2023
Average collection period	Days		1.83	0.30	0.21
Average Sale (Inventory) Period	Days		52.08	50.75	58.02
Average payment period	Days		28.20	26.81	31.78
Cash cycle	Days		25.70	24.24	26.44

The company's cash cycle for the product retail business is mostly due to its ability to manage inventory circulation, trade receivable repayments, and trade payable payments. From 2021 to 2023, the company's cash cycle was 25.70 days, 24.24 days, and 26.44 days, respectively,

- 1) Average collection period: From 2021 to 2023, the company managed debtors successfully, with an average collection period of 1-2 days.

- 2) Average Sale (Inventory) Period: From 2021 to 2023, the company's average sale (inventory) period is 50.75 –58.02. The major reason is a sales plan to drive sales according to the budget, such as scheduling promotional activities and promoting continually throughout the year.
- 3) Average payment period: From 2021 to 2023, the average payment period was 27 –31 days, which was within the normal credit term provided by most trade payables. Approximately 30 days (normal credit term)
- 5) Key financial ratio for the loan business.

	2021	2022	2023
Loan charge-offs/gross loans	4.45%	2.79%	3.62%
Expected credit losses/gross loans (ECL/gross loans)	6.21%	5.41%	5.29%
Non-performing loans/gross loans (NPL/gross loans or NPL ratio)	3.39%	3.91%	3.60%
• Non-performing loans/loans – Hire purchase agreements (NPL/hire purchase agreement debtors before deducting ECL)	2.52%	5.82%	5.11%
• Non-performing loans/loans – Financial loan agreements (NPL/financial loan debtors before deducting ECL)	3.47%	3.67%	3.46%
ECL/NPL ratio (ECL/NPL or coverage ratio)	183.09%	138.50%	147.04%
Loan-to-deposit ratio	154.46%	54.22%	53.44%

As of the end of 2021 to 2023, the company's bad debts amortized was 92.46 million baht, 68.25 million baht and 98.18 million baht or 4.45%, 2.79% and 3.62% of total loan debtors, respectively. For the company's bad debt amortization policy, the company has set guidelines for amortizing bad debts according to the principle and practices for amortizing bad debts from the list of debtors in the guidelines of Ministerial Guidelines No. 186 and the new guideline No. 374 of the Revenue Code declared in 2021. which has changed was made to keep up with the current business situation in terms of respecifying the debt amount for bad debt amortization in each stage and changing the criteria for amortizing bad debts from the debtor accounts to make it easier to amortize bad debts in line with the Revenue Code.

As for the expected credit losses to gross loans ratio (ECL/gross loans) and non-performing loans to gross loans (NPL/gross loans or NPL ratio) and expected credit losses to non-performing loans (ECL/NPL or coverage ratio) as of the end of 2023 of the company, they were similar to the levels of other companies listed in the Stock Exchange that operate the same types of business according to the table shown below.

2023	
<b>ECL/Gross Loans Ratio</b>	
The Company	5.29%
Other companies listed in the Stock Exchange operating the same types of businesses <sup>1/</sup>	1.27% – 4.48%
<b>NPL/Gross Loans or NPL Ratio</b>	
The Company	3.60%
Other companies listed in the Stock Exchange operating the same types of businesses <sup>1/</sup>	1.58% – 4.64%
<b>ECL/NPL or Coverage Ratio</b>	
The Company	147.04%
Other companies listed in the Stock Exchange operating the same types of businesses <sup>1/</sup>	54.01% – 248.90%

Remarks: <sup>1/</sup> There were 6 companies according to information in the financial statements for 2022.

The company's ECL/gross loans ratio was 5.29%, which was a slight decrease from the end of 2022 due to expansion of the hire purchase agreement portfolio in the year 2023. In addition, the NPL/ gross loans or NPL ratio as of 31 December 2023 was 3.60%. However, the company has practice guidelines in place and continuously monitors results to effectively decrease the NPL ratio.

The ECL/NPL ratio (coverage ratio) follows the company's accounting policy, which views that the ECL/NPL ratio is adequate and suitable for the company's business operation.



## 4.2 Factors Potentially Affecting Future Performance or Financial Position

### 4.2.1 Risk from Operating the Loan Business

The factors that might cause the company's performance and financial position to decrease in the loan business include not being able to collect installment payments from hire purchase agreement debtors and financial loan debtors according to agreement specifications, which might cause the company to have to record increased allowance for expected credit losses and amortization of bad debts, or seizures and sales of security seized from debtors who breach their hire purchase agreements and financial loan agreements, which might cause the company to have to record losses from security sales and record reserves for security losses, etc. All of these can contribute to decreased future performance and financial position. However, the company recognizes these risks and factors and, therefore, gives importance to being more strict about loan issuances by classifying debtors and evaluating security and awarded loan amounts relative to security and closely monitoring debtors' installment payments. In addition, in order to reduce potential risks from loans and increase revenues from connected businesses, the company will focus on requiring every loan debtor obtain an insurance policy to cover the loans issued by the company in cases where the debtors fail to repay their debts according to their agreements in the future.

Furthermore, sources of capital are at the head of the loan business, which is the company's main business. As a result, if in the future the company faces restrictions in accessing additional sources of capital, the company's interest revenues from loans and future performance can decrease. Therefore, after the IPO and becoming a registered company in the Stock Exchange, the company believes that it will be able to use capital market channels to obtain additional financing in addition to financial institute loans, such as by issuing short-term/long-term bonds and issuing other additional equity bonds such as capital increase purchase warrants, etc. to provide sufficient and appropriate sources of capital to follow future plans.

### 4.2.2 Risks from Operating the Product Retail Business

From 2021 to 2023, the share of revenues from product sales to total revenues was 58.37%, 60.44% and 56.08%, respectively. Accordingly, it is apparent that these revenues contribute significantly to the company's revenue structure. Thus, if in the future competition in the household appliance, mobile phone retail business intensifies, the company might suffer from impacts, especially through inevitable losses in revenues from sales. However, from the company's experience in operating the electrical appliance business for over 30 years and being a major retail distributor of electrical appliances in the Eastern Region, the company has expertise and bargaining power, especially with

the electrical appliance manufacturers and product brand owners, which means that the company can effectively procure good and high-quality electrical appliance products to meet customers' needs, and the company also has the bargaining power to regularly launch marketing programs to output products.

#### **4.2.3 Risks from Loan Business Regulation by Government Agencies and Risks from Failure to Comply with Related Rules, Regulations and Announcements**

Ever since 2019, the government through the Ministry of Finance and the Bank of Thailand has been regulating the vehicle-secured and personal loan industry to promote public access to loans and ensure fair treatment by loan business operators whether in terms of interest rates or debt collection to substitute for dependency on informal sources of capital. Accordingly, the company has received letters of permit from the Ministry of Finance to operate a regulated personal loan business and microfinancing loan business, for which the company must comply with the criteria and conditions of related announcements and operate strictly under the regulation of the Bank of Thailand. Additionally, the company was granted a permit to operate a non-life insurance broker business under the regulation of the Office of Insurance Commission. Accordingly, these regulatory agencies continuously amend and revise their regulatory requirements, especially the Bank of Thailand, and they also inspect the company's operation to determine whether or not the company fully complies with related laws, announcements, standards and practice guidelines. If the company operates business in violation of related regulations, the company might be at risk of having the aforementioned business permits confiscated, which would significantly impact the company's business operation. However, the board of directors recognizes these risks and has resultingly established a Risk Management Committee as a subcommittee for providing assistance in the specification of policies and strategies and monitoring risk management on a regular basis while covering management of risks from related government rules, regulations and requirements. The subcommittee works alongside the Risk Management Work Group, which is made up of company directors, executives and department directors, and the company's internal audit office continuously monitors changes in the laws, requirements and announcements related to the company's business operation to ensure that the company will operate fully in compliance with the regulation of related agencies.

## 4.3 Important Financial Information

### 4.3.1 Audit Report Summary

Accounting Period	Financial Statement	Licensed Auditor	Registration No.	Audit Company
31 December 2021	Separate financial statement	Miss Ratana Chala	3734	EY Company Limited <sup>1/</sup>
31 December 2022	Separate financial statement	Miss Ratana Chala	3734	EY Company Limited <sup>1/</sup>
31 December 2023	Separate financial statement	Miss Bongkot Kriangphanamorn	6777	EY Company Limited <sup>1/</sup>

Remarks <sup>1/</sup> The licensed auditor and audit agency are approved by the Office of the Securities and Exchange Commission.

#### Summary of the Auditor's Opinions

Financial Statement Year	Summary of the Auditor's Opinions
2021	The auditor expressed opinions unconditionally and based on information and events. The highlighted event in 2020 by the auditor was that the Covid-19 pandemic impacted businesses and industries across multiple sectors and that this event might lead to uncertainties and impact the future performance and cashflow of the company. As a result, the company has prepared financial information by choosing to adopt the accounting practices on the temporary relief measures for businesses giving assistance to debtors affected by situations that might impact the Thai economy as announced by the Federation of Accounting Professions.
2022	The auditor expressed opinions unconditionally.
2023	The auditor expressed opinions unconditionally.

## 4.3.2 Table Summarizing Financial Statements

### 1) Statement of Financial Position

Statement of Financial Position	Specific Financial Statement					
	31 December 2021		31 December 2022		31 December 2023	
	Million THB	%	Million THB	%	Million THB	%
<b>Assets</b>						
<b>Current Assets</b>						
Cash and cash equivalents	21.17	0.92	518.65	16.16	39.52	1.34
Deposits at bank with restrictions	12.38	0.54	5.57	0.17	4.76	0.16
Current portion of hire purchase receivables	162.75	7.08	238.03	7.41	196.10	6.63
Current portion of loan receivables	758.60	33.01	831.22	25.90	869.93	29.39
Trade and other receivables	8.77	0.39	8.27	0.26	7.65	0.26
Inventories	96.73	4.21	106.75	3.33	104.72	3.54
Other current financial assets	1.00	0.04	1.00	0.03	–	–
Other current assets	24.21	1.05	29.23	0.91	23.82	0.80
<b>Total current assets</b>	<b>1,085.61</b>	<b>47.24</b>	<b>1,738.72</b>	<b>54.17</b>	<b>1,246.50</b>	<b>42.12</b>
<b>Non-current Assets</b>						
Hire purchase receivables – net of current portion	5.44	0.24	8.18	0.26	8.53	0.29
Loan receivables – net of current portion	1,021.63	44.46	1,240.12	38.63	1,491.52	50.40
Assets foreclosed	26.08	1.13	25.65	0.80	26.93	0.91
Leasehold improvements and equipment	61.85	2.69	55.05	1.72	43.06	1.45
Intangible assets	6.34	0.28	7.07	0.22	6.97	0.24
Right-of-use assets	45.08	1.96	90.32	2.81	86.47	2.92
Deferred tax assets	39.73	1.73	37.30	1.16	43.50	1.47
<b>Other non-current assets</b>	<b>6.27</b>	<b>0.27</b>	<b>7.47</b>	<b>0.23</b>	<b>6.13</b>	<b>0.21</b>
<b>Total non-current assets</b>	<b>1,212.42</b>	<b>52.76</b>	<b>1,471.16</b>	<b>45.83</b>	<b>1,713.11</b>	<b>57.88</b>
<b>Total Assets</b>	<b>2,298.03</b>	<b>100.00</b>	<b>3,209.88</b>	<b>100.00</b>	<b>2,959.61</b>	<b>100.00</b>
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Short-term loans from financial institutions	1,176.66	51.20	1,428.24	44.50	1,275.78	43.10
Trade and other payables	70.30	3.06	76.21	2.37	71.26	2.41

Statement of Financial Position	Specific Financial Statement					
	31 December 2021		31 December 2022		31 December 2023	
	Million THB	%	Million THB	%	Million THB	%
Current portion of long-term loans from financial institutions	74.26	3.23	109.92	3.42	90.20	3.05
Current portion of lease liabilities	34.42	1.50	41.30	1.29	45.30	1.53
Income tax payable	3.03	0.13	2.82	0.09	5.58	0.19
Other current financial liabilities	1.11	0.05	0.10	-	-	-
Other current liabilities	35.20	1.53	28.30	0.88	21.38	0.72
<b>Total current liabilities</b>	<b>1,394.98</b>	<b>60.70</b>	<b>1,686.89</b>	<b>52.55</b>	<b>1,509.50</b>	<b>51.00</b>
<b>Non-Current Liabilities</b>						
Lease liabilities – net of current portion	13.56	0.59	50.63	1.58	43.25	1.46
Long-term loans from financial institutions – net of current portion	332.20	14.46	320.20	9.98	230.00	7.77
Provision for long-term employee benefits	42.35	1.84	39.65	1.23	48.17	1.63
Other non-current liabilities	0.99	0.04	1.16	0.04	1.06	0.04
<b>Total non-current liabilities</b>	<b>389.10</b>	<b>16.93</b>	<b>411.64</b>	<b>12.83</b>	<b>322.48</b>	<b>10.90</b>
<b>Total Liabilities</b>	<b>1,784.08</b>	<b>77.63</b>	<b>2,098.53</b>	<b>65.38</b>	<b>1,831.98</b>	<b>61.91</b>
<b>Shareholders' Equity</b>						
Registered	400.00	17.41	550	17.13	550	18.58
Issued and fully paid up	400.00	17.41	550	17.13	550	18.58
share premium	-	-	466.25	14.53	466.25	15.75
Retained earnings						
Appropriated – statutory reserve	12.80	0.56	21.96	0.68	25.05	0.84
Unappropriated	109.01	4.74	78.99	2.46	86.33	2.92
Other components of shareholders' equity	(7.86)	(0.34)	(5.85)	(0.18)	-	-
<b>Total Shareholders' Equity</b>	<b>513.95</b>	<b>22.37</b>	<b>1,111.35</b>	<b>34.62</b>	<b>1,127.63</b>	<b>38.10</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>2,298.03</b>	<b>100.00</b>	<b>3,209.88</b>	<b>100.00</b>	<b>2,959.61</b>	<b>100.00</b>

## 2) Statements of comprehensive income

Statements of comprehensive income	Separate Financial Statement					
	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
<b>Revenues</b>						
Sales and service income	722.26	58.37	845.79	60.44	773.88	56.08
Hire purchase interest income	58.33	4.71	85.12	6.08	84.56	6.13
Loan interest income	410.99	33.21	410.44	29.33	455.35	33.00
Fee and service income	14.59	1.18	13.96	1.00	16.76	1.22
Other income	31.25	2.53	44.13	3.15	49.30	3.57
<b>Total revenues</b>	<b>1,237.42</b>	<b>100.00</b>	<b>1,399.44</b>	<b>100.00</b>	<b>1,379.85</b>	<b>100.00</b>
<b>Expenses</b>						
Cost of sales	619.40	50.06	722.51	51.63	656.84	47.60
Selling expenses	7.02	0.57	13.90	0.99	12.41	0.90
Administrative expenses	338.47	27.35	400.32	28.61	408.90	29.63
Expected credit losses	74.51	6.02	72.38	5.17	108.30	7.85
Loss on impairment and disposals of assets foreclosed	12.18	0.98	15.58	1.11	38.05	2.76
<b>Total expenses</b>	<b>1051.58</b>	<b>84.98</b>	<b>1,224.69</b>	<b>87.51</b>	<b>1,224.50</b>	<b>88.74</b>
Profit before finance cost and income tax expenses	185.84	15.02	174.75	12.49	155.36	11.26
Finance cost	57.31	4.63	69.01	4.93	77.93	5.65
Profit before income tax expenses	128.53	10.39	105.74	7.56	77.43	5.61
Income tax expenses	25.59	2.07	24.59	1.76	15.68	1.14
<b>Profit for the year</b>	<b>102.94</b>	<b>8.32</b>	<b>81.15</b>	<b>5.80</b>	<b>61.75</b>	<b>4.47</b>
Other comprehensive income:						
Items to be reclassified to profit or loss in subsequent periods:						
Gain on cash flow hedges	1.96	0.16	1.01	0.07	0.10	0.01
Add : Income taxes	(0.39)	(0.03)	(0.20)	(0.01)	(0.02)	-
Items not to be reclassified to profit or loss in subsequent periods:						



Statements of comprehensive income	Separate Financial Statement					
	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
Actuarial gain (loss)	2.82	0.23	1.49	0.10	(1.94)	(0.14)
Add : Income taxes	(0.56)	(0.05)	(0.30)	(0.02)	0.38	0.03
Other comprehensive income for the year	3.83	0.31	2.00	0.14	(1.48)	(0.10)
Total comprehensive income for the year	106.77	8.63	83.15	5.94	60.27	4.37
Gross earnings per share (baht per share)	0.13		0.10		0.06	
Average weighted number of ordinary shares (million shares)	800.00		814.79		1,100.00	

### 3) Cash flow Statement

Cash flow Statement	Separate Financial Statement		
	2021	2022	2023
	Million THB	Million THB	Million THB
<b>Cash flow from Operating Activities</b>			
Profits before income tax	128.53	105.74	77.43
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities			
Depreciation and amortisation	51.71	57.47	64.69
Expected credit losses	74.52	72.38	108.30
Reduction of inventory to net realisable value (reversal)	(0.06)	(0.01)	0.01
Impairment loss on assets foreclosed	3.62	3.22	4.64
Gain on disposals and write-off of leasehold improvements and equipment	0.02	(0.01)	(0.10)
Loss on written-offs of intangible assets	-	-	0.03
Loss from lease modification	(0.02)	0.02	0.25
Provision for long-term employee benefits	3.87	5.43	6.57

Cash flow Statement	Separate Financial Statement		
	2021	2022	2023
	Million THB	Million THB	Million THB
Interest income	(468.72)	(495.56)	(539.91)
Share-based payment expenses	-	19.58	-
Finance cost	57.30	69.01	77.93
Losses from operating activities before changes in operating assets and liabilities	(149.23)	(162.73)	(200.16)
Decrease (increase) in operating assets			
Deposits at bank with restrictions	(8.17)	6.81	0.81
Hire purchase receivables	(75.69)	(119.56)	(9.29)
Loan receivables	(72.48)	(350.34)	(421.05)
Trade and other receivables	2.26	0.50	0.62
Inventories	(14.73)	(10.30)	1.97
Other current assets	(7.22)	(5.01)	6.20
Other current financial assets	-	-	1.00
Assets foreclosed	44.97	49.43	89.07
Other non-current assets	1.12	(1.20)	1.34
Increase (decrease) in operating liabilities			
Trade and other payables	11.46	6.08	(4.97)
Other current liabilities	9.56	(6.97)	(7.03)
Other non-current liabilities	-	-	(0.10)
Provision for long-term employee benefits	(14.53)	(6.63)	-
Cash flows used in operating activities	(272.68)	(599.92)	(541.59)
Cash received from interest	467.11	471.22	517.47
Cash paid for income tax	(22.55)	(19.05)	(18.75)
Net cash flows used in operating activities	171.88	(147.75)	(42.87)
Cash flow from Investment Activities			
Cash paid for acquisitions of leasehold improvements and equipment	(9.15)	(9.73)	(7.17)
Cash paid for acquisitions of intangible assets	(0.30)	(1.49)	(0.80)

Cash flow Statement	Separate Financial Statement		
	2021	2022	2023
	Million THB	Million THB	Million THB
Cash received from disposals of leasehold improvements and equipment	0.37	0.01	0.58
<b>Net cash flows used in investing activities</b>	<b>(9.08)</b>	<b>(11.21)</b>	<b>(7.39)</b>
<b>Cashflow from Financing Activities</b>			
Increase (decrease) in short-term loans from financial institutions	72.37	251.58	(152.46)
Repayment of lease liabilities	(37.93)	(44.62)	(49.69)
Cash received from long-term loans from financial institutions	–	100.00	–
Repayment of long-term loans from financial institutions	(79.92)	(76.34)	(109.92)
Cash received from share capital increase	–	612.00	–
Cash payment for direct costs related to share offering	–	(19.17)	–
Cash paid on interest	(54.54)	(65.01)	(72.80)
Dividend paid	(57.00)	(102.00)	(44.00)
<b>Net cash flows from (used in) financing activities</b>	<b>(157.02)</b>	<b>656.44</b>	<b>(428.87)</b>
<b>Net increase (decrease) in cash and cash equivalents)</b>	<b>5.78</b>	<b>497.48</b>	<b>(479.13)</b>
Cash and cash equivalents at beginning of year	15.39	21.17	518.65
<b>Cash and cash equivalents at end of year</b>	<b>21.17</b>	<b>518.65</b>	<b>39.52</b>

### 4.3.3 Key Financial Ratios

Financial Ratios	Unit	2021	2022	2023
<b>Profitability Ratios</b>				
Gross Profit Margin (from sales)	%	14.24	14.58	15.12
Loan Yield <sup>1/</sup>	%	22.55	21.89	20.93
Cost of Fund <sup>2/</sup>	%	3.47	3.85	4.29
Spread	%	19.08	18.04	16.64
Net Profit Margin	%	8.32	5.80	4.48
Return on Equity	%	21.05	9.99	5.52
<b>Operating Efficiency Ratios</b>				
Return on Asset	%	8.11	6.35	5.04
Total Asset Turnover	Times	0.52	0.49	0.43
<b>Leverage Ratios</b>				
Debt to Equity Ratio	Times	3.47	1.89	1.62
Interest Bearing Debt to Equity Ratio	Times	3.17	1.75	1.49
Expected Credit Losses to Gross Loans Ratio	%	6.21	5.41	5.29
Bad Debts to Gross Loans Ratio	%	4.45	2.79	3.62
Non-Performing Loans Ratio	%	3.39	3.91	3.60
Loans to Deposit Ratio <sup>3/</sup>	%	131.17	131.56	149.37
Dividend Payout Ratio	%	154.46	54.22	53.44
Current Ratio	Times	0.78	1.03	0.83
Receivable Turnover Ratio	Times	197.15	1,211.62	1,736.25
Average Collection Period	Days	1.83	0.30	0.21
Inventory Turnover Ratio	Times	6.91	7.09	6.21
Average Sale (Inventory) Period	Days	52.08	50.75	58.02
Account Payable Turnover Ratio	Times	12.77	13.43	11.33
Average Payment Period	Days	28.20	26.81	31.78
Cash cycle	Days	25.71	24.24	26.44

Remarks <sup>1/</sup> Loan yield is interest received from hire purchase agreements and financial loan agreements/ average hire purchase agreement debtors and financial loan debtors.

<sup>2/</sup> Cost of fund is financial cost/financial institute loans and average debts according to rent/ lease contracts.

<sup>3/</sup> Loan-to-deposit ratio is average hire purchase agreement debtors and financial loan debtors/ average financial loans.

## 5. General Information and Other Important Information

### 5.1 General Company Information

<b>Company Name</b>	: Star Money Public Company Limited
<b>Business Type</b>	: A dealer in electrical appliances which sell the products both in cash and installment and a credit provider in various types such as <ol style="list-style-type: none"> <li>(1) Personal loan under regulations of Bank of Thailand ("BOT") with an original car registration as a mortgage security</li> <li>(2) Personal loan under regulations of BOT which is not a credit with an original car registration as a mortgage security</li> <li>(3) Secured loan with mortgage securities such as an original car registration, land and buildings including insurance broker service business.</li> </ol>
<b>Main Office Address</b>	: 204/1-8, Sukhumvit Road, Thang Kwian Sub-district, Klaeng District, Rayong Province 21110.
<b>Company Registration No.</b>	: 0107565000263
<b>Industry group</b>	: Financial
<b>Category</b>	: Finance and Securities
<b>Telephone No.</b>	: 061 3939988
<b>Home Page</b>	: <a href="http://www.starmoney.co.th">www.starmoney.co.th</a>
<b>Registered Capital</b>	: 550,000,000 baht
<b>Issued and Paid-up Capital</b>	: 550,000,000 baht
<b>Branch Office Addresses</b>	: As of 31 December 2023.

Branch Office (1)	No. 10/35-37, No. 10/41-42 and No. 10/47, Rak Sak Chamun Road, Tha Chang Sub-district, Mueang Chanthaburi District, Chanthaburi Province.
Branch Office (2)	No. 57, Moo 3, Thung Bencha Sub-district, Tha Mai District, Chanthaburi Province.
Branch Office (3)	No. 96/1, Moo 4, Kaeng Hang Maeo Sub-district, Kaeng Hang Maeo District, Chanthaburi Province.
Branch Office (4)	No. 888/8, Moo 1, Sukhumvit Road, Kong Din Sub-district, Klaeng District, Rayong Province.
Branch Office (5)	No. 239 Sukhumvit Road, Thang Kwian Sub-district, Klaeng District, Rayong Province.
Branch Office (6)	No. 269/37-39, Moo 1, Chum Saeng Sub-district, Wang Chan District, Rayong Province.

Branch Office (7)	No. 93/14-17, Taksin Maharat Road, Tha Pradu Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (8)	No. 235, Sukhumvit Road, Noen Phra Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (9)	No. 44/21, Sukhumvit Road, Map Ta Phut Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (10)	No. 199/25, Moo 2, Nikhom Phatthana Sub-district, Nikhom Phatthana District, Rayong Province.
Branch Office (11)	No. 68/9, Moo 3, Phala Sub-district, Ban Chang District, Rayong Province.
Branch Office (12)	No. 631, Moo 1, Thetsaban Phatthana Road, Pluak Daeng Sub-district, Pluak Daeng District, Rayong Province.
Branch Office (13)	No. 278/6, Moo 1, Ban Khai Sub-district, Ban Khai District, Rayong Province.
Branch Office (14)	No. 574/4, Moo 1, Phana Nikhom Sub-district, Nikhom Phatthana District, Rayong Province.
Branch Office (15)	No. 4/13, Moo 10, Phluang Sub-district, Khao Khitchakut District, Chanthaburi Province.
Branch Office (16)	No. 88/3-4, Moo 11, Phlapphla Sub-district, Mueang Chanthaburi District, Chanthaburi Province.
Branch Office (17)	No. 259/10, Moo 1, Makham Sub-district, Makham District, Chanthaburi Province.
Branch Office (18)	No. 12, Thetsaban Sai 4 Road, Tha Mai Sub-district, Tha Mai District, Chanthaburi Province
Branch Office (19)	No. 349/25, Moo 2, Wang Khrachae Sub-district, Mueang Trat District, Trat Province.
Branch Office (20)	No. 426/8, Moo 1, Saen Tung Sub-district, Khao Saming District, Trat Province.
Branch Office (21)	No. 63/208, Moo 2, Thung Khwai Kin Sub-district, Klaeng District, Rayong Province.
Branch Office (22)	No. 7/13, Moo 3, Kachet Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (23)	No. 124/15, Moo 3, Phe Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (24)	No. 85/254, Moo 1, Choeng Noen Sub-district, Mueang Rayong, Rayong Province.
Branch Office (25)	No. 20/48, Moo 2, Phlu Ta Luang Sub-district, Sattahip District, Chon Buri Province.



Branch Office (26)	No. 81/19, Moo 5, Sattahip Sub-district, Sattahip District, Chon Buri Province.
Branch Office (27)	No. 166/10, Moo 9, Na Chom Thian Sub-district, Sattahip District, Chon Buri Province.
Branch Office (28)	No. 354/4, Ban Bueng Sub-district, Ban Bueng District, Chon Buri Province.
Branch Office (29)	No. 207/210, Moo 6, Bo Win Sub-district, Si Racha District, Chon Buri Province.
Branch Office (30)	No. 444/30, Moo 3, Bo Win Sub-district, Si Racha District, Chon Buri Province.
Branch Office (31)	No. 9/23, Moo 3, Nong Chak Sub-district, Ban Bueng District, Chon Buri Province.
Branch Office (32)	No. 89, Maharat Road, Talat Sub-district, Mueang Chanthaburi District, Chanthaburi Province.
Branch Office (33)	No. 554, 2 <sup>nd</sup> Floor, Room No. A2-001, Sukhumvit Road, Noen Phra Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (34)	No. 99, 99/1, 2 <sup>nd</sup> Floor, Room No. 228/2, Bang Na-Trat Road, Choeng Noen Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (35)	No. 226, Moo 4, Map Yang Phon Sub-district, Pluak Daeng District, Rayong Province.
Branch Office (36)	No. 156, Moo 2, Thap Ma Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (37)	No. 200/1-4, Sukhumvit Road, Thang Kwian Sub-district, Klaeng District, Rayong Province.
Branch Office (38)	No. 155/74, Moo 2, Thap Ma Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (39)	No. 24/7, Moo 4, Sattahip Sub-district, Sattahip District, Chon Buri Province.
Branch Office (40)	No. 77/12, Moo 1, Nong Prue Sub-district, Bang Lamung District, Chon Buri Province.
Branch Office (41)	No. 173/20, Moo 6, Nong Prue Sub-district, Bang Lamung District, Chon Buri Province.
Branch Office (42)	No. 87/6, Moo 5, Na Kluea Sub-district, Bang Lamung District, Chon Buri Province.
Branch Office (43)	No. 552/193, Moo 11, Nong Kham Sub-district, Si Racha District, Chon Buri Province.

Branch Office (44)	No. 135/137, Moo 2, Surasak Sub-district, Si Racha District, Chon Buri Province.
Branch Office (45)	No. 65/40, Moo 7, Surasak Sub-district, Si Racha District, Chon Buri Province.
Branch Office (46)	No. 101/230, Moo 3, Samet Sub-district, Mueang Chon Buri District, Chon Buri Province.
Branch Office (47)	No. 118/9, Moo 1, Samet Sub-district, Mueang Chon Buri District, Chon Buri Province.
Branch Office (48)	No. 100/34, Moo 6, Kut Ngong Sub-district, Phanat Nikhom District, Chon Buri Province.
Branch Office (49)	No. 145/2, Moo 8, Thung Sukhla Sub-district, Si Racha District, Chon Buri Province.
Branch Office (50)	No. 27/3, Moo 10, Phan Thong Sub-district, Phan Thong District, Chon Buri Province.
Branch Office (51)	No. 97/8, Moo 7, Ban Kao Sub-district, Phan Thong District, Chon Buri Province.
Branch Office (52)	No. 4/36, Sunthon Wohan Lane 9, Thang Kwian Sub-district, Klaeng District, Rayong Province.
Branch Office (53)	No. 235/32, Moo 5, Nong Prue Sub-district, Bang Lamung District, Chon Buri Province.
Branch Office (54)	No. 209/8, Moo 10, Nong Prue Sub-district, Bang Lamung District, Chon Buri Province.
Branch Office (55)	No. 135/17, Sukhumvit Road, Si Racha Sub-district, Si Racha District, Chon Buri Province.
Branch Office (56)	No. 9/206, Moo 11, Bang Pakong Sub-district, Bang Pakong District, Chachoengsao Province.
Branch Office (57)	No. 376/10 Sukprayun Road, Na Mueang Sub-district, Mueang Chachoengsao, Chachoengsao Province.
Branch Office (58)	No. 715 Moo 1, Phanom Sarakham Sub-district, Phanom Sarakham District, Chachoengsao Province.
Branch Office (59)	No. 166/13, Moo 2, Tha Than Sub-district, Phanom Sarakham District, Chachoengsao Province.
Branch Office (60)	No. 54, Rabiapkit Anuson Road, Bang Kla Sub-district, Bang Kla District, Chachoengsao Province.
Branch Office (61)	No. 108/6, Moo 1, Patong Sub-district, Soi Dao District, Chanthaburi Province.
Branch Office (62)	No. 9/35, Moo 1, Thap Sai Sub-district, Pong Nam Ron District, Chanthaburi Province.

Branch Office (63)	No. 136/126-127, Moo 9, Ban Suan Sub-district, Mueang Chon Buri District, Chon Buri Province.
Branch Office (64)	No. 111/5, Long Hat Bang Saen Road, Saen Suk Sub-district, Mueang Chon Buri District, Chon Buri Province.
Branch Office (65)	No. 239/19, Moo 2, Bang Phra Sub-district, Si Racha District, Chon Buri Province.
Branch Office (66)	No. 339/67, Moo 10, Tha Tum Sub-district, Si Maha Pho District, Prachin Buri Province.
Branch Office (67)	No. 47/2, Moo 2, Prachantakham Sub-district, Prachantakham District, Prachin Buri Province.
Branch Office (68)	No. 194/10, Rat Damri Road, Na Mueang Sub-district, Mueang Prachin Buri District, Prachin Buri Province.
Branch Office (69)	No. 140/6, Thetsaban Damri Road, Na Mueang Sub-district, Mueang Prachin Buri District, Prachin Buri Province.
Branch Office (70)	No. 20/11, Maha Chakkaphat Road, Na Mueang Sub-district, Mueang Chachoengsao District, Chachoengsao Province.
Branch Office (71)	No. 159/3, Moo 4, Nikhom Phatthana Sub-district, Nikhom Phatthana District, Rayong Province.
Branch Office (72)	No. 29/5, Moo 13, Taphong Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (73)	No. 114/341, Moo 7, Phlu Ta Luang Sub-district, Sattahip District, Chon Buri Province.
Branch Office (74)	No. 37/39, Moo 5, Samnak Thon Sub-district, Ban Chang District, Rayong Province.
Branch Office (75)	No. 456, Moo 1, Ta Sit Sub-district, Pluak Daeng District, Rayong Province.
Branch Office (76)	No. 259/16, Moo 2 Huai Thap Mon Sub-district, Khao Chamao District, Rayong Province.
Branch Office (77)	No. 121/1, Moo 3, Bueng Sub-district, Si Racha District, Chon Buri Province.
Branch Office (78)	No. 135/4, Moo 14, Ku Yai Mi Sub-district, Sanam Chai Khet District, Chachoengsao Province.
Branch Office (79)	No. 140, Suwannason Road, Sa Kaeo Sub-district, Mueang Sa Kaeo District, Sa Kaeo Province.
Branch Office (80)	No. 90/1, Moo 2, Wang Yen Sub-district, Wang Yen District, Sa Kaeo Province.
Branch Office (81)	No. 447, Moo 10, Wang Sombun Sub-district, Wang Sombun District, Sa Kaeo Province.

Branch Office (82)	No. 379/272, Moo 10, Nong Ki Sub-district, Kabin Buri District, Prachin Buri Province.
Branch Office (83)	No. 227/17, 227/18, Udon Dutsadi Road, Mak Khaeng Sub-district, Mueang Udon Thani District, Udon Thani Province.
Branch Office (84)	No. 1340/26, Suranarai Road, Nai Mueang Sub-district, Mueang Nakhon Ratchasima District, Nakhon Ratchasima Province.
Branch Office (85)	No. 3, Room No. PG522, Sai 5 Shopping mall Alley, Sukhumvit Road, Tha Pradu Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (86)	No. 1/21, Moo 1, Nong Bua Sub-district, Ban Khai District, Rayong Province.
Branch Office (87)	No. 112/2, Moo 3, Sattahip Sub-district, Sattahip District, Chon Buri Province.
Branch Office (88)	No. 9/21-23, Moo 1, Nongchak Sub-district, Ban Bueng District, Chon Buri Province.
Branch Office (89)	No. 11/30, Sukhumvit Road, Khlung Sub-district, Khlung District, Chanthaburi Province.
Branch Office (90)	No. 237/53, Moo 8, Plaeng Yao Sub-district, Plaeng Yao District, Chachoengsao Province.
Branch Office (91)	No. 239/14, Moo 4, Si Maha Pho Sub-district, Si Maha Pho District, Prachin Buri Province.
Branch Office (92)	No. 56/26, Moo 6, Ban Suan Sub-district, Mueang Chon Buri District, Chon Buri Province.
Branch Office (93)	No. 18/278-279, Moo 3, Surasak Sub-district, Si Racha District, Chon Buri Province.
Branch Office (94)	No. 245, Moo 8, Mueang Kao, Kabin Buri District, Prachin Buri Province.
Branch Office (95)	No. 3/42-44 Village No.5, Phluang Subdistrict, Khao Khitchakut District Chanthaburi Province
Branch Office (96)	No. 333 Village No.7, Ban Kao Subdistrict, Phan Thong District, Chonburi Province
Branch Office (97)	No. 450/4Moo 4, Koh Pho-Three Yaek Road, Tha Boon Mee Sub-district, Koh Chan District Chonburi Province
Branch Office (98)	No.190/7 Moo 1, Bangwua Subdistrict, Bangpakong District Chachoengsao Province

## 5.2 Other Important Information

### General Information of Subsidiaries

None.

### General Information of Affiliated Companies

None.

### Information about Other References

Securities Registrar	<p>: Thailand Securities Depository Co., Ltd. (TSD), Stock Exchange of Thailand, 1st Floor, Tower B (next to the Chinese Embassy), No. 93, Ratchadaphisek Road, Din Daeng Sub-district, Din Daeng District, Bangkok 10400 Telephone: 02-009-9000 Fax: 02-009-9991 TSD Call Center: 02-009-9999</p>
Auditor	<p>: EY Office Co., Ltd. Ms. Bongkot Kriengpanamorn Licensed Auditor Registration No. 6777 Ms. Saranya Phadsri Licensed Auditor Registration No. 6768 Ms. Wanwilai Phetsang Licensed Auditor Registration No. 3515 Ms. Somjai Khunapasut Licensed Auditor Registration No. 4499 No. 193/136-137 33rd Floor, Lake Ratchada Building, Ratchadaphisek Road, Khlong Toei Sub-district, Khlong Toei District, Bangkok 10110 Telephone: 02-264-9090 Fax: 02-264-0789</p>
Financial Consultant	<p>: KGI Securities (Thailand) Public Company Limited Asia Center Tower, 8-11th Floor, No. 173 Sathon Tai Road, Thung Maha Mek Sub-district, Sathon District, Bangkok 10120 Telephone: 02-658-8888 Fax: 02-658-8000</p>

## 5.3 Legal Disputes

As of 31 December 2023, the company has no legal disputes that might damage the company's assets by more than 5% of shareholders' equity, and there are no other legal disputes that might significantly impact the company's business.

## 5.4 Secondary Markets

The company has no securities listed in the stock exchanges of other countries.

# Part 2

## Corporate Governance

- 6. Corporate Governance Policy**
- 7. Corporate Governance Structure and Important Information about the Board of Directors, Sub-committees, Executives, Employees and Others**
- 8. Report of Significant Performance in Corporate Governance**
- 9. Internal Control and Connected Transactions**





## 6. Corporate Governance Policy

### 6.1 Policy Overview and Corporate Governance Practice Guidelines

The company prepared the corporate governance policy in writing by firmly adhering to the principles of good corporate governance for listed companies of 2017 (CG Code) to have in place operating guidelines for the board of directors, executive directors, executives and all employees, with annual plan reviews. In 2023, there was a review on November 13, 2023, in accordance with the policy.

Firmly committing to the good corporate governance principles of the Office of the Securities and Exchange Commission ("SEC") in 8 topics to create value for the company and sustainability in addition to building confidence among investors in a manner that leads to desirable governance outcomes. Accordingly, the company makes considerations within the following framework:

- Ability to compete and produce good business returns with consideration to long-term impacts.
- Ethical business operation with Concerning and responsibility for shareholders and stakeholders.
- Benefits for society and improvement to or reduction in environmental impacts.
- Ability to adapt under changing Circumstance.

The 8 principles of the company's corporate governance policy are as follows:

#### **1. Have awareness about the roles and responsibilities of the board of directors as organization leaders who create sustainable value for business.**

The board of directors sets the business plans, vision, missions, and strategies that make up the primary goals for the organization's sustainable business operation. The board of directors accordingly monitors and ensures that the company operates business according to the aforementioned objectives. In addition, the board of directors specifies That there to be reviews of the vision and missions of the organization at least annually to ensure that the company operates the business according to its primary objectives of achieving sustainable development according to set plans. Accordingly, the managing director has been assigned to be responsible for operating business, making improvements, and implementing strategies. His powers, duties and responsibilities are specified according to the Delegation of Authority Table.

The board of directors has specified the Code of Conduct and Code of Ethics and specified them to be the duty and responsibility of all directors, executives and employees to acknowledge and comply with them. The board of directors is responsible for ensuring that directors and executives, perform their duties responsibly and cautiously (with duty of care) and with honesty and integrity for the organization (duty of loyalty), in addition

to overseeing actions in accordance with the laws, regulations and shareholder meeting resolutions primarily for the best interest of the company without expecting any other gains.

## **2. Specify business key objectives and goals for sustainability.**

The board of directors has stated its vision, missions strategies, and goals for every director, executive and employee to practice and promote the company to be sustainable in line with the effort to create business value through its vision and missions as follows:

**Vision:** The company is determined to become a leading service provider in installment loan services, and hire purchase loans and consumer loans under the concept of promoting financial literacy and strong financial immunity in customers.

**Missions:** The company's missions to the company's stakeholders are as follows:

- Encourage every customer to have financial literacy, financial security and strong financial immunity.
- Give importance to providing oversight and managing risks cautiously while overseeing debts according to good governance principles.
- Give importance to designing products and services that meet customers' needs by using technologies and databases
- Commit firmly to being an organization of honesty and transparency to create lasting value for customers, shareholders, employees and society.
- Commit to repaying society where the company is established by creating mutual and lasting value.

The board of directors supervises to ensure that the vision, missions and strategies are consistent with the effort to meet the company's key objectives and holds regular Executive Committee meetings to effectively monitor performance. The vision, And mission, including strategies and goals are reviewed at least once a year. The most recent review was from the Board of Directors meeting No. 4/2023 on 13 November 2023.

## **3. Empower an effective board of directors.**

The board of directors specifies and reviews the structure of the board as appropriate and required for the organization to meet set objectives, and goals according to the company's vision, missions, strategies, goals and related laws or announcements. The board of directors has appointed sub-committees to screen and consider specific issues. These sub-committees include the Audit Committee, Risk Management, and Nomination Committee and Remuneration Committee.

The board of directors has specified for That the chief executive officer to not be the same person as the managing director and has specified their roles, powers, and duties separately from each other to create checks and balances between management and good governance.

The board of directors stipulates for meetings to be held at least once every quarter with additional special meetings held as required. The board of directors also allows directors to hold meetings among themselves without Management with meeting results reported to the managing director for acknowledgment at least once annually. In addition, directors should attend at least 75% of all board meetings each year.

The board of directors has assigned the company secretary to prepare the meeting schedule in advance to allow directors to allocate time and consider their duties ahead of time.

#### **4. Recruit and develop high-ranking executives and manage personnel.**

The board of directors has appointed the Nomination and Remuneration Committee to consider and specify the criteria for the recruitment of directors and high-ranking executives of the company and to prepare and review the succession plans of the company's high-ranking executives and report progress on succession plans to the board of directors at least once every year. and reported to the Board of Directors Meeting No. 3/2023 on 11 August 2023 for acknowledgment.

The Board of Directors determines to monitor the management and development of the Company's personnel by the business plan, vision, mission and strategy. The Company has established a provident fund for the Company's employees.

#### **5. Promote innovations and responsible business operations.**

The board of directors gives importance to and supports the development of innovations to create business value and bring about sustainable growth alongside the creation of mutual benefits for the company, customers, trade partners, and related persons while demonstrating corporate responsibility toward society and the environment and effective resource allocation and management.

#### **6. Ensure the existence of an adequate risk management and internal control system.**

The board of directors has established a Risk Management Committee to oversee the management, monitoring and reviewing of the organization's risks. The Risk Management Committee is required to hold meetings twice annually and report to the board of directors. Additionally, the Risk Management Work Group has also been established to assist the Risk Management Committee, which must hold meetings to assess risks and report to the Risk Management Committee.

The company's Audit Committee is responsible for auditing and reviewing to ensure that the company has in place an internal control system and internal audit system that are adequate, appropriate, and effective through the supervision of the internal audit agency, which must report its audit findings regularly to the Audit Committee.

## **7. Maintain financial reliability and information disclosures.**

The board of directors gives importance to disclosing financial information accurately, sufficiently and Promptly. As such, personnel related to the preparation and disclosures of information are supervised to ensure that they possess knowledge and capabilities suitable for their duties and responsibilities, and information disclosures have been assigned to be the responsibility of the managing director, deputy managing director of accounting, finance, and budgets, and the company's secretary, who also works in investor relations.

The board of directors stipulates for disclosures of information, including financial statements, annual reports, Form 56-1 One-Reports, and management discussions and analyses (MD&A) that sufficiently reflect financial position and performance and encourage the adoption of information technology in disseminating company information. The board of directors oversees and monitors reports of the company's adequacy of liquidity and debt coverage, whereby Management must report regularly to the board of directors and hold joint discussions involving Management and the board of directors to seek solutions whenever signs arise to indicate the presence of liquidity problems. Whenever the company faces financial difficulties or is likely to face them, the board of directors will take care to ensure that the company has in place corrective plans that are evaluated for their reasonability with consideration to creditors and the rights of all stakeholders.

The board of directors has specified a policy on the use of internal information by taking actions to ensure equality and fairness for all shareholders. As such, internal information or important news not yet disclosed to the public are deemed to be secrets that related directors, executives and employees are required to maintain.

## **8. Support engagement and communication with shareholders.**

The board of directors sets appropriate dates, times and places for shareholder meetings and prevents any actions that might hinder any person's ability to attend shareholder meetings. Accordingly, meeting invitation letters and information are sent ahead of meeting dates Following the law, and the board of directors supports the use of technology in managing shareholder meetings, whether in counting votes or displaying results, to ensure accuracy, reliability and speed in information with meeting reports recorded and disclosed on the company's website.

For shareholder meetings, the company chairman serves to chair shareholder meetings ,and supervise meetings to ensure compliance with the law, regulations and other related laws, with opportunities given for inquiries to be made and recorded in meeting reports.

### 6.1.1 Policy and Practice Guidelines Related to the Board of Directors

#### • **Nomination and Remunerations for Directors in the Board and Sub-committees**

The board of directors has established the Nomination and Remuneration Committee ("Nomination Committee") to recruit suitably qualified persons to become company directors and high-ranking executives and to specify the remunerations for directors and high-ranking executives. The Nomination Committee is made up of at least 3 directors, with independent directors making up at least one half of the committee. In addition, when the vote on a meeting of the Nomination Committee is evenly split, the Chairman of the Nomination Committee has the right to cast 1 additional, deciding vote. The duties and responsibilities of the Nomination Committee in the area of nomination and specification of remunerations for company directors can be summarized in essence as follows:

1) Specify the criteria and policy for nominating company directors appropriately for their roles, duties and responsibilities and consider recruiting, selecting and nominating suitable persons to become company directors and present them to the board of directors for approval of appointment.

2) Evaluate the qualifications of persons who will become independent directors appropriately and consistently with the requirements specified by the SEC.

3) Consider the criteria for payment of remunerations to directors appropriately by reviewing the suitability of the existing criteria compared with information about remuneration payments by other companies in the same industry as the company, and set appropriate criteria to produce the expected work results while ensuring fairness and compensation for persons help ensure success in the company's work.

4) Review remuneration payment types such as regular remunerations and meeting attendance fees with consideration to existing practices in the same industry, the company's performance and business size and the responsibilities, knowledge, capabilities and experience of directors.

5) Specify the annual remunerations of company directors according to the considered criteria and present them to the board of directors and shareholder meetings for approval.

#### • **Nomination and Remunerations for Company Executives**

The Nomination Committee works to recruit suitably qualified persons to hold position as the managing director and executives in key positions such as the company's deputy managing director of accounting, finance and budgets. The duties and responsibilities of the Nomination Committee in the area of nomination and remunerations of company directors can be summarized in essence as follows:

1) Specify the criteria and policy for the recruitment of the company's managing director and high-ranking executives appropriately for their positions, roles, duties and responsibilities and consider recruiting, selecting and nominating such suitably qualified persons to the board of directors for approval of appointment.

2) Prepare and review the succession plan for the managing director and high-ranking executives to prepare for when the managing director or other high-ranking executives retire or can no longer perform their duties, to ensure uninterrupted work management.

3) Consider the remuneration payment criteria for the managing director and high-ranking executives of the company as appropriate and review the suitability of existing criteria compared with remuneration payment information of other companies in the same industry as the company and specify appropriate criteria to achieve expected work results while ensuring fairness and compensating persons who help ensure success in the company's work.

4) Specify the annual remunerations for the managing director and high-ranking executives according to considered criteria for making proposals to the board of directors for approval.

- **Development of Directors**

The Nomination Committee will regularly consider plans to improve directors to develop the knowledge of existing directors and new directors to ensure that they understand the company's business, including the roles, duties, criteria and laws related to the company's business, in addition to developing new knowledge that might benefit company directors for use in improving the company. In doing so, a budget is allocated annually for director training plans.

- **Performance Evaluations of Directors**

The Nomination Committee is tasked with reporting the performance of duties to the Board of Directors on a regularly basis and to report the duties performed in the past year in the company's annual report and at shareholder meetings, including performance evaluations for the entire Board of directors and sub-committees and performance evaluations of individual directors, with the performance evaluation guidelines covering considerations of various areas such as the structure and attributes of the board of directors; the roles, duties and responsibilities of the board of directors; the meetings and performance of duties by the board of directors; relations with Management and self-improvement of directors.

- **Oversight of Subsidiaries and Affiliated Companies**

Although the company does not have subsidiaries and affiliated companies at present, the company has specified a policy for supervising and managing the business affairs of subsidiaries and affiliated companies just in case the company has subsidiaries and/or affiliated companies in the future. The purpose is to set measures and direct and indirect mechanisms to enable the company to supervise and manage the business of subsidiaries and affiliated companies to ensure that they conform to the measures and policies of the company as well as related laws. The policy is summarized as follows:

1. The company will send persons who represent the company to serve as directors, executives or persons with control authority in each subsidiary and/or affiliated company according to the share ratio of each company, with the consideration and approval of the board of directors.

2. Company representatives have the duty of supervising and overseeing subsidiaries and/ or affiliated companies to take actions consistently with the law, good corporate governance policy, and other policies of each company in question and to conform to the company's policies. In cases where subsidiaries or affiliated companies have other investors, the persons representing the company must perform their duties to the best of their abilities to protect the company's interests.

3. The company will control subsidiaries and/or affiliated companies to have in place an appropriate and adequately strict internal control system and ensure that transactions take place correctly according to the law and related requirements.

4. The board of directors will control subsidiaries and/or affiliated companies to disclose information about their financial position and performance to the company and closely ensure the preparation of performance reports as well as to present analyses and opinions or suggestions to the board of directors of the company and the board of directors of the subsidiaries or affiliated companies to accompany the consideration to set policies to improve and promote the business of subsidiaries and/or affiliated companies to achieve sustainable development and growth.

The company will control for subsidiaries and/or affiliated companies to have the duty to disclose connected transactions, acquisitions and disposals of assets, other important transactions, capital increase, capital decrease and discontinuation of subsidiaries or affiliated companies, etc.



### 6.1.2 Policy and Practice Guidelines Related to Shareholders and Stakeholders

The Company's Board of Directors places great importance on compliance, and stakeholders on all sides have established guidelines. For directors and employees at all levels of the company regarding shareholders and stakeholders in the Code of Ethics and ethics in business operations (Code of conduct and code of ethics) ("Business Ethics") and disclosed on the website. Rights and equality of shareholders Code of conduct and code of ethics of the company It is required to perform duties with honesty, caution, caution, and fairness to all shareholders, both large and small, for the maximum benefit of each other. Overall, the Company will provide information on the status of the Company, operating results, financial information and other reports on a regular and complete basis.

- **Prevention of use of Internal Information**

The company's Code of Ethics and policy for reporting holding of securities and use of internal company information require directors, executives and persons related to financial information and statements to report changes in their holding of company securities within 3 business days from the date of trading in said securities by submitting a report to the company's secretary for reporting to the board of directors and to report to the SEC according to related requirements.

The company gives equal importance to the equality and justice of every shareholder. Therefore, the company has stipulated for all directors, executives and employees on every level of the company to maintain the confidentiality of internal information without disclosing publicly undisclosed information. In addition, company directors, executives and employees working in agencies related to information and persons connected to them are prohibited from trading in company securities in the 30 day before financial statement disclosures and in the 24-hour period after the disclosure of said financial statements, and this extends to information that might impact the value of the company's securities. Furthermore, the company has specified disciplinary penalties for violations through the use of internal information for personal gains, from a written warning to pay deduction, temporary work suspension and dismissal from work, depending on the intentions and severity of the wrongdoing.

- **Prevention of Conflicts of Interest**

The company's business ethics and interest and conflicts of interest policy specify the practice guidelines for preventing conflicts of interest that can be summarized as follows:

- Avoid actions that conflict with the company's interest, whether resulting from contact with persons commercially connected to the company or from opportunities or information obtained from being an employee of the company, in order to seek personal gains, nor engage in business competition with the company, nor perform other work aside from the company's work that would impact responsibilities and duties with the company.
- Stakeholders are prohibited from authorizing transactions or actions in the name of the company. This is to prevent potential conflicts of interest.
- The board of directors and executives must review conflicts of interest related to connected transactions between the company and persons potentially with conflicts of interest by reviewing them thoroughly with honesty within the framework of good conduct with consideration to the best interest of the company.
- Disclose information about transactions with potential conflicts of interest and connected transactions in annual reports, annual information disclosure forms and other report forms, depending on the case.

- **Responsibility to Stakeholders**

**Treatment of Customers:**

- Provide services to customers under fair conditions Based on of mutual fair remunerations.
- Devote to develop quality services in line with related requirements while offering reasonable prices that keep up with situations.
- Strictly comply with mutually agreed agreements and terms.
- Maintain customer confidentiality, unless customers give written consent for disclosures or information is disclosed to comply with the law.

**Treatment of Trade Competitors**

- Conduct within the rules of fair competition and not seek secret information from trade competitors by using dishonest or inappropriate means.
- Never damage the reputation of trade partners by making malicious accusations or attacking competitors without reasonable information.

**Treatment of Trade Partners**

- In processes involving trade partner contacts, such as in the purchasing and procurement process, the steps must be verifiable, transparent, fair, and for the best interest of the company.

- Provide information equitably and accurately to trade partners without concealment, prejudice or discrimination.
- Never demand, accept or pay any commercially dishonest benefits to trade partners.
- Strictly comply with contract and agreement terms.

#### **Treatment of Shareholders**

- Perform duties honestly with integrity, caution, thoroughness and fairness to all shareholders for the best overall interest of shareholders and make operational decisions according to professional principles.
- Set an appropriate dividend payment policy for shareholders.
- Give announcements and explain the company's situation, performance, financial information and other information on Regularly

#### **Treatment of Creditors**

- Treat creditors fairly without demanding, accepting from, or paying any commercially dishonest interests to creditors.
- Strictly comply with agreed terms and conditions. Whenever it might be impossible to comply with any term, swiftly notify creditors in advance to seek mutual solutions to the problem.

#### **Treatment of Company Employees**

- Give importance to maintaining a work environment that is safe For to the life and property of employees and commit to strictly complying with labor laws.
- Give importance to human rights principles for employees of every level.
- Recruit employees fairly and treat all employees equitably without discrimination, and ensure that remunerations, appointments, transfers, rewards and penalties occur out of honesty and fairness.
- Protect the confidentiality of employee personal information.
- Support for training and development of the company's personnel Continuously to enhance employee's work capabilities and enable professional development.
- Establish a provident fund for employees to support employees to save money in the long-term.

#### **Responsibility to the Environment, Communities and Society**

- Demonstrate responsibility and provide support in caring for the environment, education, religion, arts and culture and local traditions.
- Organize activities to build society, communities and the environment for a better quality of life and collaborate with the government and communities.
- Instill conscience about corporate social and environmental responsibility in the company and trade partners, and this extends to include the effective use of resources, materials and equipment.

### • **Anti-Corruption**

The company has internal control measures. To prevent corruption in high-risk matters, directors, executives, and employees of the company at all levels must follow the guidelines for implementing the anti-corruption policy as follows:

#### **Gifts, Hospitality and other related expenses**

The company has a policy prohibiting company employees from receiving or giving gifts. Entertainment or hospitality services and other expenses including benefits in any form to the company's customers and partners. government agency or officials or people who have business ties with the company. To gain business or induce government officials to act illegally for the benefit of the company. or have an impact on the operations of the company.

#### **Guidelines for operations are as follows:**

- Giving or receiving gifts entertainment or hospitality service and other expenses related This can be done only when receiving property or any other benefit according to ethics. or give to each other according to the etiquette practiced in society and must be performed on appropriate occasions.
- Company employees must follow the approval, control, and reporting procedures according to the company's regulations.
- The company records expenses and has receipts or certified evidence.

#### **Charitable donation**

The company has a policy for donating to charity (Charitable Contributions, Donations And Aid Grants). The company can donate money or any assets to help individuals, communities, foundations, charitable associations or other legal entities. that has the objective of helping society.

#### **Guidelines for operations are as follows:**

- The donation must be verifiable and can be proven to have activities according to the said charity project. and actions are taken to support the success of the project objectives. and truly bring benefits to society or to meet the objectives of operating with social responsibility. (Corporate Social Responsibility: CSR)
- The donation must be proven to be for charity and not involve any reciprocal benefit to any person. or any agency.

#### **Sponsorship**

The company has a policy of providing financial support to individuals or juristic persons. to conduct business Promote the reputation and good image of the company.

#### **Guidelines for operations are as follows:**

- The financial support must be prove that the applicant has carried out the activities according to the project. This is true and is carried out to support the success of the project's objectives. and truly brings benefits to society or to meet the objectives of operating with social responsibility (Corporate Social Responsibility: CSR)

- The financial support must prove that the financial support or any other benefit can be calculated in monetary terms. such as providing accommodation and food, etc.
- To be a financial supporter A request sheet must be prepared. Specify the name of the financial support, the purpose of the support and attach all supporting documents to the company's approval authority for consideration and approval according to the company's approval authority level.

### **Facilitation Payment**

The Company has a policy prohibiting payment of facilitation payments to government officials under any circumstances because facilitation payments paid to government officials carry a high risk of becoming bribery. or is an illegal expense.

#### **Guidelines for operations are as follows:**

- Company employees are prohibited from giving, asking, or accepting that they will provide facilitation fees. or bribes in the form of property or any other benefits to government officials Foreign government officials or officials of international organizations To induce action, not action, or delay action. which affects the operations of the company.
- Contacts with the government sector must be transparent. Be honest and must strictly comply with relevant laws.
- The company should clearly communicate such prohibitions to company employees. and all those who have business ties with the company are informed.

### **Political Contribution**

The company has a policy Do not support financially or in kind. to any political party, politician, or political candidate, whether directly or indirectly to gain special privileges or unlawful benefits or to facilitate business benefits for the company.

### **Conflict of Interests**

The company has a conflict of interest policy. To focus on correct actions, directors, executives, and employees at all levels must consider the highest interests of the organization as important. Under the framework of legality and ethics Avoid conflicts of interest both outside and within the organization that may affect decision-making and performance of duties.

#### **Guidelines for operations are as follows:**

- Company directors and executives must inform the company of their relationship. or related transactions in businesses that may cause conflicts of interest or seek personal benefits, such as
  - Joint stockholding in the company's competitors.
  - Joint investment or holding a position with a partner who does business with the company.

- Doing business or providing services directly to the company, or through others
- Avoid making transactions related to Related persons As specified by the Capital Market Supervisory Board that may cause conflicts of interest with the company In the case that it is necessary to make which transaction The connected transactions must be presented to the Audit Committee. To consider giving opinions before submitting for approval to the Board of Directors. According to the principles of good corporate governance and regulations at the Stock Exchange and the Securities and Exchange Commission determines.
- Directors, executives, and employees must comply with the company's regulations, and the company's business ethics code This is an important matter that must be strictly adhered to for the company to be trusted and trusted by all stakeholders, and arrange for the dissemination of information and understanding of employee practices throughout the company.
- Directors, executives, and employees must not seek benefits for themselves or others. By relying on the company's confidential information. Including important information of the company for personal gain.
- The company requires directors and executives who have significant interests in a manner that may cause Such directors or executives to be unable to express their opinions independently, and has no part in consideration to Items in which he has a conflict of interest including having no authority to approve the entry into transactions on that agenda.

### **Revolving Door**

The company has a policy to hire government employees. To hold the position of director, executive, employee or consultant of the company. There must be a selection process. Employment approval Compensation determination and control process To ensure that the hiring of employees will not be in return for acquiring any benefits to benefit the company. Destroys the image of reliability and honesty in performing duties, which is at risk of corruption.

### **Guidelines for operations**

- Do not hire or appoint government officials who are still in office, except state enterprises with requirements from the organization established to be able to have representatives from government agencies come to work in the organization.
- Specify a cooling-off period of 2 years for the appointment of former government officials who have left their positions, or persons who have previously worked for regulatory agencies that are Directly related to the company Except for the benefit of managing the company's business, and such a person has no benefit to the company or benefits in return The company has a selection process. Employment approval determination of compensation and control processes to ensure that hiring government employees will not be in return for receiving any benefits.

- There is a process to check the history (Due Diligence) of the people the company will select to appoint to the positions of directors, consultants, and executives of the company. To examine what may be a conflict of interest before the appointment.
  - Is there a prohibition on performing duties that are an abuse of power? who have conflicting interests, such as disclosing secrets of government agencies to which they were formerly affiliated, lobbying to gain illegitimate benefits Being assigned to contact the agency formerly affiliated with, etc.
  - There is an appointment by disclosing the names and history of people who were former government officials. who have been appointed as consultants/directors/ executives of the company
- **Procurement**

The company's procurement operations must be transparent, honest, and in compliance with policies and Company procurement regulations and by laws and regulations related to procurement in both the public and private sectors.

#### **Corruption Risk Assessment**

The company prepares a corruption risk assessment. Especially assessing the risk of bribing government officials. Targeted at employees at all levels who have the opportunity to interact or work with government agencies, state enterprises, or outsiders.

#### **Guidelines for operations are as follows:**

- The company has assessed the risk of corruption that may occur. It includes both defining criteria for measuring impact risks (Impact) and likelihood of occurrence (Likelihood of Occurrence). Risks from related operations are identified and current internal controls are in place. along with providing measures to control and control risks To ensure that the risk is at a level acceptable to the organization. and is managed Promptly In addition, the risk assessment results will be presented to the Risk Management Committee. or sub-committees assigned by the Risk Management Committee at least once a year.

#### **Internal Control System**

The company has an internal control system based on the essence of this policy and included in the internal audit plan. and act by the regulations of the Audit Committees Internal control and internal audit policy to help ensure that this policy is practicable and by international standards.

#### **Guidelines for operations are as follows:**

- The company prepares financial reports. and the operation of the accounting process correctly and transparently can be verified
- The company has a document retention system. Evidence of financial transactions and various information Be ready for inspection to confirm the correctness of the process according to anti-corruption measures.



### **Accounting audit and data storage**

The company has a process for auditing accounts and storing data to support the effective anti-corruption policy and prevent all forms of corruption.

#### **Guidelines for operations are as follows:**

- The company has a process for auditing accounting transactions. and appropriate approval is given before recording transactions into the accounting system, which will be checked according to various company policies, regulations, related laws, contracts or agreements to ensure compliance with accounting standards and accounting policies appropriately.
- Operating expenses and investment expenses Evidence must be provided correctly and completely and must be approved according to the credit limit level by the designated approval authority.
- Financial reports must be accurate, truthful and reliable. and must disclose important information correctly and completely Including information on related transactions and liabilities that may arise
- The company has adequate and secure control over the storage of accounting documents for immediate auditing. Access to accounting information is controlled. And backup files are stored safely.

### **Human Resources**

The company has a human resource management policy to support the anti-corruption policy to be effective and prevent all forms of corruption.

#### **Guidelines for operations are as follows:**

- The company applies this policy to personnel management. From the employee selection process, the selected employees must not commit any disciplinary offenses. or have not been punished for crimes related to corruption. promotion Performance evaluation and giving rewards. The company must consider performance results Following the policy. and has no history of committing corruption or behavior that impedes compliance with this policy.
- The company will not demote, punish, or have negative consequences for employees who refuse to commit corruption. Even though that action will cause the company to lose business opportunities.
- The company provides continuous training on anti-corruption measures and knowledge to employees at all levels, including company directors and executives, to gain understanding and be able to truly put it into practice.
- The company has thoroughly communicated the policy to employees. Including explaining the penalties for violating this policy to employees at all levels of the company.

#### **• Publication of policy**

Employees at all levels of the company, customers, partners, or all groups of stakeholders and those involved in the business are informed of the anti-corruption policy. The company therefore requires public relations and dissemination through the following channels:

- Post an anti-corruption policy on the company's public relations board.
- Publish anti-corruption policy. Through the company's communication channels such as the internet system Annual information display website (56-1 one report)
- Arrange anti-corruption policy training on orientation day for new employees. Including continuous training for company directors, executives, and employees related to transactions that are at risk of corruption. In the past year Training July 10,2023
- All employees must sign the form and provide an affidavit confirming that they are aware of the contents of the Code of Conduct and Anti-Corruption Policy. This is to confirm that they have read and agreed to comply with the requirements in various matters. Employees cannot use the excuse of not reading or not signing the form as a reason for not complying.

### **Reporting complaints**

The company gives importance to receiving complaints. and reporting clues by giving employees an opportunity and stakeholders channels to make complaints Leave a comment and report clues to violations according to the law corruption Accuracy of financial reports internal control system violation of human rights Unequal treatment actions without due diligence and lack of caution Including receiving complaints regarding corporate governance and the company's business ethics. as well as the behavior of those that may indicate corruption. Including appropriate protection measures for whistleblowers according to the Whistle Blower Policy.

### **Guidelines for operations are as follows:**

1) The company has provided channels for complaints or whistleblowing. about corruption You can inform us through direct communication channels. or send a letter stating that "Secret Document" through the following channels:

- Registered letter  
Chairman of the Audit Committee  
204/1-8, Sukhumvit Road, Thang Kwian Sub-district, Klaeng District,  
Rayong Province 21110.
- Through the company's website. [www.starmoney.co.th](http://www.starmoney.co.th) topic "Channel for receiving complaints"

2) Protection of those who report complaints or provide clues.

The company protects the rights of complainants. and those who provide information in good faith The name, address or any information will be kept secret. Do not disclose information to other persons who do not have related duties. Unless it is disclosed as required by law, by a court order, or by a relevant regulatory agency. or orders of government agencies.

3) Inspecting and seeking facts

The company has a process for investigating and seeking facts when receiving complaints or reporting corruption. By adhering to fairness for all parties. and report to the President for acknowledgment to give further orders.

#### 4) Listening to opinions and suggestions

The company has channels for listening to opinions and suggestions regarding anti-corruption measures. To improve and develop measures to be more appropriate. The company's employees and outsiders can use the method to express their opinions through the channels according to the item.

#### • Tracking and reviewing

Companies must monitor and review anti-corruption measures. To be informed of the changing situation and risks related to this policy. and regularly review the policy on an annual basis or when the risk situation changes.

#### • Punishment

Those who violate the law, regulations, policies, and any other code of conduct of the company will be subject to disciplinary action based on the intent, circumstances, and results of the offense. Cooperation in the investigation Actions of Violators To correct or prevent such events from occurring again. Violators may receive disciplinary action starting with a written warning. Up to the maximum personal punishment is removal from position or termination of employment.

#### • Business Ethics

The company has a Code of Conduct and Code of Ethics that primarily cover business conduct and ethics in various areas, including management of business conduct and ethics, the essential details of which can be summarized as follows:

#### **Code of Conduct and Code of Ethics in Various Areas**

##### 1. Stakes and Conflicts of Interest

- Avoid actions that cause any conflict of interest with the company.
- Consider approving transactions with potential conflicts of interest thoroughly, cautiously and honestly.
- Persons holding stakes in transactions with potential conflicts of interest are now allowed to participate in the deliberation process to approve transactions.

##### 2. Securities Trading and Use of Internal Information

- Directors, executives and employees are prohibited from using important company information that is not yet disclosed to the public to obtain personal gains or gains for others.
- Persons responsible for reporting their holding of company securities are required to strictly comply with the requirements for reporting securities trading and the time prohibitions for trading in company securities.

3. Treatment of Customers, Trade Competitors, Trade Partners (Purchasing and Procurement), Shareholders and Creditors.

4. Responsibility to the Environment, Communities and Overall Society

5. Respect for Human Rights and Fair Labor Treatment

6. Giving and acceptance of gifts.
  - Policy on giving and receiving gifts.
  - Please see details on the company's website at [https://www.star.money.co.th/Investor\\_Relations?page=Company\\_policy](https://www.star.money.co.th/Investor_Relations?page=Company_policy)
7. Use of information and communications technology.
  - Promote and use only properly licensed equipment, tools and software by the law.
  - Do not use company computer systems to disseminate morally inappropriate or illegal content.
8. Non-Violation of Intellectual Property
9. Maintenance and Use of Company Assets
  - Employees have the duty and responsibility to keep company assets from becoming damaged and lost and are required to make effective use of such assets.
10. Management and Maintenance of Ethics
  - All company employees are required to strictly follow ethical principles.
11. Anti-Corruption

#### **Management of Conduct and Business Ethics**

1. Manage to ensure that executives and employees have awareness. The company requires every employee to sign and certify that they acknowledge the contents of the company's Code of Conduct and Code of Ethics.
2. Actions that fit the criteria for violation of the Code of Conduct and Code of Ethics include failure to comply with the Code of Conduct and Code of Ethics; suggestions, encouragement or support for others to not comply with the Code of Ethics; neglect and idleness upon discovery of violation or non-compliance; and non-cooperation or obstruction of investigations or inquiries into facts suggesting that violations or non-compliance occurred.
3. Practice Guidelines for Discoveries of Violation of or Non-Compliance to the Code of Conduct and Code of Ethics—These include preparing a written report along with evidence documents and sending the complaint to a supervisor or manager of the Human Resources Department or the Chairman of the Audit Committee.
4. Management of Reports of Violations or Non-Compliance to the Code of Conduct and Code of Ethics
5. Disciplinary Penalties
6. Measures for Report Filers, Complaint Filers or Persons Cooperating in Reports

## 6.3 Significant Changes and Development in Policies, Practice Guidelines and Corporate Governance System in the Past Year

### 6.3.1 The company created a good corporate governance policy

The Company's shareholders are informed in accordance with the regulations of the relevant agencies. It also provides opportunities for shareholders. Can report or complain about matters that may cause damage to the company. to the committee through Company secretary To collect and screen basic facts to present to the Board of Directors or Related sub-committees will continue.

### 6.3.2 Practices the Company Still Cannot Implement in the Organization

The board of directors gives importance to corporate governance and has applied the good corporate governance principles for listed companies of 2017 of the Stock Exchange of Thailand and the good corporate governance principles of listed companies of 2017 (CG Code) for appropriate use according to the context of the organization to achieve sustainability and raise the standards of corporate governance and conduct business transparently, and effectively. However, in 2023, the company remained unable to implement the good corporate governance principles for listed companies in the following areas:

1. Specification of a policy for the minimum meeting quorum for when directors cast board meeting votes for at least two-thirds of all directors to be present.

#### Practice Guideline

The Public Limited Companies Act, B.E. 1992, Section 80, and Company Regulation No. 25 specify for that board meetings to require directors to be in attendance by at least one-half of all directors to form the meeting quorum.

In 2023, the board of directors held meetings a total of 4 times, There is a quorum of directors every time. and directors who have an interest in any matter will not participate in considering and voting on that matter. (Completed)

2. Nomination and Remuneration Committee

#### Practice Guideline

Nomination and Remuneration Committee Consists of 4 directors, with 2 independent directors. The chairman is an independent director. Every committee member has knowledge, ability and performs their duties with independence. Directors who have an interest in any matter will not consider and vote on that matter.(Completed)

3. The committee may consider hiring outside consultants to help determine guidelines. and recommend issues in evaluating the performance of the committee at least every three years.

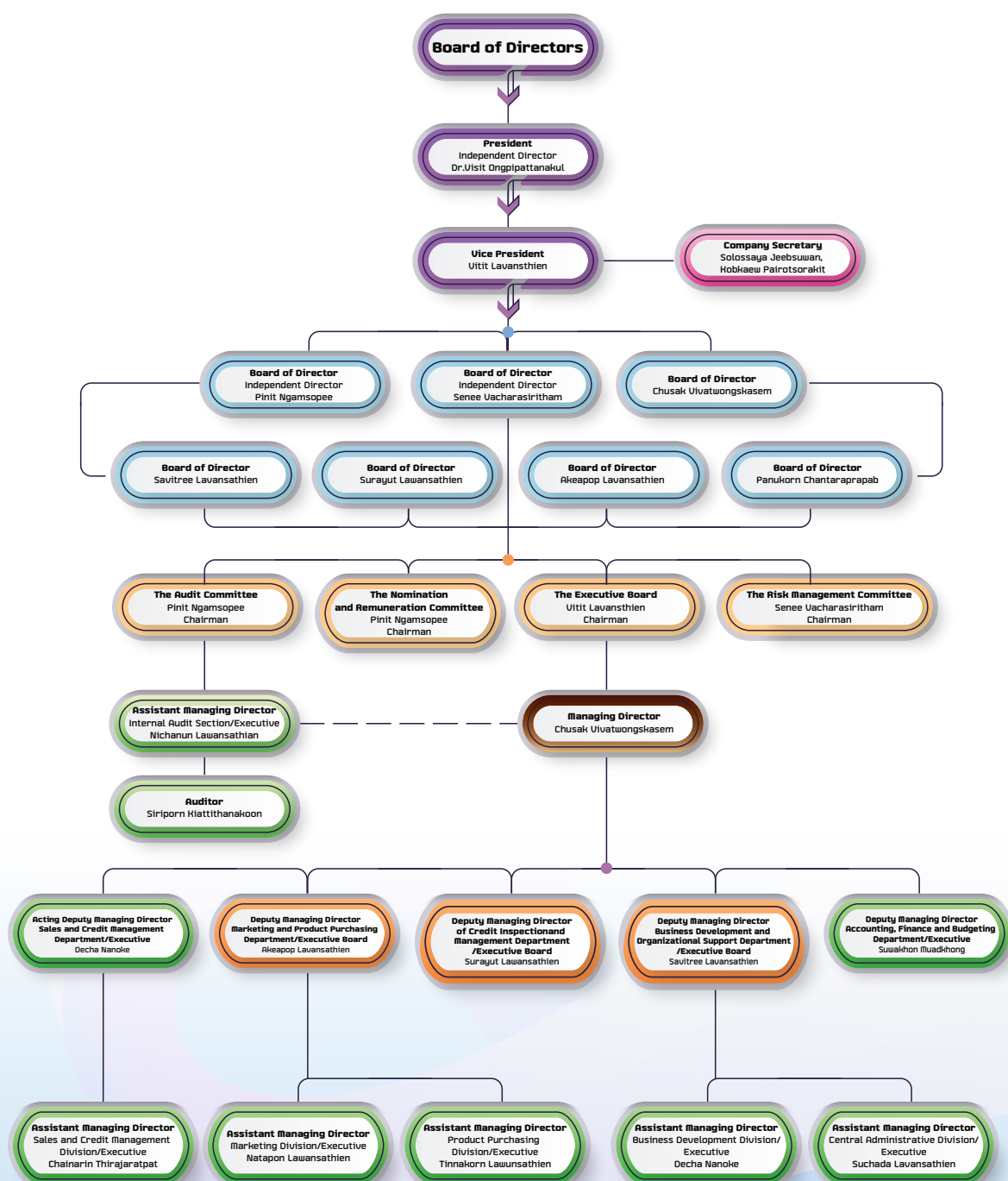
#### Practice Guideline

The company is in the process of considering taking action in this matter. The company will complete 3 years in the coming year 2026.

## 7. Corporate Governance Structure and Important Information about the Board of Directors, Sub-committees, Executives, Employees and Others

### 7.1 Corporate Governance Structure

As of December 31, 2023 the company's corporate governance structure is as follows:



## 7.2 Information about the Board of Directors

### 7.2.1 Composition of the Board of Directors

The board of directors is composed of knowledgeable, able, and experienced people in business who perform duties in setting the policies, vision, strategies, goals, missions, business plans, and budgets of the company and supervises to ensure that executives manage work effectively and efficiently according to established policies and within the scope of the law, objectives, requirements, board meeting resolutions and shareholder meeting resolutions while demonstrating responsibility, integrity and caution in line with good practice principles to create maximum economic value for the business and maximum security for shareholders.

the board of directors consists of 9 directors total, of which 3 are independent directors, which is not fewer than one-third of all directors, and independent directors meet all the qualifications stipulated by related laws and requirements.

Information and details related to the board of directors are shown in Attachment 1 (Details about directors, executives, controlling persons, assigned persons with the highest responsibility in accounting and finance, persons assigned with direct responsibilities in controlling accounting and the company's secretary).

The company stipulates The board of directors follow the "Code of Conduct and Code of Ethics" according to the guidelines of the Stock Exchange of Thailand. As such, the board of directors is required to understand its roles, duties and responsibilities along with the guidelines for performing their duties according to various laws with primary consideration to benefits and stakeholders.

**The structure of the board of directors for good corporate governance is as follows:**

- The chairman of the board is an independent director and not the same person as the managing director, and he performs his duties independently with clearly separated duties and responsibilities.
- The Audit Committee is made up of 3 independent directors total and 2 audit directors, namely, Mr. Pinit Ngamsopee (Chairman) Mr. Senee Vacharasiritham, who possess accounting knowledge and experience and can perform duties in auditing the reliability of the company's financial statements.
  - The Audit Committee has roles and responsibilities in auditing the company's internal control system through the internal audit agency to ensure transparency, adequacy and effectiveness.
  - The board of directors stipulates for monitoring of internal audit results to take place regularly every quarter along with reporting to the board of directors.



- The Nomination and Remuneration Committee consists of 4 people, of whom 2 are independent directors, and it has responsibilities in recruitment based on consideration of attributes such as knowledge and experience in line with the organization's strategies and objectives without violating related laws and specifications while being transparent and ensuring confidence that persons recruited can perform the duties of directors according to the principles of trust (fiduciary duty), and importantly, perform duties meticulously and cautiously (duty of care) and with honesty and integrity (duty of loyalty). The Nomination and Remuneration Committee has created a skill and knowledge matrix for directors as follows:

[illegible]

The board of directors reviews the skill matrix annually and has put in place a board diversity policy to provide guidelines for creating diversity in the structure of the board in terms of knowledge, experience, skills, special expertise, gender and age as required for management and for the best interest of the company. Accordingly, the company gives individual shareholders opportunities to nominate suitable persons to become directors by nominating persons for election to become directors through the email of the company's secretary, [secretary@starmoney.co.th](mailto:secretary@starmoney.co.th), or send the original to the company Delivered in person or by registered mail by December 31, 2023.

In this regard, the Nomination and Remuneration Committee will consider the qualifications of the nominee, knowledge, ability, experience, and suitability of the said person. along with related documents and evidence If it is considered that such person is suitable and has sufficient information It will then be forwarded to the Board of Directors for consideration. The resolution of the Board of Directors shall be considered final. Persons who have been approved by the Board of Directors will be included in the agenda for the election of company directors. together with the opinions of the Board of Directors in the invitation to the next general meeting of shareholders.

- The Risk Management Committee contains 4 members, composed of the chairman who is an independent director, and 3 executive directors. The committee works to set risk management policies and to assess external and internal risk factors that impact the entire organization (corporate risks) and on the department level (department risks) and conducts control self-assessments.

- The Executive Committee has 5 members appointed by the board of directors. They are executives who work to control management in line with the policies set by the board of directors, and they report their performance to the board of directors, and their duties and responsibilities that might lead to corruption have been separated from each other.

- For the holding of securities by the board of directors, the company has set the "policy on securities-holding and use of internal information" for use as a guideline on treating shareholders equally and transparently, by which the board of directors and executives as defined by the Office of the Securities and Exchange Commission ("SEC") and employees in agencies connected to information are prohibited from trading in company securities at least in the 30 day before disclosures of quarterly financial statements and annual financial statements and in the 24 hour after the disclosures of said financial statements (blackout period). and has a policy for directors and senior executives Notify the board of directors about trading in the company's shares at least 1 day in advance before trading.

### Report of Changes in Company Shares Held by Directors and Executives in 2023

No.	Name	Position	Shares As of 31 December 2022	Shares As of 2 January 2024	Changes in Shares Increase/ (Decrease)	Company Share Ratio
1	Mr. Uisit Ongpipattanakul	Chairman of the Board, Independent Director, Audit Director	-	-	-	-
	Spouse and minor children					
2	Mr. Utit Lavansthien	Deputy Chairman of the Board, Chairman of the Executive Committee	88,464,600	88,464,600	-	8.042%
	Spouse and minor children					
3	Mr. Pinit Ngamsopee	Independent Director, Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee	1,000,000	700,000	(300,000)	0.064%
	Spouse and minor children					
4	Mr. Senee Vacharasiritham	Independent Director, Audit Director, Chairman of the Risk Management Committee, Nomination and Remuneration Director	600,000	600,000	-	0.055%
	Spouse and minor children					
5	Mr. Chusak Vivatwongskasem	Director, Managing Director, Nomination and Remuneration Director, Risk Management Director, Executive Director	3,180,000	3,180,000	-	0.289%
	Spouse and minor children					

No.	Name	Position	Shares As of 31 December 2022	Shares As of 2 January 2024	Changes in Shares Increase/ (Decrease)	Company Share Ratio
6	Mrs. Savitree Lavansathien	Director, Executive Director, Nomination and Remuneration Director, Deputy Managing Director of Business Development and Corporate Support	24,720,000	24,720,000	-	2.247%
	Spouse and minor children					
7	Mr. Surayut Lawansathien	Director, Executive Director, Risk Management Director, Deputy Managing Director of Loan Verification and Debt Management	11,760,000	11,760,000	-	1.069%
	Spouse and minor children (divorced during the year)					
8	Mr. Akeapop Lavansathien	Director, Executive Director, Risk Management Director, Deputy Managing Director of Marketing and Merchandising Division	34,703,400	34,173,400	(530,000)	3.107%
	Spouse and minor children					
9	Mr. Panukorn Chantaraprapab	Director	-	-	-	-
	Spouse and minor children					
10	Miss Suwakhon Muadkhong	Deputy Managing Director of Accounting, Finance and Budgets	100,000	100,000	-	0.009%
	Spouse and minor children					
11	Mrs. Kritsana Wisamon	Manager of the Accounting Department	131,000	121,000	(10,000)	0.011%
	Spouse and minor children					

Remarks: \*The company's share proportions above includes direct and indirect shares

## 7.2.2 Information about Individual Company Directors

The board of directors contains 9 directors as follows:

Name	Position
1. Mr. Visit Ongpipattanakul	Chairman of the Board, Independent Director, Audit Director
2. Mr. Vitit Lavansthien	Deputy Chairman of the Board, Chairman of the Executive Committee
3. Mr. Phinit Ngamsopee <sup>1/</sup>	Independent Director, Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee
4. Mr. Sene Uacharasiritham	Independent Director, Audit Director, Chairman of the Risk Management Committee, Nomination and Remuneration Director
5. Mr. Chusak ViUatwongkasem	Director, Managing Director, Nomination and Remuneration Director, Risk Management Director, Executive Director
6. Mrs. Savitree Lavansathien	Director, Executive Director, Nomination and Remuneration Director, Deputy Managing Director of Business Development and Corporate Support.
7. Mr. Surayut Lawansathian	Director, Executive Director, Risk Management Director, Deputy Managing Director of Loan Verification and Debt Management
8. Mr. Akeapop Lavansathien	Director, Executive Director, Risk Management Director, Deputy Managing Director of Marketing and Merchandising Division
9. Mr. Panukorn Chantaraprapab	Director

Remarks: <sup>1/</sup> An audit director with sufficient knowledge and experience to audit the reliability of the company's financial statements.

for the company There is a transparent management structure. There are sufficient checks and balances. According to the principles of good corporate governance.

Details of the composition of the Board of Directors and the proportion of directors.

of the Board is an independent director.	yes
The chairman and managing director are not the same person.	yes
Women's Board of Directors	11.11 percent
Board of Directors who are not executives	44.44 percent
Board of Directors who are executives	55.56 percent
Board of Directors who are independent directors	33.33 percent

**The company directors with binding signatory authority include the following:**

"Mr.Chusak Uivatwongskasem, Mrs. Savitree Lavansathien, Mr. Surayut Lawansathien, Mr. Akeapop Lavansathien, Mr.Utit Lavansthien, whereby two out of the five directors mentioned can affix their signatures together along with the company's seal."

#### **Company Secretary**

- Ms. Solossaya Jeebsuwan  
She was appointed by Board Meeting No. 2/2022 on 28 January 2019.
- Ms. Kobkaew Pairotsorakit  
She was appointed by Board Meeting No. 3/2023 on 11 August 2023.

### **7.2.3 Information about the Roles and Duties of the Board of Directors Chairman and the Managing Director**

#### **a) Scope of Powers and Duties of the Board of Directors**

The board of directors has set the scope of authority and duties and responsibilities of the board of directors in the company's charter, which is reviewed regularly each year. Accordingly, the latest version was reviewed and authorized for use by the resolution of Board Meeting No. 4/2023 on 13 November 2023. Its essential contents are summarized as follows:

1. Perform duties by the laws, objectives and regulations of the company, including shareholder meeting resolutions.
2. Hold annual general shareholder meetings by the law.
3. Consider appointing and authorizing qualified persons without the prohibitions specified by the law and announcements, regulations and/or rules related to directors when there are vacancies for other reasons aside from directors leaving office according to term.
4. Consider and appoint the Executive Committee and subcommittees by choosing company directors and/or company executives and specifying the roles, duties and responsibilities of said committees.

5. Consider and appoint independent directors and audit directors based on qualifications without the prohibitions for independent directors and audit directors according to the law and related announcements, regulations and/or rules or make proposals to shareholder meetings for consideration of appointment of independent directors and audit directors for the company.

6. Consider specifying and changing the names of the directors authorized to take binding actions for the company.

7. Appoint other persons to perform tasks for the company under the control of the board of directors or grant powers to the aforementioned persons to authorize them and/or for periods appropriately prescribed by the board of directors. The board of directors may cancel, revoke, change or amend such powers.

8. Consider authorizing transactions for the acquisition or disposal of company assets, unless said transactions require the approval of a shareholder meeting. Considerations of authorization are to follow the related announcements, regulations and/or requirements.

9. Consider authorization of connected transactions, except in cases where said transactions require authorization from a shareholder meeting. Considerations of authorization are to follow the related announcements, regulations and/or requirements.

10. Consider authorization of payment of inter period dividends to shareholders upon deeming that the company has sufficient profit to do so and report dividend payments to shareholder meetings for acknowledgement at subsequent shareholder meetings.

11. The board of directors Must to specify the vision, missions and strategies, goals, policies and operational direction of the company, including tasks and annual budgets and to supervise and oversee to ensure that Management takes actions in line with set policies effectively and efficiently to maximize economic value for shareholders and achieve sustainable growth.

12. Consistently take responsibility for shareholders by protecting the interest of shareholders and disclosing important information to investors in a complete, standardized, and transparent manner.

13. Supervise to ensure that Management has in place an appropriate and effective risk management system.

14. Consider making decisions on important matters such as business plans, major investments, management powers, acquisitions and disposals of assets and other transactions by the law.



15. Specify the powers and levels of authorization for transactions and actions related to the company's work for groups of persons or persons as appropriate and in line with related specifications and laws by creating a manual of operational powers and reviewing it at least once annually.

16. Ensure the existence of a reliable accounting, financial reporting and auditing system and oversee and manage to ensure the presence of a process for evaluating the adequacy of the internal control system.

17. Approve appointments of auditors and consider annual audit fees to make proposals to shareholders for consideration of appointment.

18. Report the responsibilities of the board of directors in financial reports by showing them alongside the auditor's reports in annual reports and cover various important issues according to the policy on the good practices for the directors of listed companies of the Stock Exchange of Thailand.

19. Supervise and oversee the actions of various sub-committees according to the established charter.

20. The board of directors must perform individual and overall performance evaluations.

### **8) Scope, of work and duties of the Chairman of the Board**

According to the principles of good corporate governance Requires that the company must determine the scope of authority and duties of the chairman of the board of directors. which is reviewed annually every year It has been reviewed and approved to come into force most recently by the resolution of the Board of Directors' Meeting No. 4/2023 on November 13, 2023, with the main points summarized as follows.

1. Responsible for calling meetings of the Board of Directors. and in calling a meeting the Chairman of the Board of Directors or company secretary or the person assigned Send a meeting invitation letter to the company's directors according to the company's regulations.

2. Must chair the meetings of the Board of Directors. and shareholder meetings As well as having a role in setting meeting agendas together with the Managing Director.

3. Play a role in controlling meetings to be effective. According to company regulations Support and provide opportunities for directors to express their opinions independently. They are also responsible for allocating sufficient time for each agenda item for directors to freely discuss and express their opinions on important issues, taking into account the interests of shareholders and stakeholders fairly.

4. Support and encourage the Board of Directors. Perform duties to the best of your ability According to the scope of authority, duties and responsibilities and according to the principles of good corporate governance.

5. Supervise and follow up on the management of the Board of Directors. and other sub-committees to achieve the stated objectives.

### **C) Scope of work and Duties of the Managing Director**

The managing director will perform duties to manage the company's work according to the scope of powers and duties and responsibilities essentially summarized as follows: which is reviewed annually every year It has been reviewed and approved to be effective most recently by the resolution of the Board of Directors' Meeting No. 4/2023 on November 13, 2023. The main points can be summarized as follows. The main points can be summarized as follows.

1. Control and oversee operations and set strategic work plans and daily work management plans for the company.

2. The managing director has the power to issue orders, rules, announcements and records to ensure work is in line with the policies and interests of the company and to maintain order and discipline in the organization's work.

3. Monitor the company's performance each day to prepare for and prevent potential risks from internal and external factors.

4. The managing director has the power to approve juristic acts related to the company's normal business transactions for the benefit of the company within the specified financial approval limits. The managing director also has the power to authorize other parties to perform the aforementioned actions to ensure flexibility in the company's operation.

5. The managing director has the power to take action and present himself as a representative of the company to external parties and in related and necessary business activities and to conduct normal trade transactions for the benefit of the company.

6. Approve and appoint consultants in various areas as required for work and within the scope of powers specified by the board of directors in the regulations for authorization powers.

7. Take any other action as assigned periodically by the board of directors. The power to perform juristic actions that might create conflicts of interest between the managing director or stakeholders with the company in accordance with the law and the announcements of the Securities and Exchange Commission and the Stock Exchange of Thailand is not considered to be within the scope of the powers of the managing director to consider and cast votes in such juristic acts, whether by one's own judgment or through the assignment of other persons to take actions on his behalf. Such juristic actions must be presented for approval through the Audit Committee for further proposal to the board of directors and/or shareholder meeting according to the specifications of the board of directors and the law.

## 7.3 Information about sub-committees

4 sub-committees :

- (1) Audit Committee
- (2) Nomination and Remuneration Committee
- (3) Risk Management Committee
- (4) Executive Committee

The company has a risk management working group. To perform the duty of implementing the risk management policy approved by the Board of Directors. and report work performance to the Audit Committee and inform the Board of Directors as well.

### 7.3.1 Scope, of work , duties and responsibilities of the sub-committee

#### **(1) Scope, of work, duties and responsibilities of the Audit Committee.**

The Board of Directors' meeting determined the scope, powers, duties, and responsibilities of the Audit Committee. in the Audit Committee Charter which is reviewed annually every year It was reviewed and approved to come into force most recently in accordance with the resolution of the Board of Directors' meeting No. 4/2023 on November 13.2023 The main points can be summarized as follows:

1. Review for the company Financial reporting is accurate and reliable, including adequate disclosure of information.
2. Review for the company There is internal control and internal audit system to be appropriate and effective. and consider the independence of the internal audit department. As well as approving in considering the appointment, transfer, and termination of the head of internal audit. or any other agency responsible for internal auditing
3. Review for the company Comply with the laws governing securities and the stock exchange. Stock Exchange regulations and laws related to the company's business
4. Consider selecting and nominating individuals. Which is independent to act as the company's auditor. and propose the auditor's remuneration to the Board of Directors. Including attending a meeting with the auditor without a party Arrange to attend a meeting at least once a year .
5. Consider connected transactions or transactions that may have conflicts of interest to ensure they comply with the laws and regulations of the SEC Office and the Stock Exchange of Thailand. This is to ensure that the said transaction is reasonable and of maximum benefit to the Company.

Please share your opinions. Making a transaction to acquire or dispose of assets with significant value ( MT ) and transactions with connected persons ( RPT )

6. Prepare a report of the Audit Committee to present to the Board of Directors. This is disclosed in the company's annual report. This report must be signed by the Chairman of the Audit Committee. and must contain at least the following information

(A) An opinion on the accuracy, completeness, and reliability of the company's financial reports.

(B) Opinion on the adequacy of the company's internal control system

(C) Opinions regarding compliance with securities and exchange laws, regulations and Announcement of the Stock Exchange of Thailand and other laws Any matters related and applicable to the company and/or its business.

(D) Opinion on the suitability of the auditor

(E) Opinions on items that may have conflicts of interest

(F) Number of audit committee meetings and attendance of meetings of each audit committee member

(G) Overall opinions or observations received by the Audit Committee from performing their duties by the Charter .

(H) Any other items that the Company's shareholders and general investors should know within the scope of powers, duties, and responsibilities assigned by the Board of Directors.

7. Review and propose to the Board of Directors to consider amending the scope of powers, duties, and responsibilities of the Audit Committee to be consistent with the circumstances.

8. Inspect and investigate those involved under the authority and duties of the Audit Committee. and has the power to hire or bring in specialized experts to assist in inspections and investigations

9. In performing the duties of the Audit Committee If you find or suspect that there are any of the following items or actions: This may have a significant impact on the company's financial position and operating results. The Audit Committee shall report to the Board of Directors immediately. For the Board of Directors to make improvements. Within the period of time that the Audit Committee deems appropriate.

(a) Transactions that cause conflicts of interest

(b) Fraud or abnormalities or significant defects in the internal control system

(c) Violation of the law on securities and exchange Market regulations

and announcements Securities of Thailand or other related laws and is applicable to the company and/or Company business

If the Board of Directors or the management does not take action to make improvements within the above time frame, Any member of the audit committee may report the above transactions or actions to the Securities and Exchange Commission. or the Stock Exchange of Thailand

10. Review and give opinions on corporate governance and social responsibility policies and Anti- corruption

11. Review the corporate governance and social responsibility processes. Including anti-corruption .of the company

12. Review and give opinions on the report on the evaluation of corporate governance and social responsibility. and the company's annual anti- corruption campaign

13. Perform any other duties as assigned by the Board of Directors with the approval of the Audit Committee.

## **(2) Scope, of work , duties and responsibilities of the Nomination and Remuneration Committee.**

The Board of Directors' meeting determined the scope, powers, duties, and responsibilities of the Nomination and Remuneration Committee. ("Selection Committee") in the Selection Committee Charter, which is reviewed annually. It has been reviewed and approved to be effective most recently in accordance with the resolution of the Board of Directors' Meeting No. 4/2023 on November 13, 2023. The main points can be summarized as follows:

### **Recruitment :**

1. Set criteria and policies for selecting company directors. Managing Director and other important positions such as Deputy Managing Director of Accounting Finance and Budget Senior executives For suitability for the position, roles, duties and responsibilities, the Board of Directors will consider and approve.

2. Consider recruiting, selecting and nominating appropriate persons to hold positions. Company Director and Managing Director for the Board of Directors to consider and approve the appointment

3. Consider recruitment, selection, and appointment of executives in other important positions, such as Deputy Managing Director of Accounting. Finance and Budget and senior executives of the company

4. Consider the qualifications of the person who will be an independent director. To be appropriate and consistent with the criteria set by the SEC Office.

5. Prepare and review succession plans. Managing Director and senior executives To prepare in the event that the Managing Director or senior executives retire or are unable to perform their duties. In order for the administration to be continuous

### **Consideration of remuneration :**

1. Consider the criteria for remuneration of company directors. Managing Director and other important positions such as Deputy Managing Director of Accounting Finance and Budget and senior executives in order to be appropriate By reviewing the appropriateness of the currently used criteria and comparing them with the compensation data of other companies in the same industry as the company. and set appropriate criteria to produce results as expected. To be fair and reward people who help the company's work be successful.

2. Review all forms of compensation, such as regular compensation. Compensation based on performance and meeting allowance Taking into account the practices used by the same industry Performance and size of the company's business and the responsibilities, knowledge, abilities and experiences of directors and senior executives.

3. Consider criteria for evaluating the performance of company directors. Managing Director and other important positions such as Deputy Managing Director of Finance and Accounting Finance and Budget and senior executives As assigned by the Board of Directors and provide performance evaluations

4. Determine the annual remuneration of directors Managing Director and senior executives according to the criteria that have been considered and present it to the Board of Directors for approval of the Managing Director's remuneration. and senior executives As for company directors, the board of directors will present them to the shareholders' meeting.

In this regard, the selection committee is Also responsible for evaluating the performance of the entire committee. Sub-committees Including evaluating the performance of individual directors Including the work of the managing director. Nomination Committee Will report performance of duties to the Board of Directors on a regular basis. and report the performance of duties in the past year in the company's annual report. in the shareholder meeting as well

### **(3) Scope, of work , duties and responsibilities of the Risk Management Committee.**

The Board of Directors' meeting determined the scope, authority, duties, and responsibilities of the Risk Management Committee. in the Risk Management Committee Charter which is reviewed annually every year It has been reviewed and approved to be effective most recently in accordance with the resolution of the Board of Directors' Meeting No. 4/2023 on November 13, 2023. The main points can be summarized as follows:

1. Establish risk management policy and framework In line with the risk management guidelines of the Stock Exchange of Thailand. for the Board of Directors to consider and approve

2. Set strategies in line with risk management policies. To be able to assess, monitor and control each type of risk to an acceptable level. By giving various agencies Participate in risk management and control.

3. Review risk management reports To monitor and evaluate each type of risk to an acceptable level.

4. Review the risk management policy at least once a year and adjust it to be consistent with the company's current risk situation in order to be effective. and sufficient effectiveness

5. Have the power to define roles and Duties of related persons To carry out risk management in the positions and responsibilities of employees at each level as

appropriate. and report to the Risk Management Committee so that risk management achieves its objectives.

6. Report on risk management results to the Board of Directors
7. Prepare a risk management manual
8. Identify various risks along with analysis and assess potential risks Including trends that affect the company.
9. Create a plan to prevent or reduce risks.
10. Evaluate and prepare risk management reports.
11. Set up an integrated risk management system by linking information systems.
12. Perform any other actions related to risk management assigned by the Board of Directors.

#### **(4) Scope, of work , duties and responsibilities of the Executive Committee**

The Board of Directors' meeting determined the scope, authority, duties, and responsibilities of the Executive Committee. in the charter of the executive committee which is reviewed annually every year It has been reviewed and approved to be effective at the latest according to the resolution of the Board of Directors' meeting. No. 4/2023 on 13 November 2023 The main points can be summarized as follows:

1. The Executive Committee must be appointed by the Board of Directors. It consists of company directors who are executives and/or employees at the management level working together to form the executive board.
2. Responsible for controlling the management of the company. To be in accordance with the policy set by the Board of Directors and report the results of operations to the Board of Directors. In this regard, the meeting of the Executive Committee Attend the meeting of not less than half of the Executive Committee. As for the voting of the executive committee Must receive a majority vote from the meeting. and such votes counted at least half of the votes of the entire Executive Committee
3. Consider the authority and level of approval of each person to be appropriate. and provide for the separation of duties that may facilitate corruption. Including determining appropriate procedures and methods for conducting transactions with major shareholders, directors, executives, or those related to such persons. To prevent the transfer of benefits and present to the Board of Directors for principle approval. Including controlling to ensure compliance with approved principles and regulations.
4. Consider the annual budget and steps in spending the budget. To present to the Board of Directors and supervise spending according to the budget approved by the Board of Directors.
5. Consider improving the company's business plan to be appropriate. For the benefit of the company



6. Consider approving investments and set investment budgets. According to the authority in the authority manual

7. Consider making various contracts that are binding on the company. According to the authority in the authority manual

8. Responsible for having sufficient important information of the company for use in making decisions. of the company's board of directors and shareholders, including preparing reliable financial reports Adhere to good standards and be transparent.

9. Consider the profit and loss of the company. and propose annual dividend payments to the Board of Directors

10. Consider starting a new business. or go out of business To present to the Board of Directors

11. Supervise that there is a procedure for workers to report incidents. or abnormal actions or illegal actions to the Executive Committee in a timely manner and in the event that such event has a significant impact Must report to the Board of Directors. to consider editing within a reasonable period of time

12. Take any action that supports the above actions. or according to the opinion of the Board of Directors or as assigned by the Board of Directors

13. Report any matter which has been voted and/or approved by the Executive Committee meeting. Let the Board of Directors be informed at the next Board of Directors meeting.

### 7.3.2 List of sub-committees

#### (1) Audit Committee

Company Audit Committee Consisting of 3 audit committee members, the names are as follows:

List of names	position	Positions on the Board of Directors
1. Mr. Pinit Ngamsopee	Chairman of the Audit Committee	Independent Director
2. Mr.Visit Ongpipattanakul	Audit Director	Independent Director
3. Mr. Senee Vacharasiritham	Audit Director	Independent Director

Mr. Pinit Ngamsopee is a member of the Audit Committee who has knowledge and experience in reviewing the company's financial statements. The details, qualifications, and experiences of all 3 audit committee members appear in Attachment 1 (details regarding directors, executives, controlling persons The person assigned the highest responsibility in the accounting and finance field. Person assigned to be directly responsible for supervising accounting. and company secretary)

Mrs. Siriporn Kiattithanakoon Being secretary of the audit committee As appointed by the Board of Directors' Meeting No. 2/2019 on 28 January 2019

## (2) Nomination and Remuneration Committee

The Company's Nomination and Remuneration Committee Consisting of 4 members of the Nomination and Remuneration Committee, the names are as follows:

List of names	position	Positions on the Board of Directors
1. Mr. Pinit Ngamsopee	Chairman of the Nomination and Remuneration Committee	Independent Director
2. Mr. Senee Vacharasiritham	Nomination and Remuneration Committee	Independent Director
3. Mr. Chusak Vivatwongskasem	Nomination and Remuneration Committee	director
4. Mrs. Savitree Lavansathien	Nomination and Remuneration Committee	director

In the case of the resolution of the Selection Committee meeting Vote equally Will let the committee chair the selection committee. Has 1 additional voting right .

Ms. Solossaya Jeebsuwan is the secretary of the Nomination and Remuneration Committee.

As appointed by the Board of Directors' Meeting No. 2/2019 on 28 January 2019

Ms. Kobkaew Pairotsorakit is the secretary of the Nomination and Remuneration Committee.

As appointed by the Board of Directors' Meeting No. 3/2023 on 11 August 2023

## (3) Risk Management Committee

Company Risk Management Committee Consisting of 4 Risk Management Committee members, the names are as follows:

List of names	position	Positions on the Board of Directors
1. Mr. Senee Vacharasiritham	Chairman of the Risk Management Committee	Independent Director
2. Mr. Chusak Vivatwongskasem	Risk Management Committee	director
3. Mr. Surayut Lawansathien	Risk Management Committee	director
4. Mr. Akeapop Lavansathien	Risk Management Committee	director

Ms. Solossaya Jeebsuwan is the secretary of the Risk Management Committee.

As appointed by the Board of Directors' Meeting No. 2/2019 on 28 January 2019

Ms. Kobkaew Pairotsorakit is the secretary of the Risk Management Committee.

As appointed by the Board of Directors' Meeting No. 3/2023 on 11 August 2023

#### (4) Executive Committee

Company Executive Board Consisting of 5 executive directors, whose names are as follows:

List of names	position	Positions on the Board of Directors
1. Mr. Utit Lavansthien	Chairman of the Executive Board	director
2. Mr. Chusak Uivatwongskasem	Executive committee	director
3. Mrs. Savitree Lavansathien	Executive committee	director
4. Mr. Surayut Lawansathien	Executive committee	director
5. Mr. Akeapop Lavansathien	Executive committee	director

Ms. Solossaya Jeebsuwan is the secretary of the executive committee.

As appointed by the Board of Directors' Meeting No. 2/2019 on 28 January 2019

Ms. Kobkaew Pairotsorakit is the secretary of the executive committee.

As appointed by the Board of Directors' Meeting No. 3/2023 on 11 August 2023

#### board meeting

1. The Company requires that the Board of Directors meet at least once a quarter, which is specified in the calendar in advance every year. To be able to arrange time and attend meetings And there is a meeting agenda. You can add extras as necessary to the meeting and encourage the Managing Director to invite senior executives to attend the meeting as well. to provide information information Additional details as related to that matter and to provide an opportunity to get to know senior executives for use in considering succession plans. and the company also supports The committee can retrieve necessary information from the managing director. Company executive or secretary

2. At the meeting, the company arranges for the submission of complete and sufficient documents and sends them to the committee at least 5 days in advance.

3. Adding other agenda items to the meeting after the documents have been submitted can only be for matters that are extremely necessary and urgent. This must be approved by the Chairman of the Board of Directors.

4. At the meeting, all directors have the opportunity to discuss and express their opinions openly, with the Chairman of the Board of Directors compiling the opinions and conclusions obtained from the meeting.

5. In the case where there are directors who have significant interests In that matter, you must leave the meeting room during the consideration of that matter.

6. The company requires independent directors. Had a meeting among themselves without management. and inform the results to the Managing Director at least once a year .

## 7.4 Information about Executives

### 7.4.1 List of Executives

The company has 6 executives listed as follows:

Name	Position
1. Mr. Vitit Lavansthien	Chairman of the Executive Committee
2. Mr. Chusak Uivatwongskasem	Managing Director
3. Mrs.Savitree Lavansathien	Deputy Managing Director of Business Development and Corporate Support
4. Mr. Surayut Lawansathien	Deputy Managing Director of Loan Verification and Management
5. Mr. Akeapop Lavansathien	Deputy Managing Director of Marketing and Merchandising Division
6. Miss Suwakhon Muadkhong	Deputy Managing Director of Accounting, Finance and Budgets

### 7.4.2 Criteria for Payment of Executives' Remunerations

The charter of the Nomination Committee prescribes the criteria for considering the remunerations for the company's directors and executives by considering remunerations based on comparison with remuneration payment information of other companies in the same industry as the company and appropriate considerations to ensure expected work results and remunerations that ensure that company executives achieve work success for the company. Accordingly, the types and remunerations are considered according to the practice guidelines used by the same industry along with the performance and business size of the company and the responsibilities, knowledge, abilities and experience of executives.

### 7.4.3 Overall Executives' Remunerations

#### (1) Monetary Remunerations

In 2023, the company paid remunerations in the form of salaries, bonuses, travel expense reimbursements, social security contributions, retirement compensation, etc. to 6 company executives for a total of 27.28 million baht.

#### (2) Other Remunerations

Provident fund – The company has established a provident fund for executives, to which the company contributes at the rate of 2% of total salaries. In 2023, the company contributed to the provident funds of 6 executives for a total of 455,200 baht.

## 7.5 Employee Information

### 7.5.1 Number of Employees

company has a total of 744 employees divided by line of work as follows:

Unit: People

Section/Department	As of December 2021	As of 31 December 2022	As of 31 December 2023
1. Loans Department	22	216	155
2. Insurance Department	8	7	6
3. Sales and Loans Department	365	239	276
4. Product Procurement Department	12	11	12
5. Marketing Department	11	13	13
6. Network and Telephone Loan Department	14	20	44
7. Corporate Business Department	3	3	7
8. Loan Management Department	52	60	75
9. Corporate Analysis and Development Department	16	6	6
10. Loan Verification and Authorization Department	3	18	20
11. Administration Department	12	12	12
12. Human Resources Department	11	14	14
13. Archives Department	12	14	14
14. Information and Technology Department	16	15	16
15. Accounting Department	24	28	26
16. Finance Department	10	10	11
17. Budgets and Reports Department	4	5	6
18. Corporate Management Department	8	10	9
19. Internal Audit Office	14	14	12
20. Company Secretary Office	2	2	3
21. Develop new markets and businesses	-	-	7
<b>Total</b>	<b>619</b>	<b>717</b>	<b>744</b>

### 7.5.2 Significant Changes in Employee Numbers in the Past 3 Years

Over the past 3 years, the company experienced slight changes in its number of employees. In 2023, the number of Sales and Loans Department employees increased slightly from 2022. This increase in employees occurred in support of business growth. Meanwhile, other departments experienced only slight changes in employee numbers.

### 7.5.3 Overall Employee Remunerations

The company has a policy of paying compensation to personnel fairly. do not discriminate As required by law Consider suitability according to job position, experience, qualifications, and responsibilities. The criteria for determining remuneration are based on an assessment of the economic situation, and cost of living, along with a comparative analysis of remuneration rates with both the same and different types of businesses, including the company's operating results. So that employees receive appropriate compensation Able to compete with other businesses.

As for the company's remuneration, it consists of:

- salary.
- Compensation other than salary, such as position fee, professional fee, and experience fee.
- Annual bonus based on performance. and performance results.
- Special compensation for performing work other than normal work, such as overtime pay, or holiday pay. Subsidy to cover travel expenses for off-site work in the form of oil costs Allowance, and accommodation allowance.
- Compensation in the case of retirement and in the case of termination of employment.

Monetary compensation

The company has 744 employees in total. In 2023, the company paid remunerations to employees a total of 236.95 million baht, consisting of salaries, overtime fees, position fees, per diem, living fees, travel fees, commission fees, compensation, social security contributions, provident fund contributions, etc.

### 7.5.4 Provident Fund

The company applied to join the provident fund of TISCO Master Fund and is already registered, effective as of 15 July 2019 only for the part of Star Money Co., Ltd. under the management of TISCO Asset Management Co., Ltd., which is registered with the Office of the Securities and Exchange Commission. Accordingly, the company has a policy to contribute at the rate of 2% of employee salaries. As of 31 December 2023, the company employees participating in the provident fund protection make up 22% of all employees.

### 7.5.5 Employee welfare

The company gives importance to every personnel. Like a family member, We also see that personnel in the organization are very important to be cogs in helping drive the organization to achieve its goals. Therefore, we take care of our personnel by providing appropriate "welfare". It will be able to result in good morale and morale for personnel. Ready to perform assigned duties to the utmost ability, and efficiently, the company has a welfare policy as follows

- The company will provide basic welfare. To be as required by law
- The company will provide welfare other than what is required by law. as appropriate. To help lighten the burden of expenses Help alleviate suffering for personnel to a certain extent.
- The company will provide welfare to all personnel in an equal, fair, and non-discriminatory manner. Adhere to the principle that Everyone has equal rights.
- The company will arrange working days and times that are appropriate and do not violate the law.
- The company will listen to opinions. Recommendations from personnel within the organization regarding welfare provision
- The company will publicize and inform personnel of the benefits. that personnel should receive from the organization
- The company will cooperate. with government agencies or agencies related to labor rights Both in terms of information disclosure Participating in invited seminars or other activities as appropriate

### 7.5.6 Significant Labor Disputes in the Past 3 Years

None.

### 7.5.7 Personnel Development Policy

The company has a policy to develop personnel with an emphasis on enhancing the company's personnel to have capacity to enhance the organization's competitiveness, whether in terms of skill, knowledge, experience or ability to work as a team, including ethics, morals and positive attitudes toward work and the organization. The company's development guidelines are as follows:

- Provide training both in the form of in-house training and public training to the organization's personnel by relying on external lecturers who possess the expertise, experience, knowledge and abilities according to the needs of each agency.
- Encourage personnel to develop their knowledge and capabilities through the use of various electronic media by pushing toward the development of an organization of learning known as "Star Learning".
- Have work supervisors teach and share work techniques and encourage the sharing of knowledge among colleagues.



- On-the-job learning.
- Team creation by use of a “nanny” system with a focus on creating “people” or “stars” in the organization to promote the passing of knowledge from one generation to the next to draw out the capabilities of outstanding employees who subsequently become seniors.
- Job rotation or changes in duties and responsibilities.
- Enhancement of individual skills and capabilities for diversity and extraction of the hidden potential of individuals by giving special work assignments and increasing work responsibilities.

## 7.6 Other Information

### 7.6.1 Persons Assigned Direct Responsibilities in Overseeing Accounting, Company Secretary, and Outsourced Internal Auditor

#### (1) Persons Assigned Direct Responsibilities in Overseeing Accounting

Mrs. Kritsana Witsamon, the company's Accounting Department Manager, is the person assigned with direct responsibilities in overseeing the company's accounting. She works to supervise the company's account transactions to ensure effectiveness and compliance with the regulations, specifications and accounting policies of the company and accounting standards. The information about the person assigned with direct responsibilities in overseeing accounting is shown in Attachment 1 (Details about directors, executives, controlling persons, assigned persons with the highest responsibility in accounting and finance, persons assigned with direct responsibilities in controlling accounting and the company's secretary).

#### (2) Company Secretary

Board Meeting No. 2/2016 on 28 January 2019 passed a resolution to appoint Ms.Solossaya Jeebsuwan to become the company's secretary.

Board Meeting No. 3/2023 on 11 August 2023 passed a resolution to appoint Ms. Kobkaew Pairotsorakit to become the company's secretary.

The qualifications of the company's secretary are shown in Attachment 1 (Details about directors, executives, controlling persons, assigned persons with the highest responsibility in accounting and finance, persons assigned with direct responsibilities in controlling accounting and the company's secretary).

#### (3) Outsourced Internal Auditor

The company has assigned I.A.P. Internal Audit Co., Ltd., which is an outsourced company, to be the company's internal auditor responsible for inspecting the company's internal control system and giving recommendations regarding compliance. With Mrs. Siriporn Kiattithanakoon in the position of Director of the Internal Audit Office. Is a person within the company who coordinates with the hiring company.

The qualifications of the out-sourced internal auditor are shown in Attachment 2 (Details about the Head of Internal Audit and Head of Compliance).

### 7.6.2 Head of Investor Relations and Contact Information

The company has assigned Ms.Solossaya Jeebsuwan, the company's secretary, to serve as the head of Investor Relations and to function as the hub of disclosure of important information to shareholders and investors, including financial information, performance information, etc. to shareholders and investors for their knowledge on a regular, equal, timely, correct and factually-accurate manner. Currently, the company is in the process of establishing an investor relations team to ensure that disclosures of company information occur accurately, swiftly and transparently.

Channels for Contacting the Company's Head of Investor Relations:

Telephone : 061-393-9988

Email address : solossaya.kh@starmoney.co.th

Website : www.starmoney.co.th

### 7.6.3 Auditor Remunerations

Accordingly, the company's general meeting of shareholders on 27 April 2023 passed a resolution to appoint EY Office Co., Ltd. to be the company's auditor for the year 2023

#### (1) Audit Fees

The audit fee for the financial statements ended December 31, 2023 was 3,550,000 baht. Persons or businesses related to the auditor and the audit office with which the auditor is affiliated include a) the spouse or dependent or supported children of the auditor; b) business with control authority over the audit business, businesses controlled by the audit office and businesses under the same control as the audit office, whether direct or indirect; c) businesses significantly under the influence of the audit office; d) partners or equivalents of the audit office; e) spouses and dependent or supported children in d); and f) businesses that the auditor or persons in a) or e) have control authority or significant influence, either directly or indirectly.

None in 2023.

#### (2) Non-Audit Fees

In 2023, there were no other service fees aside from audit fees.

## 8. Report of Significant Performance in Corporate Governance

### 8.1 Performance Summary of the Board of Directors in the Past Year

In 2023, the board of directors performed its duties regularly. within the framework of its duties and responsibilities set in the board of director charter and good corporate governance principles. Additionally, the board of director is determined to take care to ensure that the company can operate business on the basis of good conduct, integrity, transparency and verifiability with the ability to operate business according to the company's key plans, strategies, objectives and goals while creating sustainable value for customers, employees, stakeholders, community and society as a whole.

#### 8.1.1 Nomination, Development and Evaluation of the Performance of the Board of Directors

In the past year, the Nomination and Remuneration Committee ("Nomination Committee") considered and expressed opinions for the appointment of directors to replace those leaving office according to term by making considerations based on qualifications and suitability for their roles, duties and responsibilities to make proposals to the board of directors for consideration of appointment. The Nomination Committee approved a training plan for directors to develop the knowledge of directors and approved the training budget for directors for the years 2023. The details are summarized as follows:

In April 2019, the Nomination and Remuneration Committee resolved to approve the criteria. and guidelines for performance evaluation To establish criteria and guidelines for evaluating senior executives / committees / and sub-committees. continuously every year which is the set at the Stock Exchange of Thailand .Recommended for use by listed companies as follows:

1. Managing director (Evaluator – Nomination and Remuneration Committee).
  - Topics for evaluating the managing Director are divided into 3 main categories: progress of the work plan, performance categories that reflect leadership and management ability. and competency categories and important characteristics that need to be developed.
2. Managing director (Evaluator – Individual Board of Directors).
  - Topics for evaluating company directors – as a group include the structure and qualifications of the board of directors, roles, duties and responsibilities of the board. board meeting. Duties of the committee Relationships with management and self-development of directors and development of executives. Company directors – Individual (Evaluator – Nomination and Remuneration Committee). Company directors – By-committee (Evaluator – Individual members of the board of directors).

3. Company directors – Individual (Evaluator – Nomination and Remuneration Committee and Self).

4. committees – By Individual (Board of directors – Evaluator).

5. committees – Individual (Board of directors – Evaluator).

- Evaluation of the Board of Directors Subcommittee – individual and group  
The performance of the committee's duties will be assessed holistically. Contains the structure and qualifications of the committee. Meetings of the committee and the roles, duties and responsibilities of the committee, etc.

Individual self-assessment –Each director. The performance of duties will be evaluated individually. This can be done in two ways: self-assessment and cross-assessment. The company considers using the cross evaluation method in evaluating and regularly considers it every year. Report to the Board of Directors in November. In the past year In order to use the evaluation results to improve and develop the work of the committee to be more efficient. and in the direction that the business desires Including training planning To increase skills, knowledge and recruit directors with specific skills that the company has not yet received training in, the company has the following evaluation results:

#### Performance Evaluation

Position of Persons Evaluated for Performance	Average Score Year 2021	Score Level	Average Score Year 2022	Score Level	Average Score Year 2023	Score Level
Managing Director	95.83%	Excellent	98.43%	Excellent	98.52%	Excellent
<b>Board of Directors</b>						
Company Directors, Individual	96.09%	Excellent	98.48%	Excellent	98.61%	Excellent
Company Directors, by Committee	97.19%	Excellent	98.24%	Excellent	98.36%	Excellent
Company Directors, by Committee (Self-Evaluation)	96.31%	Excellent	98.74%	Excellent	98.48%	Excellent
Subcommittees, by Committee	98.84%	Excellent	96.70%	Excellent	98.92%	Excellent
<b>Subcommittees by Individual</b>						
Audit Committee	96.50%	Excellent	98.91%	Excellent	98.99%	Excellent
Risk Management Committee	96.45%	Excellent	98.67%	Excellent	98.74%	Excellent
Nomination Committee	96.45%	Excellent	98.67%	Excellent	98.74%	Excellent
<b>Evaluation Results for All Committees</b>	<b>96.38%</b>	<b>Excellent</b>	<b>98.49%</b>	<b>Excellent</b>	<b>98.58%</b>	<b>Excellent</b>

### **(1) Independent Directors**

The Nomination Committee evaluates the qualifications of persons who will become the independent directors of the company. These individuals must be qualified persons without the prohibitions according to laws governing public limited companies, securities and exchange laws and other related laws and not demonstrate characteristics that indicate lack of suitability for being entrusted with the management of a business in which the public makes up its shareholders in line with the specifications announced by the Capital Market Supervisory Board. Accordingly, the board of directors, has independent directors making up at least one-third of the total number of directors, and at least 3 independent directors are required to meet the qualifications for independence according to the company's specifications and in line with the guidelines of the announcements of the SET Board, the SEC and related laws as can be summarized as follows:

1) They are to hold shares by no more than one percent (1) of the total voting shares of the company, parent company, subsidiaries, affiliated companies, major shareholders or controlling persons of the company, and this includes shares held by persons connected to the independent directors.

2) Not be nor have ever been directors involved in the management of work, workers, employees, salaried consultants, or controlling persons of the company, parent company, subsidiaries, affiliated companies, subsidiaries of the same level, major shareholders or those of controlling persons of the company, unless said persons have lost said status for at least 2 years before the date of appointment. Accordingly, these prohibitions do not include cases where an independent director was a civil servant or advisor of a government agency that is a major shareholder or controlling person of the company.

3) Not be persons with blood relations or legally-registered relations as a father, mother, spouse, sibling or child, nor spouse or children of other directors, executives, major shareholders, controlling persons, or persons to be nominated to become directors, executives or controlling persons of the company and subsidiaries.

4) Don't have had business relations with the company, parent company, subsidiaries, affiliated companies, major shareholders or controlling persons of the company in a manner that might hinder exercising of independent judgement, and this includes not being and having Never been significant shareholders or controlling persons of persons with business relations with the company, parent company, subsidiaries, affiliated companies, major shareholders and controlling persons of the company, unless said persons have lost the aforementioned status for at least 2 years before appointment. The business relations includes normal commercial transactions for business operations, rent/lease and renting/leasing out of real estate or transactions related to assets or services or provision or acceptance of financial assistance through acceptance or giving of loans, guarantees or use of assets for debt guarantee, including other similar circumstances that cause the company or the trade partner to have debt obligations having to be paid to the other party by an amount of at least 3% of tangible assets or from 20 million baht or more, depending on whichever amount is lower.

Accordingly, the calculation of the aforementioned debt obligations are to automatically follow the methods for calculation the value of connected transactions according to the announcements of the on the criteria for connected transactions, but the consideration of said debt obligations must also include debts created in the 1-year period before the date of establishing business relations with the same persons.

5) Not have ever an auditor of the company, parent company, subsidiary, affiliated company, major shareholder or controlling person of the company, nor be a significant shareholder or controlling person or partner of an audit office where an auditor of the company, parent company, subsidiary, affiliated company, major shareholder or controlling person of the company is affiliated, unless said persons have lost said status for at least 2 years before appointment.

6) Not have ever a provider of any professional services, including services as a legal consultant or financial consultant receiving service fees in excess of 2 million baht per year from the company, a parent company, subsidiaries, affiliated companies, major shareholder or controlling persons of the company, nor be significant shareholders, controlling persons or partners of such professional service providers, unless said persons have lost the aforementioned status for at least 2 years before appointment.

7) The directors appointed to represent directors of the company, major shareholders or shareholders connected to a major shareholder.

8) Company operate business of the same nature and that is in significant competition with the company's business or subsidiaries, nor be significant partners in partnerships, nor be directors involved in the management of work, workers, employees, or salaried consultants or who holds shares exceeding 1% of the total eligible voting shares of other companies operating the same type of business and that is in significant competition with the company's business or subsidiaries.

9) Not have any other attributes that prevent independent expression of opinions concerning the company's business activities.

## **(2) Nomination of Directors and High-Ranking Executives**

The Nomination Committee is responsible for specifying the criteria and policies for recruiting company directors, the managing director and the company's high-ranking executives and is the party responsible for considering and recruiting, selecting and nominating suitable persons to be-come company directors and the managing director to the board of directors for approval of appointment. The attributes of the board of company directors can be summarized as follows:

1) Be persons with knowledge and capabilities along with honesty and integrity along with a code of ethics who can allocate sufficient time to devote their knowledge and abilities to perform duties for the company.

2) Be persons with the qualifications without the prohibitions pursuant to laws governing public limited companies, securities and exchange laws and other related laws and not have any other characteristics that demonstrate lack of suitability to be entrusted with the management of a business whose shares are held by the public in line with the announcements of the SET.

3) Company directors assume director positions in other companies. However, their director status in these other companies should not exceed 5 companies and must not hinder their ability to perform their duties as the company's directors and must conform to the guidelines of the Office of the SET and SET.

4) Company directors must not operate other businesses that is of the same nature as and is in competition with the company's business, nor to become partners in ordinary partnerships or liabilities-limited partnerships, nor be directors nor hold direct or indirect stakes in private companies or other companies operating business of the same nature and that is in competition with the company, whether for personal gains or for others, unless such activities are reported to a shareholder meeting before an appointment resolution is passed.

The Nomination Committee also has the responsibility to specify the criteria for the creation of succession plans for the positions of managing director and high-ranking executives such as deputy managing director of accounting, finance and budgets, with knowledge, skills and abilities in various areas specified as criteria for selection. Accordingly, the qualifications and required experience can be summarized as follows:

#### **Managing Director**

- Minimum education on the master's level in business administration, economics, marketing or another relevant field.
- Overall work experience of at least 10 years, with at least 3 years in the position of a high-ranking executive of the organization.
- Special skills such as visionary thinking, organization management, knowledge about sustainable organization development, etc.

#### **Deputy Managing Director in Accounting, Finance and Budgets**

- Master level education in financial management, accounting, economics or a related field.
- Overall work experience of at least 12 years, with at least 5 years in the position of an executive of the organization.
- Special skills such as analytical and systematic thinking, risk management skills, knowledge about financial reporting standards and various types of investments, etc.



The Nomination Committee has also specified the practice criteria for the nomination of executives in key company positions by having specified the basic attributes for the organization's key positions, professional leaders, and important positions according to the organization's structure, and the committee has specified the process for selection, work performance evaluation, potential evaluation and planning for the recruitment and development and training on the executive and employee levels, etc. And 2023, the plan has been organized in accordance with the changes and context of the organization. and report to the Board of Directors at least once a year.

## 8.1.2 Meeting Attendance and Payment of Remunerations to Individual Board Members

### 8.1.2.1 Attendance of Company Board Meetings

For the meeting attendance by company directors for the year 2023 (from 1 January to 31 December 2023), the number of meetings attended/total number of meetings are detailed as follows:

Director's Name	Meeting			(%)
	Board Meeting	General Shareholder Meeting	Extraordinary General Shareholder Meeting	
1. Mr.Visit Ongpipattanakul	4/4	1/1	-	100
2. Mr.Utit Lavanstien	4/4	1/1	-	100
3. Mr.Pinit Ngamsopee	4/4	1/1	-	100
4. Mr.Senee Vacharasiritham	4/4	1/1	-	100
5. Mr.Chusak Vivatwongskasem	4/4	1/1	-	100
6. Mrs.Savitree Lavansathien	4/4	1/1	-	100
7. Mr.Surayut Lawansathien	4/4	1/1	-	100
8. Mr.Akeapop Lavansathien	4/4	1/1	-	100
9. Mr.Panukorn Chantaraprapab	4/4	1/1	-	100

### 8.1.2.2 Directors' Remunerations

Directors' remunerations are specified appropriately to be comparable with other companies in the same industry as the company and set appropriately to ensure the expected work results while being fair. The directors' remunerations for 2023 are shown as follows:

### (1) Monetary Remunerations

Monetary directors' remunerations included monthly remunerations and meeting attendance fees paid by the number of meetings attended. Accordingly, directors holding executive positions receiving regular salaries received no monthly salaries but rather meeting attendance fees. The directors' remunerations for 2023 are shown in the following table:

Director's Name	Monthly Remunerations (THB)	Meeting Attendance Fees (THB)				Total Remunerations (THB)
		Board of Directors	Audit Committee	Nomination Committee	Risk Management Committee	
1. Mr. Visit Ongpipattanakul	600,000	180,000	120,000	-	-	900,000
2. Mr. Vitit Lavansthien	-	140,000	-	-	-	140,000
3. Mr. Pinit Ngamsopee	360,000	140,000	140,000	25,000	-	665,000
4. Mr. Senee Vacharasiritham	360,000	140,000	120,000	10,000	25,000	655,000
5. Mr. Chusak Uivatwongskasem	-	140,000	-	10,000	10,000	160,000
6. Mrs. Savitree Lavansathien	-	140,000	-	10,000	-	150,000
7. Mr. Surayut Lawansathien	-	140,000	-	-	10,000	150,000
8. Mr. Akeapop Lavansathien	-	140,000	-	-	10,000	150,000
9. Panukorn Chantaraprapab	-	140,000	-	-	-	140,000
<b>Total</b>	<b>1,320,000</b>	<b>1,300,000</b>	<b>380,000</b>	<b>55,000</b>	<b>55,000</b>	<b>3,110,000</b>

### (2) Other Remunerations

None.

## 8.1.3 Oversight of Subsidiaries and Affiliated Companies

The company specified oversight of subsidiaries and affiliated companies in case the company has subsidiaries or affiliated companies in the future. The purpose is to set measures and mechanisms to enable the company to supervise and manage the business of subsidiaries and affiliated companies to ensure that they conform to the measures and policies of the company as well as related laws. The policy is summarized as follows:

1. The company will send persons who represent the company to serve as directors, executives or persons with control authority in each subsidiary and/or affiliated company according to the share ratio of each company, and the sending of persons who represent the company to serve as directors, executives or persons with control authority in each subsidiary and/ or affiliated company require the consideration and approval of the board of directors.

2. Company representatives have the duty of supervising and overseeing subsidiaries and/or affiliated companies to take actions consistently with the law, good corporate governance policy and other policies of the company in question and to conform to the policies of the parent company. In cases where subsidiaries or affiliated companies have other investors, the persons representing the company must perform their duties to the best of their abilities to protect the company's interests.

3. The company will control subsidiaries and/or affiliated companies to have in place an appropriate and adequately strict internal control system and ensure that transactions take place correctly according to the law and related requirements.

4. The company will control subsidiaries and/ or affiliated companies to disclose information about their financial position and performance to the company and closely ensure the preparation performance monitoring of subsidiaries and/ or affiliated companies as well as to present analyses and opinions or suggestions to the board of directors of the company and the board of directors of the subsidiaries or affiliated companies to accompany the consideration to set policies to improve and promote the business of subsidiaries and/or affiliated companies to achieve sustainable development and growth.

5. The company will control for subsidiaries and/or affiliated companies to have the duty to disclose connected transactions, acquisitions and disposals of assets, other important transactions, capital increase, capital decrease and discontinuation of subsidiaries or affiliated companies, etc.

#### **8.1.4 Monitoring to Ensure Practice in Line with Corporate Governance and Practice Guidelines**

The company gives importance to good corporate governance. As such, the company has specified related policies and practice guidelines in the company's corporate governance policy and the Code of Ethics and encourages actual practice in order to ensure confidence in all stakeholders.

##### **(1) Adherence to the Conflict-of-Interest**

The board of directors has specified a policy for stake-holding and conflicts of interest to ensure the existence of clear guidelines for considering transactions with potential conflict of interest to protect the company's interest and the interest of company shareholders. Accordingly, the company adheres to the practices, criteria and specifications of the SET, SEC Office and Stock Exchange of Thailand and correctly

discloses transaction information. This policy was approved by Board Meeting No. 6/2018 on 26 September 2018 and is reviewed at least once annually. The latest review occurred at Board Meeting No. 4/2023 on 13 November 2023.

## **(2) Adherence to the Policy on Use of Internal Information**

The company is determined to treat all shareholders equitably and transparently in line with the good corporate governance principles. As such, the board of directors has created a policy for reporting the holding of securities and use of internal information that is approved by Board Meeting No. 6/2018 on 26 September 2018, which is reviewed at least once annually. The latest review occurred at Board Meeting No. 4/2023 on 13 November 2023. As follows:

1. Review of the policy for reporting the holding of securities and insider of internal information.

2. Assign a responsible person, including the corporate secretary, is responsible for implementing this policy, including Follow up on effectiveness, provide clarification, answer questions, and interpret in the case of doubts and present recommendations. The Board of Directors is informed every quarter and attention to directors and executives in advance in the event of purchases or Selling.

3. List of the names of the people will hold the inside information and place it on each person's calendar during the Blackout period. For to policy. Moreover, we have prepared the following calendar together with the schedule for the meeting of the Board of Directors. Year as follows.

- Directors, executives and persons holding executive positions in accounting or finance or equivalent positions in the company are required to report their holding of company securities within 7 business days from the date of appointment by submitting their reports to the company's secretary. These reports are to also include spouses and minor children.

- Directors, executives and persons holding executive positions in accounting or finance or equivalent positions in the company are required to report changes in their holding of company securities within 3 business days from the date of trading in securities by submitting their reports to the SEC Office. These reports are to include their spouses and minor children. Furthermore, copies are to be submitted to the company's secretary for the company secretary to prepare a report to be submitted to the chairman of the board and the Chairman of the Audit Committee within 7 business days from the date of receiving said reports before subsequently submitting a report to the board of directors for acknowledgement at the next upcoming meeting.

- Company directors, executives and employees in agencies connected to important information relating to changes in company securities that is not yet disclosed to the public (including their spouses and minor children) are prohibited from trading in the company's securities for at least 30 days before disclosures of quarterly financial statements and annual financial statements and for a period of 24 hours after the disclosure of said financial statements.

In cases of other important non-financial-statement information, said persons are required to not trade in company securities until 24 hours have passed since the disclosure of all of said information to the public.

– The company has specified disciplinary penalties for violations through use of internal information for personal gains, from written warning to pay deduction, temporary work suspension without pay and dismissal from work, depending on the intentions and severity of the wrongdoing.

### **(3) Adherence to the Anti-Corruption**

The company is determined to operate business transparently and fairly with responsibility for all stakeholders. As such, the company has established a policy to combat corruption in every form and requires the company's personnel to follow this policy. This policy was approved by Board Meeting No. 6/2018 on 26 September 2018 and is reviewed annually. The latest review occurred at Board Meeting No. 4/2023 on 13 November 2023. A summary of the anti-corruption guidelines is provided as follows:

#### **3.1 giving and receiving gifts**

Guidelines for operations are as follows:

The Company has established control procedures regarding payment of gifts. Welcome service fee and other expenses to employees, management departments, and government agencies, such as giving gifts to government officials Government officials as follows:

1) Giving gifts or traditional souvenirs can be made must not violate the law. The value of the gift must be in accordance with the specified regulations. Refrain from giving gifts If giving gifts Influence and benefits on business operations.

2) Receiving or giving gifts can be delivered in a form that helps promote the organization's image, such as a calendar, diary. Company brand products Products used as media for public relations of the company and its affiliates Royal Project Products, Royal Initiative Projects or community products in the company's operating area Products for charity, etc.

3) Giving gifts or souvenirs on important occasions to customers business partners This can be done for a maximum value of not more than 3,000 baht (not more than three thousand baht) with approval from the line director. and the President If the value exceeds 3,000 baht (value over three thousand baht), the purchasing policy must be followed. Strict withdrawal of money or products of the company according to the same standards in order to avoid discrimination as follows

3.1 It is not an intentional act intended to dominate, influence or reward any person in order to gain Any advantage through improper conduct or is it an explicit or covert exchange? to obtain help or benefits.

- 3.2 It is given in the name of the company. Not on behalf of employees or management.
- 3.3 Not a gift in the form of cash. or cash equivalents (such as gift cards or vouchers) In the case of receiving food, snacks, or fresh produce, it must be returned to that department for distribution within the agency.
- 3.4 It is appropriate for the situation, such as giving small gifts during festivals.  
Songkran, Chinese New Year or New Year, which is considered a normal tradition.
- 3.5 It is given openly, not concealed, in accordance with relevant policies and laws, and has value and importance. appropriate and given in a timely manner.

In the event that cannot be refused and must accept the gift Employees must report to line supervisors. Ready to deliver the said gift to supervisors in the line of work. To collect and carry out proper management, such as collecting and donating to various organizations or charities or as rewards to employees as appropriate.

### **Entertainment**

Expenses for entertainment or business reception services ( Hospitality) such as entertainment, food and drinks. and other expenses directly related to business practices. Or is it a commercial tradition can do But it must be spent appropriately according to the specified policy. and does not have a negative impact, or Causing a conflict of interest to the company In the case where it is necessary to receive or entertain the person receiving the reception or Persons who are representatives in the reception are prohibited from accepting or giving the reception according to the following points:

- 1) Reception or entertainment must be in accordance with the company's customs and not contrary to regulations. Company policy orders or contrary to the law in every case To influence business decisions.
- 2) The reception or entertainment must be attended by a representative of the company with a position not lower than the director of the department or higher. Avoid insinuating that the reception is in exchange for any business purpose, it should only be offered to provide an opportunity to promote the Company's products or to create a customer acquaintance opportunity. Even better.
- 3) The entertainment must not involve or be considered obscene. Corruption or bribery or support political activities or giving bribes to government officials or government agencies causing damage to the organization's image.
- 4) Raisings with a value higher than 5,000 baht (five thousand baht) must be approved by the line director. or the President every time.

### Donation

Donations for charity (Charitable Contribution, Donations And Aid Grant) in accordance with the criteria for charitable donations and carrying out donation activities on behalf of the company or its affiliates in accordance with the objectives consistent with policies and guidelines regarding with the Corporate Social Responsibility (CSR) of the company. The donation must prove that there is actually an activity according to the said charity project. and actions are taken to support the success of the project objectives. and truly bring benefits to society or to meet the objectives of operating with social responsibility Whether it is charity donations or social donations.

Company employees and management are prohibited from donating to individuals, juristic persons, organizations, government agencies, or Other agencies as follows

1) Support politics, political parties, or hidden political activities for individuals, juristic persons, and organizations. or an organization that is not legal Or donate to other government agencies in order to punish you for doing business of the company. Except in the case of donations for public charities.

2) Have dishonest intentions in order to gain any results, even if it is the business results of the company.

3) The person representing the donation must have a manager position or higher. If you have to donate money or items you have Value exceeding 5,000 baht (five thousand baht) or more must be approved by the line director. or the President.

4) Withdrawal of money, products, or items must strictly follow company regulations.

### Punishment

Employees and management You must understand and follow the policy for giving and receiving gifts. including donations Those who violate this policy are considered to be in violation of the Company's work regulations. There will be disciplinary consideration according to the regulations set by the company. Including legal punishment if the action is against the law.

*popular tradition It means a festival or important day. which may involve giving gifts and includes Opportunity to congratulate Expressing thanks, welcoming, expressing condolences or providing assistance according to etiquette that is practiced in society*

### 3.2 Sponsorship

The company has a policy of providing financial support to individuals or juristic persons. with the objective of conducting business Promote the reputation and good image of the company.



**Guidelines for operations are as follows:**

- The financial support must be proven that the person requesting the financial support has carried out the activities according to the project. This is true and is carried out to support the success of the project's objectives. and truly brings benefits to society or to meet the objectives of operating with social responsibility (Corporate Social Responsibility: CSR)
- The financial support must be proven as providing financial support or any other benefits that can be calculated in monetary terms. such as providing accommodation and food, etc.
- To be a supporter A request sheet must be prepared. Specify the name of the financial support, the purpose of the support and attach all supporting documents to the company's approval authority for consideration and approval according to the company's approval authority level.

### **3.3 Facilitation fees (Facilitation Payment)**

The Company has a policy prohibiting payment of facilitation payments to government officials under any circumstances because facilitation payments paid to government officials carry a high risk of becoming bribery. or is an illegal expense

**Guidelines for operations are as follows:**

- Company employees are prohibited from giving, requesting, or accepting that they will provide facilitation fees. or bribes in the form of property or any other benefits to government officials Foreign government officials or officials of international organizations To induce action, not action, or delay action. which affects the operations of the company.
- All contacts with the government sector must be transparent. Be honest and must strictly comply with relevant laws.
- Companies should clearly communicate these prohibitions to employees. and all those who have business ties with the company are informed.

### **3.4 Political Contribution**

The company has a policy Do not support financially or in kind. to any political party, politician, or political candidate, whether directly or indirectly to gain special privileges or unlawful benefits or to facilitate business benefits for the company.

### 3.5 Conflict of Interests

The company has a conflict of interest policy. To focus on correct actions, directors, executives, and employees at all levels must consider the highest interests of the organization as important. Under the framework of legality and ethics Avoid conflicts of interest both outside and within the organization that may affect decision-making and performance of duties.

#### **Guidelines for operations are as follows:**

- Company directors and executives must inform the company of their relationship. or related transactions in businesses that may cause conflicts of interest or seeking personal benefits, such as
  - ♦ Joint stockholding in the company's competitors.
  - ♦ Joint investment or holding a position with a partner who does business with the company
  - ♦ Doing business or providing services directly to the company or through others
- Avoid doing transactions related to Related persons As specified by the Capital Market Supervisory Board that may cause conflicts of interest with the company In the case that it is necessary to make that transaction The connected transactions must be presented to the Audit Committee. To consider giving opinions before submitting for approval to the Board of Directors. According to the principles of good corporate governance and regulations at SET and the SEC.
- Directors, executives, and employees must comply with the company's regulations. and the company's business ethics code This is an important matter that must be strictly adhered to in order for the company to be trusted and trusted by all stakeholders. and arrange for the dissemination of information and understanding of employee practices throughout the company.
- Directors, executives and employees must not seeks benefits for themselves or others. By relying on the company's confidential information. Including important information of the company for personal.
- The company has designated directors and executives who have significant interests in a manner that may cause Such directors or executives are unable to express their opinions independently. and has no part in consideration Items in which he has a conflict of interest Including having no authority to approve the entry into transactions on that agenda.

### 3.6 Revolving Door

The company has a policy to hire government employees. To hold the position of director, executive, employee or consultant of the company. There must be a selection process. Employment approval Compensation determination and control process To ensure that the hiring of employees It will not be in return for acquiring any benefits to benefit the company. Destroys the image of reliability and honesty in performing duties. which is at risk of corruption.

**Guidelines for operations are as follows:**

- Do not hire or appoint government officials who are still in office. except state enterprises with requirements From the organization established to be able to have representatives from government agencies come to work in the organization.
- Establish a cooling-off period of 2 years for the appointment of former government officials who have left their positions. or persons who have previously worked for regulatory agencies that Directly related to the company Except for the benefit of managing the company's business. and such person has no benefit to the company or benefits in return The company has a selection process. Employment approval determination of compensation and control processes to ensure that hiring government employees will not be in return for receiving any benefits.
- There is a process for checking the background (Due Diligence) of the people the company will select to appoint to the positions of directors, consultants, and executives of the company. To examine what may be a conflict of interest before appointment.
- Is there a prohibition on performing duties that are an abuse of power? who have conflicting interests, such as disclosing secrets of government agencies to which they were formerly affiliated, lobbying to gain illegitimate benefits Being assigned to contact the agency formerly affiliated with, etc.
- There is an appointment. By disclosing the names and history of people who were former government officials. who have been appointed as consultants/directors/executives of the company.

### 3.7 Procurement

The Company's procurement operations must be transparent, honest, and in compliance with policies and Company procurement regulations and in accordance with laws and regulations related to procurement in both the public and private sectors.

### 3.8 Corruption Risk Assessment

The company prepares a corruption risk assessment. Especially assessing the risk of bribing government officials. Aimed at employees at all levels who have the opportunity to interact or work with government agencies, state enterprises, or outsiders.

**Guidelines for operations are as follows:**

- The company has assessed the risk of corruption that may occur. It includes both defining criteria for measuring impact risks (Impact) and likelihood of occurrence (Likelihood of Occurrence). Risks from related operations are identified and current internal controls are in place. along with providing measures to control and control risks To ensure that the risk is at a level acceptable to the organization. and is managed in a timely manner In addition, the risk assessment results will be presented to the Risk Management Committee. or sub-committees assigned by the Risk Management Committee at least once a year

### 3.9 Internal Control

The company has an internal control system based on the essence of this policy and included in the internal audit plan. and act in accordance with the regulations of the Audit Committee Internal control and internal audit policy To help ensure that this policy is actually practicable and in accordance with international standards.

**Guidelines for operations are as follows:**

- The company prepares financial reports. and the operation of the accounting process correctly and transparently can be verified.

### 3.10 Accounting audit and data storage

The company has a process for auditing accounts and storing data to support the effective anti-corruption policy and prevent all forms of corruption.

**Guidelines for operations are as follows:**

- The company has a process for checking accounting transactions. and appropriate approval is given before recording transactions into the accounting system, which will be checked according to various company policies, regulations, related laws, contracts or agreements to ensure compliance with accounting standards and accounting policies appropriately.
- Operating expenses and investment expenses Evidence must be provided correctly and completely and must be approved according to the credit limit level by the designated approval authority.
- Financial reports must be accurate, truthful and reliable. and must disclose important information correctly and completely Including information on related transactions and liabilities that may arise.
- The company has adequate and secure control over the storage of accounting documents for immediate auditing. Access to accounting information is controlled. And backup files are stored safely.

### 3.11 Human Resources

The company has a human resource management policy to support the anti-corruption policy to be effective and prevent all forms of corruption.

**Guidelines for operations are as follows:**

- The company applies this policy to personnel management. From the employee selection process The selected employees must not commit any disciplinary offenses. or have not been punished for crimes related to corruption. promotion Performance evaluation and giving rewards The company must consider performance results in accordance with the policy. and has no history of committing corruption or behavior that impedes compliance with this policy.
- The company will not demote, punish, or have negative consequences for employees who deny corruption. Even though that action will cause the company to lose business opportunities.
- The company provides continuous training on anti-corruption measures and knowledge to employees at all levels, including company directors and executives, in order to gain understanding and be able to truly put it into practice.
- The company has thoroughly communicated the policy to employees. Including explaining the penalties for violating this policy to employees at all levels of the company.

### 3.12 Dissemination of policy

For employees at all levels of the company, customers, partners or all groups of stakeholders and those involved in business are informed of the anti-corruption policy. The company therefore requires public relations and dissemination through the following channels.

- Post an anti-corruption policy on the company's public relations board.
- Publish anti-corruption policy Through the company's communication channels such as the internet system Annual information display website (56-1 one report)
- All employees must sign the form and provide an affidavit confirming that they are aware of the contents of the Codes of Conduct and Anti-Corruption Policy. This is to confirm that you have read and agreed to comply with the requirements in various matters. Employees cannot use the excuse of not reading or not signing the form as a reason for not complying.

### 3.13 Reporting complaints

The company gives importance to receiving complaints. and reporting clues by giving employees an opportunity and stakeholders have channels to make complaints Leave a comment and report clues to violations according to the law corruption Accuracy of financial reports internal control system violation of human rights Unequal treatment actions without due diligence and lack of caution Including receiving complaints regarding corporate governance and the company's business ethics. as well as the behavior of those that may indicate corruption. Including appropriate protection measures for whistleblowers according to the Whistle Blower Policy.

#### Guidelines for operations are as follows:

- 1) The company has provided channels for complaints or whistleblowing. about corruption You can inform us through direct communication channels. or send a letter stating that "Secret Document" through the following channels:

- Registered letter to  
Chairman of the Audit Committee  
Star Money Public Company Limited  
204/1-8, Sukhumvit Road, Thang Kwian Sub-district, Klong District,  
Rayong Province 21110.
- Through the company's website [www.starmoney.co.th](http://www.starmoney.co.th) topic "Channel for receiving complaints"

- 2) Protection of those who report complaints or provide clues.  
The company protects the rights of complainants. and those who provide information in good faith The name, address or any information will be kept secret. Do not disclose information to other persons who do not have related duties. Unless it is disclosed as required by law, by a court order, or by a relevant regulatory agency. or orders of government agencies.

- 3) Inspecting and seeking facts

The company has a process for investigating and seeking facts when receiving complaints or reporting corruption. By adhering to fairness for all parties. and report to the President for acknowledgment in order to give further orders.

- 4) Listening to opinions and suggestions

The company has channels for listening to opinions and suggestions regarding anti-corruption measures. To improve and develop measures to be more appropriate. The company's employees and outsiders can use the method to express their opinions through the channels according to item 1).

### 3.14 Monitoring and review

Companies must monitor and review anti-corruption measures. To be informed of the changing situation and risks related to this policy, and regularly review the policy on an annual basis or when the risk situation changes.

### 3.15 Penalties

Those who violate the law, regulations, policies, and any other code of conduct of the company will be subject to disciplinary action based on the intent, circumstances, and results of the offense. Cooperation in the investigation Actions of Violators To correct or prevent such events from occurring again. Violators may receive disciplinary action starting with a written warning. Up to the maximum personal punishment is removal from position or termination of employment.

#### (4) Whistleblowing

The company's anti-corruption policy contains specifications for whistleblowing and filing of complaints as follows:

1. Matters of whistleblowing or complaint:
  - Actions fitting the criteria for corruption connected directly or indirectly to the company.
  - Actions impacting the interest or reputation of the company.
  - Actions in violation of the law, morals and Code of Ethics.
  - The matters reported must be based on actual facts and not contrived by dishonest intentions to slander or harass others.
2. Channels for Whistleblowing or Complaints
  - Contact Channels for Internal Persons: Report through an internal program which every employee can access for use. Information will be submitted to the Human Resources Department. If the matter is not corrected, the filer can directly report to the managing director.
  - Contact Channels for External Persons: Contact the assistant managing director of human resources or the managing director via the following channels:
    - Telephone: 038-677-018; 061-393-9988
    - Address: Star Money Public Company Limited  
No. 204/1-8, Sukhumvit Road,  
Thang Kwian Sub-district,  
Klaeng District, Rayong Province 21110
    - Email info@starmoney.co.th



- If it is desired to submit a complaint to a director or high-ranking executive, the complaint can be submitted to the Chairman of the Audit Director via the following channels:

Telephone: 061-393-9988

Address: Star Money Public Company Limited  
No. 204/1-8, Sukhumvit Road,  
Thang Kwian Sub-district,  
Klaeng District, Rayong Province 21110

Email info@starmoney.co.th

The company has guidelines for protecting whistleblowers. However, whistleblowers are required to be complaint filers or informants who took their actions out of honesty, due to which the company will guarantee protection that their actions will not be cause for termination of employment, punishment or any adverse actions against them. Furthermore, in order to protect the rights of whistleblowers and complaint filers and persons providing information out of honest intentions, the company will conceal the names, addresses and identifiable information of report filers, by which the agencies receiving their complaints will maintain the confidentiality of their information and evidence documents and not disclose them to outside parties who do not duties related to them, unless doing so is required by law.

Corruption or Violations of Corporate Governance Policies and Practice Guidelines in the Past Year

None.

## 8.2 Performance Report of the Audit Committee in the Past Year

### 8.2.1 Number of Meetings and Meeting Attendance of the Audit Committee by Individual

The details on the meeting attendance of the Audit Committee for 2023 as shown by the number of attendance/total number of meetings are as follows:

Name	Position	2023	(%)
1. Mr. Phinit Ngamsophi	Chairman of the Audit Committee	4/4	100
2. Dr.Visit Ongpipattanakul	Audit Director	4/4	100
3. Mr.Senee vacharasiritham	Audit Director	4/4	100

## 8.2.2 Performance of the Audit Committee

According to the meeting report of the Audit Committee in 2023, the Audit Committee performed its duties as specified in the Audit Committee's charter by exercising its knowledge and abilities cautiously and thoroughly while being independent in the performance of duties and receiving excellent information and cooperation from the company's Management. The Audit Committee worked to oversee and audit the following areas:

- The work performed by the internal auditor to ensure that the company has an adequate, strict and effective internal control and internal audit system without any significant errors that can impact the company's financial statements and business operation.
- The preparation of financial reports and the company's auditor to ensure that the company's financial reports are correct according to generally-accepted accounting standards, with complete and sufficient disclosure of important information.
- Compliance to related laws, specifications and regulations as appropriate, and consideration of transactions potential conflict of interest and consideration of connected transactions.

Accordingly, the Audit Committee's report is shown in Attachment 6 (Audit Committee's Report)

## 8.3 Summary of the Performance of Other Subcommittees

### 8.3.1 Number of Meetings and Meeting Attendance of Subcommittees

#### (1) Nomination and Remuneration Committee

The details about the meeting attendance of the Nomination and Remuneration Committee for 2023 as shown by the number of meetings attended/total number of meetings are as follows:

Name	Position	2023	(%)
1. Mr. Pinit Ngamsopee	Chairman of the Nomination Committee	1/1	100
2. Mr. Senee Uacharasiritham	Nomination Director	1/1	100
3. Mr. Chusak Uivatwongskasem	Nomination Director	1/1	100
4. Mrs. Savitree Lavansathien	Nomination Director	1/1	100

## (2) Risk Management Committee

The details about the meeting attendance of the Risk Management Committee in 2023 as shown by the number of meetings attended/total number of meetings are as follows:

Name	Position	2023	(%)
1. Mr. Senee Vacharasiritham	Chairman of the Risk Management Committee	1/1	100
2. Mr. Chusak Uivatwongskasem	Risk Management Director	1/1	100
3. Mr. Surayut Lawansathien	Risk Management Director	1/1	100
4. Mr. Akeapop Lavansathien	Risk Management Director	1/1	100

## (3) Executive Committee

The details about the meeting attendance of the Executive Committee for 2023 as shown by the number of meetings attended/total number of meetings are as follows:

Name	Position	2023	(%)
1. Mr. Vitit Lavanstien	Chief Executive Officer	14/14	100
2. Mr. Chusak Uivatwongskasem	Executive Director	14/14	100
3. Mrs. Savitree Lavansathien	Executive Director	14/14	100
4. Mr. Surayut Lawansathien	Executive Director	14/14	100
5. Mr. Akeapop Lavansathien	Executive Director	14/14	100

## 8.3.2 Performance of Assigned Subcommittees

### (1) Nomination and Remuneration Committee

In 2023, the Nomination and Remuneration Committee considered important matters summarized as follows:

- Considered and gave opinions about the remunerations for directors and executives for the year 2023.
- Considered and gave opinions about the training and development of directors and training budget for the years 2022–2023 and prepared director development plan to improve the knowledge of existing directors and new directors to understand the business, roles, duties, criteria and laws related to the company's business.
- Considered and reviewed the succession plan, which is reviewed at least once annually.
- Considered and approved the reappointment of directors back into office after leaving according to term.

## **(2) Risk Management Committee**

In 2023, the Risk Management Committee considered important matters summarized as follows:

- The Risk Management Committee acknowledged the risk management report covering various risks in the period from July – December 2022 and January – July 2023, with the representatives of the Risk Management Work Group preparing the report. The Risk Management Committee gave recommendations for further action and approved the report for later submission to the board of directors for acknowledgement.
- The Risk Management Committee passed a resolution to revise the risk management manual according to the review and improvements submitted by the Risk Management Work Group to ensure suitability for the company's current situation.

## **(3) Executive Committee**

In 2023, the Executive Committee considered important matters summarized as follows:

- Considered and approved an environmental announcement for use as guideline for environmental efforts to be undertaken by employees.
- Considered and approved debtor assistance during Covid-19 in line with announcements made by the Bank of Thailand.
- Acknowledged the performance of various departments, including the company's performance report.
- Considered and approved company activities according to approval powers such as announcements adopted in work, commission fee structure, branch sites, hub launches, establishment of a welfare committee in the place of business, loan consideration criteria and conditions, etc.
- Considered the company's business plan.
- Considered and approved actions according to the Personal Data Protection Act.
- Considered and approved a policy and regulations on anti-money laundering and counter terrorism financing and proliferation of weapons of mass destruction and assessed related risks for submission to the board of directors.

## 8. Internal Control and Connected Transactions

### 9.1 Internal Control

#### 9.1.1 Opinions of the Board of Directors on Internal Control System.

The Board of Directors places Focus on the internal control system and therefore established an internal control system covering finance, administration, and operations to be efficient and effective. Comply with relevant laws, rules, and regulations. And focus on continuous development by the guidelines of COSO (The Committee of Sponsoring Organization of Treadway Commission) to make internal control and risk management more complete. To make various operations of the company efficient. and effectiveness.

The Risk Management Committee consists of independent directors and executive directors. There is a risk management working group supporting the work. The Risk Management Committee responsible for setting risk management policies and frameworks. Set strategies in line with risk management policy, and review risk management reports To monitor and evaluate each type of risk to an acceptable level, prepare a manual and report the results to the Audit Committee and the Board of Directors.

In addition, the Board of Directors Meeting No. 1/2024 on February 28, 2024, assessed the adequacy of the internal control system by the guidelines of the Securities and Exchange Commission ("SEC"). It consists of internal control systems in all 5 areas: organization and environment. Risk management Controlling the operations of the management department Information and communication systems and tracking system and thought that the company's internal control system was sufficient and appropriate

I.A.P. Internal Audit Co., Ltd. ("IAP") to be the Company's internal auditor (Outsource Internal Auditor) and has begun to evaluate the internal control system since quarter. 1/2018 and inspected the company's internal control system. According to the plan every quarter, a report is issued on detected risk issues along with recommendations for solving said risk issues. The Company has used the suggestions to improve the work system to prevent risks. The internal auditor has inspected Follow-up actions to improve and resolve issues detected in the previous quarter and issued a report on the results of monitoring of outstanding issues, which is reported to the Audit Committee meeting every quarter. By reporting to the Audit Committee meeting No. 1/2023 on February 17, 2023, the internal auditors inspected the company's work systems. A total of 17 work systems have been completed, including "debt collection system" "receiving and payment system" "fixed asset management system" "purchasing/procurement system for sales and use in the organization" "Debt collection and payment system" "After sales service system" "Warehouse management system" "Human resource management system" "Account closing and financial reporting system" "Information technology system" "Investment source management system and budget" "Petite cash/advance payment system" "Product sales

system” “Hire purchase and loan lending system” “Branch and branch property management system” “Central registration and document storage system” and “Promotion system Marketing and corporate image”

For issues detected in 2023, Significant issues and progress in resolution can be summarized from the inspection of the internal control system as follows:

	Issue	Risk level	Suggestions/ corrective actions/ monitoring results
Marketing promotion and corporate image system			
1)	Employees in some branches should improve service and should collect customer information.	middle	<p><b>Suggestions</b></p> <ul style="list-style-type: none"> <li>- The company should create awareness employees. In studying information, and providing services, including various criteria that the company has increased.</li> <li>- Establish a process for regularly organizing training for employees regarding service provision.</li> <li>- Arrange for communication of various information related to service work to be thoroughly informed by branch customer service staff.</li> <li>- Establish a process for regularly monitoring employee performance.</li> </ul> <p><b>Corrective action</b> The company has created a manual regarding the services and products of the company. There is a sales team going to the area to inspect and follow up on the results.</p> <p><b>Status</b> Completed on 2 nd quarter of 2023.</p>
Human resource system			
2)	The company is in the process of preparing procedures for welcoming branch employees and putting together a training plan for branch employees.	middle	<p><b>Suggestions</b></p> <ul style="list-style-type: none"> <li>- The Human Resources Department has created procedures for welcoming the branch front for employees at the branch to use.</li> <li>- The Human Resources Department has implemented branch welcome procedures in the training plan.</li> <li>- Evaluate branch training regularly.</li> </ul> <p><b>Corrective action</b> The company has prepared a service manual. And put it in employee orientation content and make VDO that employees study at any time in Google Classroom.</p> <p><b>Status</b> Completed on 3rd quarter of 2023.</p>

	Issue	Risk level	Suggestions/ corrective actions/ monitoring results
3)	Employees who pass probation do not receive a uniform as specified by the Policy.	middle	<p><b><u>Suggestions</u></b></p> <ul style="list-style-type: none"> <li>- The Human Resources Department should survey employees in front of branches to submit company uniforms. Regularly and completely .</li> </ul> <p><b><u>Corrective action</u></b> The company adjusts the work process by tracking employee information from the Star Money program system when employees pass probation. The Human Resources Department will send a link for employees to fill out. instead of submitting a form for speed.</p> <p><b><u>Status</u></b> The operation was completed in the 3rd quarter of 2023.</p>
4)	The company don't determined criteria for annual position adjustments for each position.	middle	<p><b><u>Suggestions</u></b></p> <ul style="list-style-type: none"> <li>- The company should clearly define the criteria for annual position adjustments. To measure the efficiency and effectiveness of each job position.</li> </ul> <p><b><u>Corrective action</u></b> The company has prepared a performance evaluation manual. (Probationary – Annual – Position Adjustment) that specifies the criteria for evaluation, promotion, and position adjustment at each level and is announced as a standard.</p> <p><b><u>Status</u></b> The operation was completed on 3rd quarter of 2023.</p>
5)	The company's employees have a significant turnover.	middle	<p><b><u>Suggestions</u></b></p> <ul style="list-style-type: none"> <li>- Survey employee rates Evaluate them for their worth.</li> <li>- Evaluate job responsibilities that are too heavy or is it taking advantage of workers</li> <li>- Strengthen personal relationships.</li> <li>- Always share your opinions. Always ask for opinions.</li> <li>- Create justice for all parties equally.</li> <li>- Create a direction for career advancement and enhance your potential development plan.</li> </ul> <p><b><u>Corrective action</u></b> The company has made adjustments to teaching from the beginning. By increasing learning about work processes from the inspection team and Internal and human resources According to the personnel development plan that was announced on 18 July 2023.</p> <p><b><u>Status</u></b> The operation was completed on 3rd quarter of 2023.</p>



	Issue	Risk level	Suggestions/ corrective actions/ monitoring results
Branch management system			
6)	Branch officers have no record of collecting follow-up fees.	high	<p><b>Suggestions</b></p> <ul style="list-style-type: none"> <li>- The company should provide training on branch operations. and various policies related to practices for employees to be aware of regularly</li> <li>- Assign a person responsible for regularly inspecting branch operations.</li> </ul> <p><b>Corrective action</b> The company regularly trains and provides knowledge to branch employees. Regarding work criteria and company policies.</p> <p><b>Status</b> The operation was completed on 3rd quarter of 2023.</p>
7)	Branch officers do not follow up with customers beyond the time limit (DO) according to the criteria set by the company.	middle	<p><b>Suggestions</b></p> <ul style="list-style-type: none"> <li>- There should be a training system for employees at the branch. Regarding criteria or policies that the company has announced or reviewed regularly.</li> </ul> <p><b>Corrective action</b> The company has prepared a debt tracking manual (DO) and trained branch employees. Concerning policies related to regular operations.</p> <p><b>Status</b> In progress It is expected that the operation will be completed on 4th quarter of 2023.</p>
8)	Approve the cancellation of the follow-up fee that does not comply with the specified criteria.	middle	<p><b>Suggestions</b></p> <ul style="list-style-type: none"> <li>- The company should provide training on branch operations. and various policies related to practices for employees to be aware of regularly.</li> </ul> <p><b>Corrective action</b> The company has prepared a manual for canceling collection fees.</p> <p><b>Status</b> The operation was completed on 3rd quarter of 2023.</p>

	Issue	Risk level	Suggestions/ corrective actions/ monitoring results
9)	Lack of efficiency in organizing proactive branch marketing appropriately	middle	<p><b><u>Suggestions</u></b></p> <ul style="list-style-type: none"> <li>- The company should have current marketing guidelines. Must change format Find techniques and methods to complement the existing marketing principles. Plan future marketing that must be clever and effective. Therefore, modern marketing strategies Must be an aggressive marketing strategy. to be able to reach customers first and Respond to needs correctly It creates strength for the organization. To keep up with the competition or effective changes in current marketing By taking actions such as. <ul style="list-style-type: none"> <li>▪ Understand how to analyze market conditions and competitors.</li> <li>▪ Understand the organization's marketing strategy.</li> <li>▪ Understand behavior and keep up with changes in customers in the present era.</li> <li>▪ Analyze the situation in the present to plan future marketing strategies</li> <li>▪ You can choose to use techniques. Marketing strategies that are appropriate for the organization and customers.</li> </ul> </li> </ul> <p><b><u>Corrective action</u></b> The company conducts a strategic review of the marketing plan.</p> <p><b><u>Status</u></b> The operation was completed on 4th quarter of 2023.</p>
10)	Branch officers are unable to record the Status of following up with customers status on due date (DO)	middle	<p><b><u>Suggestions</u></b></p> <ul style="list-style-type: none"> <li>- The company should provide training on branch operations. and various policies related to practices for employees to be aware of regularly.</li> </ul> <p><b><u>Corrective action</u></b> The company conducts training on follow-up call policy (DO) every quarter.</p> <p><b><u>Status</u></b> In progress It is expected to be operational on 1st quarter of 2024.</p>

	Issue	Risk level	Suggestions/ corrective actions/ monitoring results
	debt collection system		
11)	Sending a debt collection letter Does not meet the conditions of the company Set out in the practice manual.	middle	<p><b><u>Suggestions</u></b> The company should review the operating process to ensure compliance with the letter-sending guidelines. To collect and follow up on debts as specified by the company regularly.</p> <p><b><u>Corrective action</u></b> The company has developed the Star Money program system for delivering letters. The letter will be sent after the payment due date.</p> <p><b><u>Status</u></b> In progress</p>

### 9.1.2 Head of the Company's Internal Audit

IAP Internal Audit Co., Ltd. ("IAP") has been appointed to function as the company's internal auditor since 2018. Currently, IAP has assigned Mr. Thanasarn Wasun, the Internal Audit Department Manager, to be the person primarily responsible for performing duties as the company's internal auditor.

The Audit Committee evaluated the qualifications of IAP and Mr. Thanasarn Wasun and holds the opinion that they are appropriate for performing their duties due to their independence, experience in performing internal audits for a variety of businesses, and Mr. Thanasarn Wasun's prior training in courses related to internal auditing such as the Internal Audit Certification Project (IACP) under the Federation of Accounting Professions under Royal Patronage, the Standard of Internal Control Program of the Institute of Internal Auditors of Thailand and the Report Internal Audit Program by the Institute of Internal Auditors of Thailand, etc.

Accordingly, considerations for appointment, approval, appointment, and dismissal of the company's internal auditor require the authorization (or approval) of the Audit Committee, and the qualifications of the internal auditor are shown in Attachment 3.

## 9.2 Related Transaction Party

In the accounting year ending on 31 December 2023, the company conducted connected transactions with persons with potential conflicts of interest according to the information summarized as follows:

### 9.2.1 Normal business transactions

–None–

### 9.2.2 Connected Persons and Nature of Relationships

Persons with Potential Conflicts of Interest	Nature of Relationship
1) THANATIWAT COMPANY LIMITED	Major shareholder of the company holding 31.27% of registered capital.
2) Mr. Vitit Lavansthien	Vice chairman and company shareholder holding 8.04% of registered capital.
3) Mr. Chusak Vivatwongkasem	Company director and managing director and shareholder holding 0.29% of registered capital.
4) Mr. Akeapop Lavansathien	Company director, executive, and shareholder holding 3.11% of registered capital.
5) Mrs. Savitree Lavansathien	Company director, executive and shareholder holding 2.25% of registered capital.
6) Mr. Surayut Lawansathien	Company director, executive and shareholder holding 1.07% of registered capital.
Mrs. Ketkan Lawansathian	Mr. Surayut Lawansathien (Ex-wife)
7) Miss Nichanan Lawansathian	Daughter of Mr. Vitit Lavansthien and company shareholder holding 3.16% of registered capital.
8) Mr. Tinnakon Lawansathien	Son of Mr. Vitit Lavansthien and company shareholder holding 3.31% of registered capital.
9) Mrs. Suchada Lawansathien	Older sister of Mrs. Savitree Lavansathien /Mr. Surayut Lawansathien and company shareholder holding 0.82% of registered capital.
10) Mr. Nataphon Lawansathien	Younger brother of Mrs. Savitree Lavansathien /Mr. Surayut Lawansathien and company shareholder holding 1.09% of registered capital.
11) Mr. Wirat Lawansathien	Older brother of Mr. Vitit Lavansthien and company shareholder holding 0.70% of registered capital.
12) Mr. Nuchapon Lavansathien	Younger brother of Mrs. Savitree Lavansathien /Mr. Surayut Lawansathien and company shareholder holding 0.95% of registered capital.
13) Mr. Danuwat Lawansathien	Son of Mrs. Savitree Lavansathien and company shareholder holding 2.02% of registered capital.
14) Mrs. Panni Lawansathien	Spouse of Mr. Vitit Lavansthien
15) THANAAARTHORN COMPANY LIMITED	Mr. Vitit Lavansthien is a company director and shareholder holding 18.69% share of the registered capital. Business Type: Pawnshop

## 9.2.3 Details

### 9.2.3.1 Sales Transactions (cash)

For the accounting year ending on 31 December 2023, the company conducted transactions involving the sale of goods to persons with potential conflicts of interest. These were normal company business transactions that were done in cash without installment payments or hire purchases. In addition, the prices were the same as those offered to ordinary customers, and the special privileges were the same as those offered to ordinary customers. The company has a policy to conduct such product sale transactions in the future because they are part of the company's business activities. These transactions are summarized as follows:

Unit: THB

Buyer	Nature of Transaction	Total	Necessity and Reasonability of Transaction
		Year 2023	
1) Mr. Surayut Lawansathien	Revenue from electrical appliance	1,766.36	<u>Necessity for Transaction</u> The product sales were part of the normal business of the company and same conditions as those offered to ordinary customers.
2) Mr.Nutchapon Lavansathien	Revenue from electrical appliance sales.	5,130.84	<u>Reasonability</u> Sales price and conditions were the same as those normally offered to ordinary customers.
3) THANAAARTHORN COMPANY LIMITED	Revenue from electrical appliance sales.	17,261.68	<u>Opinion of the Audit Committee</u> Because they were revenues from product sales of transactions that were part of the normal business of the company with normal prices and conditions and actions taken as for the case of transactions conducted with external parties and because they had no conditions that caused the company to lose advantage, the Audit Committee's opinion is that the transactions were reasonable.
4) Mr. Tinnakorn Lawunsatrarin	Revenue from electrical appliance sales.	2,971.96	

### 9.2.3.2 Land and Building Rent/Lease Transactions

For the accounting year ending on 31 December 2023, the company has partial rent/leases of buildings and structures from Thanathiwat Co., Ltd. for use in business, for which an office building lease contract was made specifying 16 items.

Unit: THB

Lessor	Nature of Transaction	Total	Necessity and Reasonability of Transaction
		2023	
THANATHIWAT COMPANY LIMITED	Lease expenses	25,372,889.00	<u>Necessity for Transaction</u>
	The company has accounting records related to the lease contract in line with the 16 <sup>th</sup> Thai Financial Reporting Standards as follows:		The leasing of the aforementioned office buildings were leases for use of main office, branch offices, goods warehouse, document storage and parking spaces, which were normal uses as part of the company's business operation.
	Net Outstanding Use Rights Assets (Assets)	49,214,349.02	<u>Price Reasonability</u>
	Outstanding Lease Contract Debts (Debts)	51,783,491.79	The lease rate agreed between the company and lessor (in the contract) was a rate equal to the lease rate assessed by Sasiratchada Co.,Ltd., which was an independent appraiser listed in the asset appraisers in the capital market and a primary appraiser approved by the SEC Office. (A summary of the details of appraised items is provided in Attachment 4 on the assets used to operate business and details about asset value appraisal.)
	Interest Expenses (Expenses – Profit/Loss)	3,128,377.08	
	Depreciation (Expenses – Profit/Loss)	22,919,636.07	
	The leased assets include a main office, branch offices, a goods warehouse, document storage and parking spaces for a total of 16 items and 6,701.95 squarewa total lease area. Divided into		<u>Opinion of the Audit Committee</u>
	Area 6,317.7 sq m.		This is because the office building rental transaction is a necessary item for conducting business. The rental rate has been evaluated by an independent appraiser on the list of the SEC Office, together with there are no conditions that put the Company at a disadvantage. Therefore, it is of the opinion that the said transaction is reasonable. According to market prices and normal conditions.
	Rental rate: 2,066,320 baht/month		
	Area 3,84.25 sq m.		
	Rental rate: 52,459 baht/month		

### 9.2.3.3 Loan Transactions

For the accounting ending on 31 December 2023, the company's directors, executives and shareholders guaranteed and pledged assets to use as guarantee for the company's financial loans that were obtained from financial institutes, and they did so without charge to the following details:

Unit: Million THB

Guarantor/Pledger	Guarantee	Security/ Pledge	Total As of 31 December 2023	Total Spent As of 31 December 2023	Necessity and Reasonability of Transaction
Thanatiwat Co., Ltd.		✓	2,342.00	1,360.19	These were guarantees by companies/persons and/or use of assets belonging to companies/persons such as land title deeds, savings account deposits, etc. to guarantee the company's financial institute loans without charge and/or pledges of assets that followed the conditions for the company to obtain financial institute loans for use in normal business operations, which made them transactions that were beneficial to the company's business.
Mr. Vitit Lavansthien	✓	✓	1,942.00	1,360.19	
Mr.Chusak Vivatwonskasem	✓	✓	1,660.00	1,239.84	
Mr.Akeapop Lavansathien	✓		1,400.00	1,012.30	
Mrs.Savitree Lavansathien	✓	✓	1,600.00	1,087.50	
Mr.Surayut Lawansathien	✓	✓	1,942.00	1,360.19	
Mrs.Pannee Lawansathain			-	-	
Miss.Ketkarn Lawansathien			-	-	
Miss Nichanan Lawansathain		✓	260.00	227.54	
Mr.Tinnakorn Lawunsatrain			-	-	
Mrs.Suchada Lavansathien		✓	260.00	227.54	
Mr.Wirat Lawansathian		✓	260.00	227.54	
Mr.Natapon Lawansathien		✓	200.00	75.20	
Mr.Danuwat Lawansathian		✓	200.00	75.20	
THANAARTHORNCOMPANY LIMITED		✓	1,400.00	1,012.30	Miss Ketkarn Lawansathien - Guarantee released on 28/4/2023 Mr. Tinnakorn Lawunsatrain - Guarantee released on 28/4/2023, (purchase)



### Opinion of the Audit Committee

The Audit Committee agreed on the necessity and reasonableness of the transaction. is a guarantee item according to the conditions of a loan or grant of a credit line for business operations of a financial institution. There is no fee for the guarantee all. and is a transaction that benefits the Company's business operations. However, the Audit Committee has the opinion that the Company's management team Begin negotiations with financial institutions that provide loans. To request release of guarantee obligations by such persons and juristic persons. After being listed on the stock exchange

#### 9.2.3.4 Non-Life Insurance Guarantee Transactions

For the accounting year ending on 31 December 2023, the company's directors consented to becoming guarantors for performance of insurance broker duties for the company's making of a juristic person non-life insurance broker contract with an insurance company in line with the practice requirements for the aforementioned company with the insurance broker according to the following details:

Unit: THB

Guarantor	Guarantee Amount As of 31 December 2023	Necessity and Reasonability of Transaction
Mr. Akeapop Lavansathien	700,000.00	These were personal guarantees to guarantee the company's performance of non-life insurance broker duties, which required for the presence of duties performance guarantors according to a specified monetary amount. The guarantees support the company's insurance broker business and occurred without charge. the aforementioned guarantees for the conditions becoming an insurance broker and were meant for the company to be able to conduct business as normal. There fore, the transactions were beneficial to the company's business.
Mrs.Savitree Lavansathien	300,000.00	
Mr. Surayut Lawansathien	100,000.00	
Mr. Chusak Uivatwongskasem	100,000.00	

### Opinion of the Audit Committee

The Audit Committee approved the necessity and reasonability of the aforementioned transactions, because they were personal guarantee transactions according to the conditions to become an insurance broker and had no guarantee fees whatsoever. As such, the Audit Committee viewed that the transactions occurred to support the company's insurance broker business and were transactions that were beneficial to the company's business.

### 9.2.3 Criteria and Procedures for Conducting Related Connected Transactions

The company focus controlling and supervising transactions with potential conflicts of interest as they are conducted or made between the company and company directors, executives, major shareholders or other persons with potential conflicts of interest in line with the announcements of the SEC. Accordingly, the criteria for conducting connected transactions were as follows:

1) For connected transactions between the company and persons with potential conflicts of interest, it is necessary to comply with the requirements for connected transactions as specified by SET, the Capital Market Supervisory Board and the SEC.

2) The company will use conditions and prices that are similar to the market prices or selling prices for ordinary customers. In cases where no reference prices exist, the company will employ an independent appraiser to appraise the value of such transactions. However, transactions for giving or receiving financial assistance must occur according to necessity, reason, suitability and the best interest of the company, and stake-holding directors are not authorized to vote on these transactions.

3) The board of directors has established a process for authorizing transactions with potential conflicts of interest to the principles of justice, ethics and transparent operation to ensure information verifiability and primary consideration to the interest of the company and shareholders.

#### Process for Conducting Connected Transactions

**Case 1** – For normal trade transactions such as transactions to purchase and sell products and services sold or served by the company, the company can conduct these transactions with persons with potential conflict of interest if these transactions have the same trade prices and conditions as ordinary persons would specify for ordinary contract partners in the same situation, with trade negotiation powers free from the influence of positions held in the company and with the principle approval of the board of directors. Accordingly, the company summarizes a report of these transactions to the Audit Committee and the board of directors every quarter.

**Case 2** –For other connected transactions aside from Case 1, the company has specified for the Audit Committee to consider and render opinions about the need to conduct such transactions, including the suitability of prices and conditions relative to prices offered to external parties consistent with fair prices and reason, and verifiability. In cases where the Audit Committee lacks the expertise to evaluate a potential connected transaction, the company will appoint an independent appraiser to render opinions about the connected transaction to accompany the consideration of the Audit Committee and the board of directors. Accordingly, the conducting of the aforementioned connected transactions requires the consideration of the Audit Committee and the approval of the board of directors, which must be attended by the Audit Committee. Furthermore, in the casting of votes at meetings, stake-holding directors are not allowed to cast votes.

The board of directors will accordingly control and supervise to ensure compliance with the laws governing securities and exchange and the regulations, announcements and specifications related to conducting connected transactions as stipulated by the Stock Exchange and the SEC Office. Furthermore, the company discloses such transaction reports in the financial annotations audited by the company's auditor, the 56-1 report form and/or annual report form or other information according to the specifications of the Stock Exchange and related agencies.

#### **9.2.4 Trend for Future Connected Transactions**

If in the future the company has a need to conduct connected transactions with persons with potential conflicts of interest, the company will take the following actions:

1) For normal trade connected transactions, they need to be reasonable and have the purpose of achieving the greatest benefits for the company with reference to market prices and market terms. In any case, they have to be appropriate, fair, verifiable, reported and feasible to conduct.

2) For future connected transactions, the criteria and process the company set in the policy for connected transactions in Clause 9.2.3 above must be followed along with securities and exchange laws and regulations, announcements, orders and specifications connected to the connected transactions of the Stock Exchange and the SEC Office.

3) The company must disclose information about connected transactions according to the requirements set by the Stock Exchange, the Capital Market Supervisory Board, SEC Office and transactions connected to the company according to accounting requirements and standards.





## **Part 3**

**Report on the  
responsibilities  
of the Board of  
Director to the  
Financial report  
and Financial  
Statements**

## Report on the responsibilities of the Board of Directors to the financial report

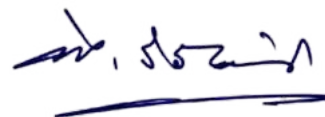
Attention: shareholders

The Board of Directors is responsible for the company's financial statements. And financial information appears in the annual report. The company's financial statements for the year ending on December 31, 2023, have been prepared in accordance with generally accepted accounting standards in Thailand. By using appropriate accounting policies and practicing them regularly. Use careful discretion, and reasonable estimates in preparation. Including adequate disclosure of important information in the notes to the financial statements.

The board of directors is aware of the Risk management system and the appropriate internal control system. Efficient and effective To ensure that accounting information is reliable, adequate, and to prevent fraud or significantly abnormal operations.

The Board of Directors has assigned the Audit Committee which consists entirely of independent directors who oversee the quality of financial reporting. Review of accounting policies Review of the internal control system, internal audit and risk management, as well as considering the complete disclosure of information on related transactions. sufficient and appropriate The opinions of the Audit Committee appear in the Audit Committee Report, which is shown in Form 56-1 One Report 2023 .

The Board of Directors is of the opinion that The company's overall internal control system is adequate and appropriate and can create reasonable confidence that the company's financial statements for the year ending December 31, 2023, show its financial position. Performance and the cash flow are correct in essence and have been audited by a certified public accountant from EY Office Company Limited, who has given an opinion on the financial



(Mr.Chusak Vivatwongskasem))  
Managing Director



(Mr.Visit Ongpipattanakul)  
Chairman of the Board



Star Money Public Company Limited  
Report and financial statements  
31 December 2023





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## Independent Auditor's Report

To the Shareholders of Star Money Public Company Limited

### Opinion

I have audited the accompanying financial statements of Star Money Public Company Limited (the Company), which comprise the statement of financial position as at 31 December 2023, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Star Money Public Company Limited as at 31 December 2023, its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



## Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

### ***Allowance for expected credit losses for hire purchase and loan receivables***

As discussed in Note 8 and 9 to the financial statements, as at 31 December 2023, the Company had net hire purchase and loan receivables totaling Baht 2,566 million (accounting for 87 of total assets) and allowances for expected credit losses amounting to Baht 143 million, which are amounts material to the financial statements. In determining an allowance for expected credit losses on hire purchase and loan receivables, the Company has developed a model for calculating allowance for expected credit losses for hire purchase and loan receivables. The model is complex and its development involves the use of significant management judgements and estimates, the identification of criteria for assessment of a significant increase in credit risk since initial recognition, the probability of default, the loss given default, the exposure at default, the calculation of allowance for expected credit loss, the selection of the future economic variables to be incorporated in the models and the management overlay used to adjust of the allowance for expected credit losses due to the limitations of the model.

Due to the materiality and the use of management's significant judgement and estimates, I addressed the adequacy of allowances for expected credit losses of hire purchase and loan receivables as a key audit matter.



I gained an understanding of, assessed and tested, on a sampling basis, the internal controls relating to loan origination, loan repayment, the assessment of probability of default and loss given default, exposure at default and the calculation of allowance for expected credit losses of hire purchase and loan receivables and tested, on a sampling basis, the relevant controls over the information technology systems. Moreover, I assessed and tested the reasonableness of the expected credit loss model, the rules and criteria applied by the Company in the assessment of significant increase in credit risk, including data used in the model design, the effectiveness of model for significant group of receivables, the governance process over the model development, reviewed the model development documentation and tested, on a sampling basis, the accuracy and completeness of the data used in model development. I also assessed the methods and assumptions applied by the Company in the calculation, ways to further adjustments after the calculation due to limitations of the model in the current economic and market situation. In addition, I assessed the reasonableness of macroeconomic factors and probability-weighted in each scenario. In addition, I compared the accounting policies of the Company with financial reporting standards and assessed the adequacy of disclosure in accordance with the relevant financial reporting standards.

Moreover, I examined the allowances for expected credit losses by testing, on a sampling basis, the classification of hire purchase and loan receivables based on the change in credit risk since initial recognition and recalculating the allowance for expected credit losses as at the end of the accounting period, including testing the completeness of the data used in the calculation of the allowance for expected credit losses.

### ***Recognition of revenue from sales***

For the year 2023, the Company recognised revenue from sales and service amounting to Baht 774 million (accounting for 56 percent of total revenue), I identified the recognition of revenue from sales as an area of significant risk in the audit because revenue from sales is the most significant account in the statement of comprehensive income of the Company. In addition, sales transactions were undertaken with a large number of retail customers. There is therefore a risk with respect to the timing of revenue recognition.



I have examined the recognition of revenue from sales of the Company by gaining an understanding of, assessing, and testing, on a sampling basis, the internal controls and relevant controls over the information technology systems relating to revenue cycle, by inquiring of responsible executives to gain an understanding and selecting representative samples to test operations of the designed controls. On a sampling basis, I also examined supporting documents for sales transactions occurring during the year and near the end of the accounting period and reviewed credit notes that the Company issued after the period-end. In addition, I performed analytical review procedures on disaggregated data to identify possible irregularities in sales transactions and examined, on a sampling basis, significant adjustments made through journal vouchers.

***Recognition of interest income from hire purchase and loan receivables***

For the year 2023, the Company recognised interest income from hire purchase and loan receivables amounting to Baht 540 million (accounting for 39 percent of total revenue), which is considered significant to the Company's total revenue. The Company recognised interest income using the effective interest method, which was generated from loans provided to a large number of customers and high volume of transactions. The recognition of interest income relies primarily on data processed by information technology systems. I therefore have paid attention to the measurement of interest income from hire purchase and loan receivables in accordance with financial reporting standards as a key audit matter.

I gained an understanding of, assessed, and tested, on a sampling basis, the internal controls relating to loan origination, interest income recognition and cash receipts, including related computer-based controls, by inquiring of management to gain an understanding and assessing the methods applied by the management as well as testing, on a sampling basis, the accuracy of the data and the calculation. In addition, I applied a sampling method in selecting hire purchase and loan receivable agreements to determine whether the recording of hire purchase and loan receivables transactions and the recognition of income had been made to reflect effective interest rate in accordance with the income recognition policy of the Company and relevant financial reporting standards. I also performed analytical procedures on interest income and examined, on a sampling basis, significant adjustments made through journal vouchers.





### **Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Company, but does not include the financial statements and my auditor's report thereon. The annual report of the Company is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Company, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charge with governance for correction of the misstatement.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.



### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the 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.

I am responsible for the audit resulting in this independent auditor's report.



Bongkot Kriangphanamorn

Certified Public Accountant (Thailand) No. 6777

EY Office Limited

Bangkok: 28 February 2024



## Star Money Public Company Limited

## Statement of financial position

As at 31 December 2023

		(Unit: Baht)	
	Note	2023	2022
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	39,514,815	518,645,433
Deposits at bank with restrictions	7	4,761,118	5,572,979
Current portion of hire purchase receivables	8	196,095,154	238,033,521
Current portion of loan receivables	9	869,933,035	831,221,400
Trade and other receivables	10	7,651,048	8,270,221
Inventories	11	104,716,706	106,754,835
Other current financial assets		-	1,000,000
Other current assets	12	23,823,402	29,225,857
<b>Total current assets</b>		<b>1,246,495,278</b>	<b>1,738,724,246</b>
<b>Non-current assets</b>			
Hire purchase receivables - net of current portion	8	8,529,285	8,181,728
Loan receivables - net of current portion	9	1,491,521,845	1,240,121,850
Assets foreclosed	13	26,931,930	25,651,747
Leasehold improvements and equipment	14	43,057,981	55,053,221
Intangible assets	15	6,973,062	7,065,633
Right-of-use assets	20	86,471,105	90,319,104
Deferred tax assets	16	43,496,590	37,302,710
Other non-current assets		6,129,461	7,465,041
<b>Total non-current assets</b>		<b>1,713,111,259</b>	<b>1,471,161,034</b>
<b>Total assets</b>		<b>2,959,606,537</b>	<b>3,209,885,280</b>

The accompanying notes are an integral part of the financial statements.

Star Money Public Company Limited  
Statement of financial position (continued)  
As at 31 December 2023

		(Unit: Baht)	
	Note	2023	2022
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Short-term loans from financial institutions	17	1,275,780,000	1,428,240,000
Trade and other payables	18	71,258,264	76,211,491
Current portion of long-term loans from financial institutions	19	90,200,000	109,920,000
Current portion of lease liabilities	20	45,299,862	41,298,532
Income tax payable		5,576,283	2,820,303
Other current financial liabilities		1,353	97,359
Other current liabilities	21	21,382,832	28,303,821
<b>Total current liabilities</b>		<b>1,509,498,594</b>	<b>1,686,891,506</b>
<b>Non-current liabilities</b>			
Lease liabilities - net of current portion	20	43,252,766	50,628,416
Long-term loans from financial institutions - net of current portion	19	230,000,000	320,200,000
Provision for long-term employee benefits	22	48,168,111	39,655,425
Other non-current liabilities		1,059,578	1,156,077
<b>Total non-current liabilities</b>		<b>322,480,455</b>	<b>411,639,918</b>
<b>Total liabilities</b>		<b>1,831,979,049</b>	<b>2,098,531,424</b>

The accompanying notes are an integral part of the financial statements.

Star Money Public Company Limited  
Statement of financial position (continued)  
As at 31 December 2023

		(Unit: Baht)	
	Note	2023	2022
<b>Shareholders' equity</b>			
Share capital	23		
Registered			
1,100,000,000 ordinary shares of Baht 0.5 each		550,000,000	550,000,000
Issued and fully paid up			
1,100,000,000 ordinary shares of Baht 0.5 each		550,000,000	550,000,000
Share premium	23, 24	466,251,200	466,251,200
Retained earnings			
Appropriated - statutory reserve	25	25,050,000	21,960,000
Unappropriated		86,327,371	73,220,543
Other components of shareholders' equity		(1,083)	(77,887)
<b>Total shareholders' equity</b>		<b>1,127,627,488</b>	<b>1,111,353,856</b>
<b>Total liabilities and shareholders' equity</b>		<b>2,959,606,537</b>	<b>3,209,885,280</b>

The accompanying notes are an integral part of the financial statements.

\_\_\_\_\_  
Directors  
\_\_\_\_\_

Star Money Public Company Limited  
Statements of comprehensive income  
For the year ended 31 December 2023

(Unit: Baht)

	Note	2023	2022
<b>Profit or loss:</b>			
<b>Revenues</b>			
Sales and service income	27	773,883,353	845,788,915
Hire purchase interest income		84,562,902	85,121,061
Loan interest income		455,351,034	410,440,880
Fee and service income		16,756,815	13,962,001
Other income		49,300,150	44,123,299
<b>Total revenues</b>		<u>1,379,854,254</u>	<u>1,399,436,156</u>
<b>Expenses</b>			
Cost of sales		656,836,480	722,507,499
Selling expenses		12,411,188	13,901,078
Administrative expenses		408,902,811	400,323,045
Expected credit losses		108,299,248	72,382,060
Loss on impairment and disposals of assets foreclosed	28	38,049,426	15,577,709
<b>Total expenses</b>		<u>1,224,499,153</u>	<u>1,224,691,391</u>
<b>Profit before finance cost and income tax expenses</b>		<u>155,355,101</u>	<u>174,744,765</u>
Finance cost	29	(77,926,847)	(69,006,678)
<b>Profit before income tax expenses</b>		<u>77,428,254</u>	<u>105,738,087</u>
Income tax expenses	16.2	(15,678,578)	(24,593,221)
<b>Profit for the year</b>		<u>61,749,676</u>	<u>81,144,866</u>
<b>Other comprehensive income:</b>			
<i>Items to be reclassified to profit or loss in subsequent periods:</i>			
Gain on cash flow hedges		96,005	1,013,654
Add : Income taxes		(19,201)	(202,731)
<i>Items to be reclassified to profit or loss in subsequent periods</i>			
- net of income tax		<u>76,804</u>	<u>810,923</u>
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>			
Actuarial gain (loss)		(1,941,060)	1,494,207
Add : Income taxes		388,212	(298,841)
<i>Items not to be reclassified to profit or loss in subsequent periods</i>			
- net of income tax		<u>(1,552,848)</u>	<u>1,195,366</u>
<b>Other comprehensive income for the year</b>		<u>(1,476,044)</u>	<u>2,006,289</u>
<b>Total comprehensive income for the year</b>		<u>60,273,632</u>	<u>83,151,155</u>
<b>Earnings per share</b>	31		
Basic earnings per share		0.06	0.10
Weighted average number of ordinary shares (Shares)		<u>1,100,000,000</u>	<u>814,794,520</u>

The accompanying notes are an integral part of the financial statements.

Star Money Public Company Limited  
Statement of changes in shareholders' equity  
For the year ended 31 December 2023

	Note	Issued and fully paid-up share capital	Share premium	Retained earnings		Other components of shareholders' equity			Total	(Unit: Baht)
				Appropriated - statutory reserve	Unappropriated	Other comprehensive income				
						Gain (loss) on cash flow hedge	Total			
Balance as at 1 January 2022		400,000,000	-	12,800,000	102,040,311	(888,810)	(888,810)	513,951,501		
Profit for the year		-	-	-	81,144,866	-	-	81,144,866		
Other comprehensive income for the year		-	-	-	1,195,366	810,923	810,923	2,006,289		
Total comprehensive income for the year		-	-	-	82,340,232	810,923	810,923	83,151,155		
Increase share capital	23	150,000,000	466,251,200	-	-	-	-	616,251,200		
Dividend paid	26	-	-	-	(102,000,000)	-	-	(102,000,000)		
Statutory reserve	25	-	-	9,160,000	(9,160,000)	-	-	-		
Balance as at 31 December 2022		550,000,000	466,251,200	21,960,000	73,220,543	(77,887)	(77,887)	1,111,353,856		
Balance as at 1 January 2023		550,000,000	466,251,200	21,960,000	73,220,543	(77,887)	(77,887)	1,111,353,856		
Profit for the year		-	-	-	61,749,676	-	-	61,749,676		
Other comprehensive income for the year		-	-	-	(1,552,848)	76,804	76,804	(1,476,044)		
Total comprehensive income for the year		-	-	-	60,196,828	76,804	76,804	60,273,632		
Dividend paid	26	-	-	-	(44,000,000)	-	-	(44,000,000)		
Statutory reserve	25	-	-	3,090,000	(3,090,000)	-	-	-		
Balance as at 31 December 2023		550,000,000	466,251,200	25,050,000	86,327,371	(1,083)	(1,083)	1,127,627,488		

The accompanying notes are an integral part of the financial statements.



## Star Money Public Company Limited

## Cash flow statement

For the year ended 31 December 2023

	(Unit: Baht)	
	2023	2022
<b>Cash flows from operating activities</b>		
Profit before income tax	77,428,254	105,738,087
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	64,694,771	57,473,380
Expected credit losses	108,299,248	72,382,060
Reduction of inventory to net realisable value (reversal)	15,444	(13,284)
Impairment loss on assets foreclosed	4,635,032	3,217,199
Gain on disposals and write-off of leasehold improvements and equipment	(99,194)	(9,247)
Loss on written-offs of intangible assets	27,131	-
Loss from lease modification	253,128	18,953
Provision for long-term employee benefits	6,571,626	5,429,732
Interest income	(539,913,936)	(495,561,941)
Finance cost	77,926,847	69,006,678
Share-based payment expenses	-	19,584,000
Loss from operating activities before changes in operating assets and liabilities	(200,161,649)	(162,734,383)
Decrease (increase) in operating assets		
Deposits at bank with restrictions	811,861	6,813,897
Hire purchase receivables	(9,287,376)	(119,556,372)
Loan receivables	(421,055,793)	(350,339,206)
Trade and other receivables	619,173	502,889
Inventories	1,971,015	(10,299,411)
Other current assets	6,202,660	(5,016,585)
Other current financial assets	1,000,000	-
Assets foreclosed	89,072,911	49,428,389
Other non-current assets	1,335,580	(1,199,403)
Increase (decrease) in operating liabilities		
Trade and other payables	(4,973,038)	6,084,794
Other current liabilities	(7,026,606)	(6,973,707)
Other non-current liabilities	(100,000)	-
Provision for long-term employee benefits	-	(6,627,000)
Cash flows used in operating activities	(541,591,262)	(599,916,098)
Cash received from interest	517,466,705	471,212,832
Cash paid for income tax	(18,747,467)	(19,050,626)
<b>Net cash flows used in operating activities</b>	<b>(42,872,024)</b>	<b>(147,753,892)</b>

The accompanying notes are an integral part of the financial statements.

Star Money Public Company Limited  
Cash flow statement (continued)  
For the year ended 31 December 2023

	(Unit: Baht)	
	2023	2022
<b>Cash flows from investing activities</b>		
Cash paid for acquisitions of leasehold improvements and equipment	(7,172,240)	(9,734,445)
Cash paid for acquisitions of intangible assets	(797,933)	(1,490,718)
Cash received from disposals of leasehold improvements and equipment	576,537	9,346
<b>Net cash flows used in investing activities</b>	<b>(7,393,636)</b>	<b>(11,215,817)</b>
<b>Cash flows from financing activities</b>		
Increase (decrease) in short-term loans from financial institutions	(152,460,000)	251,580,000
Repayment of lease liabilities	(49,692,987)	(44,618,265)
Cash received from long-term loans from financial institutions	-	100,000,000
Repayment of long-term loans from financial institutions	(109,920,000)	(76,340,000)
Cash received from share capital increase	-	612,000,000
Cash payment for direct costs related to share offering	-	(19,166,000)
Cash paid on interest	(72,791,971)	(65,011,178)
Dividend paid	(44,000,000)	(102,000,000)
<b>Net cash flows from (used in) financing activities</b>	<b>(428,864,958)</b>	<b>656,444,557</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(479,130,618)</b>	<b>497,474,848</b>
Cash and cash equivalents at beginning of year	518,645,433	21,170,585
<b>Cash and cash equivalents at end of year</b>	<b>39,514,815</b>	<b>518,645,433</b>
<b>Supplemental cash flows information</b>		
Non-cash transactions		
Transfer from hire-purchase receivables and loan receivables to assets foreclosed	95,170,126	52,720,870
Transfer from assets foreclosed, other current assets and inventories to leasehold improvements and equipment	237,170	911,930
Additions to right-of-use assets	41,036,278	84,630,993

The accompanying notes are an integral part of the financial statements.



**Star Money Public Company Limited**  
**Notes to financial statements**  
**For the year ended 31 December 2023**

**1 General information of the Company**

Star Money Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. Its major shareholder is Thanathiwat Company Limited, which was incorporated in Thailand. The Company is principally engaged in the distribution of electric appliance and a credit provider. The registered office of the Company is at 204/1-8, Sukhumvit Road, Thang Kwian Sub-district, Klaeng District, Rayong. The Company has totaled 98 branches (2022: 98 branches).

**2. Basis for the preparation of financial statements**

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

**3. New financial reporting standards**

**3.1 Financial reporting standards that became effective in the current year**

During the year, the Company has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

**3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.

### **3.3 Accounting Guidance on Guidelines regarding the Provision of Financial Assistance to Debtors Affected by COVID-19**

The Federation of Accounting Professions has announced Accounting Guidance on Guidelines regarding the Provision of Financial Assistance to Debtors Affected by COVID-19. Its objectives are to provide temporary relief measures and an alternative for all entities providing assistance to debtors in accordance with guidelines of the Bank of Thailand. The accounting guidance is applicable for provisions of assistance to such debtors made during the period from 1 January 2022 to 31 December 2023 or until the Bank of Thailand makes changes.

Under this accounting guidance, the Company may elect to adopt accounting treatments consistent with the circular of the Bank of Thailand No. BOT.RPD2.C.802/2564 dated 3 September 2021 "Guidelines regarding the Provision of Financial Assistance to Debtors Affected by COVID-19 (sustainable debt resolution)". The assistance to debtors can be classified into 2 groups by debt restructuring method as follows:

1. For debt restructuring for the purpose of reducing the debt burden of debtors that involves more than just a payment timeline extension, the Company may elect to apply the temporary relief measures relating to staging assessment and setting aside of provisions (Assistance type 1).
2. For debt restructuring involving only a payment timeline extension, e.g. an extension of payment period, a provision of grace period on principal and/or interest payments, a conversion of short-term debts into long-term debts, the Company is required to perform staging assessment and set aside provisions in accordance with the related financial reporting standards (Assistance type 2). However, the Company may elect to adopt treatments regarding significant increase in credit risk according to the appendix to the circular of the BOT No. BOT.RPD2.C.802/2564 to assess whether a debtor is to move to under-performing stage or Stage 2.

The Company considered providing both types of assistance to debtors. For assistance type 1, the Company has elected to apply all temporary relief measures under this accounting guidance relating to staging assessment and setting aside of provisions. For assistance type 2, the Company is required to perform staging assessment and set aside provisions in accordance with the relevant financial reporting standards. The management of the Company has assessed and believes that the expiration of accounting guidance on 31 December 2023 will not have any significant impact on the Company's financial statements.



#### **4. Significant accounting policies**

##### **4.1 Revenue recognition**

###### **a) Sales of goods**

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts.

When a contract provided a customer with a right to return the goods within a specified period, the Company recognises the amount ultimately expected they will have to return to customers as a refund liability and recognise the right to recover the goods expected to be returned by customers as a right of return asset in the statement of financial position. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

###### **b) Interest income from hire purchase and loan**

The Company recognises interest income from hire purchase and loan on an accrual basis, using the effective interest method over the contract period.

When the hire purchase and loan receivables become credit-impaired, subsequent to initial recognition, interest income from hire purchase and loan is calculated by applying the effective interest method to the net carrying amount of its receivables (gross carrying amount net of allowance for expected credit losses). If the receivables are no longer credit-impaired, then the calculation of interest income from hire purchase and loan reverts to the gross basis.

###### **c) Fee and service income**

Fee and service income is recognised when services have been rendered and fee income from late payment is recognised when received.

###### **d) Insurance brokerage commission income**

Insurance brokerage commission income is recognised when services have been rendered and the insurance policy comes into effect.

## 4.2 Expense recognition

### a) Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

### b) Commission expenses and direct expenses charged on loan

Commission expenses and initial direct expenses at the inception of a loan arrangement are deferred and amortised using the effective interest method, with amortisation deducted from interest income throughout the contract period, in order to reflect the effective rate of return on the contracts.

Unearned income is presented net of income and direct cost initial on the inception of the contracts.

## 4.3 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

## 4.4 Financial instruments

The Company initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

### 4.4.1 Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

#### ***Financial assets at amortised cost***

The Company measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.



#### *Hire purchase receivables and loan receivables*

Hire purchase receivables are stated at the contract value net of unearned income.

Loan receivables are stated at the contract value net of unearned income, which is presented after netting deferred fee income, commission expenses and direct cost initial on the inception of the contract.

#### **4.4.2 Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Company's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Company takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

#### **4.4.3 Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Company has transferred substantially all the risks and rewards of the asset, or has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

#### **4.4.4 Impairment of financial assets**

The Company recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

### ***Hire purchase and loan receivables***

The Company recognises expected credit losses of hire purchase and loan receivables using the General Approach. The Company determines the changes in credit risk of hire-purchase and loan receivables into 3 stages as follow.

Stage 1: Hire purchase and loan receivables where there has not been a significant increase in credit risk (Performing). The Company recognises expected credit losses at the amount equal to the expected credit losses in the next 12 months. The Company will use a probability of default that corresponds to remaining maturity for hire purchase and loan receivables with a remaining maturity of less than 12 months.

Stage 2: Hire purchase and loan receivables where there has been a significant increase in credit risk (Under-Performing). The Company recognises expected credit losses at the amount equal to the lifetime expected credit losses of hire purchase and loan receivables.

Stage 3: Hire purchase and loan receivables that are credit-impaired (Non-Performing). The Company recognises expected credit losses at the amount equal to the lifetime expected credit losses of hire purchase and loan receivables.

At every reporting date, the Company assesses whether there has been a significant increase in credit risk of hire purchase and loan receivables since initial recognition by comparing the risk of default over the expected lifetime at the reporting date with the credit risk at the date of initial recognition. In determining whether credit risk has increased significantly since initial recognition, the Company uses internal quantitative and qualitative indicators, and forecasts information to assess the deterioration in credit quality of hire purchase and loan receivables such as overdue more than 30 days or 1 installment, and forbearance status for debt restructuring agreements, etc.

The Company assesses whether the credit risk has increased significantly from the date of initial recognition on an individual or collective basis. In order to perform collective evaluation of impairment, the Company classifies hire purchase and loan receivables on the basis of shared credit risk characteristics, taking into account type of collateral, month on book, and other relevant factors.

Hire purchase and loan receivables are assessed to be credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the hire purchase and loan receivables have occurred. Evidence of credit-impaired hire purchase and loan receivables includes arrears of over 90 days past due or having indications that the borrower is experiencing significant financial difficulty, a breach of contract, bankruptcy, legal status, vehicle seizure status before over 90 days past due or distressed restructuring.



Hire purchase and loan receivable that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be significant increase in credit risk or credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

The Company considers its historical loss experience, adjusts this for current observable data and plus on the reasonable and supportable forecasts of future economic conditions, including appropriate use of judgement, to estimate the amount of an expected credit losses. The Company determines both current and future economic scenario, and probability-weighted in each scenario (base scenario, best scenario and worst scenario) for calculating expected credit losses. The Company has established the process to review and monitor methodologies, assumptions and forward-looking macroeconomics scenarios on a yearly basis. Furthermore, expected credit loss was included management overlay for the factors which are not captured by the model.

Increase (decrease) in an allowance for expected credit losses is recognised as expenses during the year in profit or loss. Bad debts are written off when incurred.

#### ***Trade receivables***

The Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

In addition, the Company has adopted the accounting guidance in determining the staging and the provisioning of hire purchase receivables and loan receivables for debtors meeting the criteria for relief measures in accordance with the BOT's circulars, as described in Note 3.3 to the financial statements.

#### **4.4.5 Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



#### 4.5 Financial assets with modifications of terms/Debt restructuring

When a financial asset's terms of repayment are renegotiated or modified, or debt is restructured, or an existing financial asset is replaced with a new financial asset because a debtor is having financial difficulties, the Company assesses whether to derecognise the financial asset and measures the expected credit losses, as follows:

- If the modification of terms does not result in derecognition of the financial asset, the Company calculates the gross book value of the new financial asset based on the present value of the new or modified cash flows, discounted using the original effective interest rate of the financial asset, and recognises a gain or loss on modification of terms in profit or loss.
- If the modification of terms results in derecognition of the financial asset, the fair value of the new financial asset is the latest cash flows of the original financial asset as at the date of derecognition. The difference between the book value and the fair value of the financial asset is recognised in profit or loss.

In cases where debt restructuring does not result in derecognition, a debtor is classified in the stage where there has been a significant increase in credit risk (Stage 2) or that is credit-impaired (Stage 3) until the repayment is made in compliance with the new debt restructuring agreement for not less than 12 months from the restructuring date. The financial asset is therefore classified in the stage where there has not been a significant increase in credit risk (Stage 1). If the debt restructuring results in a derecognition, the new financial asset is considered a financial asset with no significant increase in credit risk (Performing or Stage 1).

However, for debtors which the Company provides assistance to in accordance with measures as specified in the circulars of the BOT, the Company does not consider whether modification of terms results in derecognition, but if the existing effective interest rate does not reflect the estimated cash flows that are expected to be recoverable, it will apply a newly calculated effective interest rate to determine the present value of the restructured loans and to recognise interest income. The Company is allowed to recognise interest income on the basis of this new effective interest rate during the grace period, as described in Note 3.3 to the financial statements.

#### 4.6 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the specific cost method.

#### 4.7 Assets foreclosed

Assets foreclosed are stated at the lower of cost or net realisable value.

Gain (loss) on disposals of assets foreclosed are recognised in profit or loss upon disposal. Loss on impairment (if any) is recognised as an expense in profit or loss.

#### 4.8 Leasehold improvements and equipment and depreciation

Leasehold improvements and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of leasehold improvements and equipment is calculated by reference to their costs on a straight-line basis over the following estimated useful lives:

Leasehold improvements	2 - 20 years
Motor vehicles, furniture and fixtures and office equipment	2 - 5 years

Depreciation is included in determining income. No depreciation is provided on assets under construction and installation.

Leasehold improvements and equipment are derecognised upon disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss arising on disposal of an asset is recognised in profit or loss when the assets are derecognised.

#### 4.9 Intangible assets and amortisation

The Company initially recognised intangible assets at cost. Following the initial recognition, the intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses (if any).

The Company amortised intangible assets with finite lives on a straight-line basis over their economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is recognised as expenses in profit or loss.

The intangible assets of the Company are computer software that have useful lives of approximately 10 years.

#### 4.10 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

#### 4.11 Leases

At inception of contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.



### **The Company as a lessee**

The Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

#### ***Right-of-use assets***

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Leashold improvements and equipments	1 - 10 years
Motor vehicles	3 and 4 years

If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

#### ***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Company discounted the present value of the lease payments by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

***Short-term leases and leases of low-value assets***

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

**4.12 Impairment of non-financial assets**

At the end of each reporting period, the Company performs impairment reviews in respect of leasehold improvements and equipment, right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset is less than the carrying amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The Company recognises impairment loss as expenses in profit or loss.

**4.13 Employee benefits****Short-term employee benefits**

Salaries, wages, bonus and contributions to the social security fund are recognised as expenses when incurred.

**Post-employment benefits*****Defined contribution plans***

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the contributions of the Company are recognised as expenses when incurred.

***Defined benefit plans***

The Company have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company treat these severance payment obligations as a defined benefit plan.

The obligations under the defined benefit plan are determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gain or loss arising from defined benefit plans are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognises restructuring-related costs.



#### 4.14 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### 4.15 Share-based payment transactions

The Company recognised share-based payment transactions as at the grant date, based on the difference between the fair value of the share price and the selling price, as an expense and recorded as "share premium" in shareholders' equity.

#### 4.16 Income tax

Income tax represents the sum of corporate income tax currently payable and deferred tax.

##### Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences can be utilised.

At each reporting date, the Company reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company records deferred tax directly to equity if the tax relates to items that are recorded directly to equity.

#### 4.17 Derivatives and hedge accounting

The Company uses interest rate swaps to hedge its movements in interest rates.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes in fair value and interest received are recognised in profit or loss unless the derivative is designated and effective as a hedging instrument under cash flow hedge. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current financial assets or non-current financial liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current financial assets or current financial liabilities.

### **Hedge accounting**

The Company applies hedge accounting for cash flow hedges that associated with a recognised liability.

At the inception of a hedging relationship, the Company formally designates and documents the hedging relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation, at the inception of the hedge and on an ongoing basis, includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements, including analysis of the sources of hedge ineffectiveness and how the hedge ratio is determined.

A hedging relationship qualifies for hedge accounting if it meets all of the following hedge effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk is not the dominant factor in the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

The Company uses a hedging that meet all of the qualifying criteria for hedge accounting are accounted for, as described below:

### **Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in profit or loss. The cash flow hedge reserve is adjusted to the lower (in absolute amounts) of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.



The way cash flow hedge reserve accumulated in other comprehensive income are subsequently accounted for, depends on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the reserve accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and is not recognised in other comprehensive income for the period. For any other cash flow hedges, the reserve accumulated in other comprehensive income is subsequently reclassified to profit or loss as a reclassification adjustment in the same period which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the cash flow hedge reserve accumulated in other comprehensive income must remain in equity if the hedged future cash flows are still expected to occur. Otherwise, the reserve will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, the way the reserve remaining in equity is accounted for depends on the nature of the underlying transaction as described above.

#### **4.18 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1    Use of quoted market prices in an active market for such assets or liabilities
- Level 2    Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3    Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## **5. Significant accounting judgements and estimates**

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures and actual results could differ from these estimates. Significant judgements and estimates are as follows:

### **5.1 Allowance for expect credit loss on hire purchase receivables and loan receivables**

Management is required to exercise judgment in determining the allowance for expected credit losses of hire purchase receivables, loan receivables, accrued interest and trade and other receivables. The calculation of allowance for expected credit losses of the Company are based on the criteria of assessing if there has been a significant increase in credit risk, the development of complex expected credit losses model with a series of underlying assumptions, including the choice of inputs the forecasted future economic variables. The estimation has various relevant factors; therefore, the actual results may differ from estimates.

### **5.2 Allowance for impairment of assets foreclosed**

In determining allowance for impairment of assets foreclosed, the management exercises judgement in estimating the anticipated loss on such assets, based on analysis of various factors, including net realisable value, historical sales data, the age of the assets and the prevailing economic conditions.

### **5.3 Leasehold improvements and equipment and depreciation**

In determining depreciation of leasehold improvements and equipment, the management is required to make estimates of the useful lives and residual values of leasehold improvements and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review leasehold improvements and equipment for impairment on a periodical basis and record impairment loss when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.



#### 5.4 Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and loss can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

#### 5.5 Post-employment benefits under defined benefit plans

The obligation under the defined benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

#### 5.6 Leases - The Company as a lessee

##### *Determining the lease term with extension and termination options*

In determining the lease term, the management is required to exercise judgement in assessing whether the Company is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Company to exercise either the extension or termination option.

##### *Estimating the incremental borrowing rate*

The Company cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

#### 5.7 Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

## 6. Cash and cash equivalents

	(Unit: Thousand Baht)	
	2023	2022
Cash	1,208	1,365
Bank deposits - saving accounts	28,953	500,979
Bank deposits - current accounts	9,354	16,301
Cash and cash equivalents	39,515	518,645

As at 31 December 2023, bank deposits in savings accounts carried interest at rates between 0.15 - 0.60 percent per annum (2022: between 0.15 - 0.35 percent per annum).

## 7. Deposits at bank with restrictions

The outstanding balance represents banks deposits for premiums that the Company received from policy holders. Under the brokerage contracts, the Company have to transfer these premiums to insurers, and not use or exploit from premiums or deduct any expenses, except for the interest or other benefits arising from deposits at bank.

## 8. Hire purchase receivables

- 8.1 As at 31 December 2023, hire purchase receivables have general term of agreements between 3 and 84 installments (2022: between 3 and 84 installments) and are payable in equal installment, with interest charged at fixed rates throughout the contracts. The balances of hire purchase receivables are classified by due date per the contract are as follows:

	(Unit: Thousand Baht)					
	2023					
	Amounts due under lease agreements					
	Over 1 year but not over 2 years	Over 2 years but not over 3 years	Over 3 years but not over 4 years	Over 4 years but not over 5 years	Over 5 years	Total
Hire purchase receivables	243,153	8,305	1,532	786	462	254,238
Less: Unearned income	(28,649)	(1,376)	(313)	(139)	(30)	(30,507)
Present value of the minimum lease payment receivables	214,504	6,929	1,219	647	432	223,731
Less: Allowance for expected credit losses	(18,409)	(561)	(60)	(46)	(31)	(19,107)
Hire purchase receivables - net	196,095	6,368	1,159	601	401	204,624

(1) The balance of hire purchase receivables due within 1 year includes credit-impaired receivables.

(Unit: Thousand Baht)

		2022					
		Amounts due under lease agreements					
		Over 1 year but not over 2 years	Over 2 years but not over 3 years	Over 3 years but not over 4 years	Over 4 years but not over 5 years	Over 5 years	Total
	Within 1 year <sup>(1)</sup>						
Hire purchase receivables	291,495	9,501	485	272	273	23	302,049
Less: Unearned income	(34,009)	(1,333)	(163)	(98)	(43)	(1)	(35,647)
Present value of the minimum lease payment receivables	257,486	8,168	322	174	230	22	266,402
Less: Allowance for expected credit losses	(19,453)	(477)	(68)	(77)	(102)	(10)	(20,187)
Hire purchase receivables - net	238,033	7,691	254	97	128	12	246,215

(1) The balance of hire purchase receivables due within 1 year includes credit-impaired receivables.

**8.2** As at 31 December 2023 and 2022, the balances of hire purchase receivables classified by credit risk and allowance for expected credit losses are as follows:

(Unit: Thousand Baht)

		2023		2022	
		Hire purchase receivables - net of unearned income	Allowance for expected credit loss	Hire purchase receivables - net of unearned income	Allowance for expected credit loss
Hire purchase receivables with no significant increase in credit risk (Performing)		198,704	8,132	221,609	6,097
Hire purchase receivables with significant increase in credit risk (Under - performing)		13,590	2,810	29,293	5,245
Hire purchase receivables with credit - impaired (Non - performing)		11,437	8,165	15,500	8,845
Total		223,731	19,107	266,402	20,187



### 8.3 Allowance for expected credit losses (ECL)

Movement of allowance for expected credit losses (ECL) of hire purchase receivables for the years ended 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)

	For the year ended 31 December 2023			
	Allowance for expected credit losses			
	Financial assets where there has not been a significant increases in credit risk	Financial assets where there has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Beginning balance	6,097	5,245	8,845	20,187
Add (Less): Stage changes	(620)	(3,329)	3,949	-
Add (Less): Changes due to revaluation of allowance for credit loss	(644)	(7)	1,673	1,022
Add: New financial assets acquired	7,815	2,533	5,457	15,805
Less: Derecognition of financial assets	(4,516)	(1,632)	(818)	(6,966)
Less: Bad debt written-off during the year	-	-	(10,941)	(10,941)
Ending balance	8,132	2,810	8,165	19,107

(Unit: Thousand Baht)

	For the year ended 31 December 2022			
	Allowance for expected credit losses			
	Financial assets where there has not been a significant increases in credit risk	Financial assets where there has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Beginning balance	5,199	1,915	2,737	9,851
Add (Less): Stage changes	(408)	(519)	927	-
Add (Less): Changes due to revaluation of allowance for credit loss	(308)	(117)	193	(232)
Add: New financial assets acquired	6,006	4,689	8,495	19,190
Less: Derecognition of financial assets	(4,392)	(723)	(519)	(5,634)
Less: Bad debt written-off during the year	-	-	(2,988)	(2,988)
Ending balance	6,097	5,245	8,845	20,187

8.4 As at 31 December 2023, hire purchase receivables amounting to Baht 207.79 million (net of unearned income) were pledged to secured credit facilities from commercial banks (2022: Baht 266.40 million), as discussed in Note 17 to the financial statements.



## 9. Loan receivables

- 9.1 As at 31 December 2023, loan receivables have general term of agreements between 3 and 144 installments (2022: between 3 and 144 installments) and are payable in equal installment, with interest charged at fixed rates throughout the contracts. The balances of loan receivables are classified by due date per the contract are as follows:

(Unit: Thousand Baht)

	Amounts due							
	Within 1 year <sup>(1)</sup>		Over 1 year but not over 5 years		Over 5 years		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Loan receivables	895,758	853,664	1,413,877	1,196,986	124,599	86,773	2,434,234	2,137,423
Less: Unearned income <sup>(2)</sup>	(7,194)	(5,232)	3,160	1,845	285	156	(3,749)	(3,231)
Add: Accrued interest	55,275	49,552	-	-	-	-	55,275	49,552
Present value of the minimum payment receivables	943,839	897,984	1,417,037	1,198,831	124,884	86,929	2,485,760	2,183,744
Less: Allowance for expected credit loss	(73,906)	(66,763)	(45,101)	(40,691)	(5,298)	(4,947)	(124,305)	(112,401)
Loan receivables - net	869,933	831,221	1,371,936	1,158,140	119,586	81,982	2,361,455	2,071,343

<sup>(1)</sup> The balance of loan receivables due within 1 year includes credit-impaired receivables.

<sup>(2)</sup> Presented net of deferred fee income, commission expenses and initial direct cost.

The Company entered into schemes to provide assistance to debtors affected by COVID-19 and applied the Accounting Guidance on Guidelines regarding the Provision of Financial Assistance to Debtors Affected by COVID-19.

As at 31 December 2023, the company has outstanding loan receivables under the assistance scheme amounting to 4.91 percent of total loan receivables (2022: 10.77 percent) which consisted of the receivables below:

- a) The receivables provided with assistance during the year 2020 - 2022 under the scheme with suspensions payments and debt restructuring by means of extension of the repayment period or reduction of the monthly installment amounts. As at 31 December 2023, loan receivables participating in the scheme amounting to Baht 108.93 million, or 4.48 percent of total loan receivables. The Company applied the Guidelines regarding the Provision of Financial Assistance to Debtors Affected by COVID-19 (Assistance type 2), whereby the Company assessed staging and set aside provisions in accordance with the related financial reporting standards (2022: The loan receivables participating in the scheme amounting to Baht 215.10 million, or 10.06 percent of total loan receivables).

- b) The receivables provided with assistance during the year 2022 that are not yet non-performing (Non-NPL) loan receivables and involve more than just extending the payment timeline (Assistance type 1) where the Company immediately reclassified them to performing receivables (Stage 1) when they has negotiated with the debtors, analysed their status and business and determined that they were able to comply with the debt restructuring agreement. As at 31 December 2023, loan receivables participating in the scheme amounting to Baht 10.68 million, or 0.44 percent of total loan receivables (2022: The loan receivables participating in the scheme amounting to Baht 15.14 million, or 0.71 percent of total loan receivables).

However, because the COVID-19 pandemic is impacting on Thai economy at present, the Company's management has taken into account forecasts of the impact in estimating expected credit losses and exercised management's judgement in applying a management overlay on top of the amounts derived from the existing model to cover an increase in defaults by debtors affected by the COVID-19 pandemic.

- 9.2 As at 31 December 2023 and 2022, the balances of loan receivables classified by credit risk and allowance for expected credit losses are as follows:

	2023		2022	
	Loan receivables - net of unearned income	Allowance for expected credit loss	Loan receivables - net of unearned income	Allowance for expected credit loss
Loan receivables with no significant increase in credit risk (Performing)	1,983,631	24,950	1,692,064	27,690
Loan receivables with significant increase in credit risk (Under - performing)	416,033	66,105	411,448	59,336
Loan receivables with credit - impaired (Non - performing)	86,096	33,250	80,232	25,375
Total	2,485,760	124,305	2,183,744	112,401

(Unit: Thousand Baht)

### 9.3 Allowance for expected credit losses (ECL)

Movement of allowance for expected credit losses (ECL) of loan receivables for the years ended 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)

	For the year ended 31 December 2023			
	Allowance for expected credit loss			
	Financial assets where there has not been a significant increases in credit risk	Financial assets where there has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Beginning balance	27,690	59,336	25,375	112,401
Add (Less): Stage changes	5,511	(9,812)	4,301	-
Add (Less): Changes due to revaluation of allowance for credit loss	(11,773)	12,300	15,726	16,253
Add: New financial assets acquired	13,898	24,553	5,931	44,382
Less: Derecognition of financial assets	(10,376)	(20,272)	(6,162)	(36,810)
Less: Bad debt written-off during the year	-	-	(11,921)	(11,921)
Ending balance	24,950	66,105	33,250	124,305

(Unit: Thousand Baht)

	For the year ended 31 December 2022			
	Allowance for expected credit loss			
	Financial assets where there has not been a significant increases in credit risk	Financial assets where there has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Beginning balance	48,289	48,036	22,753	119,078
Add (Less): Stage changes	(1,745)	(2,578)	4,323	-
Add (Less): Changes due to revaluation of allowance for credit loss	(17,058)	11,569	7,392	1,903
Add: New financial assets acquired	17,926	20,011	6,409	44,346
Less: Derecognition of financial assets	(19,722)	(17,702)	(5,763)	(43,187)
Less: Bad debt written-off during the year	-	-	(9,739)	(9,739)
Ending balance of the year	27,690	59,336	25,375	112,401



- 9.4 As at 31 December 2023, loan receivables (net of unearned income) amounting to Baht 2,087.10 million were pledged to secured credit facilities from commercial banks (2022: Baht 2,174.43 million), as discussed in Note 17 to the financial statements.

#### 10. Trade and other receivables

	(Unit: Thousand Baht)	
	2023	2022
Trade receivables	9	129
Other receivables	7,642	8,142
Total	7,651	8,271

#### 11. Inventories

	(Unit: Thousand Baht)					
	Cost		Reduce cost to net realisable value		Inventories-net	
	2023	2022	2023	2022	2023	2022
Electric appliance	89,066	97,024	(83)	(85)	88,983	96,939
Mobile phone	13,862	7,067	(44)	(26)	13,818	7,041
Computer	1,024	1,855	-	(1)	1,024	1,854
Others	892	921	-	-	892	921
Total	104,844	106,867	(127)	(112)	104,717	106,755

#### 12. Other current assets

	(Unit: Thousand Baht)	
	2023	2022
Prepaid expenses	2,042	3,531
Accrued income	18,403	23,208
Other current assets	3,378	3,287
Total	23,823	30,026
Less: Allowance for impairment	-	(800)
Other current assets - net	23,823	29,226

### 13. Assets foreclosed

	(Unit: Thousand Baht)	
	2023	2022
Assets foreclosed - cost	41,345	35,430
Less: Allowance for impairment	(14,413)	(9,778)
Assets foreclosed - net	26,932	25,652

### 14. Leasehold improvements and equipment

	(Unit: Thousand Baht)					
	Leasehold improvements	Motor vehicles	Furniture and fixtures	Office equipment	Assets under construction and installation	Total
<b>Cost</b>						
1 January 2022	40,690	26,344	45,629	41,308	-	153,971
Additions	1,276	688	3,047	5,139	372	10,522
Disposals/write off	-	-	-	(10)	-	(10)
Transfer in (transfer out)	-	-	68	-	(68)	-
31 December 2022	41,966	27,032	48,744	46,437	304	164,483
Additions	2,238	574	2,352	2,060	205	7,429
Disposals/write off	(182)	(2,322)	(7,380)	(5,872)	-	(15,756)
Transfer in (transfer out)	509	-	-	-	(509)	-
31 December 2023	44,531	25,284	43,716	42,625	-	156,156
<b>Accumulated depreciation</b>						
1 January 2022	7,519	22,618	32,396	29,589	-	92,122
Depreciation for the year	4,949	1,945	5,257	5,167	-	17,318
Depreciation for disposals/ write off	-	-	-	(10)	-	(10)
31 December 2022	12,468	24,563	37,653	34,746	-	109,430
Depreciation for the year	7,982	1,258	5,199	4,508	-	18,947
Depreciation for disposals/ write off	(181)	(2,320)	(6,973)	(5,805)	-	(15,279)
31 December 2023	20,269	23,501	35,879	33,449	-	113,098
<b>Net book value</b>						
31 December 2022	29,498	2,469	11,091	11,691	304	55,053
31 December 2023	24,262	1,783	7,837	9,176	-	43,058
<b>Depreciation charged for the years ended 31 December</b>						
2022						17,318
2023						18,947

As at 31 December 2023, certain items of equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounting to approximately Baht 68.40 million (2022: Baht 64.53 million).

## 15. Intangible assets

(Unit: Thousand Baht)

	Computer software	Computer software in process	Leasehold	Total
<b>Cost</b>				
1 January 2022	7,195	105	128	7,428
Additions	46	1,445	-	1,491
Transfer in (transfer out)	988	(988)	-	-
31 December 2022	8,229	562	128	8,919
Additions	-	748	50	798
Write off	-	(27)	-	(27)
Transfer in (transfer out)	332	(332)	-	-
31 December 2023	8,561	951	178	9,690
<b>Accumulated amortisation</b>				
1 January 2022	991	-	96	1,087
Amortisation during the year	750	-	17	767
31 December 2022	1,741	-	113	1,854
Amortisation during the year	846	-	17	863
31 December 2023	2,587	-	130	2,717
<b>Net book value</b>				
31 December 2022	6,488	562	15	7,065
31 December 2023	5,974	951	48	6,973
<b>Amortisation recognised for the years ended 31 December</b>				
2022				767
2023				863



## 16. Deferred tax assets/deferred tax liabilities and income tax expenses

### 16.1 Deferred tax assets/ deferred tax liabilities

As at 31 December 2023 and 2022, the components of deferred tax assets and deferred tax liabilities are as follows:

	31 December		(Unit: Thousand Baht) Changes in deferred tax for the years ended	
			31 December	
	2023	2022	2023	2022
<b>Deferred tax assets</b>				
Allowance for expected credit loss	28,683	26,678	2,005	732
Allowance for impairment of assets foreclosed	2,882	1,955	927	643
Loss on confiscation of assets foreclosed	1,373	634	739	(2,630)
Allowance for diminution in value of inventories	25	22	3	(3)
Provision for long-term employee benefits	6,711	4,923	1,788	378
Differences in income recognition for accounting and tax purposes	1,038	1,763	(725)	(1,464)
Others	3,878	2,192	1,686	522
Total deferred tax assets	44,590	38,167		
<b>Deferred tax liabilities</b>				
Differences in expense recognition for accounting and tax purposes	(1,094)	(865)	(229)	(601)
Total deferred tax liabilities	(1,094)	(865)		
Deferred tax assets - net	43,496	37,302		
Total changes in deferred tax assets/ liabilities			6,194	(2,423)
Recognised in:				
Profit or loss			5,825	(1,921)
Other comprehensive income			369	(502)
Total			6,194	(2,423)

## 16.2 Income tax expenses

Income tax expenses for the years ended 31 December 2023 and 2022 were as follows:

	(Unit: Thousand Baht)	
	2023	2022
<b>Current income tax:</b>		
Corporate income tax for the years	21,503	22,672
<b>Deferred income tax:</b>		
Relating to origination and reversal of temporary differences	(5,825)	1,921
<b>Income tax expenses reported in profit of loss</b>	<b>15,678</b>	<b>24,593</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)	
	2023	2022
Deferred tax relating to actuarial gain (loss)	(388)	299
Deferred tax on gain on cash flow hedges	19	203
	<b>(369)</b>	<b>502</b>

The amounts of income tax recognised directly in shareholders' equity for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)	
	2023	2022
<b>Current income tax:</b>		
Corporate income tax on transaction costs for issue a share capital (Note 23)	-	(3,833)

The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)	
	2023	2022
Accounting profit before tax	77,428	105,738
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by applicable tax rate	15,485	21,147
Effects of:		
Non-deductible expenses	295	4,071
Additional expenses deductions allowed	(102)	(119)
Others	-	(506)
<b>Income tax expenses reported in profit or loss</b>	<b>15,678</b>	<b>24,593</b>

## 17. Short-term loans from financial institutions

As at 31 December 2023 and 2022, the following is short-term loans in the form of promissory notes from financial institutions in Thailand:

(Unit: Thousand Baht)

Loan facility / Repayment schedule	Interest rate	2023	2022
	(percentage per annum)		
Promissory notes repayable within 3 months from the drawdown date, carrying interest payable monthly	MLR-0.50, MLR-1.00, MOR-1.50	1,275,780	1,428,240

Bank overdraft are secured by the mortgage of land and a building owned by major shareholder of the Company and short-term loans from financial institutions are secured by the registration of collection rights as business collateral. The Company is required to comply with loan covenants such as the maintenance of a debt to equity ratio as specified in the loan agreements.

As at 31 December 2023, bank overdrafts and short-term credit facilities from financial institutions, that have not yet been drawn down amounting to Baht 449.22 million (2022: Baht 296.76 million).

## 18. Trade and other payables

(Unit: Thousand Baht)

	2023	2022
Trade payables	57,079	58,901
Other payables	11,028	13,753
Advance received	3,151	3,557
Total	71,258	76,211

## 19. Long-term loans from financial institutions

(Unit: Thousand Baht)

	2023	2022
Long-term loans from financial institutions	320,200	430,120
Less: Current portion	(90,200)	(109,920)
Long-term loans from financial institutions - net of current portion	230,000	320,200

Movement of long-term loans account for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)	
	2023	2022
Beginning balance	430,120	406,460
Add: Additional borrowings	-	100,000
Less: Repayments	(109,920)	(76,340)
Ending balance	320,200	430,120

Long-term loans from banks consist of various credit facilities totalling of Baht 600 million, which carry interest at THBFIX+2.15%, MLR-1.50% and the deposit interest rate plus 1%. The principal and interest is repayable in monthly installments and the loans mature in November 2026. These loans are secured by saving accounts and the mortgage of land and a building owned by major shareholder of the Company and guaranteed by the Company's directors. The Company is required to comply with loan covenants such as the maintenance of a debt to equity ratio and the good port to funded debt ratio as specified in the loan agreements.

As at 31 December 2022, the Company was not able to comply with loan covenants regarding the maintenance of the good port to funded debt ratio as specified in the loan agreements. However, the Company had received waiver letters from such banks to waive the good port to funded debt ratio until 30 June 2024.

As at 31 December 2023, the Company has commitments of Baht 2.24 million (2022: Baht 27.20 million) under interest rate swap agreements with lending banks that swap floating interest rates to fixed interest rates throughout the term of the loans. The interest rate swaps will gradually expire within the year 2024, in line with the repayment schedules for the long-term loans.

## 20. Leases

### The Company as a lessee

The Company has lease contracts for various items of assets used in its operations. Leases generally have lease terms between 1 - 10 years.



### a) Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2023 and 2022 are summarised below:

(Unit: Thousand Baht)

	Leasehold improvements	Motor vehicles	Total
1 January 2022	45,077	-	45,077
Changes in contract term	48,904	-	48,904
New contract	26,979	8,748	35,727
Amortisation during for the year	(37,699)	(1,690)	(39,389)
31 December 2022	83,261	7,058	90,319
Changes in contract term	23,292	-	23,292
New contract	11,602	6,142	17,744
Amortisation during for the year	(40,707)	(4,177)	(44,884)
31 December 2023	77,448	9,023	86,471

### b) Lease liabilities

Lease liabilities as at 31 December 2023 and 2022 are summarised below:

(Unit: Thousand Baht)

	2023	2022
Lease payments	93,552	97,611
Less: Deferred interest expenses	(4,999)	(5,684)
Total	88,553	91,927
Less: Current portion	(45,300)	(41,299)
Lease liabilities - net of current portion	43,253	50,628

Movement of the lease liabilities account during the years ended 31 December 2023 and 2022 are summarised below:

(Unit: Thousand Baht)

	2023	2022
Beginning balance	91,927	47,976
Additions	17,744	35,727
Accretion of interest	5,029	3,919
Repayments	(49,693)	(44,618)
Increase from changes in lease contracts	23,546	48,923
Ending balance	88,553	91,927

A maturity of lease payments is disclosed in Note 36.2 to the financial statements, under the liquidity risk.

**c) Expenses relating to leases that are recognised in profit or loss**

	(Unit: Thousand Baht)	
	2023	2022
Amortisation expense of right-of-use assets	44,884	39,389
Interest expense on lease liabilities	5,029	3,919

**d) Others**

The Company had total cash outflows for leases for the year ended 31 December 2023 of Baht 49.69 million (2022: Baht 44.62 million).

**21. Other current liabilities**

	(Unit: Thousand Baht)	
	2023	2022
Accrued special business tax	3,205	2,930
Accrued output tax	1,844	835
Accrued withholding tax	175	774
Accrued expense	15,796	23,142
Other current liabilities	363	623
<b>Total</b>	<b>21,383</b>	<b>28,304</b>

**22. Provision for long-term employee benefits**

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, were as follows:

	(Unit: Thousand Baht)	
	For the years ended 31 December	
	2023	2022
<b>Provision for long-term employee benefits at beginning of year</b>	<b>39,655</b>	<b>42,347</b>
Recognised in profit or loss:		
Current service cost	5,472	4,634
Interest cost	1,100	795
Recognised in other comprehensive income:		
Actuarial (gain) loss arising from		
Demographic assumption changes	4	131
Financial assumption changes	551	(3,339)
Experience adjustments	1,386	1,714
Benefits paid during the year	-	(6,627)
<b>Provision for long-term employee benefits at end of year</b>	<b>48,168</b>	<b>39,655</b>



As at 31 December 2023, the Company has expect to pay long-term employee benefits during the next year approximately Baht 12.72 million (2022: Baht 5.10 million)

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit is 13.20 years (2022: 13.55 years).

Significant actuarial assumptions are summarised as follows:

	(Units: Percentage per annum)	
	2023	2022
Discount rate	2.81	2.77
Future salary increase rate	6.00	6.00
Turnover rate	4.00 - 23.00	4.00 - 24.00

The result of sensitivity analysis for significant assumptions that affect the present value of long-term employee benefit obligation as at 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)			
	2023			
	Increase rate		Decrease rate	
	Percentage	Provision increase (decrease)	Percentage	Provision increase (decrease)
Discount rate	0.5	(2,352)	0.5	2,538
Future salary increase rate	0.5	2,392	0.5	(2,242)
Turnover rate	10.0	(2,459)	10.0	2,683

	(Unit: Thousand Baht)			
	2022			
	Increase rate		Decrease rate	
	Percentage	Provision increase (decrease)	Percentage	Provision increase (decrease)
Discount rate	0.5	(2,110)	0.5	2,279
Future salary increase rate	0.5	2,165	0.5	(2,027)
Turnover rate	10.0	(2,225)	10.0	2,429

## 23. Share capital

**23.1** On 1 April 2022, the 2022 Annual General Meeting of the Company's shareholders passed the following resolutions:

1. Approved a change in a par value of the Company's ordinary shares from Baht 100 each to Baht 0.50 each. As a result, the Company's registered and paid-up share capital amounts to Baht 400 million, comprising 800 million ordinary shares with a par value of Baht 0.50 each.
2. Approved an increase in the Company's registered share capital of 300 million shares for the initial public offering including the offering to related persons and benefactors. As a result, the Company's registered share capital increased from Baht 400 million (800 million ordinary shares with a par value of Baht 0.50 each) to Baht 550 million (1,100 million ordinary shares with a par value of 0.50 each).

The Company registered such changes with the Ministry of Commerce on 7 April 2022.

**23.2** During 8 - 9, 13 December 2022, the Company made an initial public offering of 300 million newly issued ordinary shares with a par value of Baht 0.50 each, at an offering price of Baht 2.04 per share, amounting to Baht 612 million with share premium of Baht 446.67 million (net of offering expenses and related income tax amounting to Baht 15.33 million). Subsequently on 14 December 2022, the Company has received full payment of the additional capital and then registered the increase of its issued and paid-up share capital from Baht 400 million (800 million ordinary shares with a par value of Baht 0.50 each) to Baht 550 million (1,100 million ordinary shares with a par value of Baht 0.50 each) with the Ministry of Commerce on 14 December 2022. The Stock Exchange of Thailand approved 550 million ordinary shares with a par value of Baht 0.50 each as listed securities, with trading permitted on 20 December 2022.

As at 31 December 2023 and 2022, the Company had registered and paid up share capital as follows:

	2023		2022	
	Number of shares (million shares)	Amount (million Baht)	Number of shares (million shares)	Amount (million Baht)
<b>Issued and paid-up capital</b>				
Issued and paid-up capital at the beginning of the year	1,100	550	4	400
Share splitting (from 4 million ordinary shares with a par value of Baht 100 each to 800 million ordinary shares with a par value of Baht 0.50 each)	-	-	796	-
Increase in capital (300 million ordinary shares with a par value of Baht 0.50 each)	-	-	300	150
Issued and paid-up capital at the end of the year	1,100	550	1,100	550

## 24. Share-based payment

On 1 April 2022, the Company's major shareholder entered into an agreement with an investor to sell 64 million ordinary shares of the Company with a par value of Baht 0.50 each, which stipulated that the selling price of the ordinary shares is equal to the price after a 15 percent discount on the price offered to the initial public offering, amounting to Baht 19.58 million. The transaction was deemed a share-based payment, during which the Company's ordinary shares begin trading on the Stock Exchange of Thailand on the first date. The transaction was recognised as Company's expenses in profit or loss, together with share premium.

## 25. Statutory reserves

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

## 26. Dividends

Dividends	Approved by	Dividend paid (Thousand Baht)	Dividend per share (Baht)
Final dividends for the year 2022	Annual General Meeting of the shareholders on 27 April 2023	44,000	0.04
Dividend paid for the year 2023		44,000	
Final dividends for the year 2021	Annual General Meeting of the shareholders on 1 April 2022	102,000	25.50
Dividend paid for the year 2022		102,000	

## 27. Sales and service income

Type of goods or service	(Unit: Thousand Baht)	
	For the years ended 31 December	
	2023	2022
Sale of electric appliance	750,123	831,713
Sale of motorcycle	2,088	1,459
Installation services	21,672	12,617
Total	773,883	845,789



**28. Loss on impairment and disposals of assets foreclosed**

(Unit: Thousand Baht)

	For the years ended 31 December	
	2023	2022
Impairment loss of assets foreclosed	4,635	3,217
Loss on disposals of assets foreclosed	33,414	12,361
Total	38,049	15,578

**29. Finance cost**

(Unit: Thousand Baht)

	For the years ended 31 December	
	2023	2022
Interest expense on borrowings	72,768	64,208
Interest expense on lease liabilities	5,029	3,919
Interest expense from derivatives designated as hedging instruments in cash flow hedge	130	880
Total	77,927	69,007

**30. Expenses by nature**

For the years ended 31 December 2023 and 2022, significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

	For the years ended 31 December	
	2023	2022
Salary, wages and other employee benefits	265,891	245,818
Sales promotion	12,411	13,901
Depreciation and amortisation	64,694	57,473
Office rental expenses	25,948	23,176
Professional fee	8,024	11,018
Special business tax and other taxes	19,048	17,211

### 31. Earnings per share

Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the number of ordinary shares proportionately to the change in the number of shares as a result of the change in the par value of the ordinary shares.

On 1 April 2022, the 2022 Annual General Meeting of the Company's shareholders approved to change in par value of ordinary shares from Baht 100 each to Baht 0.50 each for calculating earnings per share, the number of ordinary shares is adjusted as if the change in number of shares had occurred at the beginning of the earliest period reported.

	For the years ended 31 December	
	2023	2022
Profit for the year (Thousand Baht)	61,750	81,145
Weighted average number of ordinary shares (Thousand shares)	1,100,000	814,794
Basic earnings per share (Baht per share)	0.06	0.10

### 32. Provident fund

On July 2019, the Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Employees contribute to the fund monthly at the rate of 2 - 15 percent of basic salary and the Company contribute to the fund monthly at the rate of 2 percent of basic salary. The fund, which is managed by TISCO Asset Management Company Limited will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2023 amounting to approximately Baht 1.76 million were recognised as expenses (2022: Baht 1.79 million).

### 33. Financial information classified by operating segment

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company is organised into business units based on its products and services and has four reportable segments as follows: (1) Sales (2) Hire purchase (3) Lending business and (4) Others.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

Revenue, profit and total assets of the Company presented by operating segment for the years ended 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)

	For the year ended 31 December 2023			
	Sales	Hire purchase	Lending business	Total
<b>Revenue from external customers</b>				
Sales	773,883	-	-	773,883
Hire purchase interest income	-	84,563	-	84,563
Loan interest income	-	-	455,351	455,351
Other income	3,619	11,842	31,161	46,622
Total income	777,502	96,405	486,512	1,360,419
Cost of sales	(656,836)	-	-	(656,836)
Finance cost	(6,763)	(19,743)	(51,421)	(77,927)
Expected credit losses	800	(48,499)	(60,600)	(108,299)
Loss on impairment and disposals of assets foreclosed	-	(984)	(37,065)	(38,049)
Operating expenses	(46,784)	(33,191)	(159,190)	(239,165)
Segment profit (loss) before income tax	67,919	(6,012)	178,236	240,143
Unallocated income				19,435
Unallocated operating expenses				(182,150)
Income tax expenses				(15,678)
<b>Profit for the year</b>				<b>61,750</b>



(Unit: Thousand Baht)

For the year ended 31 December 2022

	Sales	Hire purchase	Lending business	Total
<b>Revenue from external customers</b>				
Sales	845,789	-	-	845,789
Hire purchase interest income	-	85,121	-	85,121
Loan interest income	-	-	410,441	410,441
Other income	4,234	6,654	26,720	37,608
Total income	850,023	91,775	437,161	1,378,959
Cost of sales	(722,507)	-	-	(722,507)
Finance cost	(5,906)	(19,950)	(43,151)	(69,007)
Expected credit losses	-	(43,872)	(28,510)	(72,382)
Loss on impairment and disposals of assets foreclosed	-	(1,001)	(14,577)	(15,578)
Operating expenses	(48,131)	(30,086)	(132,329)	(210,546)
Segment profit (loss) before income tax	73,479	(3,134)	218,594	288,939
Unallocated income				20,477
Unallocated operating expenses				(203,678)
Income tax expenses				(24,593)
<b>Profit for the year</b>				<b>81,145</b>

Segment assets of the Company as at 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)

	2023	2022
<b>Segment assets</b>		
Sales	129,732	139,957
Hire purchase	205,205	247,949
Lending business	2,390,705	2,094,943
Unallocated assets	233,964	727,036
	<b>2,959,606</b>	<b>3,209,885</b>

### Geographic information

The Company are operated in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable.

### Major customers

For the years 2023 and 2022, the Company have no major customer with revenue of 10 percent or more of an entity's revenues.

### 34. Related party transactions

During the year, the Company had significant business transactions with related parties. Such transactions are in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties. A summary of related parties and transactions with those parties are summarised below.

Name of related party	Relationship with the Company
Thanathiwat Company Limited	Major shareholder

Significant transactions for the years ended 31 December 2023 and 2022 with related parties are as follows:

		(Unit: Thousand Baht)	
		For the years ended 31 December	
	2023	2022	Transfer Pricing Policy
<b>Transactions with major shareholder</b>			
Office rental expense	25,373	24,929	Contractually agreed
<b>Transactions with related persons</b>			
Sales and service income			Market price
Directors and shareholders	2	85	
Relate to executives	-	21	
Relate to directors and shareholders	25	142	
Sale of assets			Auction price
Relate to executives	-	118	

As at 31 December 2023 and 2022, the balances of the accounts between the Company and those related parties are as follows:

		(Unit: Thousand Baht)	
		2023	2022
<b>Transactions with major shareholder</b>			
Lease liabilities		51,783	51,457

### Directors and management's benefits

During the years ended 31 December 2023 and 2022, the Company had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)	
	For the years ended 31 December	
	2023	2022
Short-term employee benefits	41,689	45,639
Post-employment benefits	3,591	2,742
Total	45,280	48,381

## 35. Commitments and contingent liabilities

### 35.1 Long-term service agreements commitments

As at 31 December 2023 and 2022, future minimum fee required under these long-term service agreements are as follows:

	(Unit: Thousand Baht)	
	2023	2022
Payable:		
Within 1 year	5,808	5,376
1 to 5 years	4,744	3,297

### 35.2 Guarantees

As at 31 December 2023, there were outstanding bank guarantees of approximately Baht 4.22 million (2022: Baht 4.17 million) issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business.

## 36. Financial instruments

### 36.1 Derivatives and hedge accounting

	(Unit: Thousand Baht)	
	2023	2022
<b>Derivative liabilities</b>		
Derivatives liabilities designated as hedging instruments		
Interest rate swap	1	97
<b>Total other current financial liabilities</b>	<b>1</b>	<b>97</b>

## Derivatives designated as hedging instruments

### Cash flow hedges

The Company uses interest rate swaps as hedging instruments to hedge cash flows on floating rate loan.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the interest rate swap match the terms of the fixed rate loan (i.e., notional amount, maturity, payment and reset dates). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risks of interest rate swaps are identical to the hedged risk components.

The Company is holding the following derivatives as hedging instruments as at 31 December 2023 and 2022:

	(Unit: Thousand Baht)					
	Carrying amount		Hedge item		Notional amount	
	2023	2022	2023	2022	2023	2022
<b>Interest rate swaps</b>						
Currency: Baht	1	97	Borrowing (Baht)	Borrowing (Baht)	2,240	27,200

	(Unit: Thousand Baht)							
	Maturity							
	Less than 1 year		1 - 5 years		Over 5 years		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
<b>Interest rate swaps</b>								
Contract amount (Thousand Baht)	2,240	24,960	-	2,240	-	-	2,240	27,200
Average fixed rate (Percentage)	4.50	4.50	-	4.50	-	-	4.50	4.50

During the year 2023, the effective portion of the gain on interest rate swap is recognised in other comprehensive income amounting to Baht 0.08 million (2022: Baht 0.81 million) for cash flow hedge reserve in equity. There is no ineffectiveness was recognised in profit or loss. In addition, the Company transferred cash flow hedge reserve amount of Baht 0.001 million (2022: Baht 0.08 million) to profit or loss which was presented under the caption of finance cost.



## 36.2 Financial risk management objectives and policies

The Company's financial instruments principally comprise cash and cash equivalents, deposits at bank with restrictions, hire purchase receivables, loan receivables, trade and other receivables, fixed deposits, short-term loans from financial institutions, trade and other payables, lease liabilities and long-term loans from financial institutions. The financial risks associated with these financial instruments and how they are managed is described below.

### 36.2.1 Credit risk

The Company are exposed to credit risk primarily with respect to hire purchase receivables, loan receivables, trade and other receivables and cash deposits at financial institutions. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Company's maximum exposure relating to derivatives is noted in the liquidity risk topic.

#### ***Hire purchase receivables, loan receivables and trade and other receivables***

The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company does not have high concentrations of credit risk since it has a various and large customer base.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Company classifies customer segments by product type, customer type, calculating expected credit loss used probability-weighted amount, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

#### ***Cash deposits***

The Company manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings.

The table below shows the credit quality of financial assets exposed to credit risk. The amounts presented for financial assets are the gross carrying amount (before netting allowance for expected credit losses). Explanations of the 12-month expected credit losses, lifetime expected credit losses - not credit impaired, and lifetime expected credit losses - credit impaired are included in Note 4.4 to the financial statements.

(Unit: Thousand Baht)

	2023			
	Financial assets where there has not been a significant increase in credit risk (12-mth ECL)	Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit- impaired (Lifetime ECL - credit impaired)	Total
<b>Cash and cash equivalents</b>				
Investment grade	39,515	-	-	39,515
Total	39,515	-	-	39,515
Less: Allowance for expected credit losses	-	-	-	-
Net carrying amount	39,515	-	-	39,515
<b>Hire purchase receivables</b>				
No past overdue	170,732	174	13	170,919
1 - 30 days overdue	27,972	492	13	28,477
31 - 60 days overdue	-	8,659	18	8,677
61 - 90 days overdue	-	4,265	169	4,434
Over 90 days overdue	-	-	11,224	11,224
Total	198,704	13,590	11,437	223,731
Less: Allowance for expected credit losses	(8,132)	(2,810)	(8,165)	(19,107)
Net carrying amount	190,572	10,780	3,272	204,624
<b>Loan receivables</b>				
No past overdue	1,563,061	3,771	146	1,566,978
1 - 30 days overdue	420,570	10,146	771	431,487
31 - 60 days overdue	-	268,134	940	269,074
61 - 90 days overdue	-	133,982	1,230	135,212
Over 90 days overdue	-	-	83,009	83,009
Total	1,983,631	416,033	86,096	2,485,760
Less: Allowance for expected credit losses	(24,950)	(66,105)	(33,250)	(124,305)
Net carrying amount	1,958,681	349,928	52,846	2,361,455



(Unit: Thousand Baht)

	2022			
	Financial assets where there has not been a significant increase in credit risk (12-mth ECL)	Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit- impaired (Lifetime ECL - credit impaired)	Total
<b>Cash and cash equivalents</b>				
Investment grade	518,645	-	-	518,645
Total	518,645	-	-	518,645
Less: Allowance for expected credit losses	-	-	-	-
Net carrying amount	518,645	-	-	518,645
<b>Hire purchase receivables</b>				
No past overdue	178,597	277	14	178,888
1 - 30 days overdue	43,012	871	41	43,924
31 - 60 days overdue	-	16,844	57	16,901
61 - 90 days overdue	-	11,301	222	11,523
Over 90 days overdue	-	-	15,166	15,166
Total	221,609	29,293	15,500	266,402
Less: Allowance for expected credit losses	(6,097)	(5,245)	(8,845)	(20,187)
Net carrying amount	215,512	24,048	6,655	246,215
<b>Loan receivables</b>				
No past overdue	1,335,917	8,036	144	1,344,097
1 - 30 days overdue	356,147	19,206	94	375,447
31 - 60 days overdue	-	243,152	636	243,788
61 - 90 days overdue	-	141,054	1,255	142,309
Over 90 days overdue	-	-	78,103	78,103
Total	1,692,064	411,448	80,232	2,183,744
Less: Allowance for expected credit losses	(27,690)	(59,336)	(25,375)	(112,401)
Net carrying amount	1,664,374	352,112	54,857	2,071,343

### Collateral and any operations to increase creditability

The Company holds collateral and any operations to increase the creditability of its exposure to credit risk. Details of the collateral held by the Company for each type of financial asset are as follows:

(Unit: Million Baht)

	Exposure to risk with collateral		Type of collateral
	2023	2022	
Hire purchase receivables and loan receivables	2,476	2,164	Motor vehicles, motorcycles and land

### 36.2.2 Market risk

Market risk is the risk that changes in interest rates, foreign exchange rates and securities prices may have an effect on the financial positions of the Company. As the Company has no foreign currency assets and liabilities and no investments in securities, market risk therefore consists of only interest rate risk.

#### Interest rate risk

The Company's exposure to interest rate risk relates primarily to its loans. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Company manages its interest rate risk by enters into interest rate swaps in which it agrees to exchange, at specified intervals, between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

As at 31 December 2023 and 2022, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Thousand Baht)

2023

	Fixed interest rate			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	Maturity or repricing date						
	Within		Over				
	1 year	1 - 5 years	5 years				
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	28,953	10,562	39,515	0.15 - 0.60
Deposits at bank with restrictions	-	-	-	4,761	-	4,761	0.60
Hire purchase receivables	214,504	9,227	-	-	-	223,731	20.37 - 51.67
Loan receivables	943,839	1,417,037	124,884	-	-	2,485,760	11.69 - 28.00
Trade and other receivables	-	-	-	-	7,651	7,651	-
<b>Financial liabilities</b>							
Short-term loans from financial institutions	-	-	-	1,275,780	-	1,275,780	6.05 - 6.60
Trade and other payables	-	-	-	-	71,258	71,258	-
Lease liabilities	45,300	41,832	1,421	-	-	88,553	3.19 - 6.11
Long-term loans from financial institutions	-	-	-	320,200	-	320,200	1.60 - 5.77

(Unit: Thousand Baht)

2022

	Fixed interest rate			Floating interest rate	Non- interest bearing	Total	Effective interest rate  (% per annum)
	Maturity or repricing date						
	Within		Over				
	1 year	1 - 5 years	5 years				
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	500,979	17,666	518,645	0.15 - 0.35
Deposits at bank with restrictions	-	-	-	5,573	-	5,573	0.35
Hire purchase receivables	257,486	8,894	22	-	-	266,402	20.33 - 51.55
Loan receivables	897,984	1,198,831	86,929	-	-	2,183,744	12.47 - 28.00
Trade and other receivables	-	-	-	-	8,271	8,271	-
Other current financial assets	1,000	-	-	-	-	1,000	0.375
<b>Financial liabilities</b>							
Short-term loans from financial institutions	-	-	-	1,428,240	-	1,428,240	4.75 - 4.85
Trade and other payables	-	-	-	-	76,211	76,211	-
Lease liabilities	41,299	47,686	2,942	-	-	91,927	3.72 - 5.70
Long-term loans from financial institutions	-	-	-	430,120	-	430,120	1.35 - 4.50

### Interest rate sensitivity analysis

The following table demonstrates the sensitivity of the Company's profit before tax to a reasonably possible change in interest rates on that portion of floating rate loans affected as at 31 December 2023 and 2022.

Currency	2023		2022	
	Increase/decrease	Effect on	Increase/decrease	Effect on
		profit before tax		profit before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Baht	+1	(15,960)	+1	(18,584)
	-1	15,960	-1	18,584

### 36.2.3 Liquidity risk

Liquidity risk is the risk that the Company will be unable to liquidate their financial assets and/or procure sufficient funds to discharge their obligations in a timely manner, resulting in the incurrence of a financial loss.

The Company has a policy to manage liquidity risk with appropriate short-term loan and long-term funding structure. Moreover, the Company has a policy in maintaining the liquidity to ensure that there is sufficient liquidity for the current and in the future.

The table below summarises the maturity profile of the Company's non-derivative financial liabilities and derivative financial instruments as at 31 December 2023 and 2022 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	2023				
	On demand	Less than 1 year	1 - 5 years	Over 5 years	Total
<b>Non-derivatives</b>					
Short-term loans from financial institutions	-	1,275,780	-	-	1,275,780
Trade and other payables	-	71,258	-	-	71,258
Lease liabilities	-	45,300	41,832	1,421	88,553
Long-term loans from financial institutions	-	90,200	230,000	-	320,200
<b>Total non-derivatives</b>	-	1,482,538	271,832	1,421	1,755,791
<b>Derivatives</b>					
Derivative liabilities: net settled	-	1	-	-	1
<b>Total</b>	-	1	-	-	1



(Unit: Thousand Baht)

	2022				Total
	On demand	Less than 1 year	1 - 5 years	Over 5 years	
<b>Non-derivatives</b>					
Short-term loans from financial institutions	-	1,428,240	-	-	1,428,240
Trade and other payables	-	76,211	-	-	76,211
Lease liabilities	-	41,299	47,686	2,942	91,927
Long-term loans from financial institutions	-	109,920	320,200	-	430,120
<b>Total non-derivatives</b>	-	1,655,670	367,886	2,942	2,026,498
<b>Derivatives</b>					
Derivative liabilities; net settled	-	97	-	-	97
<b>Total</b>	-	97	-	-	97

### 36.3 Fair values of financial instruments

As at 31 December 2023 and 2022, except for derivatives, the Company had no financial assets or financial liabilities that were measured at fair value. The estimated fair value of financial instruments, in comparison with the related amounts carried in the statement of financial position, is as follows:

(Unit: Thousand Baht)

	Book value	2023			
		Fair value			
		Total	Level 1	Level 2	Level 3
<b>Financial assets for which fair value are disclosed</b>					
Cash and cash equivalents	39,515	39,515	39,515	-	-
Deposits at bank with restrictions	4,761	4,761	4,761	-	-
Hire purchase receivables	204,624	200,354	-	-	200,354
Loan receivables	2,361,455	2,336,450	-	-	2,336,450
Trade and other receivables	7,651	7,651	-	-	7,651
<b>Financial liabilities for which fair value are disclosed</b>					
Short-term loans from financial institutions	1,275,780	1,275,780	-	-	1,275,780
Trade and other payables	71,258	71,258	-	-	71,258
Lease liabilities	88,553	88,553	-	-	88,553
Long-term loans from financial institutions	320,200	320,200	-	-	320,200
<b>Financial liabilities measured at fair value</b>					
Other current financial liabilities - derivatives	1	1	-	1	-

(Unit: Thousand Baht)

	2022				
		Fair value			
	Book value	Total	Level 1	Level 2	Level 3
Financial assets for which fair value are disclosed					
Cash and cash equivalents	518,645	518,645	518,645	-	-
Deposits at bank with restrictions	5,573	5,573	5,573	-	-
Hire purchase receivables	246,215	239,907	-	-	239,907
Loan receivables	2,071,343	2,053,594	-	-	2,053,594
Trade and other receivables	8,271	8,271	-	-	8,271
Other current financial assets	1,000	1,000	1,000	-	-
Financial liabilities for which fair value are disclosed					
Short-term loans from financial institutions	1,428,240	1,428,240	-	-	1,428,240
Trade and other payables	76,211	76,211	-	-	76,211
Lease liabilities	91,927	91,927	-	-	91,927
Long-term loans from financial institutions	430,120	430,120	-	-	430,120
Financial liabilities measured at fair value					
Other current financial liabilities - derivatives	97	97	-	97	-

Fair value hierarchy for financial assets and liabilities as at 31 December 2023 and 2022 is stipulated in Note 4.18 to the financial statements.

The methods and assumptions used by the Company estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, deposits at bank with restrictions, trade and other receivables, fixed deposits, short-term loans from financial institutions, trade and other payables, their carrying amounts in the statement of financial position approximate their fair value.
- For hire purchase receivables and loan receivable, fair value is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions.
- For long-term loans from financial institutions and lease liabilities carrying interest cost at floating rate with interest rate approximates to market rate, its carrying amount in the statement of financial position approximates its fair value.
- Interest rate swap contract was presented as "other current financial liabilities" and measured at fair value, which was referenced by the counterparty bank.

During the current year, there were no transfers within the fair value hierarchy.



### 37. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the loan agreements.

As at 31 December 2023, the Company's debt-to-equity ratio was 1.62:1 (2022: 1.89:1).

### 38. Events after the reporting period

On 28 February 2024, a meeting of the Company's Board of Directors No. 1/2024 passed a resolution to propose to the Annual General Meeting of shareholders for approval dividend payment to the shareholders from operating results for 2023 at Baht 0.03 per share, totalling Baht 33 million.

### 39. Reclassifications

Certain amounts in the statement of financial position as at 31 December 2022 and the statement of comprehensive income for the year ended 31 December 2022 have been reclassified to conform with the current year's classification as follows.

Statement of financial position

	31 December 2022		(Unit: Thousand Baht) 1 January 2022	
	As previously reported		As brought forward	
	As reclassified	As previously reported	As reclassified	As brought forward
Current portion of loan receivables	831,221	828,989	758,593	756,958
Trade and other receivables	8,271	17,581	8,773	14,230
Loan receivables - net of current portion	1,240,122	1,233,044	1,021,631	1,017,809

Statement of comprehensive income

	(Unit: Thousand Baht) For the year ended 31 December 2022	
	As previously reported	
	As reclassified	As previously reported
Loan interest income	410,441	409,407
Other income	44,123	45,157

The reclassifications had no effect to previously reported profit or shareholders' equity.

### 40. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 28 February 2024

## Part 4

### Certification of Information Accuracy



## Attachment 1

### Details about Directors, Executives, Controlling Persons, Assigned Persons with the Highest Responsibility in Accounting and Finance, Persons Assigned with Direct Responsibilities in Controlling Accounting and the Company's Secretary

#### 1. Information about Directors, Executives and Controlling Persons (if any) and Company Secretary

##### 1.1. Information about Directors, Executives, Controlling Persons of the Company and Company Secretary

First-Last Name and Position <sup>(a)</sup>	Age (Years)	Education and Training	Company Shares Held <sup>(v)</sup>	Relationship with Other Directors/ Executives	Work History for the Past 5 Years		
					Time Period	Position	Agency/Company Name
1. Dr. Uisit Ongpipattanakul Chairman of the Board / Audit Director / Independent Director	60	<ul style="list-style-type: none"> <li>- Doctor of Business Administration, Asian Institute of Technology</li> <li>- Master of Business Administration, University of Florida, United States of America</li> <li>- Master of Arts-Business Law, Chulalongkorn University</li> <li>- Bachelor of Pharmacology, Chulalongkorn University</li> <li>- DCP Program, Class 185/2557</li> <li>- DAP Program, Class 20/2547</li> <li>- Audit Committee Program, Class 15/2557</li> <li>- Corporate Governance for Capital market Intermediaries Program, Class 15/2559</li> </ul>	-0-	None.	Jan 2019 - Present	Chairman of the Board	Star Money Public Company Limited
					2017 - Present	Director	Chin Saechiang Limited Partnership
					2011 - 2023	Director	Engchin Saechiang Registered Ordinary Partnership
					2023 - Present	Director	Trinity Wathana Public Company Limited
					2010 - Present	Managing Director / Chief Executive Officer	Trinity Securities Co., Ltd.
					2015 - Present	Chairman of the Audit Committee / Chairman of the Nomination Committee / Independent Director	Capital Engineering Network Public Company Limited
					2018 - Present	Director	Trinity One Co., Ltd.
					2013 - 2017	Audit Director / Independent Director	Inter Far East Engineering Public Company Limited

First-Last Name and Position <sup>(a)</sup>	Age (Years)	Education and Training	Company Shares Held <sup>(c)</sup>	Relationship with Other Directors/ Executives	Work History for the Past 5 Years		
					Time Period	Position	Agency/Company Name
2. Mr. Utit Lavansthien Director/ Vice Chairman of the Board/ Chief Executive Officer/Director with Binding Signatory Authority by Certificate	73	<ul style="list-style-type: none"> <li>- Primary School, Ruamrueedithaya School</li> <li>- DAP Program, Class 159/2562</li> </ul>	8.042	Father of Mr. Akeapop	2023 – Present	Director	Siam Pyro Co., Ltd.
					2019 – Present	Vice Chairman of the Board	Star Money Public Company Limited
					2006 – Present	Director	Thana-athon Co., Ltd.
					1991 – 2019	Chairman of the Board	Thanathiwat Co., Ltd.
3. Mr. Chusak Uivatwongkasem Director/ Managing Director/ Risk Management Director/ Nomination and Remuneration Director/ Director with Binding Signatory Authority by Certificate	64	<ul style="list-style-type: none"> <li>- Master of Business Administration, University of the Thai Chamber of Commerce</li> <li>- Bachelor of Accounting, Thammasat University</li> <li>- DCP Program, Class 279/2562</li> <li>- DAP Program, Class 157/2562</li> <li>- S8M Program, Class 8/2563</li> <li>- BNCP Program, Class /2564</li> </ul>	0.289	Nephew of Mr. Utit	2016 – Present	Director	Star Money Public Company Limited
					2006 – 2018	Managing Director	Thana-athon Co., Ltd.
					1998 – 2018	Managing Director	Thanathiwat Co., Ltd.
4. Mr. Pinit Ngamspee Chairman of the Audit Committee/ Chairman of the Nomination and Remuneration Committee/ Independent Director	68	<ul style="list-style-type: none"> <li>- Master of Accounting, Thammasat University</li> <li>- Bachelor of Accounting, Thammasat University</li> <li>- DAP Program Class 159/2562</li> </ul>	0.064	None.	Jan 2019 – Present	Director	Star Money Public Company Limited
					2016	Consultant	Central Marketing Group Co., Ltd.
					2017 – 2016	Deputy Managing Director of Accounting and Finance	Central Marketing Group Co., Ltd.

First-Last Name and Position <sup>(1)</sup>	Age (Years)	Education and Training	Company Shares Held <sup>(2)</sup>	Relationship with Other Directors/ Executives	Work History for the Past 5 Years		
					Time Period	Position	Agency/Company Name
5. Mr. Senee Uachara siritham Chairman of the Risk Management Committee/ Independent Director/ Audit Director/ Nomination and Remuneration Director	67	<ul style="list-style-type: none"> <li>- Master of Marketing, Thammasat University</li> <li>- Bachelor of Accounting, Chulalongkorn University</li> <li>- DAP Course, Class 159/2562</li> <li>- Advanced Audit Committee Program, 39/2563</li> <li>- Public Director Institute Program, King Prajadhipok's Institute, Class 22</li> </ul>	0.055	None.	Jan 2019 - Present	Independent Director	Star Money Public Company Limited
					2019 - Present	Audit Director	Srisavarindhira Thai Red Cross Institute of Nursing
					2023 - Present	Expert Committee	Department of Empowerment of Persons with Disabilities
					2023- Present	Independent Director	Cambodian Commercial Bank
					2023- Present	Executive Committee	Institute of Internal Auditors
					2022- 2023	Independent Director	Keha Sukpracha Public Company Limited
					2020-2022	Steering Director	The Public Pawnshop Office
6. Mrs. Savitree Lavansathien Director/ Deputy Managing Director of Corporate Support/ Executive Director/ Nomination and Remuneration Director/ Director with Binding Signatory Authority by Certificate	62	<ul style="list-style-type: none"> <li>- Vocational Certificate, St. John's Vocational College</li> <li>- DCP Program, Class 278/2562</li> <li>- DAP Program, Class 157/2562</li> <li>- BNCP Program, Class 11/2564</li> </ul>	2.247	Older sister of Mr. Surayut	2023 - Present	Director	Siam Pyro Co., Ltd.
					2016 - Present	Director	Star Money Public Company Limited
					2006 - 2018	Chief Executive Officer	Thana-athon Co., Ltd.
					1991 - 2018	Chief Executive Officer	Thanathiwat Co., Ltd.

First-Last Name and Position <sup>(a)</sup>	Age (Years)	Education and Training	Company Shares Held <sup>(c)</sup>	Relationship with Other Directors/ Executives	Work History for the Past 5 Years		
					Time Period	Position	Agency/Company Name
7. Mr. Surayut Lawansathien Director/ Deputy Managing Director of Loan Verification and Management/ Risk Management Director/ Director with Binding Signatory Authority by Certificate	60	<ul style="list-style-type: none"> <li>- Bachelor of Marketing, Dhurakij Pundit University</li> <li>- DCP Program, Class 278/2562</li> <li>- DAP Program, Class 157/2562</li> </ul>	1.069	Younger brother of Mrs. Savitree.	2016 – Present	Director	Star Money Public Company Limited
					2006 – 2018	Director	Thana-athon Co., Ltd.
					1998 – 2018	Director	Thanathiwat Co., Ltd.
8. Mr. Akeapop Lavansathien Director/Deputy Managing Director of Marketing and Merchandising Division/ Risk Management Director/ Director with Binding Signatory Authority by Certificate	50	<ul style="list-style-type: none"> <li>- Faculty of Political Science Chulermkhanjana University</li> <li>- DCP Program, Class 279/2562</li> <li>- DAP Program, Class 157/2562</li> </ul>	3.107	Son of Mr. Vittit.	2016 – Present	Director	Star Money Public Company Limited
					2003 – 2018	Director	Thanathiwat Co., Ltd.
					2006 – 2018	Director	Thana-athon Co., Ltd.



First-Last Name and Position <sup>(a)</sup>	Age (Years)	Education and Training	Company Shares Held <sup>(c)</sup>	Relationship with Other Directors/ Executives	Work History for the Past 5 Years		
					Time Period	Position	Agency/Company Name
9. Mr. Panukorn Chantaraprapab Director	48	<ul style="list-style-type: none"> <li>- Doctor of Business Administration, University of Manchester</li> <li>- Master of Business Administration, State University of New York at Buffalo</li> <li>- Master of Arts in Economics and International Finance, Chulalongkorn University</li> <li>- Bachelor of Business Administration in Finance and Banking, Thammasat University</li> <li>- DCP Program, Class 286/2562</li> <li>- Advanced Audit Committee Program, Class 29/2561</li> <li>- DAP Program, Class 138/2560</li> </ul>	-0-	-	2022 – Present	Director	Star Money Public Company Limited
					2011 – Present	Vice Chairman of the Board	Bangkok Bank Public Company Limited
					2016 – Present	Director	Bualuang Ventures Co., Ltd.
					2022 – Present	Director	New Paradigm Co., Ltd.
					2021 – Present	Director	Bangkok SMC Consulting Co., Ltd.
					2016 – 2020	Acting Managing Director	Bualuang Ventures Co., Ltd.
10. Miss Suwakhon Muadkhong Deputy Managing Director of Accounting, Finance and Budgets/ Person with Highest Responsibility in Accounting and Finance	51	<ul style="list-style-type: none"> <li>- Master of Finance and Banking, Ramkhamhaeng University</li> <li>- Bachelor of Finance and Banking, Ramkhamhaeng University</li> <li>- Bachelor of Accounting, University of the Thai Chamber of Commerce</li> <li>- CFO's Orientation Course for New IPOs, Class 3/2562</li> </ul>	0.009	None.	2019 – Present	Deputy Managing Director of Accounting, Finance and Budgets	Star Money Public Company Limited
					Aug – Dec 2018	Assistant Director of Accounting and Finance	BAF (Thailand) Co., Ltd.
					2017 – July 2018	Financial Project Manager	Thiensurat Public Company Limited
					2009 – 2017	Assistant Director of Accounting and Finance	Krungthai Bank Leasing Co., Ltd.

First-Last Name and Position <sup>(a)</sup>	Age (Years)	Education and Training	Company Shares Held <sup>(c)</sup>	Relationship with Other Directors/ Executives	Work History for the Past 5 Years		
					Time Period	Position	Agency/Company Name
11. Miss. Solossaya Jeebsuwan Company Secretary	47	<ul style="list-style-type: none"> <li>- Ongoing doctoral studies in Social, Business and Political Leadership, Rangsit University</li> <li>- Master of Management, St. John's University</li> <li>- Bachelor of Management, St. John's University</li> <li>- Corporate Secretary (CSP) Program, Class 63/2558</li> <li>- EMT Program, Class 35/2559</li> <li>- Advance for Corporate Program, Class 2/2561</li> <li>- Anti-Corruption Practice Guide (ACPG) Program, Class 50/2562</li> </ul>	0.001	None.	Jan 2019-Present	Company Secretary	Star Money Public Company Limited
					2013 - Present	Company Secretary	McTRIC Public Company Limited
					2017 - 2019	Company Secretary	Sonic Interfreight Public Company Limited
					Mar-Aug 2017	Company Secretary	DDD Biotech Public Company Limited
					2012-2013	Company Secretary	Polaris Capital Public Company Limited
12. Miss Hobkaew Pairotsorakit Company Secretary	54	<ul style="list-style-type: none"> <li>- Bachelor's Degree in Accounting, Sripatum University, Bang Khen, Bangkok</li> <li>- Corporate Secretary (CSP) Program, Class 101/2562</li> </ul>	0.035	None.	Aug 2023-present	Company Secretary	Star Money Public Company Limited
					Year June 2022 - July 2023	Assistant Company Secretary	Star Money Public Company Limited
					Year 2019 - May 2022	Company Secretary Officer	Star Money Company Limited
					Year 2016-2018	Accounts/budgets and reports	Star Money Company Limited
13. Mrs. Kritsana Wisamon Responsibilities in Controlling Accounting	42	- Bachelor of Accounting, Chulermkarnchana University	0.011	None.	January 2018-Present	Accounting Department Manager	Star Money Public Company Limited
					2014 - 2017	Accounting Department Manager	Thanathiwat Co., Ltd.

Remarks: \* The company's share proportions above includes direct and indirect shares, including shares held by spouses.

## 1.2. Responsibilities of the Company's Secretary

The company's secretary is required to perform duties responsibly, cautiously and with integrity and honesty in line with the Securities and Exchange Act (No. 4), B.E. 2008, which prescribed the roles, duties and responsibilities of company secretaries as follows:

1. Report resolutions and policies of the board of directors and shareholders to relevant executives and provide consultation and basic recommendations to the board of directors according to the practice regulations, policies and requirements of the company and appropriate practices in corporate governance.
2. Prepare and keep the following documents:
  - (a) Registration of directors.
  - (b) Board meeting invitation letters, board meeting reports and company annual reports.
  - (c) Shareholder meeting invitation letters and shareholder meeting reports.
3. Take actions to ensure that company directors and executives prepare reports of their stake-holding and those of connected persons according to legal specifications, and keep said reports and submit copies to the company chairman and the Chairman of the Audit Committee.
4. Organize shareholder meetings, company board meetings and subcommittee meetings in accordance with the law, company regulations and the charter of each committee, including appropriate practices, and record meeting reports and monitor adherence to meeting resolutions.
5. Supervise to ensure information disclosures and information reports in the areas under responsibility to relevant agencies.
6. Contact and communicate with ordinary shareholders to inform them about shareholders' various rights.
7. Supervise the business of the board of directors and coordinate work between the board of directors and executives, and provide news and information to directors concerning matters related to the company's business operation and report significant changes to directors.
8. Arrange performance evaluations of the board of directors and all subcommittees and individual performance evaluations, and report evaluation outcomes to the board of directors.
9. Perform other related actions to comply with the specifications of the Capital Market Supervisory Board, securities and exchange laws and other related laws and requirements.
10. Perform other tasks as assigned by the board of directors.

## Attachment 2

### Information about Directors and Executives in Connected Companies

Company	Dr. Visit Ongpipattanakul	Mr. Utit Lavansthien	Mr. Chusak Uivatwongskasem	Mr. Pinit Ngamsopsee	Mr. Senee Vacharasiritham	Mrs. Savitree Lavansathien	Mr. Surayut Lawansathien	Mr. Akeapop Lavansathien	Dr. Panukorn Chantaraprapab	Mrs. Suwakhon Muadkhong
1. Star Money Public Company Limited	C/ ID/ AC	D	D/ MD	ID/ AC	ID/ AC	D	D	D	D	M
Connected Companies										
2. Trinity Wathana Public Company Limited	/	-	-	-	-	-	-	-	-	-
3. Trinity Securities Co., Ltd.	/	-	-	-	-	-	-	-	-	-
4. Trinity One Co., Ltd.	/	-	-	-	-	-	-	-	-	-
5. Capital Engineering Network Co., Ltd.	/	-	-	-	-	-	-	-	-	-
6. Human Resources Management Consultant Co., Ltd.	-	-	-	/	-	-	-	-	-	-
7. Bualuang Ventures Co., Ltd.	-	-	-	-	-	-	-	-	/	-
8. New Paradigm Co., Ltd.	-	-	-	-	-	-	-	-	/	-
9. Bangkok SMBC Consulting Co., Ltd.	-	-	-	-	-	-	-	-	/	-
10. Bangkok Mitsubishi HC Capital Co., Ltd.	-	-	-	-	-	-	-	-	/	-
11. Thana-athon Co., Ltd.	-	/	-	-	-	-	-	-	-	-
12. Siam Pyro oil Co., Ltd.	-	/	-	-	-	/	-	-	-	-
13. All Divine Company Limited	-	-	-	-	-	-	-	-	-	/
14. Intergate System Solution Company Limited	-	-	-	-	-	-	-	-	-	/

**Remarks:** C-Chairman      D-Director      ID-Independent Director  
AC-Audit Director      MD-Managing Director      M-Manager/Executive

## Attachment 3

### Information about the Head of Internal Audit and Head of Operational Oversight of the Company

The company employed and outsourced agency to serve as the company's internal auditor. Accordingly, I.A.P. Internal Audit Co., Ltd. ("IAP") worked to audit and evaluate the sufficiency of the internal control system in various work processes, by which IAP has been serving consecutive as the internal auditor hired by the company ever since the first quarter of 2018, and has monitored, revised and corrected various issues that arose. Accordingly, the details about the person assigned to be the head of internal audit are as follows:

Company Affiliation	I.A.P. Internal Audit Co., Ltd.
Name of Person Assigned as Supervisor	Mr. Thanasan Wasan.
Position	Internal Audit Department Director
Education	<ul style="list-style-type: none"> <li>▪ Ongoing doctoral level education (College of Innovative Business and Accountancy: DPU).</li> <li>▪ Fast Mini MBA, Kasetsart University (KU).</li> <li>▪ Internal Audit Program: Prepared Course for Certified Internal Auditor (Pre-CIA), Chulalongkorn University.</li> <li>▪ Master's degree in Accountancy Program, Dhurakij Pundit University.</li> <li>▪ Bachelor's degree in Accountancy Program, Dhurakij Pundit University.</li> </ul>
Training	<ul style="list-style-type: none"> <li>▪ CEO Club Thailand (CEOC): Road Map to IPO Program.</li> <li>▪ Internal Audit Certificate Program (IAPC) by the Federation of Accounting Professions under Royal Patronage.</li> <li>▪ Standard of Internal Control, Institute of Internal Auditors, Thailand.</li> <li>▪ Business Management for Internal Audit, Federation of Accounting Professions under Royal Patronage.</li> <li>▪ "Expert on China (EOC)" Certificate, College of Business Administration, Innovation and Accounting, Dhurakit Pundit University.</li> <li>▪ "Quality Accounting Office Sapling" Certificate, Department of Business Development, Ministry of Commerce.</li> </ul>
Work Experience	2018 – Present Managing Director: Accounting Thai Co., Ltd. 2015 – Present Deputy Chief Executive Officer: I.A.P. Internal Audit Co., Ltd. 2014 – Present Managing Director: Best Enterprise Group Co., Ltd. 2011 – 2014 Internal Audit Department Manager: I.A.P. Plus Co., Ltd. 2009 – 2011 Licensed Assistant Auditor: A.C. Club Co., Ltd. Special instructor and lecturer at public and private universities.

### Head of Operational Oversight

The company does not have an agency to provide operational oversight. However, the company has the internal audit office working to supervise the company's business activities in line with the related laws, regulations, requirements, policies and specifications of government agencies such as the Bank of Thailand, the Office of Insurance Commission (OIC) or other official agencies related to the company's business operation.

### Outsourced Services

-None.-

## Attachment 4

### Assets Used in Business

Please see additional details on the assets used in business in Clause 2.2.1 of the company's structure and operation. The details about the appraised value of assets leased from Thanathiwat Co., Ltd. encompass 16 items as follows:

Appraised Asset	Asset Location	Appraised Purchase Price (THB)	Appraised Lease Price (THB/Year)	Primary Appraiser	Method of Appraisal	Asset Value Appraisal Date
1. A Land and 4-story commercial building with 8 units	No. 204/1-8, Sukhumvit Road (Highway No.3), Thang Kwian Sub-district, Klaeng District, Rayong Province	37,100,000.00	1,008,000.00	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Market approach and revenue analysis by using the cost approach.	4/8/2021
2. A Land and product showroom building with 4-story office	No. 239, Sukhumvit Road (Highway No.3), Thang Kwian Sub-district, Klaeng District, Rayong Province	37,824,000.00	2,269,419.50	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach. <sup>1</sup>	3/8/2021
3. A Land and product showroom building with a 4-story office with a rooftop, 1 building, and 1 storage building	No. 235, Sukhumvit Road (Highway No.3), Noen Phra Sub-district, Mueang Rayong District, Rayong Province	57,676,000.00	3,460,576.20	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach <sup>1</sup>	3/8/2021
4. A Land and product showroom building with 1-story office	No. 888/8, Village No. 1, Sukhumvit Road (Highway No.3), Kong Din Sub-district, Klaeng District, Rayong Province	15,093,000.00	905,581.98	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach <sup>1</sup>	3/8/2021
5. A Land and product showroom building with 3-story office, 1 building	No. 44/21, Sukhumvit Road (Highway No.3), Map Ta Phut Sub-district, Mueang Rayong District, Rayong Province	13,713,000.00	822,750.00	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach <sup>1</sup>	3/8/2021



Appraised Asset	Asset Location	Appraised Purchase Price (THB)	Appraised Lease Price (THB/Year)	Primary Appraiser	Method of Appraisal	Asset Value Appraisal Date
6. Land and 3-story commercial building (with mezzanine) with the addition, 6 units.	No. 10/35-37, 10/41-43, 10/47, Rak Sak Chamun Road (Highway No. 316), Tha Chang Sub-district, Mueang Chanthaburi District, Chanthaburi Province	16,600,000.00	768,000.00	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Market approach and revenue analysis by using the cost approach.	5/8/2021
7. Land with 3-story commercial building with mezzanine and 4 units	No. 269/37-39, Sai Ban Bueng-Klaeng Road (Highway No. 344), Chum Saeng Sub-district, Wang Chan District, Rayong Province	3,000,000.00	336,000.00	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Market approach and revenue analysis by using the cost approach.	3/8/2021
8. Land and product showroom building with 2-story office.	No. 57, Village No. 3, Sukhumvit Road (Highway No. 3), Thung Bencha Sub-district, Tha Mai District, Chanthaburi Province.	16,294,000.00	977,636.34	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach <sup>1</sup>	4/8/2021
9. Land and product showroom building with 2-story office.	No. 68/9, Sukhumvit Road (Highway No. 3), Bang Phla Sub-district, Ban Chang District, Rayong Province	50,578,000.00	3,034,656.00	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach <sup>1</sup>	2/8/2021
10. Land and product showroom building with 2-story office.	No. 631, Thetsaban Phatthana Road, Pluak Daeng Sub-district, Pluak Daeng District, Rayong Province	23,758,000.00	1,425,492.00	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach <sup>1</sup>	2/8/2021
11. Land and showroom building with single-story office and single-story warehouse.	No. 89, Maharat Road, Wat Mai Sub-district, Mueang Chanthaburi District, Chanthaburi Province	82,042,000.00	4,922,514.72	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	วิธีวิเคราะห์รายได้จากวิธีการต้นทุน <sup>1</sup>	4/8/2021

Appraised Asset	Asset Location	Appraised Purchase Price (THB)	Appraised Lease Price (THB/Year)	Primary Appraiser	Method of Appraisal	Asset Value Appraisal Date
12. Land and product showroom building with 2-story office.	No. 226, Sai Pluak Daeng-Huai Prap Road (Highway No. 3013), Map Yang Phon Sub-district, Pluak Daeng District, Rayong Province	47,071,000.00	2,824,272.00	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach <sup>1</sup>	2/8/2021
13. Land and 1 warehouse building with office.	No. 156, Village No. 2, Sak Farang 5 Alley, Thap Ma Sub-district, Mueang Rayong District, Rayong Province	7,464,000.00	447,834.48	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach <sup>1</sup>	3/8/2021
14. Land and parking garage	No. 4/84, Sunthon Wohan 7 Alley, Sunthon Wohan Road, Thang Kwian Sub-district, Klaeng District, Rayong Province	12,434,000.00	746,064.54	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach <sup>1</sup>	9/1/2023
15. Land and 2-story document storage building	No. 200/1-4, Sukhumvit Road (Highway No. 3), Thang Kwian Sub-district, Klaeng District, Rayong Province	19,113,000.00	1,146,789.60	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach <sup>1</sup>	3/8/2021
16. Land and single-story storage warehouse and external restrooms	No. 4/36, Sunthon Wohan 7 Alley, Sunthong Wohan Road, Thang Kwian Sub-district, Klaeng District, Rayong Province	7,948,000.00	476,887.58	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach <sup>1</sup>	3/8/2021

**Remarks 1 :** The appraiser did not compare appraisal approaches due to having been unable to find rent information in the market with similar characteristics to permit market rent value analysis.

## Attachment 5

### Corporate Governance Policy and Business Ethics (Code of Conduct and Code of Ethics) (Unabridged)

#### Corporate Governance Policy

The board of directors announced for use the “Corporate Governance Policy” for directors, executives, and employees on every level and reviews it every year. The Corporate Governance Work Committee has been assigned to Conduct of preliminary review and evaluate it and to present it to the board of directors for consideration of approval.

#### Preparation of the Corporate Governance Policy

The board of directors prepares it in writing for it to serve as the operating guidelines for the board of directors, Executive Committee, executives and every employee in line with the good corporate governance principles of the Office of the Securities and Exchange Commission. The policy contains 8 principles as follows:

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<b>Principle 1</b>	Have awareness about the roles and responsibilities of the board of directors as organisation leaders who create sustainable value for business.
<b>Principle 2</b>	Specific business key objectives and goals for sustainability.
<b>Principle 3</b>	Empower an effective board of directors.
<b>Principle 4</b>	Recruit and develop high-ranking executives and manage personnel.
<b>Principle 5</b>	Promote innovations and responsible business operations.
<b>Principle 6</b>	Ensure the existence of an adequate risk management and internal control system.
<b>Principle 7</b>	Maintain financial reliability and information disclosures.
<b>Principle 8</b>	Support engagement and communication with shareholders.

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The company’s corporate governance policy adheres to 8 principles by creating sustainable value for the company in addition to establishing confidence among investors, with the board of directors striving towards governance outcomes. At the very least, the board of directors makes considerations according to the following framework:

- Competitiveness and good returns with consideration to long-term impacts.
- Ethical business operation with respect for the right rights and responsibilities of shareholders and stakeholders.
- Benefits for society and improvements for or mitigation of negative impacts on the environment.
- Ability to adapt under changing circumstances.

**Principle 1 Have awareness about the roles and responsibilities of the board of directors as organization leaders who create sustainable value for business.**

The board of directors sets the business plans, vision, missions and strategies that make up the primary goals for the organisation's sustainable business operation. The board of directors accordingly monitors and ensures that the company operates business according to the aforementioned objectives. In addition, the board of directors specifies for there to be reviews of the vision and missions of the organisation at least annually to ensure that the company operates business according to its primary objectives of achieving sustainable development according to set plans.

The board of directors and management works together to set the business direction and short-term and long-term strategic plans every 5 years on a continuous basis. Accordingly, the board of directors has appointed and assigned the managing director to be responsible for operating business, making improvements and implementing strategies. His powers, duties and responsibilities are clearly specified according to the Delegation of Authority Table to distribute management powers to subordinate executives with checks and balances and effective verification under the management of resources to achieve set objectives, with monitoring, evaluations and adaptation in line with current situations.

The board of directors gives importance to operating business for the best interest of shareholders in a structured manner under the principles of good corporate governance. As such, the company has specified the Code of Conduct and Code of Ethics that cover business morals and ethics in a number of areas such as interest and conflicts of interest, stock-trading and use of internal information to ensure clarity among directors and executives. In addition, employees are aware of the practice standards expected by the company and adheres to them as practice guidelines for all work that involves stakeholders such as customers, trade competitors, procurement, trade partners, shareholders, creditors, along with overall responsibility for the environment, community and society, and this has been specified as the duties and responsibilities of all directors, executives and employees to acknowledge, understand and follow the Code of Conduct and Code of Ethics, by which every person must sign in acknowledgement and follow them, which are publicized via the company's internal electronic systems and activities continuously organized to promote understanding, to ensure that employees know about and understand the importance of adhering to them. Accordingly, the organization's line-level executives are required to oversee the responsibility of ensuring that their subordinates know and understand and seriously implement them, and employees on every level are required to conduct themselves as good examples.

The board of directors has clearly specified missions that show its operating guidelines through the vision and missions stated as follows:

1) Competitiveness and good returns with consideration for long-term impacts. The company specifies medium-term and long-term business plans to ensure operational clarity.

2) Ethical business operation with respect for the rights and responsibilities of shareholders and stakeholders:

- Encourage every customer to have financial knowledge, financial security and strong financial immunity.
- The company gives importance to cautiously overseeing and managing risks and collecting debts according to good governance principles.
- The company commits to an organizational culture that is honest and transparent to create sustainable value for customers, shareholders, employees and society.

3) Benefits for society and improvements for or mitigation of negative impacts on the environment.

- The company will firmly commit to returning benefits to the communities where the company is established by creating mutual and lasting value.

4) Ability to adapt under changing circumstances:

- The company will give importance to designing products and services that meet customers' needs by using technologies and databases.

The board of directors is responsible for ensuring that directors and executives perform their duties responsibly and cautiously (with duty of care) and with honesty and integrity for the organization (duty of loyalty), in addition to overseeing actions in accordance with the laws, regulations and shareholder meeting resolutions primarily for the best interest of the company without expecting any other gains.

Each member of the board of directors understands his or her own attributes, structure, components and duties and responsibilities as well as those of the rest of the board.

The board of directors has clearly specified the scope of duties and responsibilities of the managing director and Management of the company and monitors the performance of duties by the managing director and Management in a systematic and verifiable manner.

## Principle 2 Specific business key objectives and goals for sustainability.

The board of directors has stated its vision, missions and strategies and goals and established annual KPIs for every director, executive and employee to practice and to strive toward goals within the required timeframe and to promote the company to be sustainable in line with the effort to create business value through its vision and missions as follows:

### Vision

*The company is determined to become a leading service provider in installment loan services, hire purchase loans, and consumer loans under the concept of promoting financial literacy and strong financial immunity in customers.*

### Missions

The company's missions to the company's stakeholders are as follows:

- Encourage every customer to have financial literacy, financial security and strong financial immunity.
- Give importance to providing oversight and managing risks cautiously while overseeing debts according to good governance principles.
- Give importance to designing products and services that meet customers' needs by using technologies and databases.
- Commit firmly to being an organization of honesty and transparency to create lasting value for customers, shareholders, employees and society.
- Commit to repaying society where the company is established by creating mutual and lasting value.

The board of directors supervises to ensure that the vision, missions and strategies, goals and annual key performance indicators (KPIs) are consistent with the effort to meet the company's objectives and consider social and environmental responsibility and acceptable risk levels through the adoption of appropriate and safe technologies and databases. Furthermore, the board of directors, disseminates its vision, missions, strategies and objectives and specifies KPIs annually and holds regular monthly Executive Committee meetings to effectively monitor performance in the aforementioned areas.



### Principle 3 Empower an effective board of directors.

The board of directors specifies and reviews the structure of the board in regards to its size, composition, proportion of independent directors appropriately and as required in order to meet set objectives and goals according to the company's vision, missions, strategies, goals and KPIs as summarized as follows:

- The board of directors arranges for there to be an appropriate number of directors to the size of the company's business, by which there are to be no fewer than 5 directors and no more than 12 directors total.
- The board of directors is to be made up of independent directors by at least one-third of the total number of directors but not fewer than 3 independent directors. The attributes of independent directors are also to comply with the requirements of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. Additionally, care is taken to ensure that independent directors can work together with the rest of the board in an effective manner and that they can express their opinions independently. Furthermore, the chairman of the board is required to be an independent director appointed by the board of directors and be a person who benefits the company's business operation.
- The board of directors discloses its policy on specifying the composition of the board of directors along with information about directors such as age, sex, education history, experience, share ratio and the number of years of directors' tenures and provisions for being directors in other listed companies in the company's annual reports and website.
- A directors' skills matrix is created to ensure that directors overall are appropriately and fully qualified and are suitable for the company.

The board of directors established the Nomination and Remuneration Committee to have the responsibility of considering the requirements and procedures for nominating persons in order to obtain qualified directors who will provide the board of directors with the appropriate composition of knowledge and skills, and the company is responsible for expressing its opinions to the board of directors before making proposals to shareholder meetings for the appointment of directors.

The board of directors has assigned the Nomination and Remuneration Committee to consider the criteria for remunerations of directors and high-ranking executives in order to ensure suitability, with a review of the appropriateness of existing criteria relative to information about remuneration payments in other companies in the same industry as the company, in addition to setting appropriate requirements for achieving expected work outcomes, ensuring fairness and compensating persons who work to ensure the company's success. In addition, the board of directors is responsible for making proposals to shareholder meetings for the approval of directors' remunerations with considerations based on the company's short-term and long-term vision, mission, strategies, goals, and KPIs.

The board of directors has assigned the company's secretary to perform the duty of creating a calendar table with meeting dates, times, and agendas specified in advance by at least 1 year in order to allow directors to allocate time and evaluate their duties in advance.

The board of directors has stipulated for the chairman of the board to be a different person from the chief executive officer/managing director, with clearly separated roles, powers and duties in order to establish checks and balances between management and good corporate governance.

The board of directors has specified for independent directors to be able to remain in their tenure consecutively for no more than 9 years as stated in the board of directors' charter.

The board of directors has provided specifications for situations the chairman of the board and chief executive officer and/or managing director are not clearly distinguished from each other, such as in cases where the chairman of the board and chief executive officer and/or managing director are the same person and cases where the chairman of the board is not an independent director, the chairman of the board or the chief executive officer and/or the chairman of the board belong to the same family, and the chairman of the board is also a member of the executive committee or work group or is assigned with management responsibilities. In such cases, the board of directors should encourage checks and balances between the board of directors and Management by considering (1) the composition of the board of directors, by which independent directors should make up more than one-half thereof, or (2) the appointment of one independent director to consider the specification of the meeting agendas of the board of directors. These specifications are stated in the board of directors' charter.

the board of directors has appointed sub-committees to consider specific issues, filter information and propose consideration guidelines before presenting them to the board of directors for consideration. These sub-committees include the Audit Committee, Risk Management Committee and Nomination and Remuneration Committee, etc.

The board of directors stipulates for a meeting to be held at least once every quarter and that meetings are to be specified in advance the calendar table every year to allow directors to allocate time to attend them. In addition, special meetings can be held as required, with the managing director supported and given the opportunity to invite high-ranking executives to participate in board meetings to provide additional information, data, and details as persons directly involved in the matters in question and to create opportunities for becoming acquainted with high-ranking executives to benefit succession plan considerations and to support the board of directors by allow the board of directors to view data/information as required from the managing director, executives and company secretary without violating the company's policy. Furthermore, the board of directors gives directors the opportunity to hold meetings on their own without the involvement of Management, and for them to inform the managing director about such by at least once annually.

The board of directors organizes board meetings and has specified the following guidelines:

Specify meeting agendas clearly with complete and sufficient meeting documents and deliver them to the board of directors at least 5 days in advance to allow the board to have sufficient time to study information before attending meetings.

Additions of other meeting agendas after document deliveries are possible only for matters that are highly necessary or urgent, for which approval must be obtained from the chairman of the board.

Every director present at meetings have the opportunity to hold discussions and express opinions openly, with the chairman of the board being the person who processes the opinions and conclusions obtained from each meeting.

In the event that a director significantly holds stakes in an agenda under consideration, the director must remove himself or herself from the meeting while the agenda is being considered.

Meeting records are to be made in writing, and after they are certified by the meeting, all document copies must be signed and certified for correctness by the chairman of the board and secretary of the company.

Documents stored include meeting records that are stored in original document folders and scanned photocopies thereof for the convenience of directors and other persons involved in examining and verifying them. In addition, documents are also stored in electronic form, and this includes meeting agenda documents, meeting records and meeting documents at least 5 years of retrospective traceability, and the storage system is also secured from content changes and disaster risks.

The board of directors has stipulated that there is to be a company secretary who must be a graduate with a degree in law or accounting and/or someone who completed a court related to performing secretarial duties for the company in line with the Securities and Exchange Act (No. 4), B.E. 2551 (2008), Section 89/15, which stipulates for the board of directors to appoint a company secretary to perform various duties related to overseeing board meetings, shareholder meetings and other activities of the board of directors to allow the board of directors to comply with related laws and regulations and to support corporate governance in line with good corporate governance standards as follows:

#### **Components and Attributes**

- The person must possess knowledge and understanding about the laws and regulations of the Stock Exchange of Thailand, securities and exchange laws, public limited company laws and other related laws, regulations or requirements, including the announcements and specifications of the Capital Market Supervisory Board.

- The person must possess knowledge and understanding about the principles of good corporate governance and good business oversight practices.
- The person must demonstrate honesty, integrity, diligence and meticulousness and disclose the experiences of being the company's secretary in the company's annual reports and on the company's website.

The board of directors supports all directors to possess knowledge and understanding and to develop their skills about their roles and duties, nature of business and related laws.

The board of directors is responsible for the consolidated financial statements of the company and subsidiaries and financial information appearing in annual reports. In addition, these annual reports must be prepared in line with the generally-accepted accounting standards in Thailand, which are based on international standards, through use of appropriate policies that are consistently adopted, with regular review of the suitability of adopted policies in the preparation of financial statements. The board of directors accordingly reminds persons preparing these statements to exercise caution in their preparation and for sufficient important information to be disclosed in financial statement annotations and assigned the Audit Committee to be responsible for overseeing the quality of financial reports and the internal control system, and the opinions of the Audit Committee on these matters appear in the Audit Committee's reports, which are presented in the company's annual reports, to ensure that reports are correct, complete, adequate and reliable.

The board of directors gives authorization as appropriate based on the Nomination and Remuneration Committee for the appointment of directors and the highest-ranking executives based on the qualifications specified for the board of directors and independent directors, by which company directors must have the following qualifications:

1) Be persons with knowledge and capabilities along with honesty and integrity along with a code of ethics who can allocate sufficient time to devote their knowledge and abilities to perform duties for the company.

2) Be persons with the qualifications without the prohibitions pursuant to laws governing public limited companies, securities and exchange laws and other related laws and not have any other characteristics that demonstrate lack of suitability to be entrusted with the management of a business whose shares are held by the public in line with the announcements of the Capital Market Supervisory Board.

3) Company directors can assume director positions in other companies. However, their director status in these other companies must not hinder their ability to perform their duties as the company's directors and must conform to the guidelines of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

4) Company directors must not operate other businesses that is of the same nature as and is in competition with the company's business, nor to become partners in ordinary partnerships or liabilities-limited partnerships, nor be directors nor hold direct or

indirect stakes in private companies or other companies operating business of the same nature and that is in competition with the company, whether for personal gains or for others, unless such activities are reported to a shareholder meeting before an appointment resolution is passed.

In the recruitment of company directors, priority is given to persons with knowledge, experience and good work history who exhibit leadership skills and a broad vision along with morals and justice and a positive attitude toward the organization and who can devote sufficient time to benefit the company's business operations. Additionally, considerations are given to the suitability and consistency with the components and structure of the company's directors in line with the company's business strategies, and the company has a transparent process in place for this to ensure confidence in shareholders. Accordingly, the Nomination and Remuneration Committee has been assigned to perform recruitment tasks.

For the criteria for directors to hold positions in other companies, directors who intends to become directors in other companies are required to obtain prior approval from the board of directors, and, when combined, they should not be directors in more than 5 listed companies.

For directors' remunerations, the board of directors has appointed the Nomination and Remuneration Committee to consider and present guidelines and criteria for specifying directors' remunerations in order to express opinions to the board of directors. The policy and criteria for specifying remunerations are as follows:

- Pay remunerations to directors and high-ranking executives appropriately by reviewing suitability with existing criteria compared with information about remuneration payments in other companies in the same industry, and specify appropriate criteria to achieve desired work results, ensure fairness and reward persons who help successfully carry out the company's work.
- The company has specified for each type of remunerations that directors and executives receive to be disclosed in annual reports.
- The company has specified for the board meeting attendance rate of each director to be at least 75% of all meetings taking place each year.

The company has established a policy for overseeing work, policy for overseeing investment and policy for overseeing work in subsidiaries, affiliated companies and trade partners (if they exist in the future) in order to ensure oversight of the operations of subsidiaries and affiliated companies according to conduct guidelines along with regulations, goals and business strategies with continuous monitoring of the operations of subsidiaries and affiliated companies as follows:

Policy for Management and Oversight of the Operations of Subsidiaries and Affiliated Companies

### Policy Aspect

- The company respects rights and treats stakeholders equitably and demonstrates responsibility in its decision making and takes actions that can be described and explained (accountability).
- company arranges for transparent and verifiable disclosures of information.
- The company ensures firm commitments to its Code of Conduct and Code of Ethics as the basic principles for operating business.
- The company builds toward growth in subsidiaries and affiliated companies and creation of long-term added value for shareholders with consideration to the rights of other stakeholders and maintenance of good balance among the differences of each stakeholder group and the company while ensuring fairness to every party.
- The company is conscious about its duties and obligations and performs its duties to the fullest extent of its capabilities when it comes to its own actions affecting various stakeholders, especially shareholders (responsibility).

### Management

- The company considers sending suitably qualified persons to represent the company as directors and/or executives in subsidiaries and affiliated companies at least according to the company's share ratio in order to have these people oversee and control business activities, and the sending of these representatives as well as their qualifications are reported to the board of directors for acknowledgement.
- The company supervises business to ensure that actions follow the authorization and operating powers and that information disclosures and other actions comply with securities and exchange regulations and the regulations, announcements, orders and specifications of the Stock Exchange of Thailand, and this includes following the requirements concerning disclosures of information about connected transactions and/or asset acquisitions and disposals.
- The activities of subsidiaries and affiliated companies are summarized and reported to the board of directors every quarter, and, for important issues in these companies, such as capital increase/decrease and company discontinuation, they are to be submitted to the board of directors for consideration of approval.

The board of directors has a policy to support and facilitate development in knowledge. As such, each director and executive are required to attend training sessions organized by various agencies to augment their knowledge and provide them with new perspectives on a continuous basis, and the Nomination and Remuneration Committee has been assigned to consider these activities and to disclose them in annual reports.



As for reports of stakes held by directors and executives, in order to comply with Section 89/1/4 of the Securities and Exchange Act (No. 4), B.E. 2551 (2008), and Capital Market Supervisory Board Announcement No. ThorChor.2/2009 on the Reporting of Stakes Held by Directors, Executives and Connected Persons, the board of directors reports the assets in their possession as well as those of their spouses and minor children to the board of directors at following meetings after each director in question is elected to become a company director. In addition, if afterwards any company director or spouse or minor child conducts transactions to trade in securities, the director concerned will always report the securities trading to the upcoming board meeting.

**Principle 4 Recruit and develop high-ranking executives and manage personnel.**

The board of directors has appointed the Nomination and Remuneration Committee to consider the recruitment process and to specify the criteria and recruitment process for other important positions aside from company directors, such as managing director, deputy managing director in accounting, finance and budgets and/or high-ranking executives to ensure suitability to positions, duties and nature of business.

The board of directors has appointed the Nomination and Remuneration Committee to prepare and review succession plans for the managing director and high-ranking executives to prepare for when the managing director or any high-ranking executive retires or is no longer able to perform his or her duties, in order to ensure continuous work management. Furthermore, the managing director has been tasked with reporting the implementation of succession plans to the board of directors at least once annually.

The board of directors has created a personnel recruitment and selection policy to ensure the existence of a fair and transparent personnel recruitment and selection policy that prioritizes identification of experienced, knowledgeable, able and high-potential people who meet the qualifications prescribed by regulations in addition to being suitably qualified for their work positions. As such, open opportunities are given to recruit persons from within the organization as appropriate to fill vacancies, and, if internal employees cannot be recruited to do so, external personnel are sought as appropriate. The recruitment process is implemented systematically according to a set schedule, and applicants enter the selection process to be tested for their knowledge and abilities as well as their position-specific skills and basic knowledge in various areas according to specifications. After completing the assessment process, they are interviewed by the board of directors, after which the board of directors will select appropriate persons who meet all qualifications and review the background information of applicants, including criminal background, to consider whether or not to accept said persons for work.

The board of directors supervises to ensure the specification of an appropriate remuneration structure and evaluation of high-ranking executives with consideration to adequacy for performance of duties, responsibilities, and approximate equivalency with remuneration levels within the industry, as well as the company's performance and the performance and capabilities of each executive.

The board of directors takes care to ensure that the shareholder structure and relationships do not hinder the board of directors' ability to perform duties. Whenever there are changes in directors or new directors, the nature of business and the company's business operation guidelines are introduced to the new directors, various pieces of information affecting control are disclosed, and an agreement format is specified for the internal family business.

The board of directors prescribes orientation for every new director such that new directors will know the company's expectations from the roles, duties and responsibilities of the board of directors, including the corporate governance policies and practice guidelines of the company, and develop knowledge and understanding about the business and various activities of the company in order to prepare directors for their duties. Additionally, the company has a policy to promote new knowledge and perspectives in every director in terms of corporate governance, developments within the industry and new businesses, technologies and innovations, etc. in order to support the effective performance of duties by directors.

The board of directors has specified for monitoring and oversight of management and for company personnel development to occur in line with business plans, vision, missions and strategies to ensure adequate numbers, knowledge, skills and experience and has put in place mechanisms for caring for employees. Accordingly, the company has established a provident fund and provides knowledge and understanding about financial management and selects risk-appropriate investment policies for company employees.

#### **Principle 5 Promote innovations and responsible business operations.**

The board of directors gives importance to and supports the development of innovations to create business value and bring about sustainable growth alongside creation of mutual benefits for the company, customers, trade partners and related persons while demonstrating corporate responsibility toward society and the environment and effective resource allocation and management. The board of directors supports innovations and monitors and supervises Management in the use thereof as part of business plans, vision, missions and strategies to specify formats, perspectives and work process improvements while also managing information technology and overseeing risks to sustainably meet objectives, business plans, vision, missions and strategies. Furthermore, the company has in place information technology system security measures covering confidentiality, integrity and availability of data in compliance with the laws, regulations, manuals, requirements and standards related to information systems according to the company's budget and human resources.

Accordingly, the company has specified practice guidelines for stakeholders and defined stakeholders to mean directors, executives, employees, stake-holding employees and connected persons who might be involved in transactions with potential direct or indirect conflicts of interest that might lead to transfers of company benefits as follows:

### **Treatment of Customers**

- Services are provided to customers under fair conditions on the basis of mutual fair remunerations.
- The company's employees must devote themselves and strive to develop quality services in line with related requirements while offering reasonable prices that keep up with situations.
- Strictly comply with mutually-agreed agreements and terms.
- Maintain customer confidentiality, unless customers give written consent for disclosures, or comply with the law, and refrain from seeking benefits for the self and others from customer information.

### **Treatment of Trade Competitors**

- Directors, executives, managers and employees are to conduct themselves within the rules of fair competition.
- Never seek trade competitors' secret information by using dishonest or inappropriate means.
- Never damage the reputation of trade partners by making malicious accusations or attacking competitors without reasonable information.

### **Purchasing, Procurement and Treatment of Trade Partners**

- In the purchasing and procurement process, the steps must be verifiable, transparent, fair and for the best interest of the company.
- Company employees must purchase and procure products and services with consideration to needs, value, prices and quality and provide information equitably and accurately to trade partners without concealment, prejudice or discrimination of trade partners.
- In contacts with trade partners, persons making contact are to keep evidence of negotiations, contract drafts, contract-making and contract compliance as proof for potential use according to the specified legal timeframes.
- Never demand, accept or pay any commercially dishonest benefits to trade partners.
- Strictly comply with agreement terms. Upon discovering inability to comply with agreements or trade partners' potential inability to comply with agreements or other reasons that might prevent agreements from being performed, report to a supervisor for immediate consultation to seek solution guidelines.

### **Treatment of Shareholders**

- Perform duties honestly with integrity, caution, thoroughness and fairness to major and minor shareholders for the best overall interest of shareholders and make operational decisions according to professional principles.
- Set an appropriate dividend payment policy for shareholders, with dividend payments potentially varying depending on the performance, financial position and investment plans of the company.

- Establish the board of directors and sub-committees to give approval on setting business direction, objectives, business plans and annual budgets with primary consideration to the best interest of the company, shareholders and stakeholders.
- Give announcements and explain the company's situation, performance, financial information, accounting information and other reports on a regular basis and completely according to facts and the requirements of related agencies.
- Shareholders and stakeholders can report or file complaints to the board of directors on matters that could potentially damage the company by doing so through the company's secretary for initial compilation and screening of facts for subsequent presentation to the board of directors or a sub-committee.

#### **Treatment of Creditors**

- Treat creditors fairly without demanding, accepting from or paying any commercially dishonest interests to creditors.
- Strictly comply with agreed terms and conditions. Whenever it might be impossible to comply with any term, swiftly notify creditors in advance to seek mutual solutions to the problem.

#### **Responsibility to the Environment, Communities and Overall Society**

- Demonstrate responsibility and commitment to and provide support in caring for the environment, education, religion, arts and culture and local traditions where the company is established for business.
- Organize activities to build society, communities and the environment for the communities where the company is located to have a better quality of life. Do this either alone or in collaboration with the government and communities.
- Give importance to preventing accidents in the company to remain within levels deemed acceptable by standards and in line with the requirements of related agencies.
- The company instills conscience about corporate social and environmental responsibility in the company and trade partners, and this extends to include the effective use of resources, materials and equipment.

#### **Respect for Human Rights and Fair Labor Treatment**

- Give importance to maintaining a work environment that is safe to the life and property of employees and commit to strictly complying with labor laws.
- Do not support use of unfair labor practices, child labor and illegal migrant workers.
- Give importance to human rights principles for employees of every level.
- The company recruits employees for employment to various positions fairly with consideration to the qualifications for each work position, education, experience and other specifications as required for work and treats all employees equitably without discrimination on the basis of sex, age, ethnicity, religion, education or other statuses not directly related to work.

- Appointments, transfers and rewards and penalties of employees are to occur out of honesty and on the basis of the knowledge, competence and suitability of the employees in question.
- The company will maintain the confidentiality of employees' personal information, such as biography, education, family history, health history, work history, etc. Disclosures and transfers of employee personal information are permissible only with the approval of the employees in question.
- Provide remunerations that are fair and appropriate to duties and responsibilities.
- Provide orientation and employee manuals to all new employees for knowledge and understanding about the fair and ethical rights that employees receive from their employment in various areas and commit to strictly complying with labor laws.
- Strive to develop and provide training for directors, executives and employees continue to enhance employee's work capabilities for greater effectiveness and encourage employees to develop professionally.
- Establish a provident fund for employees to support employees to save money in the long-term for themselves and their families upon resignation from work, retirement, disability or death.

#### **Giving and Acceptance of Gifts**

- Comply with the "No Gift Policy"

In the company's business operations, the company specifies sustainability performance indicators by specifying annual KPIs and annual performance goals from the level of executives to operational employees, and the company has integrated sustainability into the organization's culture (shared value) and instills it as an organizational culture by disclosing management processes and performance to stakeholders through appropriate channels on a regular basis and specifying the company's missions as follows:

"The company will commit to an organizational culture of honesty and transparency to create sustainable value for customers, shareholders, employees and society."

The company recognizes that employees are an immensely valuable factor for success. Therefore, the company has specified a policy and treatment guidelines for employees in manuals, requirements and practice regulations to ensure fair treatment of employees, whether at the main office of branch offices, and announces them in the company's information system, and these specifications exceed the minimum legal requirements.

**Principle 6 Ensure the existence of an adequate risk management and internal control system.**

The board of directors has established a Risk Management Committee to perform duties in support of the board of directors in supervising the company. The components of the Risk Management Committee as well as its duties and responsibilities are specified in the Risk Management Committee's charter.

The board of directors has appointed a Risk Management Work Group to oversee risks and specify a risk management policy framework as follows:

1. Promote risk management to develop understanding, conscience and shared responsibility toward risks and impacts of risks on the company in management processes and all of the company's operations.
2. Manage risks in the most effective manner and maintain them within acceptable levels and have all employees be involved in the risk management process.
3. Have in place risk management processes, guidelines and measures that have a suitable quality in line with international standards and are adequate and identify, analyze, assess, order, manage, control, monitor, report, evaluate and communicate information about risks on a continuous and regular basis with practices taking place across the entire company.
4. Focus on managing risks that impact the company's objectives, policies, reputation and image.
5. Create written work regulations for executives and operators to practice in order to control operation risks.

The board of directors gives importance to risk management and has established the Risk Management Committee and Risk Management Work Group to manage risks and monitor and review risks as follows:

- The Risk Management Committee holds a meeting twice annually to report and obtain approval for the risk management policy from the board of directors.
- Risk Management Committee holds a meeting to assess risks once every quarter.

The board of directors has established an Audit Committee and specified the composition of the Audit Committee to include at least 3 independent directors who are qualified and assigned with the duties in line with the requirements of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. The board of directors has stated the duties of the Audit Committee in writing (Audit Committee's charter), which include at least the following duties:

- Audit the company to ensure that financial statements are correct and reliable with sufficient information disclosures.



- Audit the company to ensure the presence of an appropriate and effective internal control and internal audit system and evaluate the independence of the internal audit agency and give approval for appointments, transfers, terminations of the head of Internal Audit or other agencies with internal audit-related responsibilities.
- Audit to ensure that the company complies with securities and exchange laws and the specifications of the Stock Exchange and laws related to the company's business.
- Consider, select and nominate for the appointment of independent persons to perform duties as company auditors and propose auditors' remunerations to the board of directors, and attend meetings with auditors without Management by at least once annually.
- Consider connected transactions and transactions with potential conflicts of interest in line with the law and requirements of the Stock Exchange to ensure that such transactions are reasonable and for the best interest of the company.

Please Share your Information opinion Material Transaction(MT) and Related Party Transaction (RPT)

- Consider and review audit results and the recommendations of auditors and internal auditors and monitor the work and proposals of Management to ensure effective internal control and timely problem corrections.
- Prepare Audit Committee reports disclosed in the company's annual reports. These reports must be signed by the Chairman of the Audit Committee and contain at least the following information:
  - Opinions about the accuracy, completeness and reliability of the company's financial reports.
  - Opinions about the adequacy of the company's internal control system.
  - Opinions about compliance with securities and exchange laws and stock exchange specifications.
  - Securities and laws related to the company's business.
  - Opinions regarding the suitability of auditors.
  - Opinions about transactions with potential conflicts of interest.
  - Number of meetings held by the Audit Committee and meeting attendance by each audit director.
  - Overall opinions or observations obtained by the Audit Committee from performing duties according to its charter.
  - Other transactions shareholders and ordinary investors should have knowledge about within the scope of duties and responsibilities assigned by the board of directors.
- Perform other tasks as assigned by the board of directors with the approval of the Audit Committee.

The board of directors has specified for the company's secretary to be the person in charge of keeping stake reports submitted by directors and executives.

The board of directors has created for reporting clues and complaints (whistleblowing) such that complaints can be submitted to the Audit Committee. Information about complaints is kept strictly confidential, and company personnel are required to follow the anti-corruption policy in line with the principles of good corporate governance and ethics of the company, along with related regulations, specifications and laws to ensure secure and sustainable business operation.

#### **Principle 7 Maintain financial reliability and information disclosures.**

The board of directors gives importance to disclosing financial information accurately, sufficiently and in a timely manner. As such, personnel related to the preparation and disclosures of information are supervised to ensure that they possess knowledge and capabilities suitable for their duties and responsibilities, and information disclosures have the managing director, Chief Executive Officer of Finance and company's secretary, who also works in investor relations, to be responsible for communicating with shareholders and other stakeholders appropriately, equitably and in a timely manner, and the company's information, whether financial information or general company information, is disclosed to shareholders, securities analysts, credit-rating companies and related government agencies through various channels such as reports to the Stock Exchange of Thailand, the Office of the Securities and Exchange Commission and the company's website.

The board of directors stipulates for disclosures of information, including financial statements, annual reports, Form 56-1, and management discussions and analyses (MD&A) that sufficiently reflect financial position and performance.

The board of directors oversees and monitors reports of the company's adequacy of liquidity and debt coverage, whereby Management must report regularly to the board of directors and hold joint discussions involving Management and the board of directors to seek solutions whenever signs arise to indicate the presence of liquidity problems.

Whenever the company faces financial difficulties or is likely to face them, the board of directors will take care to ensure that the company has in place corrective plans that are evaluated for their reasonability with consideration to creditors and the rights of all stakeholders.

The board of directors promotes adoption of information technology in information disclosures, and the company gives importance to regular information disclosures to ensure that shareholders receive news regularly through the company's information, which must be updated regularly.

The board of directors has assigned the managing director to be responsible for providing information to external parties, since the managing director has excellent understanding about business as well as the vision, missions, strategies and goals of the company and can communicate effectively with the capital market and effectively set the direction for and support investor relations work to ensure effective communication and disclosures.

The board of directors has specified a policy on the use of internal information. The company gives enormous importance to taking actions to ensure equality and fairness for all shareholders. As such, important information and news not yet disclosed to the public are deemed to be internal information for use in business and company secrets that will impact the company when disclosed, and all directors, executives and employees on every level are required to maintain the confidentiality of internal information.

#### **Principle 8 Support engagement and communication with shareholders.**

The board of directors sets appropriate dates, times and places for meetings to not hinder any person's ability to attend shareholder meetings.

The board of directors supports the use of technology in shareholder meetings, whether in counting votes or displaying results, to ensure reliability, speed, accuracy and precision in information with records and disclosures shown on the company's website.

The board of directors encourages the chairman of the board to chair shareholder meetings and supervise meetings to ensure compliance with the law, regulations and other related laws.

The board of directors takes care to ensure the meeting resolutions and shareholder meeting reports are prepared and disclosed accurately and fully according to related requirements and that opportunities are given for inquiries, with records made in meeting reports.

The board of directors will take care to ensure that shareholders participate in the important decisions of the company. In doing so, the company delivers meeting invitation letters along with related documents and publishes them on the company's website ahead of meeting dates according to the timeframe specified by the law or related requirements to ensure that shareholders have enough time to study information ahead of meetings.

The board of directors specifies the criteria for minor shareholders to propose additional meeting agendas and nominate persons to become directors.

The board of directors takes care to ensure that all directors and related executives attend meetings such that shareholders can submit inquiries openly regarding any matter in an orderly fashion.

The board of directors arranges for the announcement of the number and ratio of shareholders attending the meeting in person and attending by proxy along with the regulations, meeting procedures, voting procedures and vote-counting procedures before the start of each shareholder meeting.

The company arranges for agendas that contain multiple items to be separated from each other by meetings, such as in the appointment of individual directors.

The company arranges for every agenda to require voting to pass a resolution, and individuals are encouraged to be independent, count votes and disclose voting results.

**The company provides the following:**

- Meeting invitation letters containing at least the information required by the Stock Exchange of Thailand as follows:
  - The date, time and place of each shareholder meeting.
  - Meeting agendas that are specified as agendas for acknowledgement or agendas requiring approval, with each agenda being clearly divided by topic.
  - The objectives, reasonings and opinions of the board of directors for each meeting agenda presented, including the following:
    - Agendas for approving dividend payments – Dividend payment policies, dividend payment rates and reasonings and accompanying information. In cases of proposals for suspension of dividend payments, the accompanying reasoning and information should be provided.
    - Agendas for appointing directors – Stated include the name, age, education background and work history along with the listed company and regular companies in which each person is director, along with the criteria and procedures for recruiting the directors nominated. In cases of nominating existing directors back into office, also stated is information about the past year's meeting attendance and the company director appointment date.
    - Agendas for approving directors' remunerations – The policies and criteria for specifying the remunerations of directors in each position and every form of directors' remunerations, whether in monetary form or other benefits.
    - Agendas for appointing auditors – The names of auditors, affiliated companies, work experience, independence of auditors, audit fees and other services fees.
    - A proxy appointment letter according to the form prescribe by the Ministry of Commerce.
    - Other information to accompany the meeting such as voting procedures, vote-counting and voting result announcements, rights of each share type in voting, information about independent directors proposed by the company to serve as proxies for shareholders, documents shareholders must present before meetings, documents to accompany proxy appointments and map to the meeting location, etc.

- Meeting invitations are delivered to shareholders by at least 28 days in advance.
- Meeting invitations are made in Thai and English.
- Shareholders are given the opportunity to submit their questions ahead of the meeting date according to the criteria that are disclosed on the company's website.
- Shareholder meeting resolutions along with voting results are disclosed the following day via the system of the Stock Exchange of Thailand.
- Shareholder meeting reports are prepared and submitted to the Stock Exchange of Thailand within 14 days after each shareholder meeting.
- Meeting reports must contain at least the following information:
  - The names of directors and executives attending the meeting.
  - The ratio of directors attending the meeting to directors not attending.
  - The voting procedures and vote-counting procedures.
  - Questions and answers along with the first-last names of shareholders and persons who gave answers.

## Code of Conduct and Code of Ethics

### Definitions and Glossary of Terms

#### Definitions

**Code of Conduct** means behaviors adopted as practices for appropriate behaviors with foundations in laws, morals, norms, traditions and cultures of people in each society.

**Ethics** means the appropriate behaviors demonstrating the desirable virtues and conduct in the professional setting which the company expects from employees to maintain the reputation and enhance the prestige of the self and the company.

#### Glossary

<b>Company</b>	means	Star Money Public Company Limited.
<b>Stakeholder</b>	means	A/An director, executive, employee, stake-holding employee or connected person whose transaction may cause a direct or indirect conflict of interest and might lead to a transfer of the company's interests.
<b>Executive</b>	means	The managing director and executives.
<b>Security</b>	means	An ordinary share, warrant or other transferrable instrument of the company as existing today or might come into existence in the future.
<b>Connected person</b>	means	<p>A close relative, meaning a person with close blood relations (spouse, father, mother or adopter, sibling, child or adopted child, including spouse of sibling or child with control authority), such as the following:</p> <ul style="list-style-type: none"> <li>- A juristic person in which a person or juristic person, actor or agent holds more than 25% of its voting shares, whether directly or indirectly;</li> <li>- A juristic person in which a person or juristic person, actor or agent holds control authority to appoint and remove up to one-half or more of all directors.</li> <li>- A juristic person in which a person or juristic person is a director.</li> </ul>
<b>Competitor</b>	means	A person or company operating business in the same industry that offers similar and/or the same products or services as the company.
<b>Trade partner</b>	means	A supplier or vendor who supplies products and services to the company and its branches.
<b>Internal information</b>	means	Information not disclosed to the public and that is important information that affects the value of securities.



## Part 1 Business Conduct and Ethics in Various Aspects

### 1.1 Stakes and Conflicts of Interest

- Avoid actions that conflict with the company's interest, whether resulting from contact with persons commercially connected to the company such as trade partners, customers or competitors or from opportunities or information obtained from being an employee of the company, in order to seek personal gains, nor engage in business competition with the company, nor perform other work aside from the company's work that would impact responsibilities and duties with the company.
- Stake-holding company employees are prohibited from authorizing transactions or actions in the name of the company. This is to prevent potential conflicts of interest. In addition, whenever conducting business with the company, whether in personal capacity or the capacity of a family or any juristic person in which the employee has the power to take actions, the employee must disclose the employee's stakes to the company before conducting such transactions.
- The board of directors and executives must review conflicts of interest related to connected transactions between the company and persons or juristic persons who can be considered to have conflicts of interest by reviewing them thoroughly with honesty, integrity, reason and independence within the framework of good conduct with consideration to the best interest of the company.
- Directors and executives are required to report connected transactions related to the business management of the company or subsidiaries.

### 1.2 Trading in Securities and Use of Internal Information

- Directors, executives and company employees on every level must not use internal information (inside information) of the company that is significant and not yet disclosed to the public for personal gains or those of others at least until it is already disclosed to the public for 24 hours.
- Company employees on every level are required to maintain and not disclose customer information and trade information that is confidential. Company employees are required to not disclose confidential information belonging to fellow employees or unrelated external parties, unless they are doing so due to legal requirement for disclosure for litigation purposes or following the board of directors' written authorization for disclosure.
- Directors, executives, company employees and persons connected to information are prohibited from disclosing or transferring company information or secrets to uninvolved persons, and this includes family members, relatives, friends and others.

- Information disclosed must be disclosed by executives or company employees who are authorized to do so. Ordinary employees do not have responsibilities in disclosing information, and when they receive inquiries to disclose information that they are not responsible for disclosing, they are to recommend the inquirers to submit their inquiries to the persons responsible for disclosing such information to ensure accurate and consistent information disclosures.
- Refrain from giving recommendations or advice in trading company securities, unless doing so is related to their duties or work responsibilities assigned by the company.
- Directors, executives and employees in agencies that come into awareness of internal information and company directors are prohibited from trading in company securities in the 30-day period before disclosures to the public of financial statements, whether quarterly or annual, including information affecting the price of securities, and in the 24-hour period after the disclosures of said company financial statements and information to related agencies.
- Directors, executives, managers and employees in accounting and finance agencies, upon trading in company securities, are to report their trade transactions within 3 business days to the company's secretary for further action in line with regulations.

After the date of trading in company securities, the changes in securities must be reported to the Office of the Securities and Exchange Commission (SEC Office) within the required time period as follows:

- After the date of trading in company securities, the changes in securities must be reported to the Office of the Securities and Exchange Commission (SEC Office) within the required time period as follows:
- Report shareholding within 7 days if the person is a director or executive not listed in the system.
- Directors, executives, managers and employees in the accounting and finance agencies must report their securities-holding and those of their connected persons according to the requirements of the Securities and Exchange Act on a quarterly basis to the company's secretary.

### **1.3 Treatment of Customers**

- Provide service to customers according to fair conditions and on the basis of mutual fair remunerations.
- Company employees are required to dedicate themselves and strive to develop high-quality services in line with related requirements with appropriate and reasonable prices that keep up with situations.

- Strictly comply with agreed terms and conditions. Whenever it might be impossible to comply with any term, notify trade partners and/or creditors in advance to seek mutual solutions.
- Maintain the confidentiality of customers' information, unless customers give written consent for disclosures, in accordance with the law and do not seek gains for the self or related persons from use of customer information.

#### **1.4 Treatment of Trade Competitors**

- Directors, executives, managers and employees are to conduct themselves within the rules of fair competition.
- Never seek trade competitors' secret information by using dishonest or inappropriate means.
- Never damage the reputation of trade partners by making malicious accusations or attacking competitors without reasonable information.

#### **1.5 Purchasing, Procurement and Treatment of Trade Partners**

- In the purchasing and procurement process, the steps must be verifiable, transparent, fair and for the best interest of the company.
- Company employees must purchase and procure products and services with consideration to needs, value, prices and quality and provide information equitably and accurately to trade partners without concealment, prejudice or discrimination of trade partners.
- In contacts with trade partners, persons making contact are to keep evidence of negotiations, contract drafts, contract-making and contract compliance as proof for potential use according to the specified legal timeframes.
- Never demand, accept or pay any commercially dishonest benefits to trade partners.
- Strictly comply with agreement terms. Upon discovering inability to comply with agreements or trade partners' potential inability to comply with agreements or other reasons that might prevent agreements from being performed, report to a supervisor for immediate consultation to seek solution guidelines.

#### **1.6 Treatment of Shareholders**

- Perform duties honestly with integrity, caution, thoroughness and fairness to major and minor shareholders for the best overall interest of shareholders and make operational decisions according to professional principles.
- Set an appropriate dividend payment policy for shareholders, with dividend payments potentially varying depending on the performance, financial position and investment plans of the company.

- Establish the board of directors and sub-committees to give approval on setting business direction, objectives, business plans and annual budgets with primary consideration to the best interest of the company, shareholders and stakeholders.
- Give announcements and explain the company's situation, performance, financial information, accounting information and other reports on a regular basis and completely according to facts and the requirements of related agencies.
- Shareholders and stakeholders can report or file complaints to the board of directors on matters that could potentially damage the company by doing so through the company's secretary for initial compilation and screening of facts for subsequent presentation to the board of directors or a sub-committee.

### **1.7 Treatment of Creditors**

- Treat creditors fairly without demanding, accepting from or paying any commercially dishonest interests to creditors.
- Strictly comply with agreed terms and conditions. Whenever it might be impossible to comply with any term, swiftly notify creditors in advance to seek mutual solutions to the problem.
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### **1.8 Responsibility to the Environment, Communities and Overall Society**

- Demonstrate responsibility and commitment to and provide support in caring for the environment, education, religion, arts and culture and local traditions where the company is established for business.
- Organize activities to build society, communities and the environment for the communities where the company is located to have a better quality of life. Do this either alone or in collaboration with the government and communities.
- Give importance to preventing accidents in the company to remain within levels deemed acceptable by standards and in line with the requirements of related agencies.
- The company instills conscience about corporate social and environmental responsibility in the company and trade partners, and this extends to include the effective use of resources, materials and equipment.

### **1.9 Respect for Human Rights and Fair Labor Treatment**

- Give importance to maintaining a work environment that is safe to the life, arts and culture and property of employees and commit to strictly complying with labor laws.
- Do not support use of unfair labor practices, child labor and illegal migrant workers.

- Give importance to human rights principles for employees of every level.
- The company recruits employees for employment to various positions fairly with consideration to the qualifications for each work position, education, experience and other specifications as required for work and treats all employees equitably without discrimination on the basis of sex, age, ethnicity, religion, education or other statuses not directly related to work.
- Appointments, transfers and rewards and penalties of employees are to occur out of honesty and on the basis of the knowledge, competence and suitability of the employees in question.
- The company will maintain the confidentiality of employees' personal information, such as biography, education, family history, health history, work history, etc. Disclosures and transfers of employee personal information are permissible only with the approval of the employees in question.
- Provide remunerations that are fair and appropriate to duties and responsibilities.
- Provide orientation and employee manuals to all new employees for knowledge and understanding about the fair and ethical rights that employees receive from their employment in various areas and commit to strictly complying with labor laws.
- Strive to develop and provide training for directors, executives and employees continuously to enhance employee's work capabilities for greater effectiveness and encourage employees to develop professionally.
- Establish a provident fund for employees to support employees to save money in the long-term for themselves and their families upon resignation from work, retirement, disability or death.

#### **1.10 Giving and Acceptance of Gifts**

- Comply with the " No Gift Policy"

#### **1.11 Use of Information and Communications Technology**

- The company has a policy to promote and use properly licensed equipment, tools and software in accordance with the law.
- Do not use company computer systems to disseminate inappropriate information that is in violation of morals, customs, norms, traditions or the law.
- In cases where company employees request their supervisor to permit external operators to use the company's information system, the company employees performing the request must control said use by the external operators and take responsibility for any damage that occurs due to the use of said information system.
- The company has the right to inspect, search, monitor, investigate and control use the information system by company employees in order to secure the company's information system.

### **1.12 Non-Violation of Intellectual Property**

- Works created while performing duties are deemed intellectual property of the company.
- The company has a policy to not take any actions that violate intellectual property rights, whether in terms of copyrights, patents, trademarks, trade secrets or other intellectual property in accordance with the law.

### **1.13 Maintenance and Use of Company Assets**

- Company employees have the duty and responsibility to maintain company assets from becoming deteriorated, missing and damaged and are required to make effective use of such assets. Employees are required to study and understand the usage methods and safety recommendations for such assets and make use of them fully for the company's interest and not use company assets for personal benefits or those of others.
- All company employees are strictly required to refrain from disclosing or deriving benefits from use of confidential information.
- All company employees are required to maintain appropriate information confidentiality.

### **1.14 Management and Maintenance of Ethics**

- All company employees are required to strictly follow ethical principles. Upon discovery of actions that violate or breach ethics, the company will consider penalties based on the nature of the wrongdoing as appropriate to the circumstance.
- Executives and supervisors are required to act as good role models in regards to adherence to ethical principles and have the duty to inspect, oversee and support for subordinates to comply with set ethical principles.
- In seeking for exemptions for adherence to ethical principles for employees, directors must obtain the written approval of the board of directors.
- Every company employee is required to sign in acknowledgement of this Code of Ethics at the commencement of their employment and whenever there are changes to the code.

### **1.15 Anti-Corruption**

- Provide training to employees to give knowledge about the company's anti-corruption policies and practice guidelines.
- Give support to and cooperate with organizations, the public sector, the private sector and supervisory agencies and every sector of Thai society in order to reduce corruption and promote the development of the nation.
- Prohibit directors, executives and employees from accepting any form of corruption, whether directly or indirectly, including acceptance and giving of gifts, presents, accommodation parties, fund solicitations, donations and other benefits for the self from persons conducting business with the company.



Accordingly, the company has open channels for stakeholders to report directly to the board of directors clues, recommendations or complaints about corruption cases and actions that do not meet the company's requirements by sending mail using the following address information:

- Submit reports or complaints to the company by phone by dialing 038-677018.  
To – assistant managing director, Human Resources Section, or the Managing Director.
- Contact the call center by dialing 061-393-9988.
- By mail:  
Attn: Managing Director  
Star Money Public Company Limited  
House No. 204/1-8, Sukhumvit Road, Thang Kwian Sub-district, Klaeng District, Rayong Province 21110
- E-Mail : [info@starmoney.co.th](mailto:info@starmoney.co.th)
- A complaint is to be filed against a director or high-ranking executive, the complaint can be filed with the Chairman of the Audit Committee through the following channels:
  - Telephone: 061-393-9988.
  - E-mail : [info@starmoney.co.th](mailto:info@starmoney.co.th)
  - Mail:  
Attn: Chairman of the Audit Committee  
Star Money Public Company Limited  
House No. 204/1-8, Sukhumvit Road, Thang Kwian Sub-district, Klaeng District, Rayong Province 21110

## Part 2 Management of Conduct and Business Ethics

### 2.1 Management to Ensure Awareness in Executives and Employees

In order to ensure that the company's executives and employees have awareness about the practice guidelines on conduct and business ethics, all company employee are required to sign and certify that they acknowledge the contents of the company's Code of Conduct and Code of Ethics.

All new employees are required to sign in a form to confirm that they have read and understand the company's Code of Conduct and Code of Ethics and to consent to adhere to the specifications of the Code of Ethics. New employees may not claim not having read and signed the form as an excuse for non-compliance.

These Code of Conduct and Code of Ethics are improved regularly and need to be updated to keep up with changes in requirements. Thus, additions and cancellations of any item in the Code of Ethics, must be submitted to the board of directors.

## 2.2 Actions Fitting the Criteria for Violation of the Code of Conduct and Code of Ethics

1. Failure to comply with the Code of Conduct and Code of Ethics.
2. Suggestions, encouragement or support for others to not comply to the Code of Ethics.
3. Neglect and idleness upon discovery of violation to or non-compliance of the Code of Ethics in cases where one has awareness or should have awareness thereof due to it being related to one's work responsibilities.
4. Non-cooperation or obstruction of investigations or inquiries into facts suggesting that violations or non-compliance occurred.

## 2.3 Practice Guidelines for Discoveries of Violation of or Non-Compliance to the Code of Conduct and Code of Ethics

All company directors, executives and employees are required to give importance to business conduct and ethics. Upon discovery of any violation of business conduct or ethics, company employees must report potential violations of conduct and ethics as they discover such violations of or non-compliance to them or if they are forced to commit any action that violate the Code of Conduct and Code of Ethics. To do so, employees can file complaints by following the procedures below:

### Report Steps and Procedure

- |               |   |
|---------------|---|
| <b>Step 1</b> | Prepare a written report about the ethical violation or non-compliance or pressure/coercion to perform any action that violates the Code of Conduct or Code of Ethics according to the attached form.   |
| <b>Step 2</b> | Prepare and attach other accompanying documents (if any).   |
| <b>Step 3</b> | Send the complaint by email to a complaint handler as follows: <ul style="list-style-type: none"> <li>- The Human Resources Department Manager; or</li> <li>- A supervisor in the chain of command on any level; or</li> <li>- The Chairman of the Audit Committee and/or the company secretary.</li> </ul> |

## 2.4 Management of Reports of Violations of or Non-Compliance to the Code of Conduct and Code of Ethics

### Gather facts

The complaint handler must complete actions and produce a preliminary summary within 30 days after receiving report documents.

### Screen information

The complaint handler will present the matter to a representative of Management. Representatives of Management who will participate in the deliberation process include the following:

1. A representative of executives from an agency on the level of manager and above in the chain of command of the person who filed the complaint. Said representative must have no conflicts with or any interests connected with the complaint filer.

2. A representative from executives of the Human Resources Department.

3. A company secretary or head of Internal Audit.

#### **Measures for Ending Violations of or Non-Compliance to the Code of Conduct and Code of Ethics**

The Management representative(s) attending the deliberation process will set measures for ending the violation or non-compliance to the Code of Conduct or Code of Ethics and provide remediation for the damage suffered by the affected party with consideration to the nature of the damage that occurred by reporting actions to the highest-ranking supervisor of the affected person and the highest-ranking executive.

### **2.5 Disciplinary Penalties**

The company will consider setting penalties appropriately to the nature and situation of each type of ethical violation. The severity of each penalty will vary according to the severity of the wrongdoing.

If the ethical violation is minor or a first occurrence, the company will first issue a warning letter. In doing so, the person(s) taking actions in 2.4 will summarize the outcome and penalty and present them to the chief executive officer/managing director for approval.

For severe ethical violations, violators may be subjected to severe penalties that include the following:

- Work suspension without pay.
- Termination of employment.
- Civil and criminal legal actions.

The representative(s) of Management participating in the deliberation process will summarize the outcome and penalty managing director for approval.

### **2.6 Measures for Protecting Report Filers, Complaint Filers or Persons Cooperating in Reports of Violations of or Non-Compliance to the Code of Conduct and Code of Ethics (Whistleblower Protection)**

1. The company will maintain the confidentiality of information and the identity of report filers, complaint filers and persons who cooperate in reports of violations and non-compliance to the Code of Ethics.
2. The company will disclose information only as required with consideration to the safety of and damage to report filers, information sources and related persons.
3. Damaged persons will receive damage compensation through an appropriate and fair process.

### Part 3 Certificate of Compliance to the Code of Conduct and Code of Ethics

I ..... hereby certify that

☐

I have received and read the Code of Conduct and Code of Ethics in full.

☐

I understand the contents of the Code of Conduct and Code of Ethics and will adhere to the principles of these codes as practice guidelines in any duties I perform for the company to the fullest extent of my abilities.

☐

In year..... I fully adhered to the codes.

☐

I do not understand the contents of a topic. (Specify) .....

Accordingly, my family and I (Please specify.),

☐

Don't do conduct business in personal capacity or family capacity or on behalf of any juristic person with the company's group.

☐

do conduct business in personal capacity or family capacity or on behalf of a juristic person with the company's group.

Please specify the details.

Name of Company/Business	Relationship	Nature of Business
1.		
2.		

### Part 4 Form for Signing in Acknowledgement and Practice

**Signed**

x.....

**First-Last Name**

.....

**Section/Department/  
Affiliation**

.....

**Date/Month/Year**

..... / ..... / .....

Contact Information: E-Mail Solossaya.kh@starmoney.co.th Telephone: 061-393-9988

### Part 5 Form for Reporting Violations or Non-Compliance to the Code of Conduct and Code of Ethics

Form for Reporting Violations or Non-Compliance to the Code of Conduct and Code of Ethics

Date ..... Month ..... Year .....

Attn .....

I, position: .....

Agency/Department Affiliation .....

Direct Supervisor .....

Would like to report a violation or non-compliance to the Code of Conduct and Code of Ethics as follows:

☐

Violation or non-compliance to the Code of Conduct and Code of Ethics.

Name of Violator .....

Agency (Section)/Department Affiliation .....

Has committed an act of violation or non-compliance to the Code of Conduct and Code of Ethics according to the facts as follows:

(1) .....

(2) .....

(3) .....

☐

Pressure/coercion to perform actions that violate the Code of Conduct and Code of Ethics by

Mr./Mrs./Miss .....

Agency (Section)/Department Affiliation .....

Who pressured/coerced me to perform actions that violated the Code of Conduct and Code of Ethics as follows:

(1) .....

(2) .....

(3) .....

As such, I have attached documents or evidence (if any) to accompany your consideration.

No ..... Pages ..... The description is as

follows: .....

.....

## Attachment 6

### Report Audit Committee

The Audit Committee of Star Money Public Company Limited (“company”) performed its duties independently and transparently primarily to protect the interests of the company and to fulfill its obligations stated in the Audit Committee’s charter. Accordingly, the Audit Committee gives importance to reviewing financial statements, internal control and connected transactions that are important to the business and good corporate governance of the company and to ensure trust in the shareholders and stakeholders of the company. And focus on sustainable independence.

The board of directors has assigned the Audit Committee to evaluate and review the effectiveness of the internal control system established by Management. The Audit Committee examined the audit results of the internal audit agency and the opinion of the external auditor about the company’s internal control system and held meetings with executives, the internal auditor and external auditor to obtain information, hold discussions and exchange opinions and specify appropriate measures. The Audit Committee held meetings summarized in essence as follows:

1. The Audit Committee audited the company’s financial statements for the accounting period ending 31 December 2023 that had already been reviewed and audited by the external auditor by reviewing numeric and important information in financial statements along with significant issues and special transactions and received explanations and confirmation from the auditor and Management regarding use of information for preparing financial statements and audited disclosures of financial statement annotations to ensure confidence that the specifications of the law and financial reporting standards were properly followed. Accordingly, the Audit Committee approved the aforementioned financial statements that were audited and/or reviewed by the external auditor.

2. The Audit Committee audited the internal control system on a quarterly basis to ensure confidence in the adequacy and effectiveness of the company’s internal control system by evaluating the audit results of the internal auditor, which was an outsourced company, and monitoring improvements and corrections in various areas by the company to ensure that Management took actions to make improvements in line with the proposals made by the internal auditor within the required timeframe. The aforementioned audit allowed by Audit Committee to render the opinion that the overall internal control system of the company was appropriate and adequate, and there were no significant faults that affected the company’s financial statements.

3. The Audit Committee examined and audited scope of work, obligations, duties and responsibilities along with performance according to the annual work plan of the internal auditor sourced from an external company to ensure that the company’s internal control and internal audit system were appropriate, strict and effective without significant faults that affected the company’s financial statements and business performance.



4. The Audit Committee considered selected, nominated for appointment and proposed the fees for the auditor for year 2023 to the board of directors and shareholder meetings for approval.

5. The Audit Committee reviewed, audited and expressed approval toward the company's related policies before they were proposed to the board of directors such as connected transactions policy and good corporate governance policy to ensure effective work coverage, transparency, verifiability and responsibility for all stakeholders and other related persons while creating lasting value for the business and complying with related specifications and requirements.

6. The board of directors audited connected transactions on a quarterly basis to ensure their completeness and correctness, reason and fairness and compliance to the related specifications and requirements. Accordingly, the Audit Committee's opinion was that the connected transactions that took place were reasonable and for the benefit of the company's business operations.

7. The Audit Committee audited the company's work performance in line with related specifications and laws as they pertain to the company's business operation to ensure confidence that the company conducted business correctly, transparently and reasonably to build confidence among shareholders. Accordingly, the Audit Committee's opinion was that the company supervised and reviewed the work of various agencies to ensure that they complied with related specifications and requirements.

8. The Audit Committee audited the company's risk management process to ensure confidence that risk management guidelines followed the same direction as the company's missions and business plans and covered every work procedure, with consideration from evaluation of risk management by the Risk Management Committee. The Audit Committee's opinion was that the company's risk management system was adequate and effective.

In 2023, the Audit Committee continues to focus on developing the quality of internal audit work so that it can build confidence and add value to the organization. Taking into account the maximum benefits of the company.

(1) correct financial reports according to generally-accepted accounting standards and disclosed complete and sufficient essential information.

(2) an effective, adequate and strict internal control and internal audit system that contained no important errors that might impact the company's financial statements and business operation.

(3) sufficient reason to conduct connected transactions.

(4) and effective and adequate corporate risk management system.

(5) Appropriately complied with related laws, specifications and regulations.

*Mr. Pinit Ngamsopee*  
(Mr. Pinit Ngamsopee)  
Chairman of the Audit Committee



***Star Money***

**Star Money Public Company Limited**

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