



ราชนานี้ลิสซิ่ง
Ratchthani Leasing
A Thanachart Group Company



ST P of STABILITY

“ทุกก้าวคือความมั่นคง”



Annual Report 2022
Form 56-1 One Report

Ratchthani Leasing Public Company Limited

ST P of STABILITY

“ทุกก้าวคือความมั่นคง”



Vision

To be the leader in the loan services for commercial cars, vehicles, other assets and one-stop services that can satisfy customer's needs covering all provinces nationwide.

Mission

Mission to Shareholders

The Company will conduct business with transparency, efficiency and sustainable growth in order to continuously gain good performance and business result for shareholders.

Mission to Employees

The Company will develop human resources to occupy capabilities, expertise, skills, professionalism while sustaining honesty and professional code of conduct. The Company will provide the proper remuneration to sustain the qualified employees with the Company.

Mission to Trade Partners

The Company will create good relationship, confidence, fast services and fair return on business to trade partners for the efficient long-term business partnership.

Mission to Customers

The Company will develop products and services to the excellence to meet targeted customer's needs and create highest customer satisfaction.

Mission to Society

The Company will conduct business in accordance with good corporate governance with honesty and resistance to all forms of corruption in order to give back to society and to cooperate in the country's economy development.

Mission to Environment

The Company will conduct business with responsibility to the resources and environment and involving in the conservation, rehabilitation and balance of the ecosystem.

Core Values

Customer Focus : We will give importance to customer's demand and will focus on providing services to the excellence.

Collaboration : We will make it as a team work.

Commitment : We will be committed to working to achieve the goal and being responsible for the result.

Spirit : We will work with determination and dedication.

Integrity : We will persist in honesty, transparency and anti-corruption.

Professional : We will occupy knowledge, skills and capabilities sufficient to perform our duties.

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Financial Highlights

	2022		2021		2020	
Balance Sheet	Million Baht	%	Million Baht	%	Million Baht	%
Assets						
<u>Current assets</u>						
Cash and bank deposit	650.44	1.21	476.22	0.97	1,043.79	2.15
Hire-purchase account receivable due within 1 year, Net	18,157.46	33.68	17,985.28	36.54	17,724.12	36.53
Financial lease- account receivable due within 1 year, Net	181.15	0.34	218.53	0.44	237.82	0.49
Loan account receivable due Within 1 year, Net	153.05	0.29	0.00	0.00	0.00	0.00
Other debtors	76.80	0.14	81.27	0.17	75.59	0.15
Foreclosed assets, Net	238.02	0.44	98.32	0.20	67.31	0.14
Undue Input Vat	156.14	0.29	92.85	0.19	0.00	0.00
Other current assets	11.65	0.02	7.78	0.01	61.27	0.13
<u>Non-current assets</u>						
Restricted bank deposits	2.00	0.00	2.00	0.00	2.00	0.00
Hire-purchase account receivable due more than 1 year, Net	33,297.24	61.77	29,386.22	59.70	28,334.30	58.40
Financial lease- account receivable on due more than 1 year, Net	257.61	0.48	321.01	0.65	451.72	0.93
Loan account receivable due due more than 1 year, Net	54.60	0.10	0.00	0.00	0.00	0.00
Long-term investment, Net	0.00	0.00	0.00	0.00	0.19	0.00
Investment properties	66.42	0.12	19.33	0.04	19.33	0.04
Land, building and equipment, Net	75.74	0.14	66.99	0.14	80.19	0.17
Right-of-use assets, Net	16.45	0.03	12.82	0.03	20.39	0.04
Intangible assets	33.22	0.06	31.80	0.06	22.98	0.05
Deferred tax asset, Net	479.83	0.89	421.59	0.86	375.56	0.78
Other non-current assets	1.44	0.00	1.45	0.00	1.45	0.00
Total assets	53,909.26	100.00	49,223.46	100.00	48,518.01	100.00

	2022		2021		2020	
Balance Sheet	Million Baht	%	Million Baht	%	Million Baht	%
Liabilities						
<u>Current liabilities</u>						
Short-term loans from financial institutions	9,941.34	18.44	9,402.67	19.10	5,371.89	11.07
Other creditors	275.42	0.51	332.66	0.67	313.59	0.66
Accrued Interest	155.76	0.29	139.49	0.29	168.29	0.34
Current portion of lease liabilities within 1 year	5.95	0.01	5.43	0.01	8.52	0.01
Current portion of loan liabilities within 1 year	50.00	0.09	2,584.88	5.25	0.00	0.00
Portion of debentures due within 1 year	6,123.24	11.36	5,808.78	11.80	5,619.34	11.58
Hire-purchase creditor due within 1 year	0.00	0.00	0.00	0.00	0.00	0.00
Accrued corporate income tax	245.91	0.46	244.37	0.50	250.89	0.52
Other current liabilities	247.09	0.46	259.87	0.53	225.02	0.46
<u>Non-current liabilities</u>						
Lease liabilities - net of current portion within 1 year	10.15	0.02	6.81	0.01	11.22	0.02
Loan liabilities - net of current portion Within 1 year	2,147.26	3.98	2,044.76	4.15	7,589.98	15.64
Debentures - net of current portion with in 1 year	22,315.27	41.39	16,794.34	34.12	18,098.73	37.30
Forecasted liabilities- reserve for long-term staff benefit	30.93	0.06	32.83	0.07	41.86	0.09
Total liabilities	41,548.32	77.07	37,656.89	76.50	37,699.32	77.70
Shareholders' equity						
Issued and paid-up capital	5,663.03	10.51	5,663.03	11.51	5,663.03	11.67
Capital surplus	319.89	0.59	319.89	0.65	319.89	0.66
<u>Appropriated retained earnings</u>						
Legal reserve	572.00	1.06	557.50	1.13	471.00	0.97
Retained earnings for treasury stocks	5,806.01	10.77	5,026.14	10.21	4,364.76	8.99
Less Treasury stocks	0.01	0.00	0.01	0.00	0.01	0.00
Total shareholders' equity	12,360.94	22.93	11,566.57	23.50	10,818.69	22.30
Total liabilities & shareholders' equity	53,909.26	100.00	49,223.46	100.00	48,518.01	100.00



Income Statement	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Income and expenses						
Hire purchase interest income	3,469.08	78.07	3,384.91	80.09	3,466.92	81.33
Financial leases interest income	33.49	0.75	45.33	1.07	48.82	1.14
Loans interest income	8.32	0.19	0.00	0.00	0.00	0.00
Fees and service income	468.66	10.55	379.54	8.98	316.17	7.42
Other incomes	463.84	10.44	416.71	9.86	430.82	10.11
Total incomes	4,443.39	100.00	4,226.49	100.00	4,262.73	100.00
Financial cost	925.53	20.83	913.21	21.61	1,063.47	24.95
Selling and administrative expense	773.64	17.41	584.62	13.83	537.61	12.61
Expected Credit Loss	555.11	12.49	585.90	13.86	337.91	7.93
Income tax expenses	436.39	9.82	433.57	10.26	463.53	10.87
Total expenses	2,690.67	60.55	2,517.30	59.56	2,402.52	56.36
Net profit	1,752.72	39.45	1,709.19	40.44	1,860.21	43.64

Major Financial Ratio Reflecting Financial Status and Operating Performance

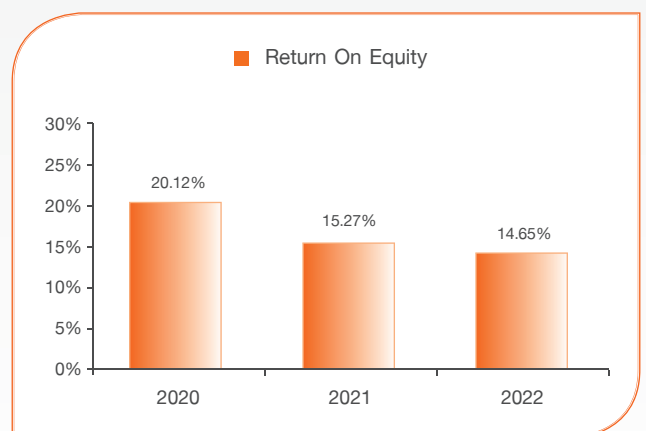
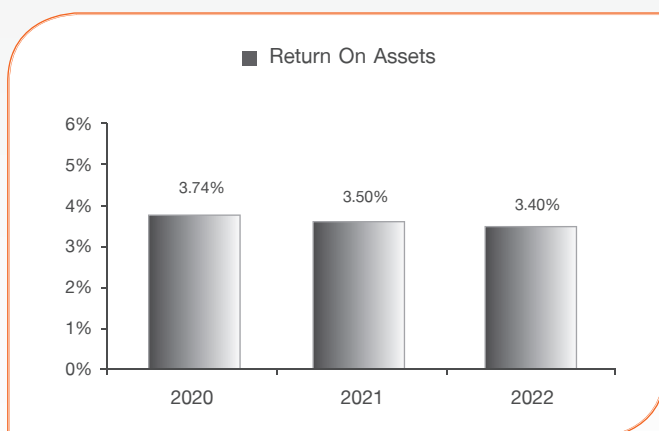
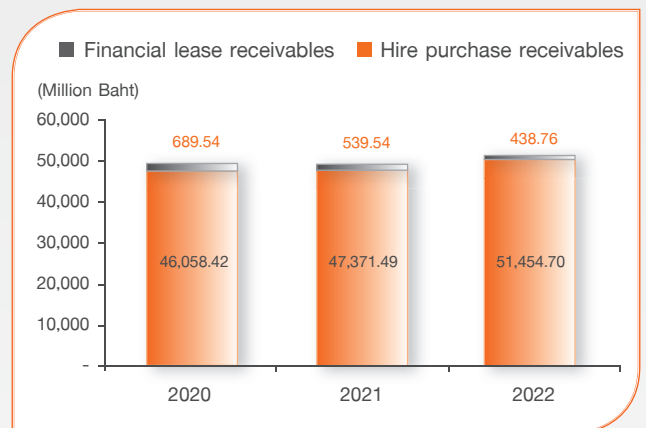
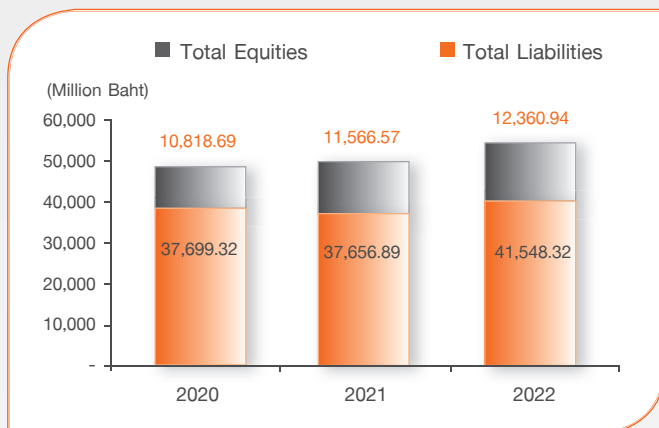
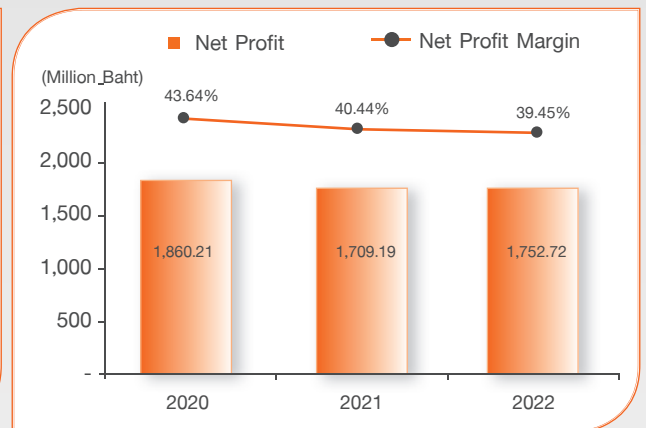
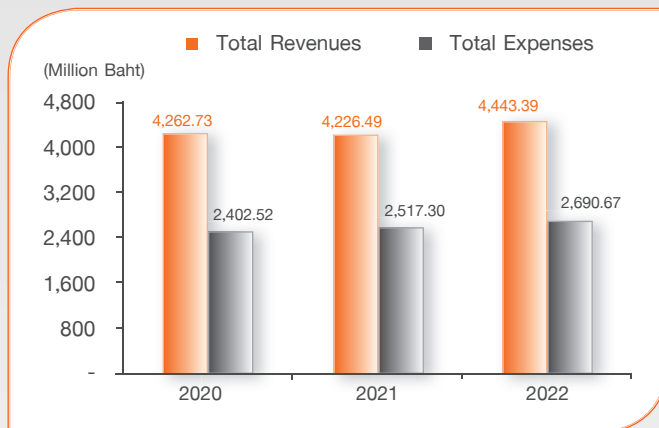
Ratio	2022	2021	2020
<u>Liquidity Ratio</u>			
Liquidity Ratio (Time)	1.15	1.01	1.61
Quick Ratio (Time)	1.13	1.00	1.59
<u>Profitability Ratio</u>			
Net profit margin (%)	39.45	40.44	43.64
Net profit to net interest (%)	67.79	67.91	75.86
Interest rate received (%)	6.81	7.15	7.04
Interest rate paid (%)	2.39	2.49	2.70
Interest rate gap (%)	4.42	4.66	4.34
Return on equity (%)	14.65	15.27	20.12
<u>Efficiency Ratio</u>			
Return on assets (%)	3.40	3.50	3.74
Total assets turnover (Time)	0.09	0.09	0.09
<u>Financial Ratio</u>			
Interest coverage ratio* (Time)	3.37	3.35	3.19
Debt to equity ratio (Time)	3.36	3.26	3.48
Debt to equity ratio** (Time)	3.33	3.21	3.44
Lending to loan ratio (Time)	1.32	1.31	1.31
Dividend payout ratio (%)	54.93	56.33	51.75
<u>Share Information</u>			
Book value per share (Baht)	2.18	2.04	1.91
Basic earnings per share (Baht)	0.31	0.30	0.40

Note : (*) Interest coverage ratio calculated from earnings before interest expense and tax expense / interest expense

 (**) Debt to equity ratio calculated under the same conditions in “The right and obligations of bond issuer which to maintain the Net Debt to Equity Ratio not over than 10:1 time at the end of quarterly or year ended date (The Net Debt is not including trade account payables).

 (***) Such rights of the Company are uncertain, will need the approval from the 2023 Annual General Meeting of Shareholders.







Message from the Board of Directors

In 2022, the world was in the recovery of COVID-2019 pandemic and tended to return to normal condition sequentially. The easing disease control measures, the economic stimulations via various policies of government sector, and the consumptions of private sector and tourism sector encouraged Thai economy to expand by 3.3 percent compared to previous year. However, Thai economy was fragile during the early stage after recovery and still faced many challenges including concerns on the risk of returned pandemic from time to time, inflation condition, household debt problems, and international conflicts that affected energy price which was a significant factor to drive economy.

The Company's business performance in 2022 had new approved credits of 27,819 million baht, increasing from previous year by 19.44 percent. As a result, net loan receivables were 52,103 million baht, increasing from previous year by 8.74 percent, and non-performing receivables were 2.51 percent. The Company and its subsidiaries' net profits were 1,753 million baht, increasing from previous year by 2.57 percent. Although last year, the Company closely monitored and assessed economic situation and industry conditions to adapt itself to operate under various changes appropriately and continuously.

Moreover, the Company's goal is to be the leading business organization with sustainable success. So the Company gives importance to conduct business according to corporate governance principles, aiming to create business values to meet expectation of internal and external stakeholders along value chain. As a result, the Company was selected to be one of Thailand Sustainability Investment (THSI) of the Stock Exchange of Thailand for the second consecutive year.

The year 2023 is expected to see the continuous economic recovery from tourism sector, consumptions, and import and export to significant trade partner countries. The Company is still very cautious on credit approval policy and business conduct, taking into consideration the highest interest of the Company and stakeholders under the corporate governance and effective risks management. The Company also gives importance to involvement of stakeholders along business value chain, financial services with responsibility, and support to every group of customers in society to have more opportunity to access to financial services.

On behalf of the Board of Directors, we would like to thank you all stakeholders groups and all shareholders for your trust and good support to Ratchthani Leasing Public Company Limited's business as always. I also appreciated all executives and every employee for your dedication in performing your duties at your fullest ability last year. Please believe that the committees, all executives and every employee will be committed to perform our duties with consciousness and responsibility in order to drive the Company's business to further achieve the success and continuous and sustainable growth.

(Mr. Virat Chinrapinporn)

Chairman





BOARD OF DIRECTORS

Ratchthani Leasing Public Company Limited



Mr. Virat Chinprapinporn
Chairman, Executive Committee
and Risk Management Committee



Mr. Thakol Nunthirapakorn, Ph.D.
Independent Director and
Chairman of Audit Committee



Mr. Suvit Arunanondchai
Independent Director,
Audit Committee and
Chairman of the Nomination,
Remuneration and Governance
Committee



Mr. Varavudh Varaporn
Independent Director,
Audit Committee
and Nomination, Remuneration
and Governance Committee



Mrs. Naree Boontharawara, Ph.D.
Independent Director
and Audit Committee



Mr. Surapon Satimanont
Independent Director
and Audit Committee



Mr. Kovit Rongwattanasophon

Director, Managing Director,
Chairman of the Executive Committee
and Chairman of the Risk Management
Committee

Mr. Somjate Moosirilert

Director, Executive Committee,
Risk Management Committee
and Nomination, Remuneration
and Corporate Governance
Committee

Ms. Suvarnapha Suvarnaprathip

Director



Mr. Pichai Kititti

Director



Mr. Kamtorn Tantisirivat

Director, Executive Committee
and Risk Management Committee



Mr. Sorasak Chayarak

Director







Business Operations and Performance

Structure of Business Operations of the Group Company

Risk Management

Driving Business of Sustainability

Management Discussion and Analysis

General Information and Other Important Information



Structure of Business Operations of the Group Company

Policy and Overall Business Operation

Background

Ratchthani Leasing (Public) Company Limited, former name “Ratchthani Leasing Company Limited”, was established on 2nd June 1988 with the registered capital of 6 million baht. The Company’s business during the early stage was providing hire purchase service for used car, service for retail customers, and service for car dealers (Floor Plan). Later, the Company increased its registered capital to provide financial services to customers respectively. In 2002, the Company was registered as a public company limited and was listed in the Stock Exchange of Thailand.

At present, the Company conducts business in providing hire purchase service and finance lease services, focusing on vehicle types on which the Company had expertise, such as commercial car both new and used, such as trucks, tractors, etc. including personal cars. Moreover, the Company provided credit services on car registration, credits for car dealers (Floor Plan), and credits for services related to main business, such as annual car registration tax renewal service, coordination for insurance policy renewal, and car inspection for registration tax renewal, etc.

In 2022, the Company primary focused on providing credit services for new and used trucks of which consist 72% trucks and 28% cars and other assets. The Company had policy that credit approval would consider return on credits as major concern to maintain interest rate spread to meet the target.

Goals and Business Direction in the next 5 years

Regarding the company's operations in the past year amidst factors that have had an impact both domestically and internationally, the company has monitored and closely watched for potential impacts. Despite this, the company continues to utilize its expertise and experience to expand its business in the future, with plans for the next 5 years as follows:

1. Develop products and services to meet customer’s needs and financial capabilities.
2. Expand credit with collateral services including vehicles and other assets, such as planes, yachts, etc. In the goal of fulfilling needs of specific customer group who have high potential in the market.
3. Expand the number of branches to provide services to customers in all areas.
4. Develop information technology system to increase efficiency in business operations and to support changes in technology.
5. Develop personnel with specialized expertise in all dimensions to support business expansion in the future.

Significant development in the past

Business Operations

- 2002 The Company was registered as the public company and changed its name to “Ratchthani Leasing Public Company Limited” in August 2002 and was approved to be the listed company on the Stock Exchange of Thailand (SET) on 19 December 2002
- 2003 The Company received the “BBB” credit rating from Tris Rating Co., Ltd.
- 2008 The Company expanded its services to other regions by setting up new branches, such as Nakorn Ratchasima branch, Khon Kaen branch, Rayong branch, and Pitsanulok branch. In the same year, the Company started doing business in leasing services to juristic person customers both in financial lease and operating lease models, targeting used car at the value over 1 million baht.
- 2010 The Company expanded its services to Southern region by setting up a new branch in Surat Thani.
- 2011 The Company expanded its services to Northern region by setting up a new branch in Chiang Rai.
- 2012 The Company’s credit rating was upgraded by Tris Rating Co., Ltd., from “BBB” to “BBB+”, “Stable” outlook
- 2013 The Company expanded its services to Northeast region by setting up a new branch in Ubon Ratchathani.
- 2014 The Company expanded its services to other regions by setting up a new 3 branches in Udorn Thani branch, Hadyai branch in Songkhla province ,and Nakorn Sawan branch.
- 2016 The Company’s credit rating was upgraded by Tris Rating Co., Ltd., from “BBB+” to “A-”, “Stable” outlook.
- 2018 The Company established RTN Insurance Brokers Company Limited (“RTN”) as its subsidiary to operate business of non-life insurance brokers and life insurance broker, aiming to provide services to the Company’s credit customers.
- 2022 The Company has been authorized by the Ministry of Finance to engage in personal loan and nano-finance under supervision. In the initial phase, the Company focused on providing title loans for existing customers, as well as for those who require capital to enhance liquidity in their occupation and consumption.

Capital

- 2002 The Company issued and offered newly issued ordinary shares of 40 million baht to current shareholders, resulting in the increase in the Company’s registered capital from 168 million baht to 208 million baht. The resolution of the Extraordinary General Meeting of Shareholders no. 3/ 2002 on



28th July 2002 was to increase the registered capital from 208 million baht to 300 million baht by issuing 18,400,000 ordinary shares at par value of 5 baht and offering 16,800,000 shares at par value of 8 baht to the public and 1,600,000 shares at par value of 6.40 baht to the Company employees.

- 2003 The Company issued and offered warrants to purchase ordinary shares to existing shareholders for 200 million units at the exercise ratio of 1 unit per 1 new share at the exercise price of 1.00 Baht per share. After the offering of such warrants, the Company's registered capital increased from 300 million Baht to 500 million Baht.

- 2005 The Company issued and offered new ordinary shares and warrants to purchase ordinary shares of the Company in total of 486 million shares at the par value of 1.00 Baht per share to offer to existing shareholders, private placement, and institutional investors, resulting in the increase in registered capital from 500 million Baht to the new registered capital of 986 million Baht.

- 2006 Siam City Bank (Public) Company Limited entered to purchase 265,000,000 shares of the Company by paying 304,750,000 Baht for shares. As a result, the Siam City Bank (Public) Company Limited became the major shareholder of the Company and appointed 4 representatives to be company directors after the acquisition of such securities.

- 2010 After Thanachart Bank Public Company Limited purchased Siam City Bank Public Company Limited's common shares from Financial Institutions Development Fund, Thanachart Bank Public Company Limited became the Company's major shareholder, replacing Siam City Bank Public Company Limited.

- 2011 The Annual General Meeting of Shareholders held in April, 2011 had a resolution for the Company to increase its registered capital from 822,593,906 Baht to 904,853,296 Baht by issuing 82,259,390 ordinary shares at the par value of 1.00 Baht per share to support the payment of dividends into ordinary shares of the company. After such dividend payment, the Company's paid-up registered capital was 904,853,296 Baht.

Later in November, the Extraordinary General Meeting of Shareholders no. 1/2011 had a resolution for the Company to issue and offer new ordinary shares to existing shareholders by increasing registered capital from 904,853,296 Baht to 1,342,349,708 Baht. After such rights offering for capital increase, Thanachart Bank (Public) Company Limited became the major shareholder of the Company, holding 874,973,000 shares which was accounted for 65.18% of paid-up capital.

- 2013 The 2013 Annual General Meeting Shareholders held on 2 April 2013 had a resolution to increase the registered capital of the Company from 1,342,349,708 Baht to 1,610,819,649 Baht by issuing 268,469,941 common shares at par value of 1.00 Baht/share in order to certify the Company's dividend payment as common shares. After such dividend payment, the Company's paid-up registered capital was 1,610,819,597 Baht.

- 2014 The 2014 Annual General Meeting Shareholders held on 2 April 2014 had a resolution to increase the registered capital of the Company from 1,610,819,597 Baht to 2,013,524,496 Baht by issuing 402,704,899 common shares at par value of 1.00 Baht/share in order to certify the Company's dividend payment as common shares. After such dividend payment, the Company's paid-up registered capital was 2,013,522,778 Baht.
- 2015 The 2015 Annual General Meeting Shareholders held on 8 April 2015 had a resolution to increase the registered capital of the Company from 2,013,522,778 Baht to 2,416,227,333 Baht by issuing 402,704,555 common shares at par value of 1.00 Baht/share in order to certify the Company's dividend payment as common shares. After such dividend payment, the Company's paid-up registered capital was 2,416,227,209 Baht.
- 2018 The 2018 Annual General Meeting Shareholders held on 3 April 2018 had a resolution to increase the registered capital of the Company from 2,416,227,209 Baht to 3,020,284,011 Baht by issuing 604,056,802 common shares at par value of 1.00 Baht/share in order to certify the Company's dividend payment as common shares. After such dividend payment, the Company's paid-up registered capital was 3,020,283,681 Baht.
- 2019 The 2019 Annual General Meeting Shareholders held on 2 April 2019 had a resolution to increase the registered capital of the Company from 3,020,283,681 Baht to 3,775,354,601 Baht by issuing 755,070,920 common shares at par value of 1.00 Baht/share in order to certify the Company's dividend payment as common shares. After such dividend payment, the Company's paid-up registered capital was 3,775,353,450 Baht.
- In December, after the business restructuring of Thanachart Bank (Public) Limited, Thanachart Group became the major shareholder of the Company by holding 2,094,329,833 shares of SPV1 Company Limited, accounted for 55.47% of paid-up capital.
- 2020 The 2020 Annual General Meeting of Shareholders held on 10 July 2020 had a resolution to increase the registered capital of the Company from 3,775,353,450 Baht to 5,663,030,175 Baht by issuing 1,887,676,725 ordinary shares at the par value of 1.00 Baht/share for the rights offering. After that, the Company's paid-up registered capital was 5,663,028,199 Baht.

Key Events in the past period

- 2014 The Company announced of intent and was certified for membership of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC), together with Thanachart Group.
- 2015 The Company was evaluated by the Anti-Corruption Progress Indicator and got "Grade 4 - Certified" from Thaipat Institute, supported by the Office of the Securities and Exchange Commission. This showed that



the Company's Anti-Corruption process was complete and sufficient, examined by the Audit Committee and certified by CAC.

- 2016 The Company was evaluated by the Anti-Corruption Progress Indicator and got "Grade 5 – Extended" from Thaipat Institute, supported by the Office of the Securities and Exchange Commission. This showed that the Company's policy also pushed its business partners, consultants, middlemen or business representatives to have policy and practice of anti-corruption.

The Company received the Best Company Performance Award 2016 and was considered to be a candidate for the Further Best Company Performance Award in "SET Award 2016" organized by SET and Money and Banking Magazine.

- 2017 The Company was selected to be an index of MSCI Global Small Cap by Morgan Stanley Capital International, the benchmark that institutional investors which invest in all regions over the world use as the return on investment indication standard.

Nature of Business Operation

Income Structure

The income structure of the Company according to the financial statements for the year ended 31 December 2020, 2021 and 2022 is shown as follows:

(Unit : Million Baht)

Income	2022		2021		2020	
	Amount	%	Amount	%	Amount	%
1. Hire-purchase interest income						
- Personal cars	961.48	21.64	1,011.71	23.94	1,012.18	23.74
- Commercial car	2,507.59	56.43	2,373.21	56.15	2,454.75	57.59
Total hire-purchase interest income	3,469.07	78.07	3,384.92	80.09	3,466.93	81.33
2. Financial lease interest income	33.49	0.75	45.33	1.08	48.82	1.15
3. Loans interest income	8.32	0.19	-	-	-	-
4. Other income						
- Fee and service charge	259.06	5.83	201.91	4.78	161.94	3.80
- Loan default penalty	169.91	3.82	165.22	3.91	159.12	3.73
- Bad debts recovered	86.02	1.94	90.63	2.14	37.62	0.88
- Commission on insurance Premium	209.61	4.72	177.63	4.20	154.23	3.62
- Other income*	207.91	4.68	160.85	3.80	234.07	5.49
Total other income	932.51	20.99	796.24	18.83	746.98	17.52
Total income	4,443.39	100.00	4,226.49	100.00	4,262.73	100.00

Note : (*) Most of other income came from compensation from debtors, miscellaneous income, interest receivable from banks and dividend.

Nature of Products and Services

Hire Purchase and Financial Lease Service Business

The Company has operated business on hire-purchase and financial lease for cars. The Company has emphasized on vehicle market segments on which it has expertise, such as new and used commercial cars, such as pickup vehicle, taxi, trailer, and truck, etc., and used personal cars (second hand cars). On 31 December 2022, the Company provided the hire purchase loans services for new cars for approximately 57 percent and for used car for approximately 43 percent of total loans. In addition, 2022 business still focused on the new and used commercial car segment. The commercial car segment was accounted for 72 percent while other car segment was accounted for 28 percent. Ownership of cars was transferred after all installments were fully paid.

Risk of used car hire purchase is fairly high, compared to new car hire purchase. There also is a risk from major customer group of commercial cars, which are sensitive to the overall domestic economy. The Company therefore considers several factors when considering credit approval, such as physical conditions of cars, market



price, car registration checking, etc. The Company has the experienced teams to inspect used car conditions and prices.

In addition to the mentioned hire-purchase services, the Company provides several after-sales services, such as car registration renewal, insurance renewal, car inspection before annual tax payment. These services not only serve customers but also are other sources of income for the Company and bring benefits in protecting customers' assets and preventing the Company's damage.

Loan Service Business

In the business of providing loan credit services, a personal loan holding car registration as collateral is the loan service for general retail customer who owns the car. The car registration is held as collateral for loan granting. The customer must be the owner of the car. The payment shall be made in monthly installation including principal and interest. In credit limit consideration, the Company considers type and value of collateral, debt payment ability, verification of customer's and guarantor's qualifications (as the case may be), etc. However, request for a loan holding car registration as collateral, each customer can use one collateral per one contract. The Company receives interest income, fee income and other service income at the rate mutually agreed in the contract. However, the highest total rate of incomes from interests, fines, services, or fees must not exceed the highest effective rate of interest defined by the Bank of Thailand. Nevertheless, other than incomes from interests, fines, services, or fees as mentioned above, the Company may charge for the actual and reasonable expenses according to the list defined by the Bank of Thailand. In order to ensure that the loan requestor is the true car owner, the car registration book must be submitted to the Company as collateral. The car owner does not need to transfer the ownership but must sign in the transfer and acceptance request form and the power of attorney form of the Department of Land Transport. In the case that a customer cannot pay debt to the Company, the customer accepts to transfer the car ownership and gives the car to the Company to be sold and paid for the debt. The customer still owns the car and can take it back to use. The car registration book held as collateral for loan must be in accordance with the Road Traffic Act B.E. 2522 ("Traffic Act") which covers various types of vehicles, such as motorcycle, personal car, commercial car, truck, and agricultural vehicles, etc. In the business of providing credit services to car dealers (Floor Plan) for capital investment in purchasing cars for sales and for liquidity enhancement of car dealers, the Company selectively supports dealers who provide hire-purchase customers for the Company.

Insurance Broker Business

Insurance broker businesses have been conducted by the Company's subsidiary, RTN Insurances Broker Company Limited ("RTN") since 2018, providing services to hire purchase loan, finance lease, and credit loan customers, in order to meet customer's demand and maintain customer service efficiency which will make the Company complete its business in providing hire purchase loan, finance lease, and credit loans services. Insurance businesses include Vehicle Insurance, such as Voluntary Insurance, Compulsory Insurance (Act), and Life Insurance.

Market Overview and Competition

The year 2022 is marked as a year of recovery from the devastating effects of the COVID-19 pandemic. Although the overall economic situation and household income may have already hit rock bottom, there are promising signs of improvement on the horizon. However, the pressure from inflation still poses a significant challenge to household purchasing power. Interestingly, this has inadvertently led to an unexpected surge in the second-hand car market and the demand for second-hand car loans. As a result, more and more non-bank financial service providers are showing interest in this lucrative market. Nevertheless, with the interest rates on the rise, customers seeking to finance their car purchases are facing an increasing financial burden. To mitigate the risk, financial institutions have begun to adjust their lending policies, primarily by requiring a higher down payment from the borrowers. This has inevitably led to stricter customer screening procedures, especially for those with an unstable income. In response to the market's changing landscape, financial institutions have become more cautious in their lending practices and have placed greater emphasis on quality growth. Moreover, with the government's stricter regulation of the retail credit industry, captive finance companies are now facing intensified competition and a more significant role within the industry. As a result, companies are increasingly turning to digital platforms to expand their customer base and reach out to more potential consumers. In short, the market is undergoing significant changes, presenting both challenges and opportunities for financial institutions to adapt and succeed.

However, in the next 3-5 years, the Company has planned to retain commercial car hire purchase ratio, accounted for 65-70% of total loans. This segment has been growing consistently, resulting in higher profitability with lower risks compared to personal car segment. (Normally, after seizing collaterals and auctions, the Company would sell them at the prices closed to debt amounts.) With this strategy, the Company will not compete with large financial institutions which have lower operating costs, and will have higher competitive competency.

In addition, with long experience and business expertise, the Company is able to create competitive advantage, build long-term relationship with and generate good return to car dealers. The Company provides the fast services for customer's satisfaction to keep its market shares and strengthen relationship with dealers in order to open for new business opportunities and channels.

Competitive Strategies

1. Emphasize on fast services, both pre and post sales, as well as efficiency in customer services. The Company has credit officers working at car dealers' offices and has officers working on car registration ready to coordinate with credit officers to facilitate the loan approval. The Company also realized the importance of the fast and punctual payment to dealers.

2. Emphasize on niche market where the Company has expertise, that is, hire purchase for used cars, new and used trucks segments. The Company has experiences in this business for more than 30 years. The Company's personnel have good market knowledge and understanding, including expertise in car price appraisal, which is the Company's advantage over new coming competitors.



3. Give priority to a full range of services, such as car registration renewal and car insurance renewal, to provide convenience to customers. It is also another source of revenue for the Company.

4. Create good relationship with customers and car dealers with quality, fast and convenient services. Good returns and consistent services are offered to car dealers. Credit lines are sufficiently and consistently offered to dealers' customers to create the confidence and trust for dealers and create the Company's opportunity to expand business in the future.

5. Emphasize on loans for car dealers who give importance to selecting quality cars and selling them at reasonable prices, including correct car registration and/ or have guarantee for customers. This helps reduce risks on the car quality. The Company has recognized that the risks of hire purchase for second hand car business can come from both debtor quality and car condition, quality while the risk of hire purchase for new car business comes from the debtor quality only.

6. Give priority to the Company's existing personnel and recruit new staff with ability and experience in used car market to join the team. Develop the staff's knowledge and motivate them with remuneration and other benefits.

Nature of Customers and Key Target Customers

Most of customer target groups of the Company are general persons including juristic persons who were introduced by car dealers. In 2022, the Company's hire purchase loans to general person customers was 54 percent of total loans. The Company was committed to provide efficient, fast, convenient, and friendly services to customers and car dealers. After-sales services and continuous development of after-sales services play the key role for the Company to sustain the existing customer base and expand more to new customer groups who were recommended by existing customers and dealers. From the past experiences, if existing customers repaying all or partial loans wished to buy new cars, they would come for the Company's hire purchase services again.

Price Policy

The Company has a policy to offer interest rates that are appropriate for customers, while also ensuring profitability and competitiveness against other competitors. The Company will consider the trend of interest rates of other businesses to determine the amount of collateral, down payment, and installment payments that customers must make in the future. These factors include:

1. Loan interest cost of the Company and other trends that can affect such costs, such as economic condition of the country, trend of changing interest rates in the market, measures of government agencies that affect the Company's business, etc.

2. Operating costs of the Company.

3. Qualifications of collateral vehicles, such as type, brand, and years of service.

4. Qualifications of loan applicants and guarantors, especially those whose residential addresses are in upcountry which could cause risks in debt collection. The Company may charge higher interest rate for this group of customers.

Distribution Channels

The Company's Marketing Division with the experience in used car market is responsible for customer acquisition by creating good relationships with car dealers and rotating their working station to offices of car dealers who are the Company's partners. The dealers can be the Company's partners when they are approved by the Company according to the dealer consideration and process. In addition, the Company does not make any contract with those dealers.

Currently, the Company has over 1,000 car dealer partners. All of them are located in Bangkok, perimeter, and key provinces. Over 500 of them are regular partners. The Company does not grant credit to any customers for over 5% of their shares. Normally, the dealers do business with many service providers which provide hire purchase service and finance leasing service. The dealers' recommendation on which any service providers should be selected depend on the following factors:

- Relationships between car dealers and the Company.
- Quality and fast services to customers.
- Fast and on-time payment to car dealers.
- Consistent and sufficient credit lines for services.
- Collaboration and support to sales promotion occasionally held by car dealers.

However, with business experience and long-term relationships with car dealers, the Company has been a sole credit provider for some large used car dealers.

Competition

Service provider in hire purchase and financial leasing can be divided into 3 types:

1. Financial institution
2. Hire Purchase and Finance Service Provider
3. Captive Finance

As a result, this business has fierce competition so the expansion of the market base of the automobile manufacturers (Captive Finance) is often the establishment of a subsidiary of automobile leasing companies to provide hire purchase and financial leasing services to an auto buyer as a sales support and to gain market share in providing hire purchase and financial leasing services, there is a continuous marketing activity, especially in terms of price due to the low financial costs and compensation from the automakers. As a result, the overall cost is lower than that of other hire purchase and financial leasing service provider.

Service provider that are financial institutions and affiliates of car manufacturers and distributors tend to focus on hire purchase and financial leasing for new cars due to the low financial costs. Therefore, they are more



competitive in the new car hire purchase market with lower interest rates rather than taking the risk of competition in the used car market. Even with a higher interest rate in the used car market, the risk is not limited to the quality of the debtor as it is in the hire purchase of a new car the quality of assets or cars can also have a significant effect on the risks of a business, which service provider must have knowledgeable personnel experience in marketing and accurately assessing the condition and price of used cars. However, due to competition conditions, interest rates on hire purchase loans have been reduced, especially for new cars. As a result, some service provider has adjusted and expanded their proportion to used car loans with higher interest rates. This is in order to maintain the margin of interest not to be so low.

Industry Trend

The hire purchase business has a direct relationship with the growth of the automobile industry, i.e., if there are more new car sales hire purchase will grow relative. In addition, the fierce competition in the system leads to the reduction of credit terms, such as reducing down payments and extending the installment period. As a result, car buyers have changed from buying with cash to paying more installments.

Statistics of domestic new car sales

(Unit : Vehicles)

Car Types	2018	2019	2020	2021	2022
1) Passenger cars	399,657	398,386	274,789	230,794	265,123
2) Commercial vehicles	642,082	609,166	517,357	528,325	584,265
Total	1,041,739	1,007,552	792,146	759,119	849,388

Source : The Federation of Thai Industries

In the year 2022, there were a total of 849,388 new car sales in domestic, with commercial vehicle sales at 584,265 units, an increase of approximately 10.59% from the previous year. The year 2022 was a year of recovery from the COVID-19 pandemic, and the overall economic situation and household income may have passed the lowest point, with signs of improvement. The tourism sector played a significant role in this recovery as a primary source of income, resulting in noticeable economic activity. However, the opening of the country to foreign tourists will be one of the important factors supporting the Thai economy in the year 2023

Procurement of Products or Services

Source and Use of Funds

Sources of the Company's funds for business not only come from the capital but also from the loan from financial institutions. As of 31 December 2020, 2021 and 2022, the Company's sources of funds were summarized as follows:

(Unit: Million Baht)

Item	2022		2021		2020	
	Amount	%	Amount	%	Amount	%
Shareholders' equity	12,360.94	23.35	11,566.57	24.00	10,818.69	22.78
Loan						
Short-term loan*	16,114.58	30.44	17,796.32	36.92	10,991.23	23.14
Long-term bonds**	22,315.27	42.15	16,794.34	34.84	18,098.73	38.10
Long term loan	2,147.26	4.06	2,044.76	4.24	7,589.98	15.98
Total loans***	40,577.11	76.65	36,635.42	76.00	36,679.94	77.22
Total	52,938.05	100.00	48,201.99	100.00	47,498.63	100.00

Note : (*) Short-term loans, overdraft, and long-term loans to be paid within 1 year.

(**) Long-term bonds (net from the bond to be paid within 1 year) are the amount before expenses on bond issue to be written off.

(***) Other current liabilities are not counted as liabilities from normal business, such as transfer amount to be written off, creditor - Revenue Department, petty cash, creditor - insurance and others.

As of 31 December 2022, the amount of loans was 40,577.11 Million Baht. The repayment schedule is as follows:

(Unit : Million Baht)

Loan repayment schedule	Amount
Within 1 year	16,114.58
1 - up to 2 years	7,089.09
2 - up to 3 years	10,931.43
Over 3 years	6,442.01
Total	40,577.11

Regarding the hire-purchase debtors excluding debtors with more than 4-month accrued balances and debtors under prosecution process, the Company has the debtor balances as follows:

(Unit : Million Baht)

Receivable payment	Hire-purchase	Financial lease	Loan	Total
Within 1 year	20,179.72	209.02	156.99	20,545.73
1 - up to 2 years	16,313.98	134.55	23.19	16,471.72
2 - up to 3 years	11,924.90	84.12	17.95	12,026.97
Over 3 years	9,170.05	56.17	10.93	9,237.15
Total	57,588.65	483.86	209.06	58,281.57

As of 31 December 2022, the Company had loan debts that were repayable within 1 year (including overdrafts and short-term loans) of 16,114.58 million Baht and long-term debts that were due for over 1 year but



not over 2 years of 7,089.09 million Baht. Comparing the debtor's installment payment due within 1 year of 20,545.73 million Baht with the installment payment due over 1 year but not over 2 years of 16,471.72 million Baht, the Company had enough sources of fund to pay the loan debt repayable within 1 year since some short-term debts shall be paid by long-term debts. This financial structure management strategy managed the loan debts that were repayable within 1 year to consist of overdrafts, loans in the form of promissory notes, money from institutions and third parties, and long-term debts due within 1 year.

Importance of liquidity has been recognized. The Company considered new sources of fund, that is, long-term loans with fixed interest rate being consistent with debtors' repayment. This reduces interest rate risk and mismatch fund risk, provided that the Company has closely monitored such risks.

Lending

The Company has a policy to provide credit with emphasis on the quality of the customers. Most of the Company's customers are individual customers. The Company considers approving hire purchase loans for individual customers. It is determined by the ability to repay the debt of the customer and the credit of the guarantor by the stability of income, occupation, including the place of residence or place of work of the customer, thorough review of the history of each customer and including staff to supervise each step carefully.

Giving consideration through persons related to management or major shareholders

Currently, the Company does not have any loans through the management, major shareholder and those related to the said person.

Investments

The Company has investments in mutual funds, to increase the profits, an objective for long-term investment with an investment in 1993; the investment value at the cost of 300,000 Baht. Nevertheless, the Company sold such investment on 20 May 2021.

Assets Used in Business Operations

Hire Purchase Account Receivable

Hire purchase receivables classified by type of receivables and repayment period after deducting deferred hire purchase interest. (Before deducting doubtful accounts) as of 31 December 2022, 2021 and 2020 as follows:

(Unit : Million Baht)

Item	2022		2021		2020	
	Amount	%	Amount	%	Amount	%
Hire-Purchase Account Receivable						
- Passenger cars	15,390.38	29.04	15,103.88	30.92	14,279.40	30.20
- Commercial vehicles	37,603.00	70.96	33,741.22	69.08	32,998.19	69.80
Total	52,993.38	100.00	48,845.10	100.00	47,277.59	100.00
Repayment Period						
- 12 month	3.16	0.01	39.49	0.08	85.96	0.18
- 18 month	60.78	0.11	102.38	0.21	276.15	0.58
- 24 month	481.70	0.91	732.27	1.50	1,033.33	2.19
- 30 month	143.19	0.27	492.18	1.00	799.95	1.69
- 36 month	2,266.95	4.28	2,792.33	5.72	3,362.97	7.11
- 42 month	400.79	0.76	985.50	2.02	1,384.62	2.93
- 48 month	19,383.55	36.58	19,788.34	40.51	19,723.88	41.72
- 54 month	569.66	1.07	1,001.95	2.05	1,257.90	2.66
- 60 month	29,117.45	54.95	22,586.91	46.24	19,156.57	40.52
- 66 month	-	-	-	-	-	-
- 72 month	566.15	1.06	323.75	0.67	196.26	0.42
- 84 month	-	-	-	-	-	-
Total	52,993.38	100.00	48,845.10	100.00	47,277.59	100.00

Revenue recognition

Since 1 January 2020, the Company has recognized interest income from hire purchase contract and financial lease on an accrual basis by the Effective interest method throughout the contract period by calculating from accounts receivable gross book value. The effective interest rate discounts the expected future cash inflows over the expected life of financial instruments by considering discounts or surpluses on acquisitions of assets and fees, as well as costs that are part of the effective interest rate.

As for hire purchase and financial lease receivables with subsequent credit impairment, the Company recognized interest income with the effective interest rate method by calculating from the net accounting debt amount of the receivable (Outstanding amount net of expected credit loss allowance.)



Direct incomes and expenses occurred in the beginning period of hire purchase and financial lease shall be recognized by allocated recognition using the effective interest rate method and show less from interest income from hire purchase contracts over the term of contracts to reflect the effective interest rate of contracts.

Policy of setting reserves for expected credit loss

Since 1 January 2020, the Company applies the General Approach to calculate the expected credit losses on its financial assets, such as deposits at financial institutions and hire purchase receivables.

The Company classifies its financial assets into three stages (Three-stage approach) to measure the value of the expected credit losses, with the classification of the financial assets determined on the basis of the change in credit risk since initial recognition as follows:

Group 1 : Financial assets with no significant increase in credit risk (Performing)

For financial assets which no significant increase in credit risk since initial recognition, the Company recognizes the expected credit loss at an amount equal to 12-month expected credit loss. For financial assets with maturity of less than 12 months, the Company will use the probability of fulfilling the contract in accordance with the remaining terms of the contract.

Group 2 : Financial assets with significant increases in credit risk (Under-performing)

For financial assets with significant increases in credit risk since the initial recognition date but that are not credit-impaired, the Company recognizes the expected credit loss at an amount equal to expected credit loss over the expected lifetime of the financial instrument.

Group 3 : Financial assets that are credit-impaired (Non-performing)

Financial assets are assessed as a credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset occur. The Company recognizes the expected credit loss over the expected lifetime of the financial assets.

At the end of the reporting period, the Company assesses whether the credit risk of financial assets has increased significantly since the initial recognition date, by comparing the risk of default on the financial assets as at reporting date with the risk of default as at the initial recognition date. The Company may use internal quantitative or qualitative basis and expected data for evaluate a decrease in credit quality such as debtors which are overdue for more than 30 days. In determining whether the credit risk has increased significantly since the initial recognition date, financial assets will be considered either by individual contract or group of financial assets.

Receivables are considered to be credit-impaired when one or more events occurs affecting the estimated future cash flows of the loan agreements. Evidences that financial assets are credit-impaired, includes overdue for more than 90 days or there are indicators that debtors are in significant trouble financial position, legal status, renegotiate terms of repayment or debt restructuring.

In subsequent periods, if the credit quality of financial assets improves and it is assessed that there is no longer the significant increase in credit risk from the initial recognition date that was assessed in the previous period, the Company will change from recognizing the lifetime expected credit loss to recognizing the 12-month expected credit loss.

Expected credit loss is the probability-weighted estimate of credit loss over the expected lifetime of the financial asset, consider the present value of all cash expected not to be recoverable. The Company consider historical loss experience on the basis of shared credit risk characteristics, taking into account type of loans, type of collateral, month on book, and other relevant factors, adjusts this for current observable data, as well as forward looking information that is supportable and reasonable provide. It can be shown as well as exercising appropriate of judgement, to estimate the amount of an expected credit loss based on macroeconomic data and determines both current and future economic scenario, and probability-weighted in each scenario (base scenario, best scenario and worst scenario) for calculating expected credit loss. Use of forward-looking data increases the degree of judgement required in evaluating how relevant current macroeconomic changes affect expected credit loss. However, the Company has established the process to review and monitor methodologies, assumptions and forward-looking macroeconomics scenarios on a regular basis. Furthermore, expected credit loss was included management overlay.

Movements of allowance for expected credit losses (ECL) for the year ended 31 December 2022, 2021 and 2020 are as follows:

(Unit : Thousand Baht)

Item	2022			
	Allowance for expected credit losses (ECL)			
	Financial assets with no significant increase in credit risk	Financial assets with significant increases in credit risk	Financial assets that are credit- impaired	Total
Hire purchase and financial lease account receivables				
Beginning balance	240,521	689,252	555,172	1,484,945
Changes due to changes in stages	139,065	(81,677)	(57,388)	-
Changes due to re-measurement of allowance for credit losses	(240,557)	(57,565)	495,023	196,901
New financial assets purchased or acquired	148,645	295,036	96,304	539,985
Transfer to other assets	-	-	(385,312)	(385,312)
Bad debt written-off	-	-	(279,452)	(279,452)
Ending balance	287,674	845,046	424,347	1,557,067
Loan account receivables				
Beginning balance	-	-	-	-
Changes due to changes in stages	-	-	-	-
Changes due to re-measurement of allowance for credit losses	-	-	-	-
New financial assets purchased or acquired	1,033	381	-	1,414
Ending balance	1,033	381	-	1,414



2022				
Item	Allowance for expected credit losses (ECL)			
	Financial assets with no significant increase in credit risk	Financial assets with significant increases in credit risk	Financial assets that are credit-impaired	Total
Other non-current assets				
Beginning balance	135	420	1,032,975	1,033,530
Changes due to re-measurement of allowance for credit losses	17	94	(146,803)	(146,692)
Transfer from hire purchase and financial lease receivables	-	-	385,312	385,312
Bad debt written-off	-	-	(42,061)	(42,061)
Ending balance	152	514	1,229,423	1,230,089

(Unit : Thousand Baht)

2021				
Item	Allowance for expected credit losses (ECL)			
	Financial assets with no significant increase in credit risk	Financial assets with significant increases in credit risk	Financial assets that are credit-impaired	Total
Hire purchase and financial lease account receivables				
Beginning balance	183,248	642,729	402,275	1,228,252
Changes due to changes in stages	85,951	(119,831)	33,880	-
Changes due to re-measurement of allowance for credit losses	(137,899)	11,635	572,310	446,974
New financial assets purchased or acquired	109,221	154,719	44,999	308,011
Transfer to other assets	-	-	(264,620)	(264,620)
Bad debt written-off	-	-	(233,672)	(233,672)
Ending balance	240,521	689,252	555,172	1,484,945
Other non-current assets				
Beginning balance	137	629	940,493	941,259
Changes due to re-measurement of allowance for credit losses	(2)	(209)	(141,521)	(141,732)
Transfer from hire purchase and financial lease receivables	-	-	264,620	264,620
Bad debt written-off	-	-	(30,617)	(30,617)
Ending balance	135	420	1,032,975	1,033,530

(Unit : Thousand Baht)

2020				
Item	Allowance for expected credit losses (ECL)			
	Financial assets with no significant increase in credit risk	Financial assets with significant increases in credit risk	Financial assets that are credit-impaired	Total
Hire purchase and financial lease account receivables				
Beginning balance	196,067	699,874	1,328,736	2,224,677
Changes due to changes in stages	146,419	(201,681)	55,262	-
Changes due to re-measurement of allowance for credit losses	(222,599)	49,785	355,031	(182,217)
New financial assets purchased or acquired	63,361	94,751	30,995	189,107
Transfer to other assets	-	-	(950,308)	(950,308)
Bad debt written-off	-	-	(417,441)	(417,441)
Ending balance	183,248	642,729	402,275	1,228,252
Other non-current assets				
Beginning balance	146	674	13,718	14,538
Changes due to re-measurement of allowance for credit losses	(9)	(45)	(2,718)	(2,772)
Transfer from hire purchase and financial lease receivables	-	-	950,308	950,308
Bad debt written-off	-	-	(20,815)	(20,815)
Ending balance	137	629	940,493	941,259

Bad debt written-off policy

The Company has a policy to write off accounts receivable when the court rules that receivable and surety to repay debt to the Company but the Company cannot confiscate assets or enforce the case according to the judgment. When the Company cannot collect money from receivable, to write off the receivable will deduct the expected credit loss and the bad debt recovered will be recorded in other incomes section.

In 2022, 2021, and 2020, the Company considered writing off bad debts from hire purchase receivables and receivables under the legal compromise agreement for 279.45 million Baht, 264.29 million Baht, and 438.26 million Baht, respectively.

Property (seized vehicles) waiting for sale

Due to the close management regulations, the number of seized vehicles of the Company increased in line with the Company's credit growth. In 2022, 2021 and 2020, the Company has seized vehicles waiting for sale, 957 vehicles for sale, 768 vehicles and 780 vehicles, respectively, worth 136.16 million Baht, 89.78 million Baht and 208.24 million Baht, respectively, with details as follows:



The table showing the number of seized vehicles compare to the total contract

Years	Number of seized car (vehicles)	Property value* (million Baht)	Number of debtor (contract/ vehicles)	Number of car seized against the total number of debtors (percentage)	Number of seized cars sold (vehicles)	Number of remaining seized car (vehicles)	Number of remaining vehicle per number seized car holder sold (percentage)
2022	957	343.63	61,203	1.56	778	311	39.97
2021	768	136.16	61,871	1.24	728	145	19.92
2020	780	89.78	63,303	1.23	899	120	13.35

Table showing details of assets confiscated and disposed

2022				
Confiscated property	Contract amount	Property value* (million Baht)	Property value sold (million Baht)	Profit (loss) from the sale of assets (million Baht)
Passenger cars	18	26.29	27.85	(1.03)
Commercial vehicles	760	641.35	538.59	(132.17)
Total	778	667.64	566.44	(133.19)
2021				
Confiscated property	Contract amount	Property value * (million Baht)	Property Value sold (million Baht)	Profit (loss) from the sale of assets (million Baht)
Passenger cars	12	10.67	9.77	(1.39)
Commercial vehicles	727	573.74	507.59	(95.68)
Total	739	584.41	517.36	(97.07)
2020				
Confiscated property	Contract amount	Property value * (million Baht)	Property Value sold (million Baht)	Profit (loss) from the sale of assets (million Baht)
Passenger cars	29	64.65	65.36	(4.29)
Commercial vehicles	870	692.35	566.21	(159.21)
Total	899	757.00	631.57	(163.50)

Note : * property value = outstanding debt value - unrecognized interest + vehicle seizure cost

Investments

The Company has a long-term investment with a mutual fund with details as follows:

(Unit : Baht)

Mutual Profit Fund	Category	Investment value*	
		Cost price	Book value
31 December 2022	Mutual fund	-	-
31 December 2021	Mutual fund	-	-
31 December 2020	Mutual fund	300,000	187,572

Note : * The Company has not recorded any investment. By the equity method in the financial statements

Property for Investments

The Company has a property for investments with details as follows:

(Unit : Baht)

List	Net book value		
	2022	2021	2020
1. Land			
- Vacant land Khum Thong Subdistrict (Thap Yao), Lat Krabang District, Bangkok Area 17-2-25 rai *	19,326,498	19,326,498	19,326,498
- Land built parking for seized, Ladkrabang District, Bangkok Area 3-1-84 rai*	3,807,526	-	-
- Land for improvement	2,284,472	-	-
2. Office Suites			
- Sinnsathorn Tower, 12th A Floor, 77 / 42, Khlong Ton Sai Subdistrict, Khlong San district, Bangkok, area 343.02 square meters	20,212,076	-	-
- Sinnsathorn Tower, 12th A Floor, 77 / 43, Khlong Ton Sai Subdistrict, Khlong San district, Bangkok, area 352.74 square meters	20,784,817	-	-
Total	66,415,389	19,326,498	19,326,498

Note : * Originally, the land foreclosed of that company had an area of 21-3-81 rai, but 372 square wah of land was expropriated to the government, the land area had the balance equal to 21-0-9 rai. In accounting, there was a loss from land expropriation. That was equal to 1,023,410 Baht in 2004.

Property, plant and equipment - net

The book value of the Company's property, plant and equipment - net as of the Company in 31 December 2022 is shown in the following table:



(Unit : Bath)

List	Net book value
1. Office Suites	
- Sinnsathorn Tower, 11th UP Floor, 77 / 35-36, Khlong Ton Sai Subdistrict, Khlong San district, Bangkok, area 561.74 square meters	184,557
- Sinnsathorn Tower, 14th Floor, 77 / 48-49, Khlong Ton Sai Subdistrict, Khlong San district, Bangkok, area 592.78 square meters	6,429,891
- Sinnsathorn Tower, 2nd Floor, 77/20 Klong Ton Sai Subdistrict, Khlong San district, Bangkok, area 191.94 square meters	6,232,791
- Sinnsathorn Tower, 2nd Floor, 77/26 Khlong Ton Sai Subdistrict, Khlong San district, Bangkok, area 176.31 square meters	5,725,245
- Sinnsathorn Tower, 2nd Floor, 77/27 Khlong Ton Sai Subdistrict, Khlong San district, Bangkok, area 296.99 square meters	9,605,389
- Sinnsathorn Tower, 11th Floor, 77/31, Khlong Ton Sai Subdistrict, Khlong San district, Bangkok, area 295.15 square meters	10,026,164
- Sinnsathorn Tower, 2nd Floor, 77/21 and 77/22, Khlong Ton Sai Subdistrict, Khlong San district, Bangkok, area 254.68 square meters	8,325,809
- Sinnsathorn Tower, 12 th A Floor, 77/44, Khlong Ton Sai Subdistrict, Khlong San district, Bangkok, area 254.68 square meters	14,144,092
2. Improvement and installation of the unit	235,323
3. Office decorations	298,627
4. Office equipment and supplies	7,174,926
5. Vehicles	7,356,983
Total	75,739,797

Note : All property, plant and equipment - net belong to Ratchthani Leasing Public Company Limited and RTN Insurance Broker have no mortgage or any obligation.

Intangible assets - net

As of 31 December 2022, the Company has intangible assets - net with details as follows:

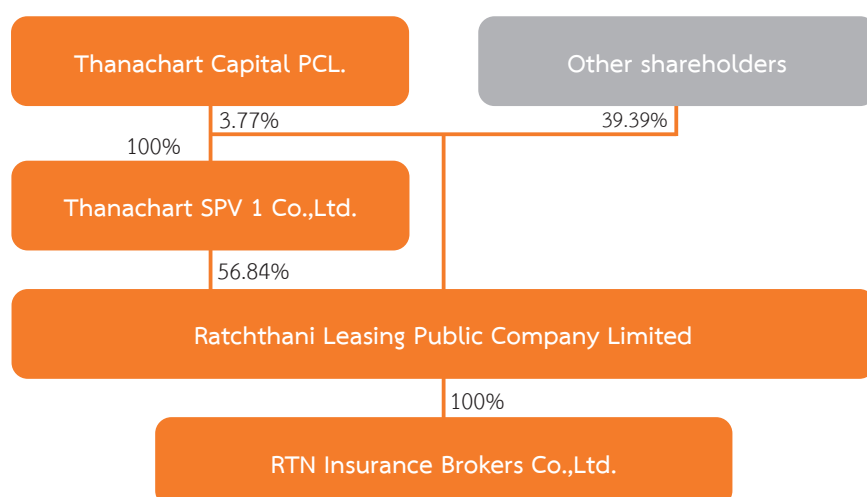
(Unit : Bath)

List	Net book value
Software in development	1,127,450
Computer program	32,096,657
Total	33,224,107

Shareholder Structure

Shareholding Structure of the Company group

As of December 31, 2022, the Company's major shareholder group was Thanachart Group with a total shareholding proportion of 60.61 percent, consisting of shares held by Thanachart Capital (Public) Company Limited at 3.77 percent and Thanachart SPV 1 Company Limited at 56.84 percent. In addition, the Company has a subsidiary, RTN Insurance Brokers Company Limited, which operates the insurance brokerage business for property and casualty insurance and life insurance. The company holds a 100 percent shareholding in the subsidiary. The shareholding structure is illustrated as follows:



Shareholders

Top ten major shareholders of the Company as of 31 December 2022 as follows:

No.	Name	Number of Shares	Shareholding Proportion
1	Thanachart SPV 1 Company Limited	3,218,719,233	56.84
	Thanachart Capital Public Company Limited	213,361,588	3.77
2	RAFFLES NOMINEES (PTE) LIMITED	317,233,091	5.60
3	Thai NVDR Company Limited	170,677,740	3.01
4	Hoon Chew Drug Factory Company Limited	154,821,837	2.73
5	SCB Dividend Stock 70/30 Long Term Equity Fund	74,215,387	1.31
6	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	63,489,300	1.12
7	Mrs. Naowanart Chamornmarn	53,500,000	0.94
8	Mr. Nuttachat Kumsirtrakul	51,890,099	0.92
9	Mrs. Wilawan Rongwatthanasophon	35,526,598	0.63
10	Mr. Virat Chinprapinporn	33,000,000	0.58
	Other shareholders	1,276,493,326	22.54
Total		5,663,028,199	100.00
	Thai Shareholders	5,203,885,732	91.89
	Foreign Shareholders	459,142,467	8.11



- Note :
- (1) The major shareholders No.1 Thanachart SPV 1 Company Limited is a subsidiary of Thanachart Capital Public Company Limited, which holds 100.00% of shares. Thanachart Capital Public Company Limited is a listed company on the Stock Exchange of Thailand, and operated as the holding company business.
 - (2) The major shareholders No.2 is Nominee Accounts who held the shares by NORTH HAVEN THAI PRIVATE EQUITY, L.P.
 - (3) The major shareholders No.3 Thai NVDR Company Limited engages in the business of issuing non-voting depository receipts (NVDR) are sold to investors, the proceeds of which are invested in SET-listed Thai reference securities. Investors in NVDRs are eligible for financial benefits as if they were shareholders of listed companies, but they are ineligible to vote at shareholder meetings, except for involve stock delisting from the SET.
 - (4) The major shareholders No.6 is Nominee Accounts that cannot be identified real shareholders.
 - (5) Thanachart Capital Group, as the major shareholder of the Company, have significantly on the establishment of policy, management and operation of the Company.
 - (6) The Company has no agreement between the major shareholders in matters affecting the issuance and offering of securities or management of the Company.

Registered Capital and Paid-Up Capital

The Company has a registered capital of 5,663,030,175 baht, divided into 5,663,030,175 ordinary shares with a par value of 1 baht per share. The paid-up registered capital is 5,663,028,199 baht, divided into 5,663,028,199 ordinary shares with a par value of 1 baht per share.

Issuance of Other Securities

Long Term Debentures

The long-term debentures of the Company as of 31 December 2022 have an outstanding value of 28,622.20 million baht, details as follows:

No.	THAIBMA SYMBOL	Name of Debentures	Outstanding (MB)	Issue Date	Maturity Date	Interest Rate (p.a.)
1	THANI237A	The Debentures of Ratchthani Leasing Public Company Limited No.7/2019 Tranche 2 Due 2023	486.30	5/7/2019	5/7/2023	3.40%
2	THANI247A	The Debentures of Ratchthani Leasing Public Company Limited No.7/2019 Tranche 3 Due 2024	593.70	5/7/2019	5/7/2024	3.50%
3	THANI232A	The Debentures of Ratchthani Leasing Public Company Limited No.1/2020 Due 2023	1,000.00	25/2/2020	25/2/2023	2.65%
4	THANI242A	The Debentures of Ratchthani Leasing Public Company Limited No.2/2020 Due 2024	1,000.00	25/2/2020	27/2/2024	2.80%
5	THANI232B	The Debentures of Ratchthani Leasing Public Company Limited No.3/2020 Due 2023	200.00	6/3/2020	6/2/2023	2.65%
6	THANI245A	The Debentures of Ratchthani Leasing Public Company Limited No.4/2020 Due 2024	1,000.00	9/3/2020	16/5/2024	2.80%

No.	THAIBMA SYMBOL	Name of Debentures	Outstanding (MB)	Issue Date	Maturity Date	Interest Rate (p.a.)
7	THANI232C	The Debentures of Ratchthani Leasing Public Company Limited No.5/2020 Due 2023	1,000.00	12/3/2020	25/2/2023	2.65%
8	THANI254A	The Debentures of Ratchthani Leasing Public Company Limited No.6/2020 Tranche 1 Due 2025	1,000.00	30/4/2020	30/4/2025	3.40%
9	THANI264A	The Debentures of Ratchthani Leasing Public Company Limited No.6/2020 Tranche 2 Due 2026	700.00	30/4/2020	30/4/2026	3.50%
10	THANI274A	The Debentures of Ratchthani Leasing Public Company Limited No.6/2020 Tranche 3 Due 2027	1,300.00	30/4/2020	30/4/2027	3.70%
11	THANI23NA	The Debentures of Ratchthani Leasing Public Company Limited No.7/2020 Tranche 1 Due 2023	3,439.00	15/5/2020	15/11/2023	3.20%
12	THANI255A	The Debentures of Ratchthani Leasing Public Company Limited No.7/2020 Tranche 2 Due 2025	593.00	15/5/2020	15/5/2025	3.40%
13	THANI246A	The Debentures of Ratchthani Leasing Public Company Limited No.1/2021 Tranche 2 Due 2024	3,000.00	2/6/2021	2/6/2024	2.00%
14	THANI257A	The Debentures of Ratchthani Leasing Public Company Limited No.2/2021 Tranche 2 Due 2024	1,500.00	15/7/2021	15/7/2025	2.35%
15	THANI251A	The Debentures of Ratchthani Leasing Public Company Limited No.1/2022 Due 2025	2,000.00	25/01/2022	25/01/2525	1.99%
16	THANI248A	The Debentures of Ratchthani Leasing Public Company Limited No.2/2022 Due 2024	1,000.00	11/02/2022	9/2/2024	1.78%
17	THANI262A	The Debentures of Ratchthani Leasing Public Company Limited No.3/2022 Due 2026	1,000.00	17/02/2022	17/02/2026	2.46%
18	THANI25DA	The Debentures of Ratchthani Leasing Public Company Limited No.4/2022 Due 2025	2,000.00	15/06/2022	15/12/2025	3.26%
19	THANI268A	The Debentures of Ratchthani Leasing Public Company Limited No.5/2022 Due 2026	2,000.00	25/08/2022	25/08/2026	3.50%
20	THANI269A	The Debentures of Ratchthani Leasing Public Company Limited No.6/2022 Due 2026	1,300.00	28/09/2022	28/09/2026	3.60%
21	THANI24DA	The Debentures of Ratchthani Leasing Public Company Limited No.7/2022 Due 2024	500.00	1/12/2022	19/12/2024	2.88%
22	THANI25DB	The Debentures of Ratchthani Leasing Public Company Limited No.8/2022 Due 2025	1,000.00	1/12/2022	11/12/2025	0.00% (Discount rate 3.30%)
23	THANI251B	The Debentures of Ratchthani Leasing Public Company Limited No.9/2022 Due 2025	1,000.00	14/12/2022	21/01/2025	0.00% (Discount rate 2.88%)



Credit Rating

Credit ratings from TRIS Rating Company Limited as of 31 December 2022 are as follows:

Company Rating		A-
Issue Rating		
THANI22OA : Unsubordinated and Unsecured Debentures worth 1,200 Million Baht Due 2022		A-
THANI237A : Unsubordinated and Unsecured Debentures worth 486.30 Million Baht Due 2023		A-
THANI23NA : Unsubordinated and Unsecured Debentures worth 3,439 Million Baht Due 2023		A-
THANI247A : Unsubordinated and Unsecured Debentures worth 593.70 Million Baht Due 2024		A-
THANI254A : Unsubordinated and Unsecured Debentures worth 1,000 Million Baht Due 2025		A-
THANI255A : Unsubordinated and Unsecured Debentures worth 593 Million Baht Due 2025		A-
THANI25DA : Unsubordinated and Unsecured Debentures worth 2,000 Million Baht Due 2025		A-
THANI262A : Unsubordinated and Unsecured Debentures worth 1,000 Million Baht Due 2026		A-
THANI264A : Unsubordinated and Unsecured Debentures worth 700 Million Baht Due 2026		A-
THANI268A : Unsubordinated and Unsecured Debentures worth 2,000 Million Baht Due 2026		A-
THANI274A : Unsubordinated and Unsecured Debentures worth 1,300 Million Baht Due 2027		A-
Credit Rating Outlook		Stable

Bill of Exchange

Short-term bills of exchange offered to institutional investors as of 31 December 2022, have an outstanding value of 8,955 million baht, with the discount interest rate, which is in accordance with the market rate at the time of offering. (However, when the short-term bills of exchange have been redeemed, the Company can bring back the redeemed value to offer for sale. The total outstanding value must not exceed 20,000 million baht)

Promissory Note

Promissory note offered to private placement at any time does not more than 10 notes offered as of 31 December 2022 have an outstanding value of 201 million baht are as follows:

No.	Number of Note	Name of Promissory Note	Outstanding (MB)	Issue Date	Maturity Date
1	1	The Promissory Note of Ratchthani Leasing Public Company Limited No.007/2020 Due 18 August 2023	50.00	18/08/2020	18/08/2023
2	1	The Promissory Note of Ratchthani Leasing Public Company Limited No.001/2022 Due 1 July 2026	50.00	1/7/2022	1/7/2026
3	1	The Promissory Note of Ratchthani Leasing Public Company Limited No.002/2022 Due 27 July 2026	21.00	26/7/2022	27/7/2026
4	1	The Promissory Note of Ratchthani Leasing Public Company Limited No.003/2022 Due 27 July 2026	80.00	26/7/2022	27/7/2026

Dividend Policy

The Company has a dividend payment policy at least 50 percent of net profit in accordance with the Company's Article of Association unless there are any other crucial circumstances and the dividend payment shall not impact the Company's operation significantly. The historical dividend payments of the Company are as follows:

Performance	2022	2021	2020	2019	2018
Net Profits (Separate Financial Statements) (Baht)	1,725,717,182	1,678,852,671	1,860,646,435	1,849,703,703	1,640,754,904
Net Profits (Consolidated Financial Statements) (Baht)	1,752,710,076	1,709,184,685	1,860,203,350	1,963,564,460	1,640,707,432
Number of Paid-up Shares (Shares)	5,663,028,199	5,663,028,199	5,663,028,199	3,775,353,450	3,020,283,681
Stock Dividend (Baht per Shares)	-	-	-	-	0.25
Cash Dividend (Baht per Shares)	0.17	0.17	0.17	0.32	0.29
Total Dividend Payment (Baht per Shares)	0.17	0.17	0.17	0.32	0.54
Total Amount of Dividend Payment (Baht)	962,714,794	962,714,794	962,714,794	1,208,113,104	1,630,953,188
Dividend Payout Ratio per Net Profit (Separate Financial Statements) (Percent)	55.79	57.34	51.74	65.31	99.40
Dividend Payout Ratio per Net Profit (Consolidated Financial Statements) (Percent)	54.93	56.33	51.75	61.53	99.40

Note : (1) Attributable to equity holders of the Company

(2) For 2022 dividend payments are uncertain, will need the approval from the 2023 Annual General Meeting of Shareholders.

The subsidiary's dividend payment policy to the Company, subsidiary will pay when there is no any other crucial circumstances and such dividend payment shall not impact the subsidiary's operation significantly.





Risk Management

Risk Management Policy and Plan

The Company recognizes the importance of risk management in conducting business systematically. Therefore, it instills an organizational culture that emphasizes risk awareness through the establishment of risk management policies. This is to ensure that business operations can achieve their targets, grow, and generate appropriate returns for all stakeholders. The Company sets guidelines and plans for risk management processes, which include: 1) identifying risks, 2) measuring and evaluating risks, 3) monitoring and controlling risks, and 4) reporting risk status. This is to provide a framework for stakeholders to effectively manage risks. The Company has published its risk management policy on the Company's website (www.ratchthani.com Section Investor-relations / Governance / Policies and important practices). Additionally, the company has established a risk management structure that clearly defines the roles and responsibilities of those involved.



Board of Directors had duties to identify policies and to supervise the Company to have the good Risk Governance Framework, the internal control audit process for risk management, the appropriate and sufficient administration supervision, and the development of corporate culture taking risks into account.

Executive Committee had duties to consider and screen the Risk Management Policy and the Business Continuity Management Policy before proposing to the Board of Directors for approval and also had duties to set the guidelines for risk management and to manage risks to an acceptable level.

Audit Committee had duties to supervise and monitor the compliance with the policies and regulations related to the Company, to assess the sufficiency of internal control system and to evaluate the effectiveness of risk management system of the Company.

Risk Management Committee had duties to assess the factors that could significantly affect the Company's business operations in order to improve the guidelines for risk management, to identify tools and measures for risk management to prevent any potential damages.

Risk Management Working Group had duties to develop tools for measure and assess risks of the Company, to supervise and control risks in various aspects in accordance with risk management policy and guidelines identified by the Company, and to keep tracking the risk information and incidents of damage that may arise from various risks and propose to the Board of Directors and related Committees for consideration respectively.

Internal Audit Unit had duties to assess the efficiency of the internal control system and risk management of the Company, including the operation audit to be in accordance with the Risk Management Policy, operational regulations and relevant official criteria, and to propose the audit result to the Audit Committee.

Risk Factors for the Company's Business Operation

Risks of Market and Competition

The automobile industry and the car sales have been growing consistently and have attracted several new players to start their auto leasing and hire-purchase business. Many of them are businesses owned by financial institutions or commercial banks after the Bank of Thailand announced the Financial Sector Master Plan, allowing the commercial banks to freely conduct automobile financing business in Thailand. Automobile manufacturers and dealers, with a large amount of foreign fund and low financial costs, are able to conduct hire-purchase and leasing business, resulting in severe competition in leasing and hire-purchase business, especially the price competition to promote sales.

For the year 2022, the Company has maintained the hire-purchase for commercial vehicles at 65-70 percent of total loans. The Company believed that this segment continued to grow and gave a higher profit margin with lower risk than the personal car segment, because commercial vehicles can be auctioned off at a price that is closer to debt than passenger cars. Therefore, the Company can avoid direct competition with large financial institutions having lower operating costs and can increase the Company's competitive competency.

Risk from Hire Purchase for Used Cars

The Company may face the risks of mistakes on vehicle inspection, used car pricing evaluation, including selling impounded car under the balanced values of such hire purchase but having to sell according to its present condition, which greatly depends on mileage, condition and brand popularity of such vehicles. As of 31 December 2022, the Company had the used car loans about 43 percent of total loan receivables.



The Company implements a measure to minimize such risks with car quality inspection by experienced and expertise staffs together with the strict credit approval. Also, the Company selects credible used car dealers, offer good quality cars at reasonable price and provide after-sales quality assurance. The Company also analyzes payment behaviors of the customers whom a dealer submits in for the hire purchase application.

Risk from Operation of Non-Performing Loans (NPL)

The risk from operation of Non-Performing Loans (NPL) is unavoidable for the Lending service since the debtors may not be able to repay loans due to their internal problems, such as the need to pay for healthcare, the maintenance cost of the car under installing payment and the external factors, such as economic problems, higher oil prices, job termination, natural disasters. These factors cause the debtors unable to repay debt on time and generate NPLs. Hence, the Company has focused and emphasized on credit quality control, efficient debt monitoring, good internal control system and strict credit approval policy, in order to minimize risk from NPLs to a certain level that does not affect the overall operation of the Company. The Company has the risk management process to control the risk caused by the NPL operation as the follows :

1.The Company controls the credit approval quality by checking the customer's payment behaviors with National Credit Bureau Co., Ltd. in order to intercept the loans granted to persons with no ability to pay off. The credit scoring system is applied to assess the customer's quality and the ability to pay off debt as well.

2.The Company controls the efficiency of the debt collection based on the number of deferred customers; and the strict debt collection policy to ensure the fastest recovery of overdue debts.

Furthermore, the company also collects debtor behavior data. To analyze and develop credit risk management guidelines further.

Risk from Sales of Impounded Vehicles

When there are outstanding receivables due from 4 installments or more, the Company will collect debts from debtors by having them return the cars, then sell the returned cars at auction and pay off the remaining debt. If the money received from the auction was not enough to pay off the debt, the Company will demand for the remaining amount from the debtor or guarantor. However, if the Company cannot get the demanded remaining amount, the Company shall get loss from such car or other assets selling. The auction price depends on the quality, age and popularity of the car or other assets, market situation and the demand at that moment. Regarding the risk of loss from selling returned cars, in general, the used car loan give lower loss than the new car loan because the depreciation rate of car price is high in the early years and lower down when the car gets older.

The Company has the Risk Management Policy to manage the risk of returned car sales by monitoring on debts closely and continuously to prevent the overdue payment that can lead to the car returning process. The returned cars shall be sold as soon as possible to reduce the loss from depreciated price. The Company shall also file a lawsuit to enforce debtors and guarantors to pay the missing amount in order to

minimize the loss. The sales of returned cars in 2020, 2021 and 2022 were 899, 739 and 778 cars respectively. The loss from selling cars in 2020, 2021 and 2022 were 163.50 million baht, 97.07 million baht and 133.19 million baht respectively.

Risk from Interest Rate Fluctuation

The Company's main source of income comes from interests earning on leasing calculated at fixed rate while some parts of funding costs are from financial institutions charging loan interest at floating rate. In the situation that the loan interest rate increases while the earning interest rate cannot catch it up, the result is the decrease in Interest spread rate. The Company manages risks by expanding business giving a credit for various vehicles or other assets that yield higher returns and managing the financing management to get low financial costs. This aims to maintain the interest spread at the appropriate level.

Risk from Mismatch Lending and Borrowing Periods, and Financial Liquidity

Most of lending service providers face the risk from the mismatch of lending and borrowing periods, and financial liquidity. The credit periods granted to customers are for 1-5 years while the Company's main long-term loans from financial institutions and others debt installment are about 1-7 years. So the risk occurs from a duration gap and may cause mismatch funds which results in the lack of operational liquidity. The Company acknowledges this risk and manages the risk by classifying the new customers into short-term and long-term debtors. The Company also adjusts lending periods in consistent to borrowing periods. The proportion of new sources of funds that gives better matching between borrowing period and lending period is increased to help reduce the period mismatch. Then the Company is able to manage costs of fund more efficiently. The risk on lack of liquidity is lower to the appropriate level in order for the Company to continually and securely conduct its business operation.

Risk of Potential Debts in the Future

The expansion of future lending service might make it necessary for the Company to find source of funds or increase lending in the future for the business expansion, which may generate risks in potential future debts. However, to manage such risks, the Company has been sourcing for funds from various sources, to prevent the risk of potential debt from capital market, money market, bond market, financial institutions and related companies. Hence, the Company has adequate funds for business expansion as planned. To support business operation, the Company has searched for sources of funds with low financial costs under its financial structures and liquidity risks, provided that the benefit of the shareholders and stakeholders is priority.

Risk from Depending on the Specialists

The Company's business operation relies on skilled and experienced employees specializing in second-hand vehicle inspection and pricing estimate. This provides the Company with advantages over competitors since



the Company's staffs are the experts having experience in marketing and customer services. They build good relationships with car dealers continuously by rotating their station to the dealer's offices who are the Company's business partners. A car dealer which is the Company's partner is selected and approved according to the consideration procedures and investigation process specified by the Company. In addition, the Company also emphasized the importance on payments to the dealers fast and on time.

Moreover, the Company encourages the staff to provide convenience in credit approval services to customers and dealers, including paying attention and continuously improving after sales services. Thus, the Company can manage to secure the existing customers and also expand its customer base to the new customer groups who usually get recommendations from both existing customers and dealers. Most existing customers, who have completed their installment payments and who are currently in contract but wish to switch to another car, usually come to use the Company's services again.

Losing such employees will most likely affect the short-term operation. Therefore, the Company sets a policy to retain such expert employees on working at the Company for long-term with various incentives and continuously organize the appropriate training and development programs to those employees.

Risk from Rules and Regulations

In conducting business, the Company needs to comply with the law, rules, and regulations of government, such as Anti-Money Laundering Act, Civil and Commercial Codes, Announcements of the Committee on Contract, Announcements of the Debt Collection Committee, etc. If there is any practice not complying with the government rules and regulations, the Company's reputation or business operation may significantly be affected.

Hence, the Company set up the Compliance department to study, follow up and publicize knowledge about rules and regulations of government relevant to the Company's operation to assure the compliance of all departments within the Company. In addition, this department also supervises and audits the compliance with rules and regulations by regularly reporting the result of such supervision and relevant information to the Board of Directors, sub-committees, and relevant executives.

Emerging Risk

Risks from Environmental and Climate Changes

The environmental and climate change problems have continuously been getting more severe. Human being is a part of what causes such changes, i.e., industrial pollution, fuel consumption in the transportation, etc. The stated problems may have impact on not only the company business operation but also the related supply chain. All stakeholders also have expectation for the private sector to operate the business that takes the environmental sustainability into account.

Thus, the Company defined the guideline for environmental management for sustainability in terms of energy management, water management, waste and pollution management, and greenhouse gas management. The Company's corporate culture promotes the environmental consciousness and provides knowledge and

understanding to support employees to help reduce the impact of global warming and climate changing. Moreover, the Company aims to use the environment issue to be part of product and service development in the future.

Risks from Cyber Threats

The technology change and development have partly been supporting the higher efficient business operations in the aspects of cost management and product and service development to meet customer's demand. Meanwhile, the risk of cyber security has also been increasing. The Company's cyber-attack could result in service disruption and stolen important information affecting the Company's image, reputation, and stakeholders' confidence to the Company. Penalties from official authorities shall be applied if the applicable law or regulations are violated.

Hence, the Company set the Cybersecurity Measures to prevent risks from such causes which cover risk identifying process, threat prevention, proactive monitoring and surveillance, timely response to threat, and treatment and recovery of damage caused by cyberthreats. In addition, the Company encouraged its employees to have knowledge, understanding and realization of cyberthreat risks in order to elevate the security to meet the international standards and related laws.

Shareholder Risk

The investment in Company's stocks may cause risk to shareholders since the return on investment may not be as expected as it varies by operating performance, price, and securities liquidity. Hence, shareholders may receive return more or less than expected. The Company explained the risk factors for business operation and potential new risk factors including the risk management method in the above topic. However, the Company may not be able to prevent all potential risks. There are other environmental factors that could impact on the Company's operation, such as economic condition, political situation, etc. Shareholders should study risks and use judgment concisely before making decision in the investment.

In addition, the Company has Thanachart Group as the major shareholder holding 60.61 percent of registered paid-up capital. The major shareholder has authority in management and control of voting in significant resolutions, except for the issue that the law or company's regulations require the votes from the shareholders' meeting for not less than 3 out of 4 of attended shareholders with voting rights. Thus, other shareholders may not be able to collect the votes for objection or balance to the issue proposed by major shareholders.





Driving Business of Sustainability

Business Sustainability Management

Policy and Goal of Sustainability Management

The Company is aware of the good corporate governance and efficient risk management together with the responsibility to stakeholders along the Value Chain in the dimensions of Economics, Social and Environment. The Board of Directors, thus, considered to set up the policy of sustainability management consisting of key policies, such as management of impacts to stakeholders in the business value chain, management of sustainability in environmental dimension, management of sustainability in social dimension, and management of sustainability in corporate governance dimension in order to improving the level of quality of operations and continuously developing the competitiveness by considering on all stakeholders and the consistency with the Sustainable Development Goals: SDGs of the United Nations which will lead to sustainable added value and business value.

Sustainability Governance Structure

The Company set the corporate governance structure to assure that the sustainability would be implemented in a concrete way. The Board of Directors had a duty to set the policy of sustainability management in consideration of the highest interest of business and all stakeholders. The Corporate Governance Committee had a duty to supervise, monitor, and advise on sustainability implementation of the Company, the Executive Committee had a duty to set goals and directions and to operate sustainability management in the economic, social, and environmental dimensions. The business units had a duty to operate and support sustainability implementation to achieve the organization's goals and meet the expectation of all stakeholders.



Management of Impact on Stakeholders in Business Value Chain

The Company set to have the analysis and management of impact on stakeholders in the business value chain which represents the relationship of stakeholders in business operation from upstream to downstream, aiming to create value of products and services to meet expectation of key stakeholders, both internal and external, of the corporate.

In this regard, to know both positive and negative impacts and connecting issues between the Company and stakeholder, the Company requires the assessment and review of stakeholder's expectation at least once a year. When the stakeholder's expectation is known, the Company shall identify the guideline to respond to each stakeholder's expectation. This reflects the cooperation and mutual value creation between the Company and stakeholders to reduce risks and create added value to business sustainably.

Business Value Chain

The Company conducts business of providing hire-purchase credit services and financial leasing services for commercial cars, vehicles, and other assets, including one-stop relevant services. Thus, the Company's business consists of primary activities as follows:

1.Inbound logistics management by sourcing capital to support financial services to customers from both equity funds and borrowing from various sources.

2.Operations by designing and developing financial products that are suitable and customer centric.

3.Outbound logistics by providing services to customers through marketing officers of the Company and branch offices, including services at car dealers where customers want to apply for credits.

4.Marketing and Sales by communicating, publishing and providing complete, clear and sufficient information of products and services for customer's decision making through various channels and conducting promotional activities to create awareness of and motivation to use company services.

5.Customer Services by providing services and receiving comments or suggestions on the Company's services through various channels, aiming to create good experience to customers during and after services.

Support activities that help the above activities achieve their objectives consist of corporate infrastructure of accounting, finance, legal, information system and various operating unit to support the main activities, as well as, human resource management in recruiting, selecting, developing, and providing appropriate and fair compensation to employees of all levels. Moreover, the Technology development and Procurement of facilities for business operation also support the operation of key activities to achieve their objectives efficiently.

Analysis of Stakeholders in Business Value Chain

With the variety of stakeholder groups, the Company has strategies to supervise and improve the operation and to respond to the expectation of all groups of stakeholders properly and continuously to enable the Company to grow sustainably. The analysis of internal and external stakeholders concluded the expectation of stakeholders to the company business and the responding to such expectation as follows:



Stakeholders	Formats and channels of participation	Expectation of stakeholders	Practices and responses to stakeholder's expectation
Shareholders	• Shareholder's meeting • Meeting to provide information to investors and analysts • Opportunity Day activity • Disclosure of information via Stock Exchange of Thailand and company website. • Information provided on investor relation channel	• Business conduct with transparency, efficiency, and having sustainably growing result. • Good and consistent return on investment • Receiving complete, accurate, and timely information equitably.	• Business conduct with prudence in consideration of interests and effect on every group of stakeholders for sustainable development and growth. • Operational structure according to good corporate governance principles. • Systematic risk management and anti-corruption of all kinds. • Disclosure of information with transparency, completeness, timeliness, equitability, and in accordance with criteria defined by governmental agencies.
Board of Directors	• Board of Directors meeting • Meeting among non-executive directors • Performance evaluation of the Board of Directors • Information providing through various channels	• Business conduct with transparency according to corporate governance • Fair treatment to all stakeholders • Receiving information for meetings and other relevant information beneficial to duties completely and timely.	• Business conduct with prudence in consideration of interests and effect on every group of stakeholders for sustainable development and growth. • Prompt submission and reporting of useful information to directors. • Support full facilitation to committees to perform their duties.
Employees	• Employee meetings • Performance evaluation • Employee opinion survey. • Communications and public relations within the organization. • Meetings of Welfare Committee and	• Appropriate and fair remuneration and welfare. • Fair performance evaluation. • Skill and knowledge development training. • Appropriate and safe environment in workplace.	• Establishment of remuneration, welfare structure and appropriate and fair performance evaluation. • Continuously providing training courses to develop knowledge and skills suitable for each position and career path.

Stakeholders	Formats and channels of participation	Expectation of stakeholders	Practices and responses to stakeholder's expectation
	Occupational Safety, Health and Environment in Workplace Committee. Channels for whistleblowing and complaints.		- Providing equipment and system to support efficient work. - Supervision on occupational safety and health in workplace.
Customers	- Credit services via marketing officers and branch offices. - Customer visit. - Communications and public relations of products and services through various channels of the Company, such as website, call center, line official. - Customer satisfaction survey. - Channel for whistleblowing.	- Products and services meet customer's demand appropriately. - Providing fair, responsible, convenient, fast and quality service. - Keeping customer's information confidential. - Providing support to customers when they have problems.	- Product and service development based on customer's demand. - Development and supervision of fair services to customers. - Disclosure of complete and accurate information of product and service. - Development of employee's skills to provide efficient services to customers. - Measures of personal information protection and cyber safety. - Hearing suggestions and problems from service using to set guidelines for resolving and development.
Trade partners and Business partners	- Services provided via marketing officers and branch offices. - Opinion exchange and discussion. - Trade agreement	- Reasonable and fair return on trade. - Good long-term business relationship.	- Setting reasonable and fair contract, condition, and trade return. - Building confidence and relationship for business cooperation in long term. - Promoting the awareness of sustainable business to trade and business partners.
Creditors	- Providing information to creditors. - Making agreements and contracts.	- Conducting business and disclosing information with transparency. - Compliance with terms of	- Providing complete and accurate information on a timely basis or as requested. - Compliance with terms of



Stakeholders	Formats and channels of participation	Expectation of stakeholders	Practices and responses to stakeholder's expectation
		contracts.	contracts, especially in credit terms, guarantees, capital management, and the case of default debt payment. • Setting financial liquidity management plan and loan repayment plan.
Competitors	• Attending the Thai Hire Purchase Association meeting	• Business conduct with ethics and fair competition.	• Conducting business and competing fairly. No accusation or bullying on trade competitors. • Building cooperation for industrial development.
Society, Community, and Environment	• Information survey about problems, needs, and opinions of community and society. • Creating activities for society, community, and environment.	• Conducting business with responsibility. • Participation in social and community development. • Promoting and supporting activities for society, community, and environment.	• Providing credits with responsibility and promoting service users in every group of society to be able to access to financial services. • Providing financial knowledge and supporting activities for society, community, environment development • Participating in reducing and controlling impact on environment.
Government Sector	• Attending meetings to listen and give comments on draft law. • Reporting and proving information to government sector.	• Conducting business with responsibility. • Compliance with the laws, rules, and regulations of government agencies. • Cooperating and supporting work of government sector.	• Conducting business with responsibility to all stakeholders. • Compliance with the requirements of laws, rules and regulations of government agencies. • Cooperating and supporting work of government sector, including information disclosure as required or requested by government agencies.

Identification of Sustainability Materiality Topics

The Company has a process of assessing and identifying of sustainability materiality topics, by considering issues that have affect on the Company and stakeholders, covering the economic, social, and environmental dimension, and taking into analysis, prioritization, and operation planning to be in accordance with and responsive to stakeholders' significant needs appropriately. The processes of identifying key issues on sustainability are as follows:

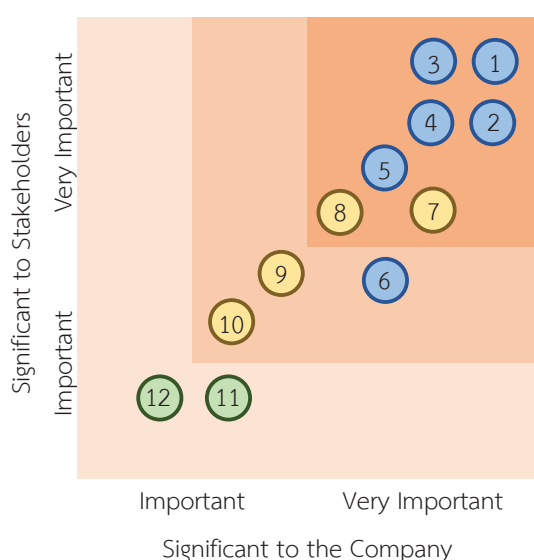
1. Identification of sustainability materiality topics by studying from issues of the industrial, country, and international levels, covering the economic, social, and environmental dimensions, which shall have impact on competency to operate sustainably. Then, the key issues shall be proposed to senior executives for consideration and approval.

2. Prioritization of sustainability materiality topics by analyzing information from the involvement of internal and external stakeholders through various channels and assessing issues that have impact on the Company and stakeholders to prioritize sustainability issues.

3. Checking sustainability materiality topics by Senior executives and involving agencies cooperate to review information and set operating guidelines for responding to sustainability key issues and stakeholder's expectation. Then, they shall propose to the Corporate Governance Committee and the Board of Directors for approval and published in annual reports.

4. Reviewing sustainability materiality topics by listening to opinions and suggestions of stakeholders through various channels regularly in order to develop the sustainability operations to be efficient and in accordance with changing business environment.

In 2021 – 2022 the company has identified 12 significant sustainability concerns which are as follows:



Economic Dimension

1. Corporate Governance and Business Ethics
2. Risk Management
3. Business Performance & Growth
4. Market Conduct and Customer Relationship Management
5. Cyber Security and Personal Data Protection
6. Supply Chain Management

Social Dimension

7. Labour Management
8. Encourage of Access to Financial Services and Financial Literacy
9. Encourage and Support for Social Development Activities
10. Human Rights

Environment Dimension

11. Efficient Resources Management
12. Encourage and Involvement with Environment Conservation



Scope of impact of sustainability issues

Sustainability Materiality Topics	Scope of Impacts		Consistency with SDGs	State in the Report
	Internal	External		
1. Corporate Governance and Business Ethics	All business function	Shareholders, Customers, Trade partners and Business partners, Creditors, Government Sector		53, 92-132
2. Risk Management	All business function	Shareholders, Customers, Trade partners and Business partners, Creditors, Government Sector		38-43, 53-54
3. Business Performance & Growth	All business function	Shareholders, Trade partners and Business partners, Creditors		54-55, 72-86
4. Market Conduct and Customer Relationship Management	All business function	Customers, Trade partners and Business partners		55-56

Sustainability Materiality Topics	Scope of Impacts		Consistency with SDGs	State in the Report
	Internal	External		
5.Cyber Security and Personal Data Protection	All business function	Shareholders, Customers, Trade Partners and Business partners, Government Sector		56
6. Supply Chain Management	All business function	Trade Partners and Business partners		57-58
7.Labour Management	All business function	Government Sector		58-63
8.Encourage of Access to Financial Services and Financial Literacy	All business function	Customers, Society, Community and Environment, Government Sector		64
9.Encourage and Support for Social Development Activities	All business function	Society, Community, and Environment		64-66
10.Human Rights	All business function	Customers, Business partners		66-67



Sustainability Materiality Topics	Scope of Impacts		Consistency with SDGs	State in the Report
	Internal	External		
11.Efficient Resources Management	All business function	Society, Community, and Environment	 	68-69
12.Encourage and Involvement with Environment Conservation	All business function	Society, Community, and Environment	 	70-71

Sustainability management in economic dimension

Corporate Governance and Business Ethics

The company aims to become a leading business organization that achieves sustainable success. Therefore, it emphasizes the importance of conducting business in accordance with good corporate governance principles and ethical practices, which will result in an efficient management system that enhances competitiveness and builds trust among all stakeholders that the company will be operated with fairness. This reflects a positive image of the company. The Board of Directors has therefore established policies for good corporate governance and a code of ethics based on the guidelines of regulatory agencies, adhering to the principles of integrity, honesty, and compliance with relevant laws. This is to communicate to the board, executives, and all employees at every level to use as a guide for work practices and to communicate the important message to all stakeholders. Further details regarding the company's corporate governance policy can be found in this report

Moreover, in order to assure that the organization management continues with efficiency, transparency, and good internal control system, the Company has set the corporate governance structure clarifying duties in the level of committees, sub-committees, and various departments under the Management. The check and balance of operations can be conducted independently and appropriately for the highest interests of business and internal and external stakeholders of organization and also for preventing potential conflicts of interest. Details can be reviewed under the topics of Corporate Governance Framework and Internal Control in this report.

Risk Management

The Company, realizing the importance of systematic business risk management, has cultivated corporate culture taking risks into account through the Risk Management Policy as guidelines for relevant persons to manage risks efficiently and to achieve operational objectives, to grow and to create return to all stakeholders appropriately. Such policy consists of key topics as follows:

- 1) The Company's risk management structure
- 2) The Company's risk identification
- 3) The Company's risk assessment
- 4) The Company's risk response
- 5) The Company's risk control
- 6) The Company's risk monitoring
- 7) Business continuity management
- 8) The Company's risk management policy review

In addition, the Company set up risk management teams according to types of major risks of the Company, such as strategic risk, credit risk, market risk, liquidity risk, operation and information technology risks, in order to develop tools to measure and assess company risks, to govern and control various types of risks to assure their compliance with the risk management policy and direction as identified by the Company and to



monitor risk data and potential damages caused by various risks to propose to relevant committees and sub-committees for consideration respectively.

For policies and risk management plans, factors that pose risks to the company's business operations, new potential risks, and risks to shareholders' investments can be considered in detail under the topic of risk management in this report.

Business Performance & Growth

The company is committed to continuously improving the quality of operations and developing its competitiveness to instill confidence in all stakeholders as a financial service provider who is aware of responsible lending. Therefore, economic, social, and environmental factors are considered when assessing and evaluating risks. The company has established processes for analyzing and evaluating such risks, and a higher level of scrutiny is given to industries with high-risk factors, such as mining and service businesses. However, the company will not consider loan applications from individuals, corporations, or businesses that have violated laws, ethics, or policies that could undermine national security, as per the company's loan approval policy. The following are the key findings summarizing the company's performance over the past period.

(Unit : Million Baht)

Performance	2022	2021
<u>Direct Economic Value Generated</u>		
Revenues	4,443.39	4,226.49
<u>Direct Economic Value Distributed</u>		
Operating costs	447.52	285.43
Employee wages and benefits	325.31	297.96
Payments to providers of capital	1,888.24	1,875.92
Payments to government	516.67	507.93
Community investments	0.80	1.23
<u>Economic value retained</u>	1,264.85	1,258.02

Further details of business performance and factors or situations that could have significant on financial status or operations in the future can be considered under the topic of Management Analysis and Discussion in this report.

Business Innovation Development

The company places importance and supports the creation of innovation that brings value to the business together with creating benefits for customers and all stakeholders. This covers everything from the process of setting strategies and business plans, product and service development, to continuously improving work processes to be efficient.

In 2022, the company has changed its lease-to-own system, including setting a review of the internal work process to be more efficient, such as reducing the amount of paperwork for transactions within the organization. As a result, the company has reduced the amount of paper printing by approximately 522,022 sheets per year, which has saved expenses of up to 489,755 baht per year. However, the company is still in the process of developing innovations to increase its sustainable business capabilities

Market Conduct and Customer Relationship Management

Market Conduct and Responsibility

The Company is the business providing financial services which focus on managing services with fairness and responsibility, aiming for:

- 1) Customers to be assured that the Company focuses on providing fair, sincere, and no advantage taking services.
- 2) Customers to receive advices according to their purpose, financial ability, and ability to understand, without being disturbed. Customers shall receive clear, complete, and sufficient information to make decision based on correct understanding before, during and after sales and can compare product or service information of many service providers.
- 3) Customers to receive products and services at fair prices and conditions which meet their purpose, ability and expectation. Customer data must be kept properly and not be used in the wrong way.
- 4) Customers to be able to conduct after-sales activities conveniently and fairly.
- 5) Customers to understand their rights and duties for using financial services with support from the Company in promoting financial literacy.

Consequently, the Company set Market Conduct Policy covering customer services End-to-End Process according to the direction of government agencies as the clear code of conduct in business operations.

Customer Relationship Management (CRM)

The Company aimed to continuously develop relations with customers by understanding and meeting customer demand and creating good experiences between the Company and customers before, during, and after services to create business bonding that can make long-term revenues. In 2022, customers of hire purchase credit services had level of satisfaction at the average of 88.63 percent which was higher than expected. However, the Company would take result of customer assessment and suggestion to analyze and plan to enhance the quality of services.

Complaints Management

The Company gives priority to fast and efficient problem solving and thus has identified a mechanic to manage complaints systematically to make problem solving and complaint management clear, fast, independent, and fair. The complaint center under Customer Service department acts as a center to receive and manage complaints and coordinate with relevant departments to consider solving complaint issue within the period set in Service Level Agreement: SLA. In case there is a complaint requiring a remedy for occurred



damage, the complaint center and relevant departments shall investigate details and facts and consider the real damage together to propose to the authority for approval on compensation of such damage.

Complaint Channels

Tel. : 02-4319000
Fax : 02-4319099
Address : 77/35-36 11UP Floor Sinnsathorn Tower Building, Krungthongburi Road,
Klongtongsa Sub-district, Khlongsan District, Bangkok 10600
E-mail : Callcenter@thani.co.th
Website : www.ratchthani.com
Line Official : @Ratchthani

In 2022, the Company received 15 complaints about services and conducted fact investigation, solving issues, analyzing causes and setting measures to prevent the recurrence, including reporting to the relevant committees or executives within the period set in Service Level Agreement (SLA).

Cyber Security and Personal Data Protection

Cyber Security

The development and changes in technology have contributed to improving the efficiency of business operations, both in terms of cost management and the development of products and services to meet customer demand. In addition to these benefits, the company also considers cybersecurity and data protection as a top priority. It has established policies for managing technology-related risks, information security policies, and information security standards that cover risk identification, threat prevention, detection and monitoring, rapid response to incidents, as well as the mitigation and recovery of damage caused by cyber threats. In 2022, the company did not suffer any damage or negative impact from cyber threats.

Personal Data Protection

The company recognizes the importance of protecting personal data as a fundamental right to privacy of individuals. The company adheres to the principle of collecting, using, and/or disclosing personal data to the extent necessary and in accordance with the law. The company has established a personal data protection policy and appointed a personal data protection committee to carry out or coordinate with relevant agencies in various personal data-related operations in compliance with legal requirements, taking into account the privacy of the data owners and implementing appropriate security measures to prevent unauthorized access, use, modification, or disclosure of personal data, which will lead to the creation of long-term confidence and trust.

In addition, the company has promoted employee knowledge and awareness of continuous cybersecurity and personal data protection. Therefore, managers and employees have received training on these topics, with 80% of all employees having completed the training. Furthermore, in the year 2022, the company did not have any incidents or complaints regarding personal data breaches

Supply Chain Management

The Company gives importance to supply chain management from upstream to downstream of business operation, aiming to create values to products and services to meet expectation of stakeholders in the economic, social, and environmental dimensions. To prevent and reduce risks from trade partners that could affect the Company's quality, image, and operations both directly and indirectly, the Company set the continuous relationship with trade partner management process with the following guidelines:

Trade Partner Selection and Procurement

In the procurement process or business relationship building, the Company considered to select trade partners who had knowledge, skills, experiences, and abilities related to products or services by taking into account cost-effectiveness, efficiency, and effectiveness in terms of quality, price, and service with highest benefits. In addition, trade partner must not have history of prosecution or dispute or any other action with reasonable grounds to believe that they have intention to violate or not to comply with law, regulation, or requirement related to anti-corruption, human rights and labor practices, or natural resource and environment management. Moreover, the Company gives importance to the green procurement to reduce impact on environment, such as using products made from natural material or environment-friendly material, etc.

Identification of significance and management of risks from trade partner

The Company conducts business with 3 types of trade partners, that is, 1) car dealer, 2) debt collection service provider, and 3) business support service provider or other product seller. The Company gives the most importance to car dealer partner since the Company's major business relates to sales of dealer's cars (further details can be found under the topic of Business Operations in this report.) The Company manages risks of reliance on major partners by building good relationship with variety of car dealers to diversify risks from such reliance. In 2022, the Company had reliance on large trading partners in the acceptable level of risk according to the index of strategic risk of the Company.

Business Ethics of Partners

The Company aims for trade partner to conduct business according to legal requirements and business ethics by requiring trade partners to control directors, executives, employees, business, or other individuals whose partners have authority to control, strictly comply with laws, regulations, or requirements related to anti-corruption, human rights and labor practices, and natural resource and environment management.

Moreover, to monitor trade partners' compliance with business ethics, the Company uses the self assessment approach with trade partners for the issues related to sustainability in economic, social, and environmental dimensions. In 2022, the Company submitted self assessment forms to 200 major trade partners. All responded trade partners have completely complied with business ethics in every dimension.



Credit Term

The Company gives importance to financial liquidity management of both the Company and business partners. Credit terms with trade partners were set at 7 - 45 days after product or service delivery. In 2022, the Company's payment to trade partner was in accordance with the set terms.

Sustainability Management in Social Dimension

Labour Management

The company recognizes that employees are an important resource in driving sustainable business success, and thus, it selects and hires personnel who have the skills and experience that match the job requirements, without discrimination based on race, religion, gender, skin color, language, ethnicity, culture, opinions, social status, or any other status unrelated to work. Starting from the hiring process, salary and benefits, training and development of employees, to the development of employee engagement and satisfaction, as well as management of workplace safety, occupational health, and environmental conditions, not only helps reduce the risk of labor disputes or labor shortages, but also provides employees with motivation, encouragement, and happiness in their work. This, in turn, leads to more effective and efficient job performance and the achievement of the organization's sustainable goals.

Employment Information

Employees Information	2022			2021			2020		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Grand Total (person)	217	265	482	211	254	465	218	263	481
By Age									
Less than 30 years old	13	48	61	16	57	73	17	64	81
30 - 50 years old	134	203	337	144	185	329	153	186	339
50 years old and over	70	14	84	51	12	63	48	13	61
By Employee Level									
Executive Management	5	1	6	5	1	6	5	1	6
Manager - First Vice President	24	16	40	24	15	39	22	16	38
Officer	188	248	436	182	238	420	191	246	437
by Division									
Executive Management	5	1	6	5	1	6	5	1	6
Hire Purchase and Marketing	55	20	75	56	19	75	57	19	76
Branch Administration	69	74	143	68	77	145	73	81	154
Credit Control	58	51	109	56	49	105	58	49	107
Operation Support	20	69	89	16	60	76	15	64	79
Strategy and Finance	2	38	40	2	36	38	2	37	39
Office of directors and Administration	8	12	20	8	12	20	8	12	20

Employees Information	2022			2021			2020		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
By Location									
Head Office	148	191	339	143	177	320	145	182	327
Branch office	69	74	143	68	77	145	73	81	154
New Employees									
Less than 30 years old	3	22	25	2	1	3	1	7	8
30 - 50 years old	9	6	15	7	3	10	4	7	11
50 years old and over	2	0	2	0	0	0	1	0	1
Total	14	28	42	9	4	13	6	14	20
Discharged Employees									
Less than 30 years old	1	7	8	1	2	3	2	2	4
30 - 50 years old	5	10	15	12	11	23	7	5	12
50 years old and over	12	0	12	2	1	3	3	0	3
Total	18	17	35	15	14	29	12	7	19
Employee Turnover Rate (percent)	8.29	6.41	7.26	7.11	5.51	6.24	5.50	2.66	3.95

Note : (1) The Company does not employ people with disabilities and contributes to the DEP Fund at the rate prescribed by law

(2) In 2020 - 2022 Employee discharged by retirement and resignation accounted for 100%

Ratio of compensation between male and female employees.

Employees Information	2022	2021	2020
By Employee Level			
Executive Management	1.00 : 0.34	N/A	N/A
Manager - First Vice President	1.00 : 0.92	N/A	N/A
Officer	1.00 : 0.68	N/A	N/A

Employee Potential Development

The Company realizes that the development of employee's knowledge, ability and potential is the key factor to business success. Thus, the Company has a policy of employee potential development which is in accordance with the organization's direction and strategy, consisting of: 1) Orientation of fundamental information and general operational practices, 2) Training courses to develop potential according to each field job, and 3) Training courses to encourage leadership and needed skills for business driving.

The year 2022, the company will organize training courses for managers and employees to develop their skills and capabilities at work. There are a total of 14 courses, such as credit, pawn, mortgage, and real estate courses, as well as technical courses on business law, leasing, etc. The average training time per person per year is 6.21 hours, with both managers and employees participating.



Performance Evaluation

The Company has clear and transparent performance evaluation process of its personnel by setting criteria suitable for each individual's job characteristic which is in accordance with performance, objective, and expectation of the Company in both short term and long term. The evaluation period is once a year and will be used for remuneration consideration, employee development plan, and appropriate and fair job promotion. This shall also be job motivation for employees in the organization.

Employees Welfare

The Company provides welfare for all employees equally. To promote good quality of life and create motivation for work, details as follows:

1.Provident Fund Welfare

The Company set up "Ratchthani Multiple Value Provident Fund" to promote savings for retirement period. Employees can allocate their portion at the rate of 5%-15% of wages and the Company will contribute 5% of their wages to the fund. Moreover, the provident fund also offers additional benefits for medical expenses, in the event of an accident for 5,000 Baht per person.

However, as of 31 December 2022, the company had 460 employees participating in the provident fund, which is equal to 95.44 percent of the total number of employees.

2.Savings Cooperative Welfare

The Company encourages employees to join as member of "Thanachart Employee Savings Cooperative Limited" to promote saving for employees. Besides, the members will receive additional benefits such as group life insurance and family insurance welfare, special interest rate for savings, applying for a loan, etc.

3. Annual Physical Check-Up Welfare

The Company provides the physical check-up every year with a checklist according to age range and the potential risk. In addition, employees' family can also get the physical check-up at special low rate of cost.

4.Group Life Insurance Welfare

The Company provides the welfare of "Ratchthani Group Life Insurance" for all employees to give them encouragement and to insure their working lives. Employees do not hold any cost to pay.

5.Funeral Allowance Welfare

The Company set up the welfare of "Ratchthani Care for Every Life - Employee Funeral Allowance" aiming to support employees when their father, mother, spouse or child passes away. The funeral allowance will be provided to help support the cost of funeral according to the stated criteria.

In addition, the Company has established the Welfare in Workplace Committee to perform the duty to provide consults and suggestions to the Company in terms of employee welfare arrangement. The committee also has duty to inspect and govern employee welfare arrangement provided by the Company to assure it is beneficial to promote good quality of life of employees in long term.

Safety, Occupational Health, and Working Environment

The Company gives importance to safety, occupational health, and working environment. The Board of Directors defined the policy of safety, occupational health, and working environment which had the significant practices as follows:

- 1) Promote and support the improvement of working environment including the safe operational practices in consideration of good health of every employee.
- 2) Publicize and create awareness of safety, occupational health, and working environment to executives and employees continuously.
- 3) Superior of every level must behave as a role model in safety to lead, to train, and to motivate employees to operate their work with the correct and safe method.
- 4) Every employee must strictly comply with the safety, occupational health, and working environment standards and other relevant regulations.

In addition, the Company has set up the safety, occupational health, and working environment committee to take responsibility of the above tasks. The actions taken as follows:

1.Compliance with Ministry Regulation

- The Company set the meeting of safety, occupational health, and working environment committee every month to consider the operation of safety, occupational health, and working environment of the Company. Mr. Phongpun Poomchew was the secretary of the safety, occupational health, and working environment committee, performing the duty of making meeting appointment, taking meeting minutes, and doing the tasks assigned by the committee.
- The Company managed to have the executives and employees of managerial level attend the training course of a safety officer at work executives and supervisor level to get knowledge and understanding of duty and responsibility of safety, occupational health, and working environment work.
- The Company installed 11 fire extinguishers to protect lives and assets from fire incidents in the head office area and 10 fire extinguishers at the branch offices.

2. Healthcare for employees

- The safety, occupational health, and working environment committee coordinated with Samitivej Thonburi Hospital to provide vaccination against four different strains of influenza and the hepatitis B vaccine to interested employees at special prices to reduce the risk of such diseases in employees.
- Purchase a nursing room program to record information and statistics of nursing work and use such information to analyze and do various statistical reports, such as report of overall health information of employees, management of nursing work expenses, etc. The Company also bought patient wheelchairs to provide convenience to patients who are unable to move easily.
- Due to the COVID-19 pandemic, the safety, occupation health and working environment committee set up the knowledge transfer of how to wash hands correctly to employees under the “Ratchthani Wash your



hands, Wash away diseases, Wash it correctly” program to explain the method, significance, and benefits of washing your hands and to promote the good habits to employees. Moreover, the committee also ordered to change the hand cloth towels in the rest rooms to paper towels to reduce the accumulation and spread of various pathogens. The employees were also encouraged to use paper towels as necessary only to limit the impact on environment.

- From medical data, individuals with diabetes often have complications such as chronic kidney disease, coronary artery disease, stroke, etc., which can lead to disability and death later on. Therefore, the Safety Committee has launched the "Reduce Sugar, Reduce Disease" project to educate employees about appropriate consumption and nutrition, as well as to raise awareness of the importance and benefits of reducing sugar, which will promote employees' health and enable them to consume food properly according to nutritional principles.



3. Safety and environment in workplace

- The Company sees the importance of safety and environment in the workplace. Since the head office is in Sinsathorn Tower building, the Company requires employees to get trained and practiced on the fire evacuation drill with the Sinsathorn Tower building's juristic person, which included both theory and practice in fire evacuation drill and fire escape routes in case of fire incident occurred.

- Aware of the safety at work whether in hygiene or environment of the workplace, the Company requires employees to get trained on the safety at work, such as avoiding working in the insufficient light, avoiding unsafe working environment, using mask to avoid dust touching to prevent long-term health problem, etc.

Employee Engagement

The Company gives importance to employee care since employee is the important resource for the business success and, thus, sets the evaluation of employee satisfaction and engagement to the organization. The evaluation result is used for analysis and development for employee care and efficient human resource management. In 2022, it was found that the score of employee satisfaction with work and working environment was 86.77% and the average score of the engagement to organization was 91.58% which was higher than the Company's target.

Other Information about Human Resources

Information	Target	2022	2021	2020
Maternity leave				
Number of employees entitled for maternity leave (person)	-	265	254	263
Number of employees taking maternity leave (person)	-	8	7	12
Number of employees coming back to work after maternity leave (person)	-	8	7	12
Rate of employees coming back to work after maternity leave (%)	100	100	100	100
Rate of employees coming back to work after maternity leave and continue to work for 1 year (person)	100	100	100	100
Safety and occupational health				
Injury Rate (IR)	0	0	0	0
Lost Time Injury Rate (LTIFR)	0	0	0	0
Day Injury Rate (LDIR)	0	0	0	0
Occupational Disease Rate (ODR)	0	0	0	0
Absence Rate (AR)	0	0	0	0
Training				
Total Training Hours	-	2,993	1,338	3,018
Average training hours per person for executives.	3	8.83	15.00	31.00
Average training hours per person for Manager - First Vice President	3	9.36	13.03	13.97
Average training hours per person for Officer	3	5.88	1.76	5.27
Complaints and labor disputes				
Received issues (Issues)	0	0	0	0
Issues under investigation/ resolving (Issues)	0	0	0	0
Concluded issues (Issues)	0	0	0	0



Encourage of Access to Financial Services and Financial Literacy

Encourage of Access to Financial Services

The Company aims to develop products and services in consideration of increasing access to financial services thoroughly and equally for every group of users in society, especially for low-income group, underprivileged, and fragile group, to uplift their quality of living and to reduce borrowing from informal financial system with unduly high interest rates. The Company has designed products and set appropriate interest rates based on comprehensive risk management. In addition, to provide convenience to users, the Company has published product information and provided various contact channels, such as www.ratchthani.com, line application @Ratchthani, and contact points at head quarter and branches all over the country.

In 2022, the company granted new loans to 18,706 customers with a total amount of 27.819 billion baht. Of those, 83% were customers who applied for loans for occupational purposes, while 17% were customers who applied for loans for consumption purposes. As a result, the company earned a total revenue from loans and related services of 4.443.39 billion baht, with a net profit of 1.752.72 billion baht

Financial education activities

The company recognizes the importance of promoting and supporting knowledge, understanding, and financial discipline among employees. Therefore, it partnered with Eastspring Investments (Thailand) Limited to organize a financial education seminar on December 16, 2022, under the topic "Growing Your Savings." The aim of the seminar is to enable participants to apply the knowledge gained in their daily lives. The seminar's content includes investment principles and investment in retirement funds.

เป้าหมาย : 1,000,000 บาท
ถ้าเราออม หรือ ลงทุน เดือนละ **1,000 บาท** ต่อเนื่องทุกเดือน

	ออมเงิน		ลงทุน		
	หยอดกระปุก	ฝากธนาคาร	เสี่ยงต่ำ	เสี่ยงกลาง	เสี่ยงสูง
อัตราดอกเบี้ย / อัตราผลตอบแทน (เฉลี่ยต่อปี)	0.00 %	0.75 %	2.00 %	5.00 %	8.00 %
เวลาที่ใช้ (ปี)	84	65	50	34	26
เงินต้นสะสม (บาท)	1,008,000	780,000	600,000	408,000	312,000
ดอกเบี้ยรับ / ผลตอบแทนสะสม	-	224,510	425,915	640,245	688,541
รวม	1,008,000	1,004,510	1,025,915	1,048,245	1,000,541

Encourage and Support for Social Development Activities

The Company gives importance to conducting business with responsibility to society and community. In addition to local labor employment to support economic growth and labor potential development, the Company also promotes and supports activities to develop society and community in various forms. The existing resources are used to develop quality of life and promote well-being of people to create good social changes which shall lead to value creation to business and society sustainably.

Activity to support the development of youth potential.

The company is aware of the importance of developing the potential of the new generation of youth to have diverse knowledge and abilities, and to use their free time for benefits. Therefore, the company supports the "Saturday School" project, which is a community-based youth development project through various learning activities. The company has continuously supported this project, and in 2022, the company provided a donation of 200,000 baht. The successful results of the project show that the youth who participated in the activities had an increased level of self-awareness and understanding by 19.73%, which helps them to identify their strengths and weaknesses to develop their potential and abilities in the future.



Activities to support public healthcare

The company is aware of the importance of health and quality of life for patients who lack financial resources and medical equipment. Therefore, to support healthcare for the people and to enable medical facilities to provide sufficient and efficient medical services to patients, in the year 2022, the company donated 500,000 baht to the Ramathibodi Foundation to contribute to the construction of the "Ramathibodi Hospital Building and Innovation District" project for the construction of a new hospital building, expanding the area and capacity to accommodate patients. The donation was presented by Asst. Prof. Surasak Leela-Adulyadej, Director of Ramathibodi Hospital, and a member of the Ramathibodi Foundation Executive Board.



Activities to Support Religion and Culture

The company places importance on supporting religious preservation, so it has contributed to the construction of a Ubosot (ordination hall) at Wat Suan Luang, Ban Rai Sub-district, Lard Yao District, Nakhon Sawan Province since 2017. In 2022, the management and employees hosted a merit-making ceremony and jointly donated 215,000 baht to continue the construction of the unfinished Ubosot.



Human Rights

The Company recognizes the respect for human rights as an important responsibility. Human rights are fundamental rights and freedoms that are inherent, and the equality of persons not to be discriminated against on the basis of race, religion, gender, skin color, language, ethnicity, culture, opinion, social status, or any other status. Therefore, to prevent and avoid human rights violations against stakeholders from the Company's business operations, the Company has established the human rights policy in accordance with the provisions of important international human rights laws and principles such as the Universal Declaration of Human Rights, the United Nation's Guiding Principles on Business and Human Rights, etc., to serve as a framework for directors, executives, employees of the Company and its affiliates to adhere to the same guidelines

Human Rights and Key Risk Issues Inspection

The Company aims to develop the comprehensive inspection process on human rights to ensure that the Company's operations will not cause any human rights violation along the value chain. The Company analyzes risk issues, evaluates chances and effects, and defines guidelines of risk prevention, problem solving, alleviation and remedy for human rights violation case. The Company shall monitor and report the issues continuously. The human rights risk issues are analyzed and summarized as follows:

Key issues of human rights risk	Stakeholder	Risk management guidelines
1. Personal data and privacy security	Shareholders, Committees, Employees, Customers, partners business Creditors	Personal data of stakeholders are required to be managed in accordance with legal criteria, be kept appropriately in secured place to prevent loss, access, destruction, usage, change or disclosure illegally or improperly, which is deemed privacy violation and leads to other human rights problems.
2. Fair service providing	Customers	Define policies and practices related to fair and equal customer service in an End-to-End Process. Especially for debt collection, the action needs to comply with legal requirements, without human rights violation, including intimidating speech or language or violence to cause damage to debtors or other persons.
3. Fair Labor Management	Employees	Create opportunities for fair and equal employment from nomination process, remuneration, welfare, potential development, and career promotion to employees considering knowledge, skills, and performance. In addition, the Company opens opportunity for employees to share opinions on employment, welfare, and human rights issues so that the issues can be solved efficiently with the Management.
4. Supply chain management in consideration of human rights issues.	Trade partners and business partners	Define human rights action in compliance with laws, regulations, or related requirements to be a condition in considering procurement with trade partners, such as labor exploitation, wage payment and welfare arrangement for employees. Moreover, the Company supports partners to respect individual difference and must support or ignore any human rights violation that may occur in workplace.

Moreover, the Company opens opportunity for stakeholders to share opinions, clues, or complaints through complaint channels of the Company. If there is any human rights violation situation related to directors, executives, employees of the Company or associated companies, the Company will take action to resolve such complaints and set measures to prevent such recurrence.

In 2022, the Company did not receive any clues or complaints on human rights. There was no human rights dispute during remedy process either.



Sustainability Management in Environmental Dimension

Efficient Resources Management

The Company gives importance to continuous environment management. The Company has had policy to comply with laws, regulations, and requirements on environment related to the Company business to reflect that the Company is committed to reduce negative impact on environment. The Occupational Safety, Health, and Environment in Workplace Committee was assigned to perform duty of encourage, managing, and supervising the efficient use of resources, including supporting employees to realize the importance of environment management.

Goal and Operating Plans for Reducing Impacts on Environment

Resources Management	Goals		Operating Plans
	Short term (1-2 years)	Long term (3-5 years)	
Energy management	Reduce electricity consumption by 1-3% compared to the base year.	Reduce electricity consumption by 3-5% compared to the base year.	- Purchase power saving equipment to replace damaged electric equipment. - Campaign to use electricity as necessary only and turn off devices after use. - Assign employees to directly be in charge for electric equipment. - Set regular maintenance and checking on the electric equipment working system. - Publicize knowledge of power saving and efficient resource consumption.
Water management	Reduce water consumption by 1-3% compared to the base year.	Reduce water consumption by 3-5% compared to the base year.	- Campaign to consume water as necessary only and turn off equipment after use. - Campaign not to throw food, tissue, or other things into toilet bowl. - Publicize knowledge of water saving and efficient resource consumption.
Waste and pollution management	Reduce waste by 1-3% compared to the base year.	Reduce waste by 3-5% compared to the base year.	- Campaign to recycle used paper. - Choose to use printer or copy-machine that can print or make copy of a 2-page document. - Develop systems especially for electronic transactions. - Publicize knowledge of paper saving and efficient resource consumption.

Resources Management	Goals		Operating Plans
	Short term (1-2 years)	Long term (3-5 years)	
Greenhouse gas management	Reduce greenhouse gas discharge by 1-3% compared to the base year.	Reduce greenhouse gas discharge by 3-5% compared to the base year.	- Purchase power saving equipment to replace damaged equipment - Campaign to use electric devices as necessary only and turn off devices after use. - Assign employees to directly be in charge for electric equipment. - Set regular maintenance and checking on the electric equipment working condition. - Publicize knowledge of power saving and efficient resource consumption.

Performance on Environment

Key Performance Indicators	2022	2021	2020	2019
<u>Electricity consumption</u>				
Electricity consumption (kilowatt/ hour)	589,793	643,998	568,101	574,971
Increase/ decrease in electricity consumption rate (%)	2.58	12.01	(-1.19)	-
Electricity consumption per employee (kilowatt/ hour per person)	1,223.64	1,384.94	1,181.08	1,197.86
Increase/ decrease in electricity consumption per employee (%)	2.15	15.62	(-1.40)	-
Electricity consumption expenditure (Baht)	2,945,795	2,898,040	2,706,107	2,740,264
Increase/ decrease in electricity consumption expenditure rate (%)	7.50	5.62	(-1.25)	-
<u>Water consumption</u>				
Water consumption (cubic meter)	4,281	3,801	4,085	4,012
Increase/ decrease in water consumption rate (%)	6.70	(-5.26)	1.82	-
Water consumption per employee (cubic meter per person)	12.63	11.52	12.49	12.54
Increase/ decrease in water consumption rate (%)	0.72	(-8.13)	(-0.36)	-
Water consumption expenditure (Baht)	85,620	76,020	81,707	80,280
Increase/ decrease in water consumption expenditure rate (%)	6.65	(-5.31)	1.78	-
<u>Paper consumption</u>				
Paper consumption (ream)	4,750	5,150	5,483	-
Increase/ decrease in paper consumption rate (%)	(-13.37)	(-6.07)	-	-
Paper purchase expenditure (Baht)	449,215	474,481	548,381	-
Increase/ decrease in paper purchase expenditure (%)	(-18.08)	(-13.48)	-	-



Key Performance Indicators	2022	2021	2020	2019
Greenhouse gas emissions (Scope 2)				
Greenhouse gas emissions amount (TonCO ₂ e)	294.84	321.93	283.99	287.43
Increase/ decrease in greenhouse gas emissions rate (%)	2.58	12.01	(-1.19)	-
Greenhouse gas emissions per employee (TonCO ₂ e per person)	0.61	0.69	0.59	0.60
Increase/ decrease in greenhouse gas emissions rate per employee (%)	2.15	15.62	(-1.40)	-

Note : (1) Increasing/ decreasing rate was calculated by comparing data with the base year, meaning 2019 data was used for electricity consumption, water consumption, and greenhouse gas emissions, and 2020 data was used for paper consumption and was also the first year that the Company started collecting data.

(2) The Company is on process of data collection to measure long-term performance (3-5 years.)

(3) Electricity consumption in 2022 increased due to the overtime work for system development of the Company.

(4) Water consumption was measured only at head office.

(5) Greenhouse gas emissions in Scope 2 was the indirect greenhouse gas emission from electricity consumption by referring to the Carbon Footprint calculation from Thailand Greenhouse Gas Management Organization (Public Organization).

Encourage and Involvement with Environment Conservation

Training and Cultivating Environmental Awareness

The Company realizes environmental problems occurred and had a wide impact all over the world. In order to make the Company's employees have knowledge, understanding and realization on such problems, the Company requires employees to get training on environment topic every year. In 2022, employee representatives attended 5 training courses via electronics media of Department of Environmental Quality Promotion, Ministry of Natural Resources and Environment, that is, Green office, Sustainable consumption, Zero waste operation, Sustainable consumption, and Green Technology. Employees who attended the training courses would relay knowledge to other colleagues to be further applied in the organization.



Campaign to Reduce Plastic Bag Usage for Environmental Conservation

The Company gives importance to the environmental conservation for the sustainability of the ecosystem. With the popular campaign of no plastic bag in daily life in society these days, the Company decided to join the campaign by encouraging every employee to use no plastic bag in daily life and giving away fabric bags to employees.

Contribution to Climate Change Solution

Climate change has had impact on the lives of people in the society as a result of pollutions from industrial factories, transportation, and deforestation. To make employees aware of such problems, the Company launched a campaign for employees to plant trees and put small trees on their working desks under the “RATCHTHANI TREE DAY IN THE COMPANY” program. This program aimed to stimulate the contribution to climate change management and to improve the working environment.

Moreover, the Company gives importance to the health care of employees. The problems of climate change, PM2.5 dust, and COVID-19 pandemic caused the risk of having diseases of the respiratory system. Thus, the Company bought 13 Atmosphere Sky air purifiers to be installed in the office to reduce the spread and accumulation of various pathogens.

“Your Old Calendars We Ask For” Project

The Company established the “Your Old Calendars We Ask For” project to encourage employees to maximize the use of non-renewable resources by collecting unused desk calendars and giving to the Foundation for The Blind (Educational Technology Center for The Blind) to produce braille code as media for the blind. The donation was welcome and received by Ms. Chanidapa Petcharaks, Director of the Center, who explained the production procedures and how to read brailles to the Company representatives.

The project "Ratchathani Waste Separation for the Environment.

Currently, waste is an important environmental issue that requires cooperation from all parties to solve. Therefore, the company has organized the "Ratchathani Waste Sorting for Environment" project, to encourage employees to sort waste before disposal. This will make waste management more efficient and facilitate its reuse. Additionally, sorted waste can be properly disposed of through appropriate methods.





Management Discussion and Analysis

Overview of the Past Performance

In 2020, the Company and its subsidiaries had net profits of 1,860.21 million baht, decreasing from the previous year by 103.36 million baht or 5.26 percent from economic contraction due to the Coronavirus Disease 2019 (COVID-19) pandemic. The Company has carefully approved credit applications. The total revenue of 2020 was 4,262.73 million baht, increasing from the previous year by 24.58 million baht or 0.58 percent. The Company and its subsidiaries had financial expense of 1,063.47 million baht, increasing from the previous year by 52.12 million baht or 5.15 percent. The increase came from balancing the loan procurement and credit approval and maintaining the interest rate gap at the consistently profitable level.

In 2021, the Company and its subsidiaries had net profits of 1,709.19 million baht, decreasing from the previous year by 151.02 million baht or 8.12 percent from economic contraction due to the Coronavirus Disease 2019 (COVID-19) pandemic continuously for the second year. The Company has carefully approved credit applications. The total revenue of 2021 was 4,226.49 million Baht, decreasing from the previous year by 36.24 million baht or 0.85 percent. The Company and its subsidiaries had financial expense of 913.21million baht, decreasing from the previous year by 150.25 million baht or 14.13 percent. The decrease came from balancing the loan procurement and credit approval and maintaining the interest rate gap at the consistently profitable level.

The year 2022, the company and its subsidiaries had a net profit of 1,752.72 million baht, an increase of 43.53 million baht or 2.55 percent from the previous year. This was due to the economic activities improving as the COVID-19 situation gradually eased, with important factors coming from the tourism sector and private sector spending, which expanded in line with the increasing purchasing power of hiring and income. However, the high inflation rate still had an impact on the cost of living, which could negatively affect businesses in the future. The total revenue for the year 2022 was 4,443.39 million baht, an increase of 216.90 million baht or 5.13 percent from the previous year, while the company and its subsidiaries had financial expenses of 925.53 million baht, an increase of 12.32 million baht or 1.35 percent from the previous year. This increase was due to the loan arrangements to support lending and maintain the interest rate gap at a level where the company could earn a consistent profit.

Revenue

In 2020, the Company approved loans with special caution due to the economic contraction resulting from Coronavirus Disease 2019 (COVID-19) pandemic. The Company and its subsidiaries had total incomes of 4,262.73 million baht, slightly increased from the year 2019 for 24.58 million baht or 0.58 percent (while hire purchase and financial lease account receivables decreased from 2019 for 2,960.65 million baht or 5.96 percent)

The main contribution of 2020 income of the Company and its subsidiaries consisted of the interest incomes from hire purchase agreements and finance lease agreements of 3,515.77 million baht or 82.48 percent

of total revenues, the fee and service income of 316.17 million baht, and other incomes of 430.82 million baht or 7.42 percent and 10.11 percent respectively.

In 2021, the Company gave importance to provide support to customers throughout the period of COVID-19 pandemic situation. Under the uncertain situation, the Company continued to operate its credit lending policy with caution. In the condition of decreasing purchasing power and household income of debtors, the total incomes of the Company and its associates were 4,226.49 million baht, slightly decreased from 2020 by 36.24 million baht or 0.85 percent (whereas the amount of hire purchase debtors and financial debtors increased from 2020 by 1,163.07 million baht or 2.49 percent)

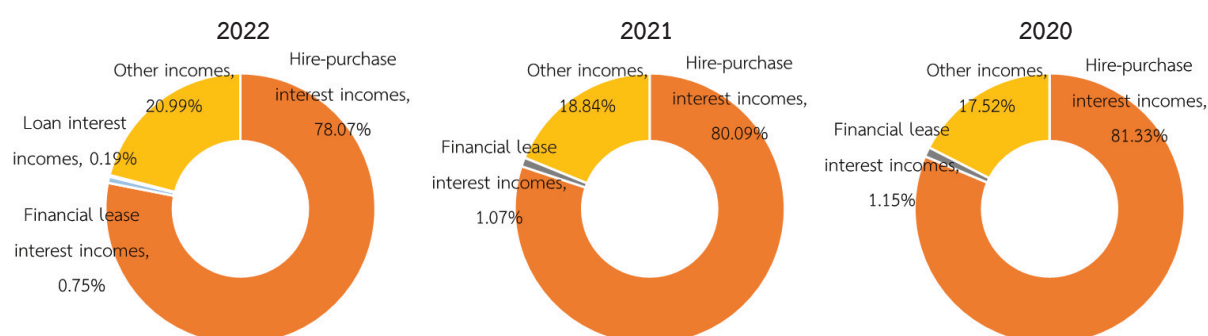
The main contribution of 2021 income of the Company and its subsidiaries consisted of the interest incomes from hire purchase agreements and finance lease agreements of 3,430.25 million baht or 81.16 percent of total revenues, the fee and service income of 379.54 million baht, and other incomes of 416.71 million baht or 8.98 percent and 9.86 percent respectively.

In 2022, it is a year of recovery from the COVID-19 pandemic. The overall economic situation and household income may have already passed the lowest point and there are positive signs of recovery, especially in the tourism and service sectors. Additionally, activities in the service sector within the country are also showing signs of improvement, as tourism-related businesses such as hotels and restaurants have increased their operations. Furthermore, there has been an increase in transportation of consumer goods and construction materials to support festivals and home repairs after the flood situation has eased.

The Company and its subsidiaries have a total revenue of 4,443.39 million baht, an increase of 216.90 million baht or 5.13 percent from the year 2021. Meanwhile, the amount of hire purchase loan, financial loan, and loan agreement contract has increased from the year 2021 to 4,190.07 million baht, or 8.75 percent

For the main components of the Company's and its subsidiaries' revenue in the year 2022, they consist of interest income from hire purchase agreements, financial lease agreements, and loan agreements totaling 3,510.89 million baht or 79.01 percent of the total revenue. Service fees and processing fees are 468.66 million baht in revenue and other revenue is 463.84 million baht, representing 10.55 percent and 10.44 percent of the total revenue, respectively.

The proportion of interest incomes from hire purchase contracts, finance lease contracts and loan contracts to other incomes (hereby means fee and service incomes and other incomes) of the Company and its subsidiaries in 2022, 2021 and 2020 are shown as follows:



Expense

In 2020, the Company and its subsidiaries had financial expenses of 1,063.47 million baht, sales and administrative expenses of 537.61 million baht, expected credit losses of 337.91 million baht, and income tax of 463.53 million baht.

The financial cost in 2020 was 1,063.47 million baht, increasing by 52.12 million baht or 5.15 percent, compared with 2019's. The increase came from the balance of loan procurement and credit approval and the debt structure management in order to maintain the interest rate gap at the consistently profitable level, resulted in the interest expense ratio in 2020 at 2.70 percent.

The sales and administrative expenses in 2020 were 537.61 million baht, decreasing from 2019 by 32.42 million baht or 5.69 percent. The main contribution of the sales and administrative expenses were employee expenses, loss from the depreciated value of confiscated cars and office expenses.

Expected Credit Loss (ECL) of 2020 was 337.91 million baht, which was increasing compared to the bad debt and doubtful account amount in 2019 which was 193.53 million baht, representing 0.70 percent of the average amount of hire purchase receivables. This was resulted from the higher credit risk condition due to the slowdown economy caused by COVID-19 pandemic. The increasing reserves in 2020 reflected the ECL model that predicted future trend and Management Overlay to support the risk that may occur from the uncertainty of the pandemic situation under the Thai Financial Reporting Standards 9 (TFRS 9.)

In 2021, the Company and its subsidiaries had financial expenses of 913.21 million baht, sales and administrative expenses of 584.62 million baht, expected credit losses of 585.90 million baht, and income tax of 433.57 million baht.

The financial cost in 2021 was 913.21 million baht, decreasing by 150.25 million baht or 14.13 percent, compared with 2020's. The decrease came from the balance of loan procurement and credit approval and the debt structure management in order to maintain the interest rate gap at the consistently profitable level, resulted in the interest expense ratio in 2021 at 2.49 percent.

The sales and administrative expenses in 2021 were 584.62 million baht, increasing from 2020 by 47.00 million baht or 8.74 percent. The main contribution of the sales and administrative expenses were employee expenses, loss from the depreciated value of confiscated cars and office expenses.

Expected Credit Loss (ECL) of 2021 was 585.90 million baht, which was increasing compared to the expected credit loss in 2020 which was 337.91 million Baht, representing 1.24 percent of the average amount of hire purchase receivables. This was resulted from the higher credit risk condition due to the slowdown economy caused by COVID-19 pandemic. The increasing reserves in 2021 reflected the ECL model that predicted future trend and Management Overlay to support the risk that may occur from the uncertainty of the pandemic situation under the Thai Financial Reporting Standards 9 (TFRS 9.)

The year 2022, the Company and its subsidiaries have financial expenses of 925.53 million baht, selling and administrative expenses of 773.63 million baht, an expected loss from credit of 555.11 million baht, and income tax of 436.39 million baht.

The financial cost in year 2022 is 925.53 million baht, an increase of 12.32 million baht or 1.35 percent compared to 2021. This increase was due to the company's efforts to obtain loan funds to correspond with the credit release and management of the debt structure, in order to maintain the interest rate differential at a level that the company can consistently earn profits. As a result, the interest rate paid in 2022 was at a rate of 2.39 percent

In 2022, selling and administrative expenses amounted to 773.63 million baht, an increase of 189.02 million baht or 32.33 percent from 2021. The major expenses were employee expenses, losses from the revaluation of repossessed assets, and office expenses

The expected credit losses (ECL) of 2022 was 555.11 million baht which was decreased when compared to the expected credit losses (ECL) in 2021 of 585.90 million baht accounted for 1.11 percent of average account receivables. The reserves in 2022 was considered from the loan portfolio growth including asset quality which was efficiently controlled. The Company still were very careful when considering the reserves setting according to the expected credit losses measurement model. The consideration was made carefully regarding the impact that may occur from the remaining economic volatility although the COVID-19 pandemic has been subsided.

Net Profit

List	2022	2021	Differentiation	
			Increase (Decrease)	Percent
Net Profit (Million baht)	1,752.72	1,709.19	43.53	2.55
Net Profit Ratio (Percent)	39.45	40.44	(0.99)	(2.45)
Yield (Percent)	6.81	7.15	(0.34)	(4.76)
Cost of fund (Percent)	2.39	2.49	(0.10)	(4.02)
Interest Spread (Percent)	4.42	4.66	(0.24)	(5.15)

In 2022, the Company and its subsidiaries' net profits were 1,752.72 million baht, increasing from 2021 for 43.53 million baht or 2.55 percent. The Company's net profit margin was 39.45 percent, decreasing from the previous year by 2.45 percent, caused by fragile economic conditions and affected by prolonged COVID-19 pandemic. Although the pandemic began to subside, the Company still faced inflation problems and rising interest rates in the country. Thus, the Company still expanded its credit base cautiously and focused on the quality growth strategy during COVID-19 pandemic. As a result, the Company's interest rate received was 6.81 percent and interest rate paid decreased from the previous year to 2.39 percent. The Company's interest spread was 4.42.



Financial Status

Assets	2022	2021	Differentiation	
			Increase (Decrease)	percent
Total assets (MB)	53,909.26	49,223.46	4,685.80	9.52
Hire-purchase account receivable, Net (MB)	51,454.70	47,371.49	4,083.21	8.62
Financial lease-account receivable, Net (MB)	438.76	539.54	(100.78)	(18.68)
Loan account receivable, Net (MB)	207.65	0.00	207.65	100.00
Account receivable ratio (Percent)	96.65	97.33	(0.69)	(0.71)
Foreclosed assets (MB)	238.02	98.32	139.70	142.09

Asset structure of the Company and its subsidiaries mainly consisted of hire-purchase receivables and loan receivables. At the end of the year 2022, the Company's hire-purchase receivables were 47,371.49 million baht (net profit after deducting reserves for doubtful debts), accounted for 97.33 percent of total assets of the Company.

In 2022, the Company and its subsidiaries' total assets were 53,909.26 million baht, increasing by 9.52 percent compared to the year 2021. The ratio of hire purchase receivables to loan receivables (net of allowance for expected credit losses) was 96.65 percent of total assets which increased from previous year. The risks from inflations still needed to be closely monitored, especially the costs passed on from operators. In 2022, the car sales continued to grow, especially in Bangkok area and Central region, according to the overall economy recovery and the subsided COVID-19 pandemic, especially during the latter half year.

Credit Quality and Allowance for Expected Credit Losses

Hire-Purchase Account Receivable

The hire-purchase accounts receivables as of 31 December 2022, 2021, and 2020 were recorded at 51,454.70 million Baht, 47,371.49 million baht, and 46,058.42 million baht, respectively as following details

(Unit : Thousand Baht)

Hire-purchase account receivable	2022	2021	2020
Hire-purchase account receivable	59,058,817	54,175,051	52,503,014
<u>Less</u> Unearned financial income	(6,066,938)	(5,333,132)	(5,228,483)
Present value of the minimum lease payment receivables	52,991,879	48,841,919	47,274,531
<u>Less</u> Allowance for expected credit losses	(1,537,182)	(1,470,427)	(1,216,108)
Hire-purchase account receivable, Net	51,454,697	47,371,492	46,058,423

As of 31 December 2022, 2021 and 2020, the balances of hire-purchase receivables are classified by credit risk and allowance for expected credit loss as follows:

(Unit : Thousand Baht)

As of 31 December 2022		
Hire-purchase account receivable	Accounts receivable - net of unearned financial income	Allowance for expected credit loss
Hire-purchase receivables where there has not been a significant increase in credit risk (Performing)	45,539,652	287,497
Hire-purchase receivables where there has been a significant increase in credit risk (Under-performing)	6,124,961	845,046
Hire-purchase receivables that are credit impaired (Non-performing)	1,327,266	404,639
Total	52,991,879	1,537,182

(Unit : Thousand Baht)

As of 31 December 2021		
Hire-purchase account receivable	Accounts receivable - net of unearned financial income	Allowance for expected credit loss
Hire purchase receivables where there has not been a significant increase in credit risk (Performing)	41,923,360	240,378
Hire purchase receivables where there has been a significant increase in credit risk (Under-performing)	5,079,375	689,252
Hire purchase receivables that are credit impaired (Non-performing)	1,839,184	540,797
Total	48,841,919	1,470,427

(Unit : Thousand Baht)

As of 31 December 2020		
Hire-purchase account receivable	Accounts receivable - net of unearned financial income	Allowance for expected credit loss
Hire purchase receivables where there has not been a significant increase in credit risk (Performing)	39,976,003	180,370
Hire purchase receivables where there has been a significant increase in credit risk (Under-performing)	5,810,580	642,625
Hire purchase receivables that are credit impaired (Non-performing)	1,487,948	393,113
Total	47,274,531	1,216,108



Financial Lease Accounts Receivable

The financial lease accounts receivable as of 31 December 2022, 2021, and 2020 were recorded at 438.755 million baht, 539.54 million baht, 689.54 million baht, respectively as follows:

(Unit : Thousand Baht)

Financial Lease Accounts Receivable	2022	2021	2020
Financial lease receivables	505,210	611,091	782,362
<u>Less</u> Unearned financial income	<u>(46,570)</u>	<u>(57,034)</u>	<u>(80,680)</u>
Present value of the minimum lease payments receivables	458,640	554,057	701,682
<u>Less</u> Allowance for expected credit losses	<u>(19,885)</u>	<u>(14,518)</u>	<u>(12,145)</u>
Financial lease receivables, Net	438,755	539,539	689,537

As at 31 December 2022, 2021 and 2020, the balances of financial lease receivables are classified by credit risk and allowance for expected credit loss as follows:

(Unit : Thousand Baht)

As of 31 December 2022		
Financial Lease Accounts Receivable	Accounts receivable - net of unearned financial income	Allowance for expected credit loss
Finance lease receivables where there has not been a significant increase in credit risk (Performing)	435,290	177
Finance lease receivables where there has been a significant increase in credit risk (Under-performing)	3,642	-
Finance lease receivables that are credit-impaired (Non - performing)	19,708	19,708
Total	458,640	19,885

(Unit : Thousand Baht)

As of 31 December 2021		
Financial Lease Accounts Receivable	Accounts receivable - net of unearned financial income	Allowance for expected credit loss
Finance lease receivables where there has not been a significant increase in credit risk (Performing)	525,476	143
Finance lease receivables where there has been a significant increase in credit risk (Under-performing)	4,379	-
Finance lease receivables that are credit-impaired (Non - performing)	24,202	14,375
Total	554,057	14,518

(Unit : Thousand Baht)

As of 31 December 2020		
Financial Lease Accounts Receivable	Accounts receivable - net of unearned financial income	Allowance for expected credit loss
Finance lease receivables where there has not been a significant increase in credit risk (Performing)	671,063	2,878
Finance lease receivables where there has been a significant increase in credit risk (Under - performing)	18,120	105
Finance lease receivables that are credit-impaired (Non - performing)	12,499	9,162
Total	701,682	12,145

Loan Receivables

The loan accounts receivables as of 31 December 2022 were recorded at 207,646 million Baht as follows:

(Unit : Thousand Baht)

Loan account Receivable	2022
Loan account Receivable	207,974
<u>Add</u> Accrued financial expenses ⁽¹⁾	<u>132</u>
<u>Add</u> Accrued interest receivable	<u>954</u>
Total outstanding loans and accrued interest	209,060
<u>Less</u> Allowance for expected credit losses	<u>(1,414)</u>
Loan account receivable, Net	207,646

⁽¹⁾ Net income from direct revenue generated at the start of the loan provision until the date of sale.

As at 31 December 2022 the balances of loan receivables are classified by credit risk and allowance for expected credit loss as follows:

(Unit : Thousand Baht)

As of 31 December 2022		
Loan account Receivable	Accounts receivable - net of unearned financial income	Allowance for expected credit loss
Loan receivables where there has not been a significant increase in credit risk (Performing)	206,087	1,033
Loan receivables where there has been a significant increase in credit risk (Under - performing)	2,973	381
Loan receivables that are credit-impaired (Non - performing)	-	-
Total	209,060	1,414



As of 31 December 2020, the Company's allowance for expected credit loss of hire purchase receivables and financial lease receivables was 2,157.75 million baht, decreased for 66.93 million baht or by 3.01 percent compared to the doubtful accounts in 2019. The reserve for credit loss compared to that of 2019 was increased for 144.38 million baht which was the result of higher credit risk condition due to the slowdown economy caused by COVID-19 pandemic. The increasing reserves in 2020 reflected the ECL model that predicted future trend and Management Overlay to support the risk that may occur from the uncertainty of the pandemic situation under the Thai Financial Reporting Standards 9 (TFRS 9.)

As of 31 December 2021, the Company had allowance for expected credit losses of hire-purchase debtors and financial lease debtors of 1,484.94 million baht, increasing by 256.69 million baht or 20.90 percent, compared to the allowance for expected credit losses in the end of 2020. The Company's provision for credit losses compared to the year 2020 increased by 247.99 million baht, as a result of the increasing credit risks from the economic slowdown caused by economic activity disruption, decreasing household incomes, and slowdown private sector expenditure and investment. The increasing reserves in 2021 reflected the ECL model which predicted the future trend for the expected risks which could occur from such pandemic situation under the Thai Financial Reporting Standard 9 (TFRS 9).

As of 31 December 2022, the Company's allowance for expected credit losses from hire purchase receivables, finance lease receivables, and loan receivables were 1,558.48 million baht, increasing for 73.54 million baht or by 4.95 percent compared to allowance for expected credit losses at the end of 2022. The reserves for credit loss of the Company decreased from the year 2021 for 30.79 million baht as a result of the effective asset quality control. The Company still used prudence principles in reserve setting by considering various factors including impacts that may occur from economic fluctuations. The reserves setting in 2022 reflected the ECL model anticipating the future trend to meet the risks that may occur from economic fluctuations under the Financial Reporting Standards 9 (TFRS 9).

The Company has the policy on amortization of loan debtors from the account when the court had judgment that debtors and guarantors pay their debts to the Company and the Company is unable to confiscate their properties or execute the judgment. Also, when the Company could not collect from the debtors. The amortization of loan debtors as bad debts will lead to the decrease in the allowance for doubtful accounts and bad debt recovery will be recorded in the other incomes. For the year 2022, 2021, and 2020, the Company cut off bad debts of 279.45 million baht, 264.29 million baht and 438.26 million baht, respectively.

The above table shows that account receivables whose net of interest was not recognized as income in the year 2022, 2021 and 2020, most were normal receivables with not more than 3 installments over due, in total of 52,314.11 million baht, 47,532.59 million baht and 46,475.77 million baht, accounted for 97.49 percent, 96.23 percent, and 96.87 percent of the total hire-purchase, financial lease and loan accounts receivable respectively. This reflected that most debtors of the Company were in the normal level.

Adequacy for Allowance for Expected Credit Losses

The Company applies the General Approach to calculate the expected credit losses on its financial assets, classifies its financial assets into three stages (three-stage approach) to measure the value of the expected credit losses, with the classification of the financial assets determined on the basis of the change in credit risk since initial recognition. For hire purchase receivables that the court has issued judgements in favour, the Company presents such receivables under other non-current assets in the financial statements and set aside full allowance for estimated credit loss without deducting collateral value.

Expected credit loss is the probability-weighted estimate of credit loss over the expected lifetime of the financial asset, consider the present value of all cash expected not to be recoverable. The Company consider historical loss experience on the basis of shared credit risk characteristics, taking into account, type of collateral, month on book, and other relevant factors, adjusts this for current observable data, as well as forward looking information that is supportable and reasonable provide. It can be shown as well as exercising appropriate of judgement, to estimate the amount of an expected credit loss based on macroeconomic data and determines both current and future economic scenario, and probability-weighted in each scenario (base scenario, best scenario and worst scenario) for calculating expected credit loss. Use of forward-looking data increases the degree of judgement required in evaluating how relevant current macroeconomic changes affect expected credit loss. However, the Company has established the process to review and monitor methodologies, assumptions and forward-looking macroeconomics scenarios on a regular basis. Furthermore, expected credit loss was included management overlay.

Moreover, the Company cautiously set the Management Overlay over the potentially in collectible debts and improved the efficiency of debt collection in order to be in line with the credit portfolio expansion. In 2022, 2021 and 2020, the Company had non-performing loans (NPL) from hire purchase, finance lease and loan accounts receivable debts of 1,346.97 million baht, 1,863.39 million baht, 1,500.45 million baht respectively, and the expected credit losses /doubtful debt allowance of 1,558.48 million baht, 1,484.95 million baht, and 1,228.25 million baht, respectively.

In 2022, 2021, and 2020, the Company had the expected credit losses/doubtful debt allowance ratio of 115.70 percent, 76.69 percent and 81.86 percent, of total non-performing loans respectively. If the credit approval was considered concisely and the debt collection was strictly followed up, the Company believed that such expected credit losses allowances were appropriate, sufficient, and efficient, under the normal operations of the Company.



Total Liabilities

(Unit : Million Baht)

List	2022	2021	2020
Total Liabilities	41,548.32	37,656.89	37,699.32
Short-term Loan and Overdraft	16,114.58	17,796.32	10,991.23
Long-term Loan	2,147.26	2,044.76	7,589.98
Long-term Bond	22,315.27	16,794.34	18,098.73
Other Liabilities	971.21	1,021.47	1,019.39

Note : Short-term Loan and overdraft amounts include a portion of the payment within 1 year.

The Company and its subsidiaries had total debts as of 31 December 2022, 31 December 2021, and 31 December 2020 of 41,548.32 million baht, 37,656.89 million baht, and 37,699.32 million baht, respectively. The total debt as of 31 December 2022 increased by 10.33 percent from the end of 2021 due to an increase in borrowing from financial institutions and bond issuances to support the expansion of the loan portfolio and to be used as working capital for the business. The other debts included short-term loans of 16,114.58 million baht, long-term loans of 2,147.26 million baht, and long-term bonds of 22,315.27 million baht.

Equity

On 26 May 2020, the Board of Directors meeting no.5/2020 had resolution to approve for the second interim dividend payment of the 2019 performance at the rate of 0.16 baht per share, total dividends were paid twice at the rate of 0.32 baht per share which is equivalent to 65.31 percent of the 2019 net profit based on the Company's separate financial statements or 61.53 percent of the 2019 net profit based on the Company's consolidated financial statements.

On 10 July 2020, the Annual General Meeting of Shareholders' resolution approved the allocation of 2019 net profits at the amount of 75.00 million baht to be legal reserve and the increase in registered capital from 3,775,353,450 baht to 5,663,030,175 baht by issuing 1,887,676,725 of ordinary shares (at the par value of 1.00 baht per share) to existing shareholders in a proportion to their rights holding (Right Offering), allocation of 2 existing ordinary shares to 1 newly issued ordinary share.

As of 31 December 2020, the Company's shareholders were accounted for 10,818.69 million baht, increased from end of 2019 by 3,147.66 million baht or 41.03 percent. The increase came from 2020 net profits after legal reserve, dividend payment and right offering.

On 8 April 2021, the Annual General Meeting of Shareholders' resolution approved the allocation of 2020 net profits at the amount of 93.50 million baht to be legal reserve and had resolution to approve for the dividend payment in cash at the rate of 0.17 baht per share to shareholders, in total of 962.71 million baht or 51.74 percent of the net profits of the year 2020.

For the year 2021, the Company's shareholders were accounted for 11,566.57 million baht, increased from end of 2020 by 747.88 million baht or 6.91 percent. The increase came from 2021 net profits accounted for 1,709.19 million baht, dividend payment in cash of 962.71 million baht and legal reserve of 86.00 million baht.

On 5 April 2022, the Annual General Meeting of Shareholders' resolution approved the allocation of 2021 net profits at the amount of 86.00 million baht to be legal reserve and had resolution to approve for the dividend payment in cash at the rate of 0.17 baht per share to shareholders, in total of 962.71 million baht or 57.34 percent of the net profit for the year 2021.

For the year 2022, the Company's shareholders were accounted for 12,360.94 million baht, increased from end of 2021 by 794.37 million baht or 6.87 percent. The increase came from 2022 net profits accounted for 1,752.72 million baht, dividend payment in cash of 962.71 million baht and legal reserve of 86.00 million baht.

Liquidity

(Unit: Million Baht)

Cash flow	2022	2021	2020
Cash flow from (for) operations	(1,814.26)	1,403.75	5,924.69
Cash flow from (for) investment activities	(74.24)	(13.47)	(16.31)
Cash flow from (for) funding activities	2,062.72	(1,957.85)	(5,293.72)
Net cash flow increase (decrease)	174.22	(567.57)	614.66
Cash & deposit	650.44	476.22	1,043.79

As of 31 December 2020, the Company and its subsidiaries had 1,043.79 million baht of cash. The increased net cash flow was 614.66 million baht, increased from 429.13 million baht at the end of 2019, as a result of the net cash flow gained from the fund raising for the Company's credit approval activities of 5,924.69 million baht deducting the net cash flow expenses for the normal credit approval operation of 5,293.72 million Baht and the net cash flow expenses for investment activities of 16.31 million baht.

As of 31 December 2021, the Company and its subsidiaries had 476.22 million baht of cash. The decreased net cash flow was 567.57 million baht, decreased from 1,043.79 million baht at the end of 2020, as a result of the net cash flow from the fund raising for the Company's credit approval activities of 1,403.75 million baht deducting the net cash flow expenses for the normal credit approval operation of 1,957.85 million baht and the net cash flow expenses for investment activities of 13.47 million baht.

As of 31 December 2022, the Company and its subsidiaries had cash in the amount of 650.44 million baht, with a net increase in cash flow of 144.22 million baht compared to the end of 2021, which had cash in the amount of 476.22 million baht. This increase was due to a net cash inflow from fundraising activities in the amount of 2,062.72 million baht, which was used to support the Company's lending activities, while the net cash outflow from operating activities was 1,814.26 million baht, primarily from normal lending activities. Additionally, the net cash outflow from investment activities was 74.24 million baht.



Liquidity Ratio

As of 31 December 2020, the Company and its subsidiaries had the liquidity ratio of 1.61 with total current assets of 19,209.90 million baht and total current liabilities of 11,957.54 million baht. Total current assets were less than total current liabilities for 7,252.36 million baht. However, the Company and its subsidiaries still had short-term financial liquidity because most of total current liabilities were from short-term loans from financial institutions (BE and PN) and the debentures due within 1 year. Most of both short-term loans could be renewed when they met their due dates. The Company also had reserved short-term credit limit from Thanachart Bank Public Company Limited, the related company ready to support additional short-term liquidity, and the short-term credit limits from other financial institutions. So the liquidity risk of the Company could be managed to the acceptable level and did not affect the main business operation of the Company

The quick ratio was 1.59, not different from the current ratio since most of current assets of the Company and its subsidiaries had high liquidity ratio at 99.29 percent of total current assets.

As of 31 December 2020, the Company and its subsidiaries had the liquidity ratio of 1.01 with total current assets of 18,965.59 million baht and total current liabilities of 18,778.15 million baht. Total current assets were less than total current liabilities for 187.44 million baht. However, the Company and its subsidiaries still had short-term financial liquidity because most of total current liabilities were from short-term loans from financial institutions (BE and PN) and the debentures due within 1 year. Most of both short-term loans could be renewed when they met their due dates. The Company also had reserved short-term credit limit from various financial institutions. So the liquidity risk of the Company could be managed to the acceptable level and did not affect the main business operation of the Company

The quick ratio was 1.00, not different from the current ratio since most of current assets of the Company and its subsidiaries had high liquidity ratio at 99.04 percent of total current assets.

On 31 December 2022, the Company and its subsidiaries had a current ratio of 1.15, with total current assets of 19,624.71 million baht and total current liabilities of 17,044.72 million baht. The current assets exceeded the current liabilities by approximately 2,579.99 million baht. Nevertheless, the company and its subsidiaries remain financially sound in the short term as most of the current liabilities consist of short-term loans from financial institutions (BE and PN), and the portion of the debentures due within 1 year can be compensated by refinancing or redemption upon maturity. In addition, the company has short-term loan facilities with various financial institutions as reserves, which help manage the liquidity risk at an acceptable level without affecting the core business operations of the company.

In terms of the quick ratio, it is at a level of 1.13, which is not significantly different from the current ratio due to the fact that the majority of the current assets of the company and its subsidiaries are highly liquid assets, accounting for 98.75 percent of the total current assets.

Factors or situations that could have significant on financial status or operations in the future

The Thai economy in 2022 began to recover from the COVID-19 pandemic situation, supported by the recovery of private consumption and tourism sectors. After the COVID-19 situation eased and travel restrictions were lifted, Thailand canceled the Thailand Pass registration for foreign tourists starting from July 1, 2022, resulting in an increase in the number of foreign tourists entering the country. This led to an expansion of the workforce and businesses related to the tourism industry, resulting in higher income. However, the Thai economy still faces the impact of economic recession in many countries, political instability, inflation, and rising interest rates in several countries in 2023. Meanwhile, the European economy is also affected by the Russia-Ukraine war through the rapid increase in energy prices, particularly natural gas prices, which have already peaked and will hinder economic growth in Europe in 2023. In addition, the shortage of semiconductor chips is expected to continue for at least another two years until chip manufacturers that have relocated from China can build and operate factories to replace the chips from China

From the above situation, it may become an external factor affecting Thailand's economic recovery in 2023. As a country that relies on exports and is also a leader in importing energy and raw materials for use in the production industry, especially the automotive and electronics industries, this may become a factor or event that could affect financial status or significant operational activities in the future. Factor that the company need to be aware of are as following summary:

1.Support on the recovery of tourism and related services by preparing the tourism and service sector to be ready for the return of foreign tourists at full potential to sustainably drive economy and help absorb impact from various crises. Moreover, the advantage of Thailand tourism should be utilized to connect to development of other services sectors, such as medial treatment, transportation, and telecommunication, to create more values to service sector.

2.Help solve debt problems of small debtors, including debts in household sector and in small- medium enterprises (SMEs) business sector, to the right points and meet each debtor's needs. Resolving existing debt obligations and debt restructuring shall be focused on along with informal debt management to encourage ability to pay debts and not to limit the expansion of domestic and long-term economy.

3.Supervision on agricultural production and farmer incomes by giving importance to recovery of farmers who got impacted from floods and preparing measures to support agricultural products that will enter the market during the growing seasons. Agricultural products should be leveled up to standard quality. Product management should be in line with market demands. Marketing channels both online and offline should be expanded. All of them will enable farmers to produce continuously and have more sales channels for agricultural products.

4.Monitoring and preparation of measures to cope with global economic and financial volatility and geopolitical conflicts which are still highly uncertain and may create pressures and additional impact on economy and economic stability in the country whereas economic fundamental factors are sensitive to potential volatility.



Auditor and Audit Report Summary

The Company considered the selection and appointment of independent auditors, getting approval from the Securities and Exchange Commission, to be the Company's auditors. The auditor fee was proposed to the Annual General Meeting of Shareholders. In the year 2022, the Meeting passed a resolution approving the appointment of EY Office Limited as the auditors of the Company, details are as follows:

- 1.Ms. Ratana Jala Certified Public Accountant (Thailand) No.3734 and/or
- 2.Ms. Saranya Pludsri Certified Public Accountant (Thailand) No.6768 and/or
- 3.Ms. Somjai Kunpasut Certified Public Accountant (Thailand) No.4499

Meanwhile, the audit fee for the company is 1,900,000 baht and the audit fee for the subsidiary is 300,000 baht, with no other non-audit fees.

The list of auditors and a summary of audit report in the year 2020 - 2022, details are as follows:

Year	Name of Auditor	Audit Report Summary
2022	Ms. Saranya Pludsri Certified Public Accountant no. 6768 EY Office Limited	The auditor comment with no condition with the opinion that the financial statement of financial position as of 31 December 2022, the financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.
2021	Ms. Saranya Pludsri Certified Public Accountant no. 6768 EY Office Limited	The auditor comment with no condition with the opinion that the financial statement of financial position as of 31 December 2021, the financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.
2020	Ms. Ratana Jala Certified Public Accountant no.3734 EY Office Limited	The auditor comment with no condition with the opinion that the financial statement of financial position as of 31 December 2019, the financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



General Information and Other Important Information

Company Information

Company Name	: Ratchthani Leasing Public Company Limited
Stock Symbol	: THANI
Type of Business	: Hire-purchase and finance leasing for commercial cars, vehicles, other assets and related services
Head Office Location	: 77/35-36, 11UP Floor Sinnsathorn Tower Building, Krungthonburi Road, Khlongtonsai Sub-district, Khlongsan District, Bangkok 10600
Registration Number	: 0107545000209
Tel.	: 02-4319000
Fax	: 02-4319099
Website	: www.ratchthani.com
Registered Capital	: 5,663,030,175 Baht Divided into 5,663,030,175 ordinary shares with a par value of 1 Baht per share
Paid-up Capital	: 5,663,028,199 Baht Divided into 5,663,028,199 ordinary shares with a par value of 1 Baht per share

Subsidiary information

Company Name	: RTN Insurances Brokers Company Limited
Type of Business	: Non-life insurance broker, Life insurance broker, and related services
Office Location	: 77/20, 2 nd Floor Sinnsathorn Tower Building, Krungthonburi Road, Khlongtonsai Sub-district, Khlongsan District, Bangkok 10600
Registration Number	: 0105561189971
Tel.	: 02-4319500
Fax	: 02-4319567
Website	: www.rtnbroker.com
Registered Capital	: 4,000,000 บาท Divided into 40,000 ordinary shares with a par value of 100 Baht per share
Paid-up Capital	: 4,000,000 บาท Divided into 40,000 ordinary shares with a par value of 100 Baht per share
Company's Shareholding	: 100 percent (including direct and indirect shareholding)



Reference Information

Securities Registrar

Thailand Securities Depository Company Limited
93, 14th Floor, The Stock Exchange of Thailand
Building, Ratchadaphisek Road, Dindaeng Sub-district,
Dindaeng District, Bangkok 10400
Tel. : 02-0099000
Fax : 02-0099992

Auditor

Ms. Saranya Pludsri
Certified Public Accountant Registration No.6768
EY Office Limited
193/136-137, 33rd Lake Ratchada Building
Ratchadapisek Road, Klongtoey Sub-district,
Klongtoey District, Bangkok 10110
Tel. : 02-2640777
Fax : 02-2640789-90

Frequently Contacted Financial Institutions

TMB Thanachart Bank
3000 Phahonyothin Rd. Khwang Chomphon,
Khet Chatuchak, Bangkok 10900
Tel. : 02-2991111

Bank of Ayudhya Public Company Limited
1222, Rama III Road, Bangphongphang Sub-district,
Yannawa District, Bangkok 10120
Tel. : 02-2963582
Fax : 02-6831298

Kasikornbank Public Company Limited
400/22, Phahon Yothin Road, Samsen Nai Sub-district,
Phayathai District, Bangkok 10400
Tel. : 02-4702022

Debenture Registrar

Bank of Ayudhya Public Company Limited
1222, Rama III Road, Bangphongphang Sub-district,
Yanawa District, Bangkok 10120
Tel. : 02-2962030

Legal Counselor

Baker & Mckenzie Company Limited
990 Abdulrahim Place, 5th, 10th, 21th - 23th Floor
Rama IV Road, Silom Sub-district, Bangrak District,
Bangkok 10500
Tel. : 02-6362000
Fax : 02-6362111

Government Savings Bank
470 Phahon Yothin Road, Samsen Nai,
Phayathai District, Bangkok 10400
Tel. : 02-2998000

Land and Houses Bank Public Company Limited
1, Q.HOUSE Lumpini Building,
G,1st,5th,6th,24th,32th Floor South Sathon Road,
Thungmahamek, Sathon, Bangkok 10120
Tel. : 02-3590000

Krung Thai Bank Public Company Limited
35 Sukhumvit Road, Klong Toey Nua Sub-district,
Wattana District, Bangkok 10110
Tel. : 02-2083689

Other Important Information

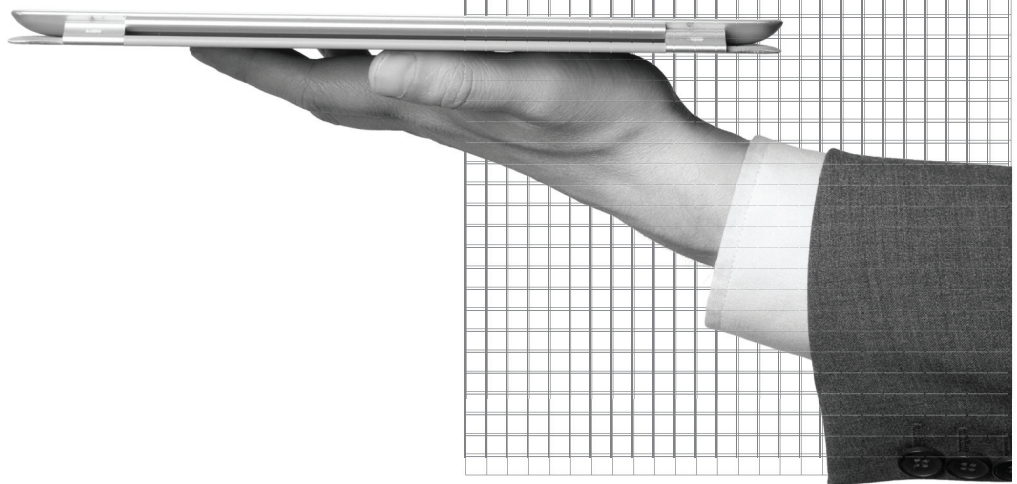
The Company has entered into membership of various organizations established for economic and social benefits in order to share experiences, knowledge, and adopt operational practices for sustainable development.

- 1) Thai Hire-Purchase Association
- 2) Thai Listed Companies Association
- 3) Thai Institute of Directors Association
- 4) Thai Bond Market Association
- 5) The Thai Chamber of Commerce and Board of Trade of Thailand
- 6) Thai Private Sector Collective Action Against Corruption

Legal Dispute

The company has no legal disputes that could cause damage to the company or its subsidiaries exceeding 5 percent of the shareholding portion, and there are no legal disputes that could have a significant negative impact on the company's operations and subsidiaries.







Corporate Governance

Corporate Governance Policy

Corporate Governance Structure

Report of Key Performance on Corporate Governance

Internal Control and Related Party Transactions



Corporate Governance Policy

Corporate Governance Policy and Code of Conduct

The Company emphasizes the importance of practicing good corporate governance and ethical conduct in conducting its business as a framework that reflects the organization's values. The Board of Directors has established policies for good corporate governance and a code of ethics that includes business ethics and director, executive, employee, and investor relations ethics. The objective is to raise awareness of the responsibility of all personnel with a sense of ethics and morality. These policies and codes of ethics have been continuously developed based on the principles of good corporate governance for listed companies in 2017 of the Securities and Exchange Commission and the corporate governance report of Thai listed companies (CGR) to be applied appropriately to the Company's business operation. The policies and codes of ethics have been reviewed at least once a year to reflect changes that occur.

The Company has published its good governance policy and code of conduct on its website (www.ratchthani.com section Investor-relations/Corporate Governance/Corporate Governance Policy) to communicate with the board of directors, executives, and employees at all levels, to study the details thoroughly and implement them correctly. The main objective of this communication is to inform all stakeholders, including shareholders, customers, business partners, employees, society, and regulatory bodies, of the Company's commitment to fair and equal practices. This reflects the company's positive image and enhances its competitiveness within the framework of ethics and social responsibility, leading to sustainable growth for both the Company and society.

Significant Changes and Development in Corporate Governance

During the past year, the company has reviewed its good corporate governance policies and code of conduct to ensure compliance with the principles of good corporate governance for listed companies in 2017, issued by the Securities and Exchange Commission, and adapted its practices to suit the Company's business environment. For practices that have not yet been implemented, the details are as follows:

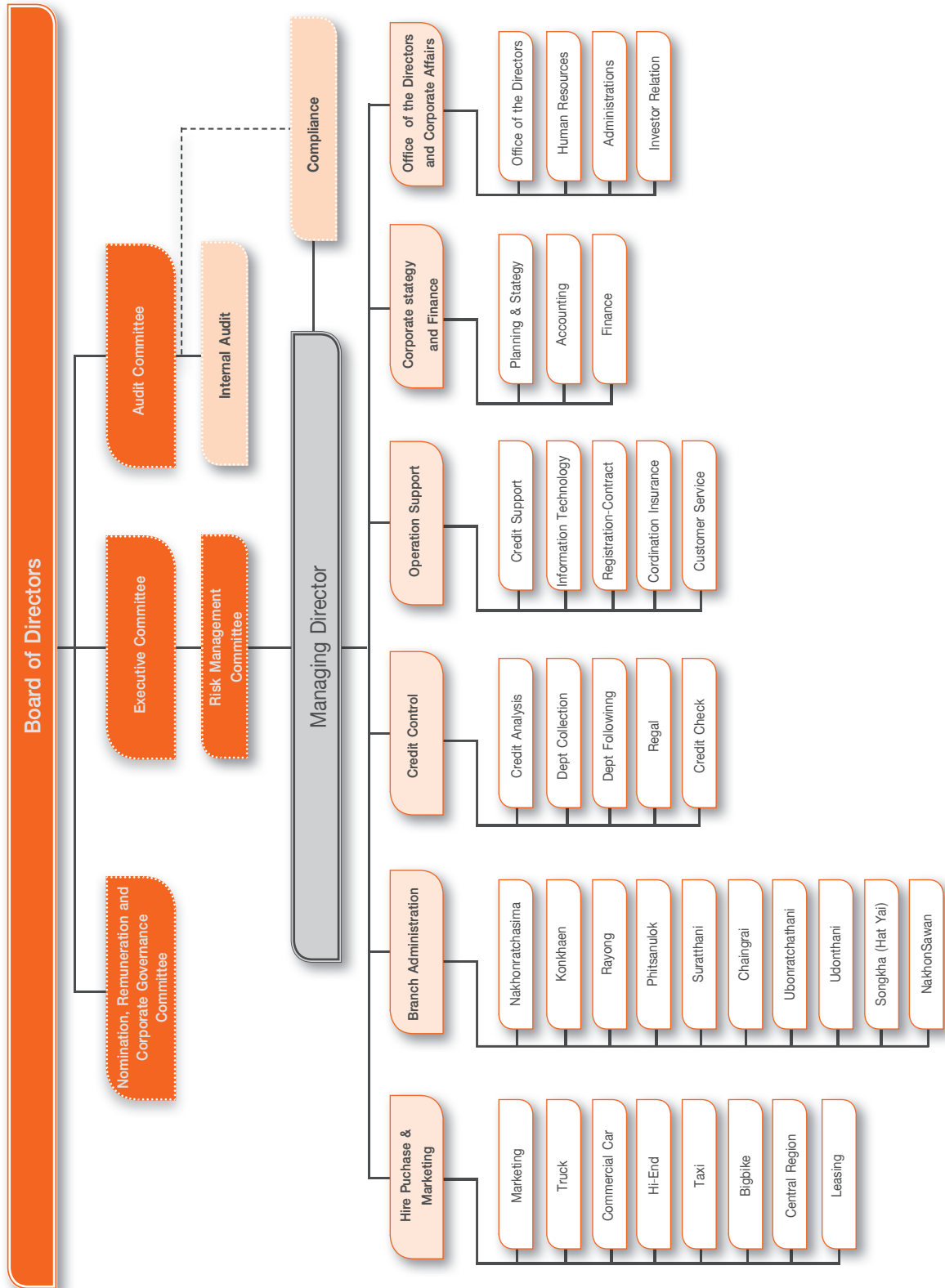
Not Applied Issues	Reasons/ Necessity
Independent Director can be in position consecutively for no longer than 9 years starting from the date of the first appointment or as specified by other official agencies.	The Board thought that each director joining the Company was considered as an individual of high potential, expertise, capability and judgment in decision making. His/her experiences from working with the Company gave him/her better understanding of business and be able to plan business strategy that shall bring continuous growth to the Company. Every Independent Director had complete qualification according to the independent director qualification defined by the Securities and Exchange Commission.

Not Applied Issues	Reasons/ Necessity
The number of Independent Directors was not higher than 50% of the Board of Directors.	The Board of Directors thought that the number of Independent Directors depended on the responsibility and efficiency of the operation which was in compliance with the SEC criteria. Although the number of Independent Directors was not higher than 50% of the Board of Directors members, the Independent Directors were able to balance the executive authority, performed their duties independently from the Management and gave their opinions in all matters independently. Thus, the Board agreed to maintain the number of Independent Directors as such.





Coporate Governance Structure



Board of Directors

On 31 December 2022, the Company had a Board of Directors consisting of 12 persons as follows:

Name			Position
1.	Mr. Virat	Chinprapinporn	Chairman (Executive Director)
2.	Mr. Kovit	Rongwattanasophon	Director (Executive Director)
3.	Mr. Somjate	Moosirilert	Director (Non-Executive Director)
4.	Ms. Suvarnapha	Suvarnaprathip	Director (Non-Executive Director)
5.	Mr. Kamtorn	Tantisirivat	Director (Non-Executive Director)
6.	Mr. Sorasak	Chayarak	Director (Non-Executive Director)
7.	Mr. Pichai	Kititti	Director (Non-Executive Director)
8.	Mr. Thakol	Nanthirapakorn, Ph.D.	Director (Independent Director)
9.	Mr. Suvit	Arunanondchai	Director (Independent Director)
10.	Mr. Varavudh	Varaporn	Director (Independent Director)
11.	Mrs. Naree	Boontharawara, Ph.D.	Director (Independent Director)
12.	Mr. Surapon	Satimanont	Director (Independent Director)

Mr. Ponlaphe Sakayapapwicharnon is the Board of Directors Secretary.

The Composition of the Board of Directors

In 2022, the Board of Directors consisted of 12 persons, including 2 executive directors (16.66 percent), 10 non-executive directors (41.66 percent), and 5 independent directors (41.66 percent). Each member possesses qualifications, knowledge, skills, experiences, abilities, and diverse personal characteristics necessary to achieve the organization's goals and benefit the company's business operations. This ensures that the governance and management of the company are highly effective. The Board Skill Matrix summarizes the specific expertise and experience of the board members.

Skill	Number of Expertise Directors (person)	Ratio of Expertise Directors (percent)
1. Financial Business	12	100
2. Accounting or Financial knowledge	12	100
3. Risk Management	12	100
4. Organizational Management	12	100
5. Vision and Strategy Formulation	12	100
6. Audit and Internal control	10	83
7. Information Technology and IT Security	7	58
8. Law	7	58
9. Marketing	8	67
10. Sustainable Development (ESG).	8	67



Authorized Directors on behalf of the Company

The authorized directors on behalf of the Company as specified in the Company certificates were Mr. Virat Chinprapinporn, Mr. Kovit Rongwattanasophon, Mr. Pichai Kititti, Mr. Somjate Moosirilert, Ms. Suvarnapha Suvarnaprathip, Mr. Kamtorn Tantisirivat and Mr. Sorasak Chayarak, 2 out of 7 of these Directors to co-sign and the Company's seal.

Duties, Responsibilities and Approval Authority of the Board of Directors

1.Perform the duty according to the laws, regulations of the Company, and shareholders' meeting resolutions with responsibility, honesty, conciseness, for the best interests and fairness of all stakeholders.

2.Approve the objectives, goals, policies, business plans and significant resource allocation and supervise the corporate governance practice for sustainability and to be suitable for corporate structure and business nature for the best interests of business and all stakeholder.

3.Regulate the company business operations to be in accordance with the laws, company regulations, shareholders' meeting resolutions and the defined objectives, goals, and policies, within the framework of legal requirements and business ethics and evaluate result to improve operational efficiency.

4.Supervise to assure there are good Risk Governance Framework, auditing process, internal control system, sufficient and appropriate risk management and cultivate the corporate Risk Culture.

5.Supervise to assure the financial reporting and significant information disclosure are correct, sufficient, and complied with relevant rules and practices. Support the participation of and communication with shareholders and all stakeholders as appropriate and equitable.

6.Define and review the structure of committees in terms of size, composition, proportion of independent directors and ensure that the committees are composed of directors with various qualifications in terms of knowledge, skill, experience, competency, specific characteristics, gender, and age, which are necessary to achieve the corporate main goals.

7.Supervise the director recruitment and selection process to ensure its transparency and clarity to get directors whose qualifications are in accordance with the defined composition and to ensure that the composition and operation of the Board of Directors support the judgment in independent decision making.

8.Supervise to ensure that each director has knowledge and understanding of his role and duty, business nature, and relevant business law, and to support every director to strengthen his skill and knowledge of duty performing as a director regularly.

9.Supervise to ensure that the committees conduct their duties properly and be able to access necessary information that will be beneficial to their performance, with the support from the company secretary who has knowledge and experience as needed.

10.Supervise to ensure that every director be responsible for his duty and time management.

11.Consider the compensation rate and structure to suit the responsibility and to motivate the committee to lead the corporate to achieve success according to the short-term and long-term goals.

12.Appoint sub-committees as deemed appropriate to help study, screen, and control various aspects of work.

13.Supervise the human resource development and management in accordance with the direction and strategy of business to ensure that employees of every level have knowledge, competency, skill, and experience as appropriate and receive fair labor treatment with the suitable compensation structure and evaluation.

14.Supervise the sufficiency of financial liquidity and ability to repay debt.

15.Supervise subsidiary for the interests of the Company's investment.

16.Supervise the business to have mechanism for receiving complaints, information review process and proper complaint management.

17.Support the innovation and technology development that create value added and benefits to all stakeholders.

18.Evaluate performance regularly every year to develop performance of director further.

19.Approve credit limit of customer group which is approved by the credit analysis department when such credit is over the limit of Executive Committee's authority.

20.Authorize sub-committees, management, executives, or any other persons to perform on their behalf within the scope of duty and authority of the Board of Directors.

21.All businesses of the Company shall be under the authority of the Board unless they are against the laws, company regulations or shareholders' meeting resolutions.

The Divided Roles & Responsibilities of Board of Directors and Management

The Company has the roles and responsibilities of Board of Directors and Management divided clearly as follows:

Conducted by Board of Directors	Conducted by Board of Directors and Management	Board of Directors assigned Management to take responsibility
1. Set objectives, policy, goal and key concept for corporate business conduct. 2. Supervise directors and executives to perform their duty of care and duty of loyalty to the corporate for the Company's benefits. 3. Supervise the business conduct to ensure its compliance with the law, objectives, regulations, shareholders meeting resolutions and good corporate governance principles.	1. Set strategy, measure and annual business plan. 2. Manage the sufficient appropriateness of the internal control system and the risk management. 3. Manage the sufficient appropriateness of the internal control system and the risk management.	1. Execute the strategy and policy set by Board of Directors. 2. Make decision on the procurement, personnel recruitment, etc. according to the policy framework. 3. Manage all areas to be in accordance with the law, rules, and related regulations within the authority and budget assigned by Board of Directors.



Executive Committee

The Company appointed a Executive Committee consisting of directors to oversee the Company's operations in accordance with the objectives, targets, policies, and business plans determined by the Company's Board of Directors, as well as to carry out various operations as assigned by the Board of Directors. As of 31 December 2022, the Company had a management committee consisting of four persons, as follows:

Name			Position
1.	Mr. Kovit	Rongwattanasophon	Chairman of the Executive Committee
2.	Mr. Virat	Chinrapinporn	Member of the Executive Committee
3.	Mr. Somjate	Moosirilert	Member of the Executive Committee
4.	Mr. Kamtorn	Tantisirivat	Member of the Executive Committee

Ms. Waraporn Tanrin is the Executive Committee Secretary.

Scope of Authority of Executive Committee

1.Manage the Company's operations to comply with the policies, goals, and plans as approved by the Board under the laws, rules, and regulations of relevant government agencies.

2.Manage the Company's transactions, such as investment, credit application, asset management, etc.

3.Manage the organizational matters, such as organization structure, human resource management, etc.

4.Manage liquidity and interest rates.

5.Assigned, command, or delegate administrative powers under the authority of the Executive Committee.

6.Consider and screen policies, strategies, business plans, annual budget, including any issues that cause significant change to the Company after implementation, any issues that the Executive Committee deems appropriate to propose for approval on a per-item basis or according to the defined criteria.

7.Perform any duties authorized by the Board of Directors. Such authorization to Executive Committee must be under the rules of law, regulations of the Company and related law. Any transaction, in which an Executive Director or an individual may have conflict of interest with the Company or its subsidiaries and which is not a normal business transaction nor according to trade conditions, shall not be approved by such Executive Director. Such transaction must be reported to the Board of Directors for acknowledgement in accordance with the rules and regulations of the Stock Exchange of Thailand.

Audit Committee

The Board of Directors appointed the Audit Committee on 5 September 2002 to supervise the management to perform up to the correct and transparent standard in accordance with the government regulations and to have the good internal control, credible reporting system, for the interests of all involved parties. The Audit Committee consisted of not less than 3 independent directors who had complete qualification according to the criteria that government agencies required, had independence in performing their duties, and reported directly to the Board of Directors. As of 31 December 2022, the Company's Audit committee has 5 Directors as follows:

	Name		Position
1.	Mr. Thakol	Nanthirapakorn, Ph.D.	Chairman of the Audit Committee
2.	Mr. Suvit	Arunanondchai	Member of the Audit Committee
3.	Mr. Varavudh	Varaporn	Member of the Audit Committee
4.	Mrs. Naree	Boontherawara, Ph.D	Member of the Audit Committee
5.	Mr. Surapon	Satimanont	Member of the Audit Committee

Dr. Thakol Nunthirapakorn has sufficient knowledge and experience to perform the duties of auditing the reliability of the company's financial statements, and has completed studies in accounting. Ms. Waraporn Taenarin is serving as the secretary of the audit committee.

Qualification of Audit Director

1.The Audit Committee consists of Independent Directors appointed by the Board of Directors or shareholders' meeting. One Audit Director shall be appointed as the Chairman of Audit Committee.

2.Audit Director shall not be assigned by the Board of Directors to make decision in business operation of the Company, subsidiary company, associated company, same-level subsidiary company, and shall not be a major shareholder or authorized person of the Company.

3.Audit Director must not be the Director of the parent companies, subsidiaries, or subsidiaries of the same level that are listed companies.

4.Audit Committee must consist of at least 3 directors and must have at least one director graduated from Accounting and/or Finance with sufficient knowledge and experiences to review the reliability of financial statements.

5.Audit Committee must also have other qualifications defined by the Securities and Exchange Commission. In addition to the qualifications and specific elements of audit committee, the Audit Committee shall have qualifications and elements as Independent Directors.

Scope of Authority of Audit Committee

1.Financial Statement

- Review the Company's financial statement to ensure accurate financial reporting and disclose information sufficiently, reliably, in accordance with financial reporting standards and relates laws.
- Review the significant issues of accounting and financial statement including the complex or unusual transactions and the transactions that need judgment.
- Inquire Management and auditor about the audit result, the significant risks about financial report and the plan to reduce such risks.
- Review the efficiency of the internal control on financial statement preparation process.



2.Internal Control

- Review if the management has defined the internal control of the information technology properly and the guideline to communicate the significance of internal control and the risk management to the entire company, including the Anti-Corruption Measure.
- Review to assure that the recommendation on the internal control by internal auditors and auditors has been implemented by the management

3.Internal Audit

- Review and approve the Internal Audit Charter, year plan, human resource and resource necessary for operations.
- Review activities and performance of Internal Audit to be assured that internal auditors can work independently.
- Review the effectiveness of Internal Audit performance to see if they comply with the Internal Audit Standards.
- Consider and approve the nomination, appointment, dismissal, transfer or termination of internal auditors.

4.Auditor

- Consider the nomination and dismissal of the Company's auditors, propose the remuneration of auditors to the Board of Directors in order to ask for the appointment from the Annual General Meeting of Shareholders, and evaluate the auditor's performance every year.
- Meet with auditors without management for at least once a year.

5.Compliance with Regulations

- Consider business conduct of the Company to be in accordance with the law and relevant regulations and regularly review the changes proposed by management department.
- Regularly considering the Company's business operations to be in accordance with the laws and regulations relating to anti-corruption and reviewing self-assessment on anti-corruption measures as identified by the Thai Institute of Directors Association (IOD) and reviewed and assessed by the internal audit team.
- Review the findings or notices of the regulatory unit by internal auditors, monitor the results and report to the Board of Directors.
- Review the effectiveness of the monitoring system on the compliance with law and regulation and on the results of incompliance case via internal auditors.

6.Risk Management

- Review the sufficiency of the policy and duty regulation concerning risk management of the Company.
- Review the efficiency of the Company's risk management and the risk management from Anti-Corruption.

7.Compliance with the Code of Conduct for Executives and Employees

- Review to ensure that business ethics, code of conduct for executives and employees and the policy to prevent conflicts of interest has been written. Also, all executives and employees acknowledge and comply.
- Review to ensure that Anti-Corruption policy and measure has been written. Also, all executives and employees acknowledge and comply.
- Promote compliance with ethical principles, codes of conduct, and policies for the prevention of conflicts of interest.

8.Other Responsibilities

- Perform other duties as assigned by the Board of Directors.

Nomination, Remuneration and Corporate Governance Committee

The Board of Directors appointed the Nomination, Remuneration and Corporate Governance Committee to perform the duty of proposing the policy, format, and criteria of nomination and remuneration of directors, directors in sub-committees, and managing director to ensure the nomination and remuneration comply with the good corporate governance and in accordance with the vision, mission, and core values. As of 31 December 2022, the Company's Nomination, Remuneration and Corporate Governance Committee has 3 Directors as follows:

Name		Position	
1.	Mr. Suvit Arunanondchai	Chairman of the Nomination, Remuneration and Corporate Governance Committee	(Independent Director)
2.	Mr. Varavudh Varaporn	Member of the Nomination, Remuneration and Corporate Governance Committee	(Independent Director)
3.	Mr. Somjate Moosirilert	Member of the Nomination, Remuneration and Corporate Governance Committee	(Non-Executive Director)

Ms. Rungtip Chaipatanapruk is the Nomination, Remuneration and Corporate Governance Committee Secretary.

Scope of Authority of Nomination, Remuneration and Corporate Governance Committee

1.Nomination

- Define policy, criteria and method of nomination for the Board of Directors consideration.
- Select and propose the qualified candidates for various positions to the Board of Directors for consideration.
- Supervise the committees to ensure that their size and components are suitable to the corporate and should there be any change needed, it shall be in accordance with the changing environment. The Board of Directors and Committees must consist of knowledgeable and talented individuals who have right skills for their positions.



- Prepare the succession plan for Managing Director and Senior Executives for the Company's business continuity.
- Consider and review the Board Skill Matrix to review the structure, components, and expertise of the Board of Directors and Committees and to be used for consideration of the Director nomination and to see the necessity of the absent components to the committees.

2.Remuneration

- Define the policy and criteria for the determination of remuneration and other benefits of the Company's Directors, Committee's Directors and Managing Director to propose to the Board of Directors for consideration.
- Supervise to ensure that the Company's Directors, Committee's Directors and Managing Director receive the remuneration that justifies their duty, responsibility and performance.
- Define the performance evaluation indicators of Managing Director for consideration on annual adjustment of compensation (salary increase, bonus, other compensation) and propose to the Board of Directors for approval.
- Review the remuneration and other benefits structure of the Company's Directors, Committee's Directors and Managing Director to justify their duty and responsibility and in line with market situation.

3.Corporate Governance and Sustainability

- Review, evaluate, and propose changes to good corporate governance policies, business ethics, as well as policies and practices related to government agencies and sustainability of the company to the board of directors.
- To supervise, monitor, and evaluate the implementation of good corporate governance policies, business ethics, as well as policies and practices related to corporate social responsibility and sustainability.
- Provide recommendations on best practices for corporate governance and sustainability to the board of directors, subcommittees, management, and relevant parties.
- Promote the dissemination of culture in good corporate governance and participation in sustainable development of the Company.
- Monitor adequacy of disclosure of corporate governance and sustainability information to stakeholders.

Risk Management Committee

The Board of Directors appointed the Risk Management Committee to perform the duty of managing risks for the whole organization and supervising the management to strictly comply with the policy and direction of risk management. Since the Executive Committee had the duty of controlling the company operations which include the consideration of variety of risks, the Board of Directors, thus, assigned the Executive Committee to

perform another duty of the Risk Management Committee. As of 31 December 2022, the Company's Risk Management Committee has 4 persons as follows:

Name			Position
1.	Mr. Kovit	Rongwattanasophon	Chairman of the Risk Management Committee
2.	Mr. Virat	Chinprapinporn	Member of the Risk Management Committee
3.	Mr. Somjate	Moosirilert	Member of the Risk Management Committee
4.	Mr. Kamtorn	Tantisirivat	Member of the Risk Management Committee

Mr. Kunjanart Siva is the Risk Management Committee Secretary.

Scope of Authority of Risk Management Committee

1. Consider the Company's Risk Management Policy and the acceptable level of risks before proposing to the Executive Committee and Board of Directors for approval.

2. Assess internal and external factors that could have significant impact on business operations which can be used to improve the risk management direction.

3. Define the measures to manage risks properly in internal and external situations to prevent damages that could happen in the future.

4. Consider the overall risk to assess whether various measures used in risk management are sufficient and can be implemented efficiently.

5. Consider various tools or directions to be used in risk measurement and assessment properly.

Executive Management

As of 31 December 2022, the Company has 6 executives according to definition of the Office of the Securities and Exchange Commission as follows:

Name			Position
1.	Mr. Virat	Chinprapinporn	Chairman
2.	Mr. Kovit	Rongwattanasophon	Managing Director
3.	Mr. Khomsan	Boonyoiyad	Deputy Managing Director, Hire Purchase & Marketing and Branch Administration
4.	Mr. Ponlaphe	Sakkayapapwicharnon	Senior Assistant Managing Director, Credit Control
5.	Mr. Jaturaput	Nudaeng	Assistant Managing Director, Commercial Loans
6.	Ms. Unchan	Srisom	Senior Vice President of Accounting and Planning & Strategy (CFO)



Compensation for Executives

The Company has the policy to pay compensation to executives according to their knowledge, competency, duty and responsibility, and performance evaluation result. In 2022, the Company paid compensation to executive are as follow:

1.Compensation The company pays compensation in the form of salary, annual bonuses, other income, and social security contributions, totaling 44,659,000 baht.

2.Other Compensations The Company contributions to the provident fund for executives at the rate of 5 percent of the wages in the total amount of 358,000 baht.

Employee

Number of Employees

Number of Employees by Division	2022	2021	2020
Executive Management	6	6	6
Hire Purchase and Marketing	75	75	76
Branch Administration	143	145	154
Credit Control	109	105	107
Operation Support	89	76	79
Strategy and Finance	40	38	39
Office of the directors and Administration	20	20	20
Grand Total (person)	482	465	481

Compensation for Employee

The company sets policies for paying employee compensation based on knowledge, ability, job responsibilities, and job performance evaluations, with fairness and equality, in line with industry compensation. In 2022, the company paid compensation in various forms, as follows:

1.Compensation: The company pays compensation to employees in the form of salaries, annual bonuses, other income and compensation, as well as social security contributions. In total, in 2022, the company paid compensation in various forms as follows: 282,587,224.86 baht.

2.Other Compensations The Company contributions to the provident fund for employee at the rate of 5% of the wages in the total amount of 6,394,180 baht.

Further details of employee can be considered under the topic of Business Sustainability Management section Labour Management.

Other Important Information

The Secretary of the Company

The Board of Directors Meeting no. 4/2013 held on 13 November 2013 had resolution to appoint Mr. Ponlaphe Sakkayapapwicharnon as the Secretary of the Company. Since he was qualified with appropriate maturity, qualification and experience. To be complied with the Good Corporate Governance of the Company and for the efficient administration.

The Secretary of the Company shall perform the duties as stated in section 89/15 and section 89/16 of the Securities and Exchange Act (No. 4) BE 2008 effective on 31 August 2008 and the Corporate Governance Policy of the Company with responsibility, caution, and honesty. He must be in compliance with the law, the Company's objectives and regulations, Committee Meeting Resolutions and the shareholders meeting resolution. Role and Responsibility of the Secretary of the Company as follows:

1. Manage and be responsible for the activities of Board of Directors.
2. Provide the primary recommendation to the Directors regarding legal issues, rules and regulations, including the good corporate governance principles and the ethics which the Directors should practice, and monitor to ensure they were applied correctly and regularly. Any significant changes must be reported to the Directors.
3. Prepare documents and useful information for the new Directors and introduce the business nature and business direction to new Directors.
4. Arrange the shareholders meetings and Board of Directors meetings in compliance with the law, the Company's regulations and other practices.
5. Take minutes of shareholders meeting and Board of Directors meetings and follow up on the actions taken according to the meeting resolutions.
6. Arrange and keep Board of Directors registration documents, invitation letters to Board of Directors meetings, Board of Directors meeting minutes, the Company annual reports, invitation letters to shareholders' meetings, shareholders meeting minutes and reports of conflict of interest transactions reported by directors or executives.
7. Manage to have the information and information report under responsibility revealed to Corporate Governance Department according to the official regulations.
8. Contact and communicate to general shareholders for their awareness of shareholder rights and the Company's news.
9. Continuously get training and development on legal, accounting or Company Secretary's duty.
10. Operate other activities required by Capital Marketing Supervisory Board.
11. Perform other duties assigned by Board of Directors.



Head of Internal Audit

At the first meeting of the Audit Committee for the year 2565, held on February 15, 2565, the Company appointed the head of Internal Audit, Thanachart Capital Public Company Limited, as an independent internal auditor of the Company and to report directly to the Audit Committee. The auditor's duties include auditing and assessing the effectiveness and efficiency of the internal control system, information systems, and compliance with anti-corruption policies to ensure that the Company's normal business operations and significant financial activities are conducted according to established guidelines and are sufficiently effective. In addition, the annual internal audit plan must be proposed and approved by the Audit Committee, using the criteria for auditing based on the risk assessment (Risk-Based Audit Approach) and the auditing approach under the internal control practices of The Committee of Sponsoring Organization of the Treadway Commission (COSO). Furthermore, the Company appointed Ms. Waraporn Tanrin, the secretary of the Audit Committee, as the coordinator with the internal audit unit of Thanachart Capital Public Company Limited.

Head of Compliance

The Company has appointed Mr. Vivat Kongyotkullaphat as Head of Compliance, responsible for supervising and ensuring compliance with the standards of the regulatory agency overseeing the business operations of the Company.



Report of Key Performance on Corporate Governance

Report of Key Performance on Corporate Governance

Summary of Performance of the Board of Directors in the past year

In 2022, the Board of Directors set and reviewed the Company's vision, mission, and corporate value to be in accordance with business direction in consideration of sustainable value creation to business and all stakeholders. In addition, the Company approved the business operation plan and reviewed the sufficiency of internal control process and appropriate risk management process by supervising the management to assure their work to be in accordance with the Company's policies, strategies, business operation plans, laws, regulations, and resolutions of shareholders' meeting. The management was required to continuously report the business performance to the Board of Directors.

Nomination, Appointment, and Term of Director Position

Director Nomination

The Board of Directors appointed the Nomination, Remuneration and Corporate Governance Committee to perform the duty of selection and nomination of the qualified persons to hold the position of company director by considering the following criteria:

1. Have complete qualification and do not have any prohibited characteristics as required by law and regulations prescribed by a regulatory agency.
2. Have knowledge, skills, experiences, competencies, and special characteristics as necessary to achieve the corporate goals and beneficial to the business (Board Skill Matrix.)
3. Have responsibility, honesty, carefulness, and morality.
4. Able to perform duty and express opinion with independent judgment.
5. Can dedicate sufficient time to perform duty as a director.

In the annual general meeting of shareholders, in which the directors retire by rotation and resign according to the law and the article of association of the Company, the Company will provide an opportunity for shareholders to propose the candidates are qualified to be considered for election as the Company's directors.

The Appointment of Directors

The appointment of Directors can occur in 2 cases:

1. Appoint Director to replace Director who retires by rotation and must be approved by shareholders' meeting resolution.
2. Appoint Director during the term due to the vacant position. The approval shall be considered based on the proposal of the Nomination, Remuneration and Corporate Governance Committee.

In appointing the directors by the shareholders' meeting, one shareholder has votes equals to the number of holding shares. Each shareholder can use up the votes for an individual or many individuals for directors but cannot split the votes for anyone unequally. The individuals who receive the highest votes in descending order shall be elected to be directors, depending on the number of directors to be elected at that time. In the case



that the individuals elected in the next order receive equal votes and they exceed the number of directors to be elected at that time, the Chairman of the meeting shall be the arbitrator.

Term of Director Position

In every Annual General Meeting of Shareholders, 1 out of 3, or the closest number, of directors holding a position for the longest period shall retire from office but can be re-selected to hold the position. Independent director's term of office is no longer than consecutive 9 years from the first appointment unless the board has opinion for that director to further continue his position.

In the 2022 Annual General Meeting of Shareholders held on 5 April 2022, the Board of Directors, excluding directors with conflict of interest, agreed to the proposition of the Nomination, Remuneration and Corporate Governance Committee to reappoint the Directors retire by rotation back to the Director position and the positions in the sub-committee for another term. The summary of Directors retire by rotation is as follows:

- 1.Mr.Thakol Nanthirapakorn, Ph.D. was appointed as Independent Director.
- 2.Mr. Suvit Arunanondchai was appointed as Independent Director.
- 3.Mr.Surapon Satimanont was appointed as Independent Director.
- 4.Mr.Kovit Rongwattanasophon was appointed as Director.

Development of Directors and Executives

The Board of Directors has a policy to promote and support the Directors, Executives, Company Secretary and persons relating to the Company's corporate governance to participate in the training and seminar about the role, duty and responsibility according to the corporate governance guidelines, conducted by IOD: Thai Institute of Directors, the Stock Exchange of Thailand or independent organizations, in order to strengthen their skills and knowledge to further improve the efficiency of their performance. Every member of the Board of Directors has passed the training program relevant to Duties of Directors, conducted by IOD: Thai Institute of Directors.

New Board Member Orientation:

The Company's Secretarial Section is responsible for organizing the orientation for new board members, which includes preparing the following documents and information:

- 1.Background information, Shareholding structure, Board and Sub-committee structure, and Organizational structure.
- 2.Business operations, Product and service information, and Income structure of the Company.
- 3.Objectives, Strategies, and Business plans.
- 4.Roles and responsibilities of Board in overseeing compliance with laws, regulations, and the Company's policies.
- 5.Participation in training and knowledge development as board members

Development of Directors and Executives

In 2022, Directors, Executives, Company Secretary and the person supervising accounting participated in the training programs or seminars to enhance their operational knowledge and to continuously develop knowledge as follows:

1.Participation in developing knowledge skills of directors

No.	Name	Position	Training/Seminar program	Institution / Agencies
1	Mr. Virat Chinprapinporn	Chairman, Executive Committee, Risk Management Committee	PDPA Enforcement Action: Board of Directors Responsibility	Digital Business Consult
2	Mr. Kovit Rongwattanasophon	Director, Managing Director, Chairman of Executive Committee, Chairman of Risk Management Committee	PDPA Enforcement Action: Board of Directors Responsibility	Digital Business Consult
3	Mr.Somjate Moosirilert	Director, Executive Committee, Risk Management Committee, Nomination, Remuneration and Corporate Governance Committee	PDPA Enforcement Action: Board of Directors Responsibility	Digital Business Consult
4	Ms.Suvarnapha Suvarnaprathip	Director	PDPA Enforcement Action: Board of Directors Responsibility	Digital Business Consult
5	Mr. Kamtorn Tantisirivat	Director, Executive Committee, Risk Management Committee	Director Certification Program (DCP) Class of 323/2022	Thai Institute of Directors (IOD)
			TFRS Year 2023	NYC Management Company Limited
			PDPA Enforcement Action: Board of Directors Responsibility	Digital Business Consult
			Overview of IFRS17 in Business Administration	Team Excellence Consulting Company Limited
6	Mr. Sorasak Chayarak	Director	Director Certification Program (DCP) Class of 323/2022	Thai Institute of Directors (IOD)



No.	Name	Position	Training/Seminar program	Institution / Agencies
			PDPA Enforcement Action: Board of Directors Responsibility	Digital Business Consult
			Overview of IFRS17 for Management	Team Excellence Consulting Company Limited
7	Mr.Thakol Nanthirapakorn, Ph.D.	Independent Director, Chairman of the Audit Committee	Hot Issue for Directors - What Directors Need to Know About Digital Assets Class of 3/2022	Thai Institute of Directors (IOD)
			Seminar: Dissemination of Study Results on the Value of Audit Project	Office of the SEC and the Federation of Accounting Professions
			Seminar Driving Sustainable Change for Sustainable Organization	Stock Exchange of Thailand
			Seminar SET ESG Professionals Forum : Raise the level of ESG personnel	
			GRI STANDARDS 2021: THE REVISED GRI UNIVERSAL STANDARDS	
			PDPA Enforcement Action: Board of Directors Responsibility	Digital Business Consult
8	Mr.Suvit Arunanondchai	Independent Director, Audit Committee, Chairman of the Nomination, Remuneration and Corporate Governance Committee	PDPA Enforcement Action: Board of Directors Responsibility	Digital Business Consult
9	Mr. Varavudh Varaporn	Independent Director, Audit Committee, Nomination, Remuneration and Corporate Governance Committee	PDPA Enforcement Action: Board of Directors Responsibility	Digital Business Consult

No.	Name	Position	Training/Seminar program	Institution / Agencies
10	Mrs. Naree Boontharawara, Ph.D.	Independent Director, Audit Committee	PDPA Enforcement Action: Board of Directors Responsibility	Digital Business Consult
11	Mr.Surapon Satimanont	Independent Director, Audit Committee	PDPA Enforcement Action: Board of Directors Responsibility	Digital Business Consult

2.Participation in developing knowledge skills of Executives, Company Secretary and Accounting Supervisor

No.	Name	Position	Training/Seminar program	Institution/Agencies
1	Mr.Khomsan Boonyoiyad	Deputy Managing Director	PDPA Enforcement Action: Board of Directors Responsibility	Digital Business Consult
2	Mr.Ponlaphe Sakayapapwicharnon	Senior Assistant Managing Director and Company Secretary	Company Secretary Challenges in Building Trust in the Boardroom	Thai Institute of Directors (IOD)
			PDPA Enforcement Action: Board of Directors Responsibility	Digital Business Consult
3	Mr.Jaturapat Nudaeng	Assistant Managing Director	PDPA Enforcement Action: Board of Directors Responsibility	Digital Business Consult
4	Ms. Unchan Srisom	Senior Vice President of Accounting and Planning & Strategy	Reports of corruption, accounting irregularities, and a recent example of financial statements from the registered company Class of 3/2022	Federation of Accounting Professions
			Accounting Information System 2	Department of Business Development
			PDPA Enforcement Action: Board of Directors Responsibility	Digital Business Consult
5	Mr. Wachirakorn Thongin	Accounting Manager	Summary of Key Principles of Thai Financial Reporting Standards for Non-Publicly Accountable Entities	EY Office Limited



No.	Name	Position	Training/Seminar program	Institution/Agencies
			The challenge of setting transfer prices after COVID-19, the intensity of government inspections and readiness in the business sector	
			Understanding the Basic Principles of Thai Financial Reporting Standards 9 Class 1/2022	Federation of Accounting Professions
			Accounting Information System 2 e-Payment Laws, Rules and Methods for e-Tax Invoice & e-Receipt, e-Withholding Tax and e-Filing	Department of Business Development Dharmniti Seminar and Training co. ltd
			Insights into NPAs in terms of income and assets Ready to receive rules and tax benefits	The Revenue Department
			In-depth knowledge of the law Announcement of the OCPB. 2022 and correct practices	Thai Hire – Purchase Association
			Mortgage Loans - Pawn - Mortgage - Consignment Sales for Houses and Land."	
			Management Techniques for Business Law in Lease-to-Own	

Performance Evaluation of Board of Directors and Sub-Committees.

The company provides regular performance evaluations for the Board of Directors and sub-committees every year to assist them in reviewing their work, identifying issues and obstacles that occurred during the previous year, and using the evaluation results to improve their performance.

The criteria of performance evaluation

1. Performance evaluation of entire the Board of Directors includes 6 topic as follows:

- 1) Structure and qualification of the Board of Directors
- 2) Role, duty and responsibility of the Board of Directors
- 3) Meetings of the Board of Directors
- 4) Duty performance of the Board of Directors
- 5) Relationship with management
- 6) Self-development of Directors and development of Executives

2. Performance evaluation of the Sub-committees includes 3 main topics as follows:

- 1) Structure and qualification of the Sub-committees
- 2) Meetings of the Sub-committees
- 3) Role, duty and responsibility of the Sub-committees

3. Performance evaluation of director by individual (self-evaluation) includes 6 main topics as follows:

- 1) Structure and qualification of director
- 2) Readiness to perform duties
- 3) Meetings of the Board of Directors
- 4) Role, duty and responsibility of director
- 5) Specific roles according to types of directors
- 6) The relationship between the Board of Directors and the management

The scores range is 0- 4 from Strongly disagree or No action on that topic to Strongly agree or Excellent action on that topic.

The process of performance evaluation

1. The company secretary prepares the performance evaluation form based on the guidelines from the Thai Institute of Directors Association and the Stock Exchange of Thailand, and adjusts it to fit the company's requirements. The form covers the roles, responsibilities, and accountabilities of the board of directors in all areas and recommends that the board evaluates their performance themselves.

2. The company secretary summarized the performance evaluation results of the entire board of directors, the performance evaluation of the entire sub-committees, and the self-assessment of individual directors.

3. The company secretary reports on the results of the evaluation of the performance of the entire board of directors, the evaluation of the performance of the sub-committees of the board, and the self-evaluation of individual directors to the board of directors for the purpose of improving the efficiency of operations.



The results of performance evaluation

Performance Evaluation	Average Score (4 Full Score)	Percentage
Performance evaluation of the Board of Directors	3.94	98.57
Performance evaluation of the Audit Committee	3.95	98.75
Performance evaluation of the Executive Committee	4.00	100.00
Performance evaluation of the Risk Management	4.00	100.00
Performance evaluation of the Nomination, Remuneration and Corporate Governance Committee	3.95	98.75
Performance evaluation of Directors by self-evaluation	3.90	97.38

Performance Evaluation of Managing Director and Executives

Performance Evaluation of Managing Director

The Company mandates an annual performance evaluation of the Managing Director, with the Board of Directors assigning the compensation and the government and the company itself acting as operators, specifying evaluation criteria that cover the performance results in line with the organization's vision, mission, and strategic plan, both in monetary and non-monetary dimensions in terms of economic and social performance indicators compared to Key Performance Indicators (KPIs) set. In 2022, the evaluation results of the Managing Director were satisfactory.

Performance Evaluation of Executives

The Company sets a regular evaluation of the performance of its executives every year, with the board of directors appointing the managing director to oversee the process. The evaluation criteria cover job performance based on the organization's vision, mission, and strategic plans for both the short and long term. The evaluation includes both financial and non-financial aspects, compared with the Key Performance Indicators (KPIs) set.

Succession Plan

The Board of Directors has assigned the Nomination, Remuneration and Corporate Governance Committee to develop a succession plan for Managing Director and Executives positions. This is considered as preparing and developing potential candidates to succeed important positions in the Company in the future in order to ensure continuous growth of the Company's management. The succession plan process is as follows:

- 1.Specify the high-level executive positions and important positions for the organization according to the defined factors.
- 2.Specify the knowledge, skills, and experience required for each position.
- 3.Consider selecting suitable personnel by evaluating three factors including: 1) experience, knowledge, and ability, 2) motivation, and 3) commitment to the organization.
- 4.Develop individualized development plans for potential successors to the position.
- 5.Review and report the progress of the succession plan to the board of directors at least once a year.

Board of Directors Meeting and the Remuneration to Directors

Board of Directors Meeting

The Company requires at least 6 Board of Directors meetings per year and extraordinary meeting as necessary. The Company Secretary shall prepare the invitation letter, meeting agenda and relevant documents and send them to Directors at least 5 working days before the meeting date so that the Board shall have enough time to study before attending the meeting. The schedule of Board of Directors meetings and Committee meetings is set in advance each year and shall be informed to each Director for his/her acknowledgement and time management to attend the meetings. The meeting attendance of each Director of each Committee in 2022 is as follows:

Unit : Time (Attendance / Right to attend meeting)

List of Directors		Board of Directors	Board of Directors without Executive Directors	Audit Committee	Nomination, Remuneration and Corporate Governance Committee	Executive Committee	Risk Management Committee
Mr. Virat	Chinprapinorn	6 / 6	-	-	-	12 / 12	12 / 12
Mr. Kovit	Rongwattanasophon	6 / 6	-	-	-	12 / 12	12 / 12
Mr. Somjate	Moosirilert	6 / 6	1 / 1	-	2 / 2	12 / 12	12 / 12
Ms. Suvarnapha	Suvarnaprathip	6 / 6	1 / 1	-	-	-	-
Mr. Kamtorn	Tantisirivat	6 / 6	1 / 1	-	-	12 / 12	12 / 12
Mr. Sorasak	Chayarak	6 / 6	1 / 1	-	-	-	-
Mr. Pichai	Kititti	2 / 2	1 / 1	-	-	-	-
Dr. Thakol	Nanthirapakorn	6 / 6	1 / 1	4 / 4	-	-	-
Mr. Suvit	Arunanondchai	6 / 6	1 / 1	4 / 4	2 / 2	-	-
Mr. Varavudh	Varaporn	6 / 6	1 / 1	4 / 4	2 / 2	-	-
Dr. Naree	Boontherawara	6 / 6	1 / 1	4 / 4	-	-	-
Mr. Surapon	Satimanont	6 / 6	1 / 1	4 / 4	-	-	-
Directors retired from position in 2022							
Mr. Charoensook	Kititti	3 / 3	-	-	-	-	-
Average attendance (%)		100	100	100	100	100	100

Note : Mr. Pichai Kititti was appointed as a Director, in place of Mr. Charoensook Kititti, effective from 10 August 2022 onwards. Mr. Charoensook Kititti resigned from the Company's Director, effective from 10th August 2022 onwards.

Therefore, Mr. Virat Chinprapinorn, Chairman of the Board of Directors, holds a position as a member of the sub-committee, the Board of Directors sees fit to appoint Dr. Thakol Nanthiraphakorn, Independent Director and Chairman of the Audit Committee, to participate in considering the agenda for the Board of Directors' meeting.



Meeting for Non-Executive Directors

The company's board of directors has stipulated that there must be at least one meeting per year specifically for non-executive directors to have the opportunity to consider matters related to the meeting and perform their duties independently. In 2022, there was one such meeting held on December 22, 2022, and the managing director was informed of the meeting's results and will follow up on the progress of various issues in the next meeting.

Remuneration to Directors

The Nomination, Remuneration and Corporate Governance Committee considered the compensation for director according to the appropriateness and the comparison with other companies in the same industry, reflecting the duty and responsibility of the position, and proposed to Board of Directors and shareholders' meeting for approval. The 2022 Annual General Meeting of Shareholders approved the compensation composition of director in 2022 as follows:

1. Monthly compensation and meeting allowance are not over than 5,000,000 Baht in total.

(Unit : Baht)

Committee	Position	Monthly Compensation (per month/ per person)	Meeting Allowance (per meeting/ per person)
Board of Directors	Chairman	12,000	30,000
	Director	10,000	25,000
Audit Committee	Chairman	12,000	30,000
	Director	-	25,000
Nomination, Remuneration and Corporate Governance Committee	Chairman	-	30,000
	Director	-	25,000
Executive Committee ⁽¹⁾	Chairman	-	-
	Director	-	10,000
Risk Management Committee	Chairman	-	-
	Director	-	-
Other benefits		- None -	

Note : ⁽¹⁾ The remuneration of Executive Committee included the meeting allowance to Directors who are not Executives only.

2. The remuneration in pension for Directors was 0.5% of dividend paid in cash to shareholders. Net profits of 2022 were 4,813,573.97 Baht in total.

In 2022, the company paid compensation to 4 committees, including the Board of Directors, Audit Committee, Nomination Committee, Remuneration Committee, and the government committee, totaling 9,106,573.97 baht. The compensation consists of meeting allowances, monthly compensation, and director's bonuses (calculated at 0.5% of the dividend paid to shareholders for the 2021 fiscal year) as follows:

(Unit : Baht)

List of Directors		Meeting allowance (Baht)					Monthly compen- sation	Premium for directors	Total of remuneration payment
		Directors	Audit Committee	Nomination, Remuneration and Corporate Governance Committee	Executive Committee	Total of meeting allowance			
						(1)			
Mr. Virat	Chinprapinporn	180,000	-	-	-	180,000	144,000	473,466.33	797,466.33
Mr. Kovit	Rongwattanasophon	150,000	-	-	-	150,000	120,000	394,555.24	664,555.24
Mr.Pichai	Kititti	50,000	-	-	-	50,000	47,096.77	-	97,096.77
Mr. Somjate	Moosirilert	150,000	-	75,000	120,000	465,000	120,000	394,555.24	859,555.24
Ms. Suvarnapha	Suvarnaprathip	150,000	-	-	-	150,000	120,000	394,555.24	664,555.24
Mr. Kamtorn	Tantisirivat	150,000	-	-	120,000	270,000	120,000	394,555.24	784,555.24
Mr. Sorasak	Chayarak	150,000	-	-	-	150,000	120,000	394,555.24	664,555.24
Dr. Thakol	Nanthirapakorn	150,000	120,000	-	-	270,000	144,000	394,555.24	808,555.24
Mr. Suvit	Arunanondchai	150,000	100,000	90,000	-	460,000	120,000	394,555.24	854,555.24
Mr. Varavudh	Varaporn	150,000	100,000	75,000	-	445,000	120,000	394,555.24	839,555.24
Dr. Naree	Boontherawara	150,000	100,000	-	-	250,000	120,000	394,555.24	764,555.24
Mr. Surapon	Satimanont	150,000	100,000	-	-	250,000	120,000	394,555.24	764,555.24
Directors retired from position in 2022									
Mr. Charoensook	Kititti	75,000	-	-	-	-	72,903.23	394,555.24	542,458.47
Total		1,805,000	520,000	240,000	240,000	2,805,000	1,488,000	4,813,573.97	9,106,573.97

Note : (1) The 2022 Annual General Meeting of Shareholders had a resolution to approve the remuneration for Directors at the rate of 0.5% of cash dividend for shareholders. The Nomination, Remuneration and Corporate Governance Committee thus considered to allocate the remuneration of 2021 business performance to Directors who were in position during the year as such.

(2) Mr. Pichai Kititti was appointed as a Director, in place of Mr. Charoensook Kititti, effective from 10 August 2022 onwards.

Mr. Charoensook Kititti resigned from the Company's Director, effective from 10 August 2022 onwards.

Supervision of Subsidiary Companies

The Company manages and controls the operations of its subsidiaries, including the development of strategies, policies, and objectives by appointing individuals as directors or executives of the subsidiary companies to ensure the maintenance of benefits in the Company's investment. Additionally, the Company stipulates that the subsidiaries must comply with the Company's regulations and policies, such as preparing financial reports, conducting related transactions, adhering to good corporate governance policies, disclosing information, and using internal data appropriately. Furthermore, the Company regularly audits and examines the subsidiaries' operations to ensure that they have an appropriate and effective internal control.



Monitoring to ensure compliance with policies and practices in business governance

In the past year, the Board of Directors has promoted and monitored compliance with good corporate governance policies and practices in the following areas: 1) employee care and non-discrimination practices, 2) opposition to unfair competition, 3) environmental care, health and safety in the organization, 4) data security, 5) prevention of conflicts of interest, 6) use of internal information for seeking benefits, 7) opposition to corruption, and 8) whistleblowing. The results of the monitoring indicate that both the company and its subsidiaries have fully implemented the guidelines for each issue. In addition, in 2022, the Company has carried out the development of its corporate governance practices as follow:

1.The Company requires all executives and employees to sign a declaration confirming that they will not seek any business benefits that conflict with the Company's interests, as well as acknowledging and agreeing to comply strictly with the Company's policies, measures, and regulations, such as the Good Corporate Governance policy, Code of Conduct, Anti-Corruption policy, Information Disclosure policy, and Internal Data Usage policy, etc.

2.The company requires all executives and employees to take a knowledge and understanding test on ethical principles, business ethics, and anti-corruption practices, in order to assess their knowledge and understanding on these topics annually. In 2022, it was found that executives and employees had a satisfactory level of knowledge and understanding in practicing ethical principles, business ethics, and anti-corruption practices.

3.The Company has received an assessment result of the Corporate Governance Report of Thai Listed Company (CGR) for the year 2022 from the Thai Institute of Directors Association and has been continuously rated as "Excellent" for five consecutive years.

4.The Company has been selected as an outstanding Environmental, Social and Governance (ESG) operation by Thaipat Institute and has been selected to be in the Universe of ESG 100 securities group for the eighth consecutive year in 2022.

5.The Company has been selected as a Sustainable Stock or Thailand Sustainability Investment (THSI) for the year 2022 by the Stock Exchange of Thailand, reflecting the commitment to being a responsible business operator according to good corporate governance principles and being accountable to stakeholders.

Treatment to Stakeholders

The Company gives importance to all stakeholders, both internal and external of the organization, equitably according to the good corporate governance principles, aiming to improve quality of operations and to create sustainable values of business. The critical expectation of stakeholders was assessed and reviewed to identify practices and responses to such expectation appropriately and continuously. The details under section the Driving Business of Sustainability, the Managing Impact on Stakeholders in Business Value Chain.

Conflict of Interest Prevention

The Company sets principles to prevent directors, executives, employees, and related parties from seeking benefits for themselves or others in cases where any person has a vested interest or involvement in the matter under consideration. Such individuals must not participate in the decision-making process to ensure that the

consideration of such matters is independent and to prevent conflicts of interest. The company has established measures to manage conflicts of interest in its good governance policy and code of ethics, which includes assigning the responsibility of disclosing conflicts of interest to the company secretary and ensuring that disclosures are complete and accurate, such as information on the company's shareholder groups

In addition, in case that the Company and subsidiaries have any connecting transactions or acquire or release the Company's significant securities as per SET criteria, the Company must follow the SET principles. In case that the Company needs agreement from shareholders to do connection transactions or acquire or release the Company's significant securities, the Company must receive not less than one third of total votes of attending shareholders or proxies of shareholders who are entitled to vote while the vote of shareholders who are stakeholders are not counted.

However, for the year 2022, there were no violations found committed by the board of directors, executives, or related employees regarding conflicts of interest.

Prevention of internal data misuse

The company has established policies and guidelines for preventing internal data misuse, which are outlined in the good governance policy, information disclosure policy, and code of ethics, as follow:

- 1.Require all internal units within the company to establish appropriate supervision over their internal data storage and management systems.
- 2.Specify the preparation of a list of individuals who have received or are involved with internal data.
- 3.Prohibit individuals who have access to internal information from using such information for personal or other gain, whether directly or indirectly.
- 4.Prohibit persons who have insider information from trading company securities from the first day of each quarter until 24 hours after the financial statements are disclosed.
- 5.It is required that the directors and executives notify at least 1 day in advance before trading the company's stocks to the company's secretary and report to the Securities and Exchange Commission office in accordance with the criteria of the Securities and Exchange Commission, and provide copies to the chairman of the audit committee, chairman of the board of directors, and company secretary every time.

For the year 2022, there were no wrongdoing found from the board of directors, executives, and related employees regarding the use of internal information.



Information Disclosure and Transparency

Information Disclosure

The Company realizes that the information disclosure, which can or may have an effect on the changes in the Company's security prices or on the investment decision or on the shareholders' rights and benefits, is important for shareholders, general investors and institutional investors to receive the significant news quickly, equally and sufficiently for decision making. However, the Company also realizes the need to keep the confidentiality of business details and key operational strategy and shall not disclose any information that could have effect on the Company's competitiveness.

The Company disclosed the information according to the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. In addition to the information disclosure in the annual report (Form 56-1 One Report), annual registration statement (Form 56-1) and annual report (Form 56-2), the Company provides many channels to access to the information. Most information is published on the Company website (www.ratchthani.com) in both Thai and English languages to help interested shareholders or interested investors access to information easily, conveniently, thoroughly and equally. The Management Discussion and Analysis: MD&A is also published for disclosure of quarterly and annual financial statements on the news section of the Stock Exchange of Thailand.

As for the 2022 financial statement, the Company appointed EY Office Co., Ltd. to be its auditor. This auditor appointment and audit fees were approved by the 2022 Annual General Meeting of Shareholders. The appointed company is an independent company certified by the Office of the Security and Exchange Commission. The auditor certified the financial statements of the Company with no condition.

Investor Relations

The Company assigned the Office of the directors and Administration and the Planning and Strategy Department to be responsible for the Investor Relations which is the contact point of information, questions and answers about the Company. Another channel to publish the Company's information, financial information and general information to shareholders, analysts, general interested investors, credit rating agencies, and relevant regulatory agencies, is by phone number 02-431-9000 or by e-mail: irthani@thani.co.th

Investor Relations Activities in 2022

1. Five Analyst Meeting and the activity "Opportunity day" were held, with 40-60 participants per meeting, to inform the quarterly performance to analysts, institutional investors, and general investors, by the Company's top executives.

2. One Conference Call was made to provide further details to domestic and international investors and analysts after releasing information to the public.

Equitable Treatment of Shareholders

Rights of Shareholders

The Board of Directors realized the ownership rights and the rights to make decision on significant changes of the Company. Thus, the Board of Directors encouraged shareholders to use their basic shareholder rights, such as buying, selling or transferring shares, taking profits sharing, receiving sufficient information of the Company. By disclosing the information in a correct, complete and timely through the information system of the Stock Exchange of Thailand and the Company's website.

The Shareholder Meeting

The company's board of directors recognizes that every shareholder has an equal basic right to participate in meetings and has policies to promote and support all groups of shareholders, including institutional investors, to participate in shareholder meetings. The company has established policies for organizing shareholder meetings on the rights and equal participation of shareholders, voting, proposing agendas, proposing individuals, sufficient completeness of invitation letters, and clear meeting locations and times in accordance with good corporate governance practices. Additionally, there is an organization responsible for overseeing the meeting organization in accordance with the aforementioned policies and best practices of relevant departments.

For the annual general meeting of shareholders in 2022, the Company organized the meeting on Tuesday, 5 April 2022 at 2:00 p.m. in the form of an electronic meeting (E-Meeting), conducted in accordance with relevant laws, company regulations, and good corporate governance practices as follows:

Before the Shareholders' Meeting Day

1) Opened the chances for shareholders to propose the meeting agenda and nominate candidates for consideration and appointment of director position in the 2022 Annual General Meeting of Shareholders from 1 October 2021 to 31 December 2021. It appeared that no one proposed the meeting agenda or candidates for consideration of director position for the 2022 meeting.

2) Publicized the meeting invitation letter and supporting documents in both Thai and English versions at least 30 days before the meeting date on the Company's website on 4 March 2022 including the following topics: (1) Date, time, place of the meeting, (2) Meeting agenda identifying objectives, reasons, opinions of committees and complete supporting documents for consideration, (3) Process, proof of identity and registration for the meeting, (4) Company's rules relevant to shareholders' meeting, (5) Proxy form A, B, C, (6) Information of the independent directors proposed by the Company as a proxy for shareholders, and (7) Map of the shareholders' meeting place.

In this regard, the meeting invitation letter and supporting documents were sent to shareholders by mail in advance for at least 14 days before the meeting day. The meeting invitation letter was also publicized in the daily newspaper for 3 consecutive days and at least 3 days before the meeting day.



Shareholders' Meeting Day

In the 2022 Annual General Meeting of Shareholders, 12 directors attended the meeting. However, the Chairman of the Board of Directors, the Chairman of the Audit Committee, the Chairman of the Nomination, Remuneration, and Corporate Governance Committee were present the meeting, and then introduced the Chief Finance Officer (CFO) and auditors were attending the meeting. In addition, introduce the independent legal counsel appointed by the Company as the meeting observer to monitor the voting and counting of votes in the meeting. To ensure the meeting in accordance with the law and the Company's Articles and Association.

After the Shareholders' Meeting Day

The Company publicized the shareholders' meeting resolutions on the SET community portal after the meeting date on the same day. The minute of meeting included the list of attended directors, the voting method and scores, the meeting resolutions, and the votes for agreeing, disagreeing, and abstaining, including the questions and explanations during the meeting. In this regard, the Company sent the meeting minute and publicized the minute on the Company's website within 14 days after the meeting day. The publicizing day was 18 April 2022.

Assessment of Shareholders' Meeting Quality

For the Annual General meeting of the year 2022, The Company received the full 100 scores with an "Excellent and Good Example" level from the Annual General Meeting of Shareholders (AGM) Assessment Project organized by the Thai Investors Association

Non-Infringement of Intellectual Property

The Company operates in compliance with the law on intellectual property, with a policy of not supporting any activities that infringe upon intellectual property, such as the use of any software in the company's system must be licensed and legally correct. Employees are prohibited from installing software that violates copyrights on the company's computer system, etc. In the past year of 2022, there were no instances of intellectual property infringement.

Anti-Corruption

Anti-Corruption Policy

The Company realizes that corruption has negative impacts and obstacles on the development of society and the country's economy. It is an unethical business practice that creates unfairness in the business environment, which can lead to a tarnished reputation for the company in terms of business ethics, competitiveness, and international recognition. In addition, it affects the shareholders, investors, and stakeholders, who may lose confidence in the organization. Therefore, the company adheres to the principle of not supporting any form of corruption, individuals or groups seeking to benefit from improper use of power, whether directly or indirectly. The company is ready to cooperate with the government, private sector, civil society, media, and international organizations to demonstrate its commitment to fighting corruption in all forms.

The Board of Directors has passed a resolution to adopt policies and measures to combat the Company's corruption, based on the guidelines of both the Company's management and the "Thai Private Sector Collective Action against Corruption". This is a clear practice guideline for conducting business that all board members, executives, and employees must strictly adhere to. These policies and measures have been published on the company's website (www.ratchthani.com section investor-relations/governance/anti-corruption-policy)

Corruption Risk Management

The Company uses the Risk and Control Self-Assessment (RCSA) as a tool for managing operational risk assessment, which includes identifying risks, assessing risk levels, controlling and mitigating risks, as well as monitoring and regularly reviewing risks. The progress of risk control measures is tracked, and the results of risk assessments are reported to the Risk Management Committee, Audit Committee, and the Board of Directors, respectively.

As for risk control measures, the company requires employees to comply with internal control principles that align with risk management in all forms of corruption, especially in matters of "offering, receiving gifts or rewards, entertainment, hospitality, convenience, or any other benefits" because they may easily lead to corruption. Non-compliance or failure to comply with policies against corruption, anti-corruption measures or regulations, and actions that support or assist corruption are considered violations and are subject to penalties under the company's employment regulations.

Guideline to follow up and evaluate the Anti-Corruption Policy and Measure's Compliance

1. Board of Directors have duty and responsibility to determine and approve the Anti-Corruption Policy and Measure and to provide the efficient system supporting the anti-corruption to be assured that the management realizes its importance and takes into practice until becoming the corporate culture.
2. The Audit Committee has duty and responsibility to review the internal control to ensure its sufficiency, efficiency and compliance with the Anti-Corruption Policy and Measure.
3. The Management has duty and responsibility to promote, support and control employees and related parties to follow the Anti-Corruption Policy and Measure and to review the appropriateness of various regulations and measures to ensure its compliance with the changing business, regulations and legal requirements.
4. Internal Audit Department has duty and responsibility to review and examine the practices to ensure that they are correct and in compliance with the policy, principles, regulation and related law. The internal control system must be assured to be proper and sufficient to handle any potential corruption risks. The Internal Audit Department reports directly to the Audit Committee.
5. The Company's committee, high level executives, management and staff have duty to follow the Anti-Corruption Policy and Measure by not getting involved with any corruptions directly or indirectly.
6. Subsidiaries, business agents, or the Company's employees under the Company's control must accept to follow the Company's Anti-Corruption Policy and Measure.



Anti-Corruption Training

The Company promoted the training to Directors, Executives and employees at all levels to provide knowledge, understanding and practices according to the required policy of “Anti-Corruption” as follows:

1.The Board of Directors and Executives of the Company and Thanachart Group participated in the Anti-Corruption for Executives Course.

2.Every employee at operational level has studied the practice guideline from the Anti-Corruption handbook and the Company’s public relations. Employees are required to do self-assessment about Anti-Corruption annually.

Thailand’s Private Sector Collective Action Coalition Against Corruption

The Company has announced its commitment as a collaborative approach of Thai private sector in combating corruption and has been certified as a member of the Thai Private Sector Collective Action against Corruption (CAC) since 2014. In 2023, the company is in the process of renewing its membership with CAC, which expires in the third quarter of 2023.

In addition, RTN Insurance Brokers Co., Ltd., a subsidiary of the company, has signed up to join the Collective Action Against Corruption (CAC), a Thai private sector initiative to combat corruption, since 2020 and is currently in the process of applying for CAC membership renewal due in the fourth quarter of 2023.

In addition, the company has communicated to stakeholders and requested their cooperation in supporting the fight against corruption by refraining from giving gifts to company executives or employees, whether during festivals or any other occasions, to demonstrate the company's commitment to conducting business with integrity, transparency, and emphasizing the importance of combating all forms of corruption, both directly and indirectly.



The Receiving of Information, Whistleblowing, and Complaints

The Company opens a chance for customers, employees, and stakeholders to provide information, complaints, and clues (whistle blowing) if they find any situation or receive any impact from illegal act, violation of the code of conduct, human rights violation, or corruption related to directors, executives, or employees of the Company. Details are as follows:

1.The Company has identified the following channels for whistleblowing:

- (1) Notify directly to Chairman
- (2) Notify directly to Chairman of Audit Committee

- (3) Notify directly to Managing Director
- (4) Notify directly to Internal Audit Head
- (5) Notify directly to supervisor
- (6) Notify via contact channel or company website at www.ratchthani.com

2. When a person receiving notification of whistleblowing considered evidence and found a reason to believe that such an event actually happened, he/she would take action to solve the problem or to stop the incident urgently. If such case was beyond his/her power to act, he/she would report to supervisor on the next level for consideration and order.

3. The Company specifies that the responsible unit for investigating the truth shall consider evidence and facts fairly. Once a conclusion is reached, it shall be reported to the relevant committee or management along with the results of the investigation and the solutions to the problem. This information will also be communicated back to the complainant or affected parties within the designated time frame (Service Level Agreement: SLA).

4. The Company has set to provide the remedy for a victim or affected person fairly and reasonably and shall conduct disciplinary penalty to offender according to the Company's rules and regulations. Moreover, the relevant units shall together consider setting the measures to prevent and alleviate risks that may cause such situation to repeat in the future.

5. The Company has established a mechanism to protect those who cooperate with the Company in providing information, complaints, and clues, to assure that such whistleblowing action will not cause any troubles to whistleblowers as follows:

- (1) The Company shall keep the information of a victim or affected person or whistleblower confidential by limited the access to such information to persons with responsibility on fact investigation only.
- (2) The Company shall not make any negative impact on whistleblower even if such action will cause business opportunity loss to the Company.
- (3) In the case that the victim, affected person, or whistleblower finds themselves insecure or getting potential damage, they can request for the appropriate protection measures from the Company.
- (4) If it is found that director, executive or employee act on other persons in a way that is unfair or can cause damage and a motive of such action comes from that other person providing information, clues, complaints, or denying corruption, such action is deemed disciplinary offense.

In 2022, the Company did not receive information and complaints regarding various issues as follows:

Issues of clues and complaints	Received issues	Issues under investigation/ resolving	Concluded issues
1. Law violation	-	-	-
2. Code of conduct violation	-	-	-
3. Human rights violation	-	-	-
4. Corruption	-	-	-
5. Labor violation	-	-	-
6. Unfair competition	-	-	-





Internal Control and Related Party Transactions

Internal Control and Related Party Transactions

Internal Control

The Company continuously gives importance to internal control foreseeing that the good internal control will enable the Company to conduct business efficiently and achieve its goals. It will also prevent damages that can occur from illegal operations and exploitation of executives and employees. In addition, the Company foresees that suggestion of external auditors will help develop the internal control system to be higher efficient. The internal control system can be summarized as follows:

1. Organization and Environment

The company has established a supportive organizational structure that facilitates achieving the company's objectives. The company has defined, delegated, and limited authority and responsibilities appropriately. An effective internal control system has been implemented to ensure that work is performed according to defined responsibilities, and that there is segregation of duties among employees who execute, approve, monitor and evaluate performance, to prevent conflicts of interest and maintain a balance of power. The company has established policies, procedures, and work manuals, which are documented. Additionally, an audit committee has been appointed to assess the adequacy of the internal control system, and various subcommittees have been established to consider and decide on various company matters efficiently.

The Board of Directors considers and sets business goals which are clear and measurable and has monitored to ensure the execution goes on as planned. Moreover, the Company has set the Corporate Governance Policy, code of conduct manual, Anti-corruption Policy, and Anti-corruption measures including relevant regulations for directors, executives, and employees. Self-assessment in the aspects of corporate governance and anti-corruption is conducted every year to stimulate the awareness and consciousness of employees. The Company also sets the system or channel to receive customer and employee feedback or complaint on services and whistle blowing on corruption. The protection measures for whistle blower or unfair accused person have also been set.

2. Risk Management

The Company set up the Risk Management Committee to consider and supervise the Company's efficient management of various risks, in accordance with objectives of business. The Risk Management Policy and Guidelines were set in writing and publicized in the intranet system as practice guidelines for directors, executives, and employees. Any changes and various factors that may have impact on business were regularly assessed. The measures to handle such changes and factors were sufficiently set. The significant risk issues are regularly reported to the Board of Directors.

3. Operational control of management

The Company set the internal control measures for all levels appropriately which cover various processes with clear authority and transaction approval levels. As for connecting transactions with related persons, the

Company set guidelines to prevent conflicts of interest in the Corporate Governance Policy and Risk Management Policy which stated that the transactions must not be approved by related persons.

Regarding the information technology controlling measures, the Company set policies, such as the Security of Information Technology System Policy, to be the standard in controlling the Company's operations.

4. Information Technology and Communication System

The company has established a process for creating data and guidelines for disclosing information to stakeholders including the board of directors, executives, employees, shareholders, customers, and other stakeholders. The information provided is necessary, accurate, complete, and up-to-date, in order to support stakeholders in making effective decisions. The company has also provided various communication channels for internal personnel and external organizations to report any relevant information regarding corruption or corporate malpractice according to the channels designated by the company

5. Audit and Monitoring System

The Company set the business monitoring process and reported results against Company's and subsidiaries' objectives to the Executive Committee every month. The objectives will be reviewed every 6 months to ensure objective achievement.

The Company does not have the internal audit department but has hired independent internal auditor from outside to perform duties and report directly to the Audit Committee in regard to internal audit practices and report to Managing Director in regard to department administration.

Independent auditor who reports directly to the Audit Committee has duties to audit and review all departments and processes to assess efficiency and effectiveness of internal control system and risk management systems of the Company. Independent auditor will also need to report the significant flaws, suggestions on problem solving at root cause, and updated progress on problem solving, to the Audit Committee. Such audit uses the auditing process guidelines from beginning to end.

Moreover, the regulator agency has duties to monitor the compliance to code of conduct and operational prohibitions that may cause conflict of interest and regularly reports to the Audit Committee, Executive Committee, and Board of Directors every year.

In the Board meeting no. 1/ 2023 on 15th February 2023, the board meeting had resolution that the Company has appropriate and sufficient internal control system for the Company business conduct.

Related Party Transactions

In 2021 and 2022, the Company had related party transactions with persons with a conflict of interest. After consideration, the Audit Committee believed that such transactions were reasonable as normal transactions or they supported the Company's normal business with general trade conditions, except special transactions. The appropriateness of transactions and the committee's opinions are detailed as follows:



Name of Related Parties	Relationship with the Company	Business Type
Thanachart Capital Public Company Limited	The parent company of the Group Thanachart Capital Public Company Limited held 60.16 percent of total shares by having common directors or executive as 1) Mr. Somjate Moosirilert 2) Ms. Suvarnapha Suvarnaprathip 3) Mr. Kamtorn Tantisirivat	A holding company that primarily invests in financial business.
RTN Insurance Broker Company Limited	Subsidiary Company Ratchthani Leasing Public Company Limited held 100% of total shares by having common directors or executive as 1) Mr. Virat Chinprapinporn 2) Mr. Kovit Rongwattanasophon 3) Mr. Ponlaphe Sakkayapapwicharnon	Non-life insurance brokerage and life insurance
Thanachart Insurance Public Company Limited	Affiliates Thanachart Capital Public Company Limited held 50.96% of total shares	Insurance
T Life Assurance Public Company Limited (Changed the name to MBK Life Assurance Public Company Limited since 6 July 2022)	Affiliates Thanachart Capital Public Company Limited held 100% of total shares	Insurance
Thanachart Securities Public Company Limited	Affiliates Thanachart Capital Public Company Limited held 50.96% of total shares	Securities
Thanachart Bank Public Company Limited	Have common shareholders (was a related company until 4 July 2021)	Commercial bank
TMBThanachart Bank Public Company Limited (Changed the name to Thanachart Bank Public Company Limited since 12 May 2021)	Have common shareholders Thanachart Capital Public Company Limited held 22.76% of total shares by having common directors or executive as Mr. Somjate Moosirilert	Commercial bank

Loan and Outstanding from Related Persons or Businesses

(Unit : Thousand Baht)

Transactions	Outstanding	
	31 December 2022	31 December 2021
<u>Deposit</u>		
Thanachart Bank Public Company Limited	561,073	375,781
<u>Accrued interest receivables</u>		
TMBThanachart Bank Public Company Limited	-	-
Thanachart Insurance Public Company Limited	9,165	-
<u>Other assets - advance expense</u>		
Thanachart Insurance Public Company Limited	42	-
<u>Short-term loans</u>		
Thanachart Bank Public Company Limited	-	700,000
<u>Long-term loans</u>		
Thanachart Bank Public Company Limited	2,000,000	2,000,000
<u>Debentures</u>		
Thanachart Capital Public Company Limited	-	243,000
Thanachart Insurance Company Limited	270,000	455,000
T Life Assurance Public Company Limited	200,000	120,000
<u>Accrued interest</u>		
Thanachart Capital Public Company Limited	-	1,878
Thanachart Insurance Company Limited	1,285	-
T Life Assurance Public Company Limited	1,016	1,054
Thanachart Bank Public Company Limited	263	301

Related Party Transactions

(Unit : Thousand Baht)

Transactions	For Year		Transfer pricing policy	Reason / Appropriateness
	2022	2021		
<u>Thanachart Capital Public Company Limited</u>				
Interest Expenses	3,284	8,215	As stipulated in agreements and prospectus	Related party transactions were in accordance with normal business and supported the operation of the Company group, to maximize the Company’s benefit. Conditions of Such transactions were set based on market price and were approved by Audit Committee and Board of Directors.
Service fee expenses	1,500	1,200	As stipulated in agreements	



Transactions	For Year		Transfer pricing policy	Reason / Appropriateness
	2022	2021		
<u>Thanachart Bank Public Company Limited</u>				
Interest receivable	-	2,617	The same rates as charged to general customers	Related party transactions were in accordance with normal business and supported the operation of the Company group, to maximize the Company's benefit. Conditions of Such transactions were set based on market price and were approved by Audit Committee and Board of Directors.
Interest Expenses	-	2,384	As stipulated in agreements	
Bank fee expenses	-	2,988	As stipulated in agreements	
Service fee expenses	-	1,379	As stipulated in agreements	
<u>TMBThanachart Bank PublicCompany Limited</u>				
Interest receivable	2,844	1,696	The same rates as charged to general customers	Related party transactions were in accordance with normal business and supported the operation of the Company group, to maximize the Company's benefit. Conditions of Such transactions were set based on market price and were approved by Audit Committee and Board of Directors.
Interest expenses	62,280	24,592	As stipulated in agreements	
Bank fee expenses	4,190	2,137	As stipulated in agreements	
Service fee expenses	-	1,485	As stipulated in agreements	
<u>Thanachart Insurance Company Limited</u>				
Interest expenses	4,872	6,232	As stipulated in prospectus	Related party transactions were in accordance with normal business and supported the operation of the Company group, to maximize the Company's benefit. Conditions of Such transactions were set based on market price and were approved by Audit Committee and Board of Directors.
Insurance Interest expenses	16	-	As stipulated in agreements	
<u>T Life Assurance Public Company Limited</u>				
Interest Expenses	5,882	1,790	As stipulated in prospectus	Related party transactions were in accordance with normal business and supported the operation of the Company group, to maximize the Company's benefit. Conditions of Such transactions were set based on market price and were approved by Audit Committee and Board of Directors.
<u>Thanachart Securities Public Company Limited</u>				
Fee expenses	798	785	As mutually agreed	Related party transactions were in accordance with normal business and supported the operation of the Company group, to maximize the Company's benefit. Conditions of Such transactions were set based on market price and were approved by Audit Committee and Board of Directors.

Necessity and Appropriateness

The current listings are in line with normal business trade practices and support the company's operations to maximize benefits for the company. These listings are necessary and reasonable, with the compensation conditions set considering market prices and appropriate costs and profits, such as rental costs. The aforementioned costs are estimated costs from rent, plus a designated profit rate that follows general market prices and references. The company reviews these costs and profit rates annually and presents them for the audit committee's consideration of their reasonableness and appropriateness. Approval from the company's board of directors or shareholders is required, depending on the case.

Measures or Procedure on Approving Related Party Transactions

For the approval procedure of related party transactions due to a normal business such as bank fee, the Company will determine conditions in line with a normal business i.e. market prices applied to general customers, or actual costs plus proper profits according to the referenced market prices. For other related party transactions, the Company will determine conditions in line with a normal business i.e. marketing prices applied to general customers with proper conditions. This aims to maximize the benefits of the Company and shareholders. Prior approvals of the Board of Directors or shareholders are required, as a case may be. The Audit Committee or auditors or experts will consider reasons of transactions and appropriateness of prices. The opinions will be proposed to the Board of Directors or shareholders for consideration, as a case may be. Accordingly, in terms of compliance with information disclosure and acquisition or sales of major assets, the Company will comply with the laws on securities and exchange, regulations, notifications, orders, or requirements of the Stock Exchange of Thailand, including accounting standards stipulated by the Federation of Accounting Professions.

Policy on further related party transactions

According the Securities and Exchange Act BE 2535 (1992) section 89/12 and the Capital Market Supervisory Board Notification, Tor Jor 21/2551 (2008) regarding the principles for doing connected transactions, including the amendment in the future, required the transactions of connected persons as defined by law, that is, the transactions between the Company and its directors, executives or related persons must be approved by the shareholders meeting first, except for the exempted transactions, such as the trade agreement which normal people will do with contract partners in the same situation using the trade negotiation power without any influences as the directors, executives or related persons as the case may be and which is the fair and at arm's length trade agreement that is approved by the Committee or comply with the approved principles.

In this meeting of the board of directors on November 12, 2018, a resolution was passed to approve the principles of conducting commercial transactions that involve related parties, in compliance with the aforementioned securities and stock market laws. The principle is to allow the management to conduct transactions, agreements, or commercial transactions that involve related parties as defined by the securities and stock market laws. These transactions, agreements, or commercial transactions shall be conducted in the same



manner as a general agreement with counterparties under similar circumstances, with the negotiating power in commercial transactions being exercised independently when the person is a director, executive, or related person. This includes general trade agreements that have been ongoing and those that may occur in the future. The management is authorized to establish regulations as guidelines for the implementation and preparation of reports summarizing such transactions, which will be submitted to the audit committee and the board of directors in a timely manner

Therefore, any transactions entered into between or the acquisition or disposal of the company's assets in the future must comply with the securities and stock market laws, regulations of the Stock Exchange of Thailand, and the principles of general commercial transactions between related parties as approved by the board of directors. This includes compliance with disclosure requirements, interrelated transactions, and the acquisition or disposal of the company's assets.





Financial Statements

Responsibilities of the Board of Directors for Financial Statements
Independent Auditor's Report
Financial Statements and Notes to Financial Statements



Responsibilities of the Board of Directors for Financial Statements

The Board of Directors of Ratchthani Leasing Public Company Limited is responsible for consolidated financial statements of the Company and its subsidiaries and separate financial statements of the Company, including the information and information disclosure and the financial presentation in 2022 annual report. Such financial statements were regularly prepared according to the financial reporting standard and appropriate accounting policy. The discretion and estimates were used carefully and reasonably as needed. The information disclosure in the financial statement appendix was sufficient. Such financial statements passed the check and comment from the independent Certified Public Accountants of the Company with no condition.

The Board of Directors realized the importance of the duties and responsibilities that must continuously be in accordance with the good corporate governance policy in order to conduct the business with efficiency, transparency and credibility and established proper and effective control system, risk management system and internal control system of various aspects in order to rationally assure that the accounting information was correctly and completely recorded and adequate to sustain the Company's assets as well as to prevent any frauds or significantly irregular operations.

Moreover, The Board of Directors has appointed the Audit Committee comprising of the independent directors to review accounting policies, take responsible on the quality of financial statements, review the adequacy of the internal control system and internal audit, including the risk management system as well as consider the disclosure of related transactions. The opinions of the Audit Committee on such issues were displayed in the Audit Committee Report in the annual report.

The Board of Directors has viewed that the overall internal control system of the Company was at satisfactory level and the internal audit could ensure that the consolidated financial statements of the Company and its subsidiaries and the separate financial statements of the year ending 31 December 2022 was reliable along with the financial reporting standards and was conducted precisely according to the related laws and regulations

(Mr. Virat Chinprapinporn)
Chairman

(Mr. Kovit Rongwattanasophon)
Managing Director





Independent Auditor's Report

Independent Auditor's Report

To the Shareholders of Ratchthani Leasing Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Ratchthani Leasing Public Company Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Ratchthani Leasing Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ratchthani Leasing Public Company Limited and its subsidiary and of Ratchthani Leasing Public Company Limited as at 31 December 2022, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the 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 year. 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 loss on hire-purchase and financial lease receivables

As discussed in Note 7 and 8 to the consolidated financial statements, as at 31 December 2022, the Group had hire purchase and financial lease receivables - net of Baht 51,893 million (accounting for 96 percent of total assets) and allowance for expected credit loss of Baht 1,557 million, which are material to the financial statements. In determining an allowance for expected credit losses, the Group has developed models to calculate the allowance for expected credit losses. The models required complex calculation and involves significant judgements and estimates from the management. The areas of significant management's judgement include the identification of criteria for a significant increase in credit risk since initial recognition, the probability of default, the loss given default, the exposure at default, the calculation of expected credit loss, the selection of future economic variables to be incorporated into the model and the management overlay adjustment to the allowance for expected credit loss due to limitations of the model.

Because of the significant and the extent of judgement and estimates as mentioned above, I addressed the adequacy of the allowance for expected credit loss of hire purchase and financial lease receivables as a key audit matter.



I gained an understanding of, assessed and tested, on a sampling basis, the effectiveness of internal controls relevant to the loan origination and collection processes, the assessment of probability of default, loss given default and exposure at default, as well as the calculation of allowance for expected credit loss. In addition, I evaluated and tested the reasonableness of the expected credit loss models, the rules and criteria applied by the Group in the assessment of significant increases in credit risk since initial recognition, including the data used in the model design, the effectiveness of models for significant group of receivables and the governance process over the model development, by reviewing model development documentation, testing, on a sampling basis, the accuracy and completeness of data used in model development, and assessing the methods and assumptions applied in the calculation. I assessed the reasonableness of macroeconomic factors and probability weights in each scenario, as well as the reasonableness of the management overlay adjustments. In addition, I compared accounting policies of the Group with financial reporting standards and assessed the adequacy of disclosure in accordance with the relevant financial reporting standards.

Moreover, I examined the allowance for expected credit loss by testing, on a sampling basis, the classification based on the change in credit risks since initial recognition and recalculating the allowance for expected credit loss as at the end of the accounting period, including testing the completeness of data used in the calculation of allowance for expected credit loss.

Recognition of interest income

For the year 2022, the Group recognised interest income on hire-purchase and financial lease receivables amounting to Baht 3,503 million (accounting for 79 percent of total income).

The Group recognises interest income using the effective interest rate method, and interest income is generated from loans provided to a large number of customers with a high volume of transactions. I therefore focused my audit on whether interest income on loans to customers is recognised appropriately and in a timely manner, in accordance with Thai Financial Reporting Standards.

I gained an understanding of, assessed and tested, on a sampling basis, the effectiveness of internal controls relating to the processes of loan origination, interest income recognition and loan collection by inquiring of management to gain an understanding, assessing the methods applied by the management, as well as testing, on a sampling basis, the accuracy of data and calculation. In addition, I applied a sampling method in selecting loan agreements to test whether the recording of hire purchase and financial lease receivables as well as the income recognition complies with the conditions stipulated in the contracts and is adjusted in line with the effective interest rate according to the income recognition policy, and in accordance with Thai Financial Reporting Standards. I also performed analytical procedures on interest income and tested, 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 Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group 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 Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.



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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with 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.

Saranya Pludsri
Certified Public Accountant (Thailand) No.6768

EY Office Limited
Bangkok: 15 February 2023

Statement of financial position

Ratchthani Leasing Public Company Limited and its subsidiary

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Assets					
Current assets					
Cash and cash equivalents	6	650,442,722	476,222,151	411,282,330	253,636,722
Current portion of hire purchase receivables - net	7.1	18,157,456,011	17,985,276,348	18,157,456,011	17,985,276,348
Current portion of financial lease receivables - net	8.1	181,148,066	218,532,668	181,148,066	218,532,668
Current portion of loan receivables - net	9.1	153,049,510	-	153,049,510	-
Other receivables		76,802,653	81,269,120	66,008,068	68,049,096
Property foreclosed - net	13	238,019,458	98,317,408	238,019,458	98,317,408
Undue input vat		156,141,231	92,847,656	156,141,072	92,847,579
Other current assets		11,650,566	7,777,979	10,178,348	7,097,746
Total current assets		19,624,710,217	18,960,243,330	19,373,282,863	18,723,757,567
Non-current assets					
Restricted bank deposit		2,000,000	2,000,000	-	-
Hire purchase receivables - net of current portion	7.1	33,297,240,720	29,386,215,547	33,297,240,720	29,386,215,547
Financial lease receivables - net of current portion	8.1	257,607,266	321,006,791	257,607,266	321,006,791
Loan receivables - net of current portion	9.1	54,596,996	-	54,596,996	-
Investment in subsidiary	11	-	-	3,999,700	3,999,700
Investment properties	14	66,415,389	19,326,498	72,648,180	19,326,498
Land, building and equipment - net	15	75,739,797	66,994,863	69,169,954	66,341,252
Right-of-use assets - net	16.1	16,455,616	12,824,541	16,455,616	12,824,541
Intangible assets - net	17	33,224,107	31,800,995	33,151,723	31,662,179
Deferred tax assets - net	18.1	479,825,203	421,586,988	479,691,515	421,450,508
Other non-current assets	19	1,440,977	1,455,776	1,430,976	1,445,775
Total non-current assets		34,284,546,071	30,263,211,999	34,285,992,646	30,264,272,791
Total assets		53,909,256,288	49,223,455,329	53,659,275,509	48,988,030,358

The accompanying notes are an integral part of the financial statements



Statement of financial position (Continued)

Ratchthani Leasing Public Company Limited and its subsidiary

As at 31 December 2022

(Unit: Baht)					
		Consolidated financial		Separate financial	
		statements		statements	
	Note	2022	2021	2022	2021
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	20				
Related parties		-	700,000,000	-	700,000,000
Unrelated parties		9,941,341,840	8,702,666,984	9,941,341,840	8,702,666,984
Other payables	21	275,424,342	332,660,217	217,858,738	260,790,630
Accrued interest		155,762,669	139,492,166	155,762,669	139,492,166
Current portion of lease liabilities	16.2	5,953,259	5,432,731	5,953,259	5,432,731
Current portion of long-term loans	22				
Unrelated persons and unrelated parties		50,000,000	2,584,876,587	50,000,000	2,584,876,587
Current portion of debentures	23				
Related parties		-	129,935,776	-	129,935,776
Unrelated parties		6,123,236,805	5,678,839,565	6,123,236,805	5,678,839,565
Income tax payable		245,911,903	244,372,341	228,098,945	227,472,738
Other current liabilities		247,086,063	259,871,982	243,888,618	257,564,762
Total current liabilities		17,044,716,881	18,778,148,349	16,966,140,874	18,687,071,939
Non-current liabilities					
Lease liabilities - net of current portion	16.2	10,147,668	6,805,209	10,147,668	6,805,209
Long-term loans - net of current portion	22				
Related parties		1,996,259,299	1,994,758,570	1,996,259,299	1,994,758,570
Unrelated persons and unrelated parties		151,000,000	50,000,000	151,000,000	50,000,000
Debentures - net of current portion	23				
Related parties		469,387,502	112,837,105	469,387,502	112,837,105
Unrelated parties		21,845,881,171	16,681,504,889	21,845,881,171	16,681,504,889
Provision for long-term employee benefits	24	30,927,419	32,833,104	30,411,631	32,256,486
Total non-current liabilities		24,503,603,059	18,878,738,877	24,503,087,271	18,878,162,259
Total liabilities		41,548,319,940	37,656,887,226	41,469,228,145	37,565,234,198

The accompanying notes are an integral part of the financial statements

Statement of financial position (Continued)

Ratchthani Leasing Public Company Limited and its subsidiary

As at 31 December 2022

(Unit: Baht)					
		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
Shareholders' equity					
Share capital					
Registered					
5,663,030,175 ordinary shares of Baht 1 each		5,663,030,175	5,663,030,175	5,663,030,175	5,663,030,175
Issued and fully paid-up					
5,663,028,199 ordinary shares of Baht 1 each		5,663,028,199	5,663,028,199	5,663,028,199	5,663,028,199
Share premium		319,888,163	319,888,163	319,888,163	319,888,163
Retained earnings					
Appropriated - statutory reserve	26	572,000,000	557,500,000	572,000,000	557,500,000
Unappropriated		5,806,006,872	5,026,140,661	5,635,131,002	4,882,379,798
Equity attributable to owners of the Company		12,360,923,234	11,566,557,023	12,190,047,364	11,422,796,160
Non-controlling interests of the subsidiary		13,114	11,080	-	-
Total shareholders' equity		12,360,936,348	11,566,568,103	12,190,047,364	11,422,796,160
Total liabilities and shareholders' equity		53,909,256,288	49,223,455,329	53,659,275,509	48,988,030,358

The accompanying notes are an integral part of the financial statements



Statement of comprehensive income

Ratchthani Leasing Public Company Limited and its subsidiary

For the year ended 31 December 2022

(Unit: Baht)				
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Note				
Profit or loss:				
Revenues				
Hire purchase interest income	3,469,073,215	3,384,915,558	3,469,073,215	3,384,915,558
Financial leases interest income	33,493,717	45,332,965	33,493,717	45,332,965
Loans interest income	8,317,567	-	8,317,567	-
Fees and service income	468,659,861	379,536,304	214,160,571	178,612,481
Dividend income	-	-	143,328,057	112,922,532
Other income	463,842,571	416,706,649	464,796,932	417,394,050
Total revenues	4,443,386,931	4,226,491,476	4,333,170,059	4,139,177,586
Expenses				
Selling expenses	107,971,685	100,364,993	107,971,685	100,364,993
Administrative expenses	665,660,326	484,252,006	625,108,561	463,138,250
Expected credit losses	555,109,909	585,900,273	555,109,909	585,900,273
Total expenses	1,328,741,920	1,170,517,272	1,288,190,155	1,149,403,516
Profit before finance cost and income tax expenses	3,114,645,011	3,055,974,204	3,044,979,904	2,989,774,070
Finance cost	(925,529,541)	(913,212,540)	(925,529,541)	(913,212,540)
Profit before income tax expenses	2,189,115,470	2,142,761,664	2,119,450,363	2,076,561,530
Income tax expenses	18.2 (436,392,619)	(433,566,235)	(393,733,181)	(397,708,859)
Profit for the year	1,752,722,851	1,709,195,429	1,725,717,182	1,678,852,671
Other comprehensive income:				
Other comprehensive income not to be reclassified to profit or loss in subsequent periods				
Actuarial gain	5,350,135	1,752,072	5,197,482	1,646,289
Less: Income tax effect	18.2 (1,070,027)	(350,414)	(1,039,496)	(329,258)
Other comprehensive income for the year	4,280,108	1,401,658	4,157,986	1,317,031
Total comprehensive income for the year	1,757,002,959	1,710,597,087	1,729,875,168	1,680,169,702

The accompanying notes are an integral part of the financial statements

Statement of comprehensive income (Continued)

Ratchthani Leasing Public Company Limited and its subsidiary

For the year ended 31 December 2022

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
Note		2022	2021	2022	2021
Profit attributable to:					
	Equity holders of the Company	1,752,710,076	1,709,184,685	1,725,717,182	1,678,852,671
	Non-controlling interests of the Subsidiary	12,775	10,744		
		<u>1,752,722,851</u>	<u>1,709,195,429</u>		
Total comprehensive income attributable to:					
	Equity holders of the Company	1,756,990,175	1,710,586,337	1,729,875,168	1,680,169,702
	Non-controlling interests of the Subsidiary	12,784	10,750		
		<u>1,757,002,959</u>	<u>1,710,597,087</u>		
Earnings per share					
	28				
	Basic earnings per share	0.31	0.30	0.30	0.30
	Weighted average number of ordinary shares (Share)	<u>5,663,028,199</u>	<u>5,663,028,199</u>	<u>5,663,028,199</u>	<u>5,663,028,199</u>

The accompanying notes are an integral part of the financial statements



Statement of changes in shareholders' equity

Ratchthani Leasing Public Company Limited and its subsidiary

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements					
	Issued and fully paid-up share capital	Share premium	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests of the subsidiary	Total shareholders' equity
			Appropriated - statutory reserve	Unappropriated		
Balance as at 1 January 2021	5,663,028,199	319,888,163	471,500,000	4,364,262,505	8,800	10,818,687,667
Profit for the year	-	-	-	1,709,184,685	10,744	1,709,195,429
Other comprehensive income for the year	-	-	-	1,401,652	6	1,401,658
Total comprehensive income for the year	-	-	-	1,710,586,337	10,750	1,710,597,087
Non-controlling interests of the subsidiary decrease	-	-	-	-	(8,470)	(8,470)
Appropriate statutory reserve (Note 26)	-	-	86,000,000	(86,000,000)	-	-
Dividend paid (Note 25)	-	-	-	(962,708,181)	-	(962,708,181)
Balance as at 31 December 2021	5,663,028,199	319,888,163	557,500,000	5,026,140,661	11,080	11,566,568,103
Balance as at 1 January 2022	5,663,028,199	319,888,163	557,500,000	5,026,140,661	11,080	11,566,568,103
Profit for the year	-	-	-	1,752,710,076	12,775	1,752,722,851
Other comprehensive income for the year	-	-	-	4,280,099	9	4,280,108
Total comprehensive income for the year	-	-	-	1,756,990,175	12,784	1,757,002,959
Non-controlling interests of the subsidiary decrease	-	-	-	-	(10,750)	(10,750)
Appropriate statutory reserve (Note 26)	-	-	14,500,000	(14,500,000)	-	-
Dividend paid (Note 25)	-	-	-	(962,623,964)	-	(962,623,964)
Balance as at 31 December 2022	5,663,028,199	319,888,163	572,000,000	5,806,006,872	13,114	12,360,936,348

The accompanying notes are an integral part of the financial statements

Statement of changes in shareholders' equity (Continued)

Ratchthani Leasing Public Company Limited and its subsidiary

For the year ended 31 December 2022

	Separate financial statements					(Unit: Baht)
	Issued and fully paid-up share capital	Share premium	Retained earnings		Total shareholders' equity	
			Appropriated - statutory reserve	Unappropriated		
Balance as at 1 January 2021	5,663,028,199	319,888,163	471,500,000	4,250,918,277	10,705,334,639	
Profit for the year	-	-	-	1,678,852,671	1,678,852,671	
Other comprehensive income for the year	-	-	-	1,317,031	1,317,031	
Total comprehensive income for the year	-	-	-	1,680,169,702	1,680,169,702	
Appropriate statutory reserve (Note 26)	-	-	86,000,000	(86,000,000)	-	
Dividend paid (Note 25)	-	-	-	(962,708,181)	(962,708,181)	
Balance as at 31 December 2021	5,663,028,199	319,888,163	557,500,000	4,882,379,798	11,422,796,160	
Balance as at 1 January 2022	5,663,028,199	319,888,163	557,500,000	4,882,379,798	11,422,796,160	
Profit for the year	-	-	-	1,725,717,182	1,725,717,182	
Other comprehensive income for the year	-	-	-	4,157,986	4,157,986	
Total comprehensive income for the year	-	-	-	1,729,875,168	1,729,875,168	
Appropriate statutory reserve (Note 26)	-	-	14,500,000	(14,500,000)	-	
Dividend paid (Note 25)	-	-	-	(962,623,964)	(962,623,964)	
Balance as at 31 December 2022	5,663,028,199	319,888,163	572,000,000	5,635,131,002	12,190,047,364	

The accompanying notes are an integral part of the financial statements



Cash flows statement

Ratchthani Leasing Public Company Limited and its subsidiary

For the year ended 31 December 2022

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from investing activities				
Dividend received	-	-	143,328,057	112,922,532
Cash paid for acquisition of land, building and equipment	(23,456,452)	(711,570)	(23,456,452)	(711,570)
Cash paid for investment properties	(42,074,696)	-	(42,074,696)	-
Cash paid for acquisition of intangible assets	(9,666,450)	(13,082,817)	(9,666,450)	(13,082,817)
Cash received from disposals of land, building and equipment	953,842	137,093	953,842	137,093
Cash received from the sale of investments	-	187,572	-	187,572
Net cash flows from (used in) investing activities	(74,243,756)	(13,469,722)	69,084,301	99,452,810
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	436,794,187	3,951,065,543	436,794,187	3,951,065,543
Cash received from long-term loans	151,000,000	1,993,989,995	151,000,000	1,993,989,995
Repayment for long-term loans	(601,000,000)	(5,000,000,000)	(601,000,000)	(5,000,000,000)
Repayment for long-term bills of exchange	(2,000,000,000)	-	(2,000,000,000)	-
Cash received from issuance of long-term debentures	11,632,131,537	4,491,998,417	11,632,131,537	4,491,998,417
Repayment for long-term debentures	(5,810,200,000)	(5,620,000,000)	(5,810,200,000)	(5,620,000,000)
Repayment for lease liabilities	(7,070,978)	(8,611,594)	(7,070,978)	(8,611,594)
Cash paid for dividends	(962,623,964)	(962,708,181)	(962,623,964)	(962,708,181)
Cash paid for interest	(776,297,623)	(803,578,831)	(776,297,623)	(803,578,831)
Cash paid for dividends to the non-controlling interest	(10,750)	(8,470)	-	-
Net cash flows from (used in) financing activities	2,062,722,409	(1,957,853,121)	2,062,733,159	(1,957,844,651)
Net increase (decrease) in cash and cash equivalents	174,220,571	(567,572,498)	157,645,608	(613,959,108)
Cash and cash equivalents at beginning of year	476,222,151	1,043,794,649	253,636,722	867,595,830
Cash and cash equivalents at end of year	650,442,722	476,222,151	411,282,330	253,636,722
Supplement cash flows information				
Non-cash item				
Property foreclosed received for debts settlement	912,169,931	618,692,654	912,169,931	618,692,654
Land, building and equipment received from right-of-use assets	1,160,185	-	1,160,185	-
Right-of-use assets	11,709,396	1,108,943	11,709,396	1,108,943

The accompanying notes are an integral part of the financial statements

Cash flows statement (Continued)

Ratchthani Leasing Public Company Limited and its subsidiary

For the year ended 31 December 2022

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from investing activities				
Dividend received	-	-	143,328,057	112,922,532
Cash paid for acquisition of land, building and equipment	(23,456,452)	(711,570)	(23,456,452)	(711,570)
Cash paid for investment properties	(42,074,696)	-	(42,074,696)	-
Cash paid for acquisition of intangible assets	(9,666,450)	(13,082,817)	(9,666,450)	(13,082,817)
Cash received from disposals of land, building and equipment	953,842	137,093	953,842	137,093
Cash received from the sale of investments	-	187,572	-	187,572
Net cash flows from (used in) investing activities	(74,243,756)	(13,469,722)	69,084,301	99,452,810
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	436,794,187	3,951,065,543	436,794,187	3,951,065,543
Cash received from long-term loans	151,000,000	1,993,989,995	151,000,000	1,993,989,995
Repayment for long-term loans	(601,000,000)	(5,000,000,000)	(601,000,000)	(5,000,000,000)
Repayment for long-term bills of exchange	(2,000,000,000)	-	(2,000,000,000)	-
Cash received from issuance of long-term debentures	11,632,131,537	4,491,998,417	11,632,131,537	4,491,998,417
Repayment for long-term debentures	(5,810,200,000)	(5,620,000,000)	(5,810,200,000)	(5,620,000,000)
Repayment for lease liabilities	(7,070,978)	(8,611,594)	(7,070,978)	(8,611,594)
Cash paid for dividends	(962,623,964)	(962,708,181)	(962,623,964)	(962,708,181)
Cash paid for interest	(776,297,623)	(803,578,831)	(776,297,623)	(803,578,831)
Cash paid for dividends to the non-controlling interest	(10,750)	(8,470)	-	-
Net cash flows from (used in) financing activities	2,062,722,409	(1,957,853,121)	2,062,733,159	(1,957,844,651)
Net increase (decrease) in cash and cash equivalents	174,220,571	(567,572,498)	157,645,608	(613,959,108)
Cash and cash equivalents at beginning of year	476,222,151	1,043,794,649	253,636,722	867,595,830
Cash and cash equivalents at end of year	650,442,722	476,222,151	411,282,330	253,636,722
	-	-	-	-
Supplement cash flows information				
Non-cash item				
Property foreclosed received for debts settlement	912,169,931	618,692,654	912,169,931	618,692,654
Land, building and equipment received from right-of-use assets	1,160,185	-	1,160,185	-
Right-of-use assets	11,709,396	1,108,943	11,709,396	1,108,943

The accompanying notes are an integral part of the financial statements



Notes to consolidate financial statements

Ratchthani Leasing Public Company Limited and its subsidiary

For the year ended 31 December 2022

1. Corporate information

Ratchthani Leasing Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Thanachart SPV 1 Company Limited, a limited company existing under Thai laws and the parent company of the Group is Thanachart Capital Public Company Limited, a public limited company also existing under Thai laws. The Company is principally engaged in the providing financial services specifically hire-purchase and leasing. The Company’s registered address is 77/35-36, 11 UP Floor, Sinsatorn Tower, Krungdhonburi, Klongtonsai, Klongsarn, Bangkok.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is impacting various businesses and industries. This situation could create uncertainties, and this may be impacting the operating results and cash flows in the future of the Group. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, including the cash flow management of the Group and has used estimates and judgement in respect of various issues in order to continuously assessed the impact as the situation has evolved.

2. Basis of preparation of the financial statements

2.1 Basis of preparation of the 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 dated 26 December 2019, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- (a) The consolidated financial statements include the financial statements of Ratchthani Leasing Public Company Limited and RTN Insurance Broker Company Limited (“the subsidiary”), which is domiciled in Thailand and is principally engaged in insurance brokerage. The Company holds 100% of the subsidiary’s shares.
- (b) The Company is deemed to have control over an investee or a subsidiary if it has rights, or is exposed, to variable return from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- (c) Subsidiary is fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- (d) The financial statements of the subsidiary are prepared using the same significant accounting policies as those adopted by the Company.
- (e) Material balances and significant transactions between the Company and its subsidiary have been eliminated from the consolidated financial statements.
- (f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiary that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 Separate financial statements

The Company has prepared its separate financial statements, which present investment in a subsidiary under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group’s financial statements.



3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2023

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 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, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

3.3 Accounting Guidance that became effective in the current period

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 BOT. 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 BOT makes changes with which the entities are to comply.

Under this accounting guidance, the Group may elect to adopt accounting treatments consistent with the circular of the BOT 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 Group may elect to apply the temporary relief measures relating to staging assessment and setting aside of provisions (Assistance type 1) as follows:
 - Loans that are not yet non-performing (Non-NPL) are classified as loans with no significant increase in credit risk (Performing or Stage 1), provided that the payment terms and conditions are clearly stated in the debt restructuring agreement and the debtor is considered able to comply with the debt restructuring agreement.

- Non-performing loans (NPL) are classified as performing loans or Stage 1 if the debtor is able to make payment in accordance with the debt restructuring agreement for 3 consecutive months or installments, whichever is the longer period.
 - Additional loans provided to a debtor for use as additional working capital or to increase liquidity to enable the debtor to continue its business operations during the debt restructuring are classified as performing loans or Stage 1 if the debtor is considered able to comply with the debt restructuring agreement.
 - Loans are classified as loans with significant increase in credit risk (Under-performing or Stage 2) only when principal or interest payments are more than 30 days past due or 1 month past due.
 - A new effective interest rate is applied to determine the present value of loans that have been restructured if the debt restructuring causes the existing effective interest rate to no longer reflect the estimated cash inflows from the loan.
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 Group is required to perform staging assessment and set aside provisions in accordance with the related financial reporting standards (Assistance type 2). However, the Group 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.

During the year 2022, the Group provides types 2 of assistance to debtors, then the Group has adopted the staging assessment and the setting aside of provisions in accordance with the related financial reporting standards.



4. Significant accounting policies

4.1 Financial instruments

Classification and measurement of financial assets and financial liabilities

Financial asset

The Group classifies its financial assets - debt instruments as subsequently measured at amortised cost or fair value in accordance with the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets. Financial assets measured at amortised cost only if both following conditions are met: the financial asset is held within a business model whose objective is to hold financial asset in order to collect contractual cash flows and the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially recognised at fair value on trade date and subsequently measured at amortised cost net of allowance for expected credit losses (if any)

Financial liabilities

At initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Offsetting

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.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has 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.

4.2 Revenue recognition

a) Income income

The Company recognises interest income from hire purchase/financial lease and loan receivables on an accrual basis, using the effective interest rate method, over the term of the contract with the calculation based on the gross carrying amounts of the hire purchase/financial lease and loan receivables. The effective interest rate is the discount rate that estimates future cash flows over the expected life of the financial instrument by considering the discounted or excess of the asset acquisition and fees including costs that are part of the effective interest rate.

And when the hire purchase/financial lease and loan receivables subsequently become credit-impaired, the Company recognises interest income by using the effective interest rate method, based on the net carrying amount of the receivables (gross book value net of allowance for expected credit losses). When the financial assets are no longer credit-impaired, the Company resumes using gross carrying amounts to calculated interest income.

Initial direct income/expenses at the inception of hire purchase/financial lease and loan contracts are to be deferred and amortised using the effective interest method, with amortisation deducted from interest income of the hire purchase/financial lease and loan receivables throughout the contract period, in order to reflect the effective rate of return on the contracts.

b) Fees and service income

Fees and service income are recognised on accrual basis, except for fee that were included in the calculation of effective interest rate and income from late payment fees, which are recognised when received.

c) Dividends

Dividends are recognised when the right to receive the dividends is established.



4.3 Expense recognition

a) Interest expenses

Interest expenses are charged to expenses on an accrual basis using the effective interest method.

b) Commission and expenses charged on hire purchase/financial leases/loans

Initial direct expenses at the inception of a hire purchase/financial lease/loans contract (i.e. commission expenses and stamp duty expenses) are to be 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 on hire purchase/financial leases/loans is presented net of commission expenses and initial direct costs at the inception of the contracts.

4.4 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and cash at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.5 Hire purchase/financial lease and loan receivables

Hire purchase and finance lease receivables are stated at outstanding balance, net of advances received from hire purchase and finance lease receivables. Unearned income on hire purchase/financial leases which is stated net of commissions and direct expenses incurred at the initiation of hire purchase contracts and allowance for expected credit loss are presented as deduction from hire purchase and financial lease receivables.

Loan receivables are stated at the principal amount and accrued interest receivables net of initial direct income and costs at the inception of the contracts and allowance for expected credit loan are presented as deduction from loan receivables.

4.6 Allowance for expected credit losses of financial assets

The Company applies the General Approach to calculate the expected credit losses on its financial assets, such as deposits at financial institutions, hire purchase/financial and loan receivables.

The Company classifies its financial assets into three stages (three-stage approach) to measure the value of the expected credit losses, with the classification of the financial assets determined on the basis of the change in credit risk since initial recognition as follows:

Group 1: Financial assets where there has not been a significant increase in credit risk (Performing)

For financial assets where there has not been a significant increase in credit risk since initial recognition, the Company recognises allowance for expected credit loss at an amount equal to the expected credit loss in the next 12 months. The Company will use a probability of default that corresponds to remaining maturity for financial assets with a remaining maturity of less than 12 months.

Group 2: Financial assets where there has been a significant increases in credit risk (Under-performing)

For financial assets where there has been a significant increases in credit risk since initial recognition but that are not credit-impaired, the Company recognises the allowance for expected credit loss at the amount equal to expected credit loss over the expected lifetime of the financial assets.

Group 3: Financial assets that are credit-impaired (Non-performing)

Financial assets are assessed as a credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset occur. The Company recognises allowance for expected credit losses at the amount equal to the lifetime expected credit losses of the financial assets.



At the end of the reporting period, the Company assesses whether the credit risk of financial assets has increased significantly since the initial recognition date, by comparing the risk of default on the financial assets as at reporting date with the risk of default as at the initial recognition date. The Company may use internal quantitative or qualitative indicators, and forecasts information to assess the deterioration in credit quality of financial assets such as arrears of over 30 days past due. In determining whether the credit risk has increased significantly from the date of initial recognition, financial assets will be considered either by individual contract or group of financial assets.

Receivables are considered to be credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the counterparties have occurred. Evidences that financial assets are credit-impaired, includes overdue for more than 90 days or there are indicators that debtors are in significant trouble financial position, legal status, renegotiate terms of repayment or debt restructuring.

In subsequent periods, if the credit quality of financial assets improves and it is assessed that there is no longer the significant increase in credit risk from the initial recognition date that was assessed in the previous period, the Company will change from recognising the lifetime expected credit loss to recognising the 12-month expected credit loss.

Expected credit loss is the probability-weighted estimate of credit loss over the expected lifetime of the financial asset, consider the present value of all cash expected not to be recoverable. The Company consider historical loss experience on the basis of shared credit risk characteristics, taking into account, type of collateral, month on book, and other relevant factors, adjusts this for current observable data, as well as forward looking information that is supportable and reasonable provide. It can be shown as well as exercising appropriate of judgement, to estimate the amount of an expected credit loss based on macroeconomic data and determines both current and future economic scenario, and probability-weighted in each scenario (base scenario, best scenario and worst scenario) for calculating expected credit loss. Use of forward-looking data increases the degree of judgement required in evaluating how relevant current macroeconomic changes affect expected credit loss. However, the Company has established the process to review and monitor methodologies, assumptions and forward-looking macroeconomics scenarios on a regular basis. Furthermore, expected credit loss was included management overlay.

Increase (decrease) in an allowance for expected credit loss is recognised as expenses in profit or loss in the statement of comprehensive income. The Company has a policy to write-off receivables when they are determined that such receivables may not be collectible.

4.7 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 existing financial asset is replaced with a new financial asset because the debtor is having financial problem, the Company assesses whether to derecognise the financial asset and measure allowance for expected credit losses as follows:

- If the modification of terms does not result in derecognition of the financial asset, the Company calculates the gross carrying 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 gain or loss on contract 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 on the date of derecognition. The difference between the carrying amount of the asset and the sum of the consideration received from 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) until the debtors are able to make debt payments in accordance with the restructuring plan for 3 consecutive months or periods, whichever is longer, 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).

4.8 Property foreclosed

Property foreclosed is stated at the lower of cost or net realisable value.

Gain (loss) on disposal of property foreclosed is recognised in part of profit or loss when disposal. Impairment loss of property foreclosed are recognised as expenses in part of profit or loss.



4.9 Financial Instruments - Investments

The Company classifies irrevocably its equity investments as equity instruments designated at fair value through other comprehensive income.

After initial recognition, profit or loss from changes in fair value of the financial assets designated at fair value through other comprehensive income are presented separately in other comprehensive income. And when sold, the accumulated in profit or loss from changes in fair value are recognised in retained earnings. Dividends from the investments are recognised as other income in the statement of profit or loss.

Fair value

Fair value of investments is calculated from net asset value.

4.10 Investment properties

Investment properties are measured at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight line basis over estimated useful lives of 20 years. Depreciation of the investments properties is included in determining income.

4.11 Land, building and equipment and depreciation

Land is stated at cost. Building and equipment are stated at cost less accumulated depreciation and allowance for impairment of assets (if any).

Depreciation of building and equipment is calculated with reference to their costs on the straight-line basis over the following estimated useful lives:

Condominium units	-	20 years
Building improvement	-	5 years
Furniture, fixtures and equipment	-	5 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on land and building improvement in process.

An item of land, building and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is recognised in part of profit or loss when the asset is derecognised.

4.12 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Depreciation of right-of-use assets is calculated by reference to their costs, on the straight-line basis over the shorter of the lease term and the estimated useful lives as follows:

Buildings and building improvements	3 - 6 years
Vehicles	5 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost of such asset reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.



The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

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.

4.13 Intangible assets

Intangible assets are initially measured at cost. Following the initial recognition, the intangible assets are carried at cost less accumulated amortisation and any accumulated impairment loss.

The Company and its subsidiary amortised intangible assets with finite lives on a systematic 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 expenses are recognised as expenses in part of profit or loss.

Intangible assets with finite useful lives are computer software which have useful lives of approximately 5 - 10 years.

4.14 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company and its subsidiary, whether directly or indirectly, or which are under common control with the Company and its subsidiary.

They also include individuals or enterprises which directly or indirectly own a voting interest in the Company and its subsidiary that gives them significant influence over the Company and its subsidiary, key management personnel, directors, and officers with authority in the planning and direction of the Company and its subsidiary operations.

4.15 Impairment of non-financial assets

At the end of each reporting period, the Company and its subsidiary perform impairment reviews in respect of the land, building and equipment, right of use, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.16 Employee benefits

a) Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

b) Post-employment benefits (Defined contribution plans)

The Company, its subsidiary and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiary. The fund's assets are held in a separate trust fund and the Company's and its subsidiary's contributions are recognised as expenses when incurred.

c) Post-employment benefits (Defined benefit plans)

The Company and its subsidiary have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiary treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gain and loss arising from post-employment benefits 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 and its subsidiary recognise restructuring - related costs.



4.17 Income tax

Income tax expense 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 and its subsidiary recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences 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 and its subsidiary review and reduce 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 and its subsidiary record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.18 Provisions

Provisions are recognised when the Company and its subsidiary have 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.

4.19 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 Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

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 Recognition and derecognition of assets and liabilities

In determining recognition or derecognition assets or liabilities, the management needs to make judgement whether the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

5.2 Allowance for expected credit losses

The management is required to use judgement in estimation in determining the allowance for expected credit losses for hire purchase/financial lease and loan receivables. The calculation of allowance for expected credit losses of the Group is based on the complex expected credit losses model with a series of underlying assumptions, the development of model and the assessment that there has been a significant increase in credit risk, including the choice of the forecasted macroeconomic variables used in the model. This estimation has various relevant factors; therefore, the actual results may differ from estimates.



5.3 Fair value of financial instruments

In determining the fair value of financial instruments that are not actively traded and for which quoted market prices are not readily available, the management exercise 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 and disclosures of fair value hierarchy.

5.4 Land, building and equipment and depreciation

In determining depreciation of building and equipment, the management is required to make estimates of the useful lives and residual values of the building and equipment and to review estimate useful lives and residual values when there are any changes.

5.5 Lease agreement

Determine lease term with the option to extend the lease or cancel the lease - The Group as lessee

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate - The Group as a lessee

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

5.6 Intangible assets

The initial recognition and measurement of intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the assets or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

5.7 Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the temporary differences. 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.

5.8 Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

5.9 Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgement to assess the results of the litigation and believes that no loss will result. Therefore, no contingent liabilities are recorded as at the end of reporting period.

6. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash	4,499	4,215	4,499	4,215
Bank deposits	645,944	472,007	406,783	249,422
Total	650,443	476,222	411,282	253,637

As at 31 December 2022, bank deposits in saving accounts carried interests between 0.10 and 0.70 percent per annum (2021: between 0.10 and 0.40 percent per annum).



7. Hire purchase receivables

7.1 As at 31 December 2022 and 2021, hire purchase receivables generally have terms 36 - 60 months and are payable in equal installments payment, with interest charged at fixed rates throughout the contracts. The balances of hire purchase receivables are classified by due date per the contract, as follows:

(Unit: Million Baht)

Consolidated and separate financial statements							
2022							
Amounts due under lease agreements							
	Over 1 year but Not over 1 year ⁽¹⁾	Over 2 years but not over 2 years	Over 3 years but not over 3 years	Over 4 years but not over 4 years	Over 5 years but not over 5 years	Over 5 years	Total
Hire purchase receivables	22,060,224	16,222,298	11,802,131	6,751,300	2,166,257	56,607	59,058,817
Less: unearned financial income ⁽²⁾	(2,998,212)	(1,778,327)	(912,584)	(324,950)	(51,772)	(1,093)	(6,066,938)
Present value of the minimum lease payment receivables	19,062,012	14,443,971	10,889,547	6,426,350	2,114,485	55,514	52,991,879
Less: Allowance for expected credit losses	(904,556)	(261,191)	(214,564)	(124,157)	(32,303)	(411)	(1,537,182)
Hire purchase receivables - net	18,157,456	14,182,780	10,674,983	6,302,193	2,082,182	55,103	51,454,697

⁽¹⁾ The current portion of hire purchase receivables included receivables that are credit-impaired.

⁽²⁾ Presented net of deferred initial direct costs of hire-purchase.

(Unit: Million Baht)

Consolidated and separate financial statements							
2021							
Amounts due under lease agreements							
	Over 1 year but Not over 1 year ⁽¹⁾	Over 2 years but not over 2 years	Over 3 years but not over 3 years	Over 4 years but not over 4 years	Over 5 years but not over 5 years	Over 5 years	Total
Hire purchase receivables	21,676,281	15,245,383	9,999,941	5,565,335	1,659,795	28,316	54,175,051
Less: unearned financial income ⁽²⁾	(2,667,173)	(1,576,602)	(779,869)	(266,561)	(42,536)	(391)	(5,333,132)
Present value of the minimum lease payment receivables	19,009,108	13,668,781	9,220,072	5,298,774	1,617,259	27,925	48,841,919
Less: Allowance for expected credit losses	(1,023,832)	(210,433)	(143,954)	(73,679)	(17,774)	(755)	(1,470,427)
Hire purchase receivables - net	17,985,276	13,458,348	9,076,118	5,225,095	1,599,485	27,170	47,371,492

⁽¹⁾ The current portion of hire purchase receivables included receivables that are credit-impaired.

⁽²⁾ Presented net of deferred initial direct costs of hire-purchase.

The Company has entered into scheme to provides assistance to hire purchase receivables who impacted by the Covid-19 pandemic. As at 31 December 2022, 2.43 percent of hire purchase receivables of that the Company were still participating in the scheme. The Company has applied the Accounting Guidance on “Guidelines regarding the Provision of Financial Assistance to Debtors Affected by COVID-19.” by making staging assessment and setting aside provisions in accordance with the related financial reporting standards, whereby under-performing loans are to be classified as performing loans if debtors are able to make payments in accordance with debt restructuring agreements for 3 consecutive months or installments, whichever is the longer period, and for receivables with credit impairment (NPL) are to be classified as performing loans if debtors are able to make payments in accordance with debt restructuring agreements for 12 consecutive months or installments, whichever is the longer period.

7.2 As at 31 December 2022 and 2021, the balances of hire purchase receivables are classified by credit risk and allowance for expected credit loss as follows:

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	2022	
	Accounts receivable -	
	net of unearned financial income	Allowance for expected credit loss
Hire purchase receivables where there has not been a significant increase in credit risk (Performing)	45,539,652	287,497
Hire purchase receivables where there has been a significant increase in credit risk (Under-performing)	6,124,961	845,046
Hire purchase receivables that are credit impaired (Non-performing)	1,327,266	404,639
Total	52,991,879	1,537,182



(Unit: Thousand Baht)

Consolidated and separate financial statements		
2021		
Accounts receivable -		
	net of unearned financial income	Allowance for expected credit loss
Hire purchase receivables where there has not been a significant increase in credit risk (Performing)	41,923,360	240,378
Hire purchase receivables where there has been a significant increase in credit risk (Under-performing)	5,079,375	689,252
Hire purchase receivables that are credit impaired (Non-performing)	1,839,184	540,797
Total	48,841,919	1,470,427

8. Financial lease receivables

8.1 As at 31 December 2022 and 2021, the average contract period of the Company's financial lease receivables are 36 - 60 installments and equally installment payment with interest charged at the fixed rate as specified in the contracts. The balances of financial lease receivables are classified by period due as follows:

(Unit: Million Baht)

Consolidated and separate financial statements							
2022							
Amounts due under lease agreements							
	Not over 1 year ⁽¹⁾	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
Financial lease receivables	225,941	136,169	85,107	42,803	15,129	61	505,210
Less: unearned financial income ⁽²⁾	(25,008)	(12,889)	(6,162)	(2,133)	(378)	-	(46,570)
Present value of the minimum lease payment receivables	200,933	123,280	78,945	40,670	14,751	61	458,640
Less: Allowance for expected credit losses	(19,785)	(48)	(30)	(16)	(6)	-	(19,885)
Financial lease receivables - net	181,148	123,232	78,915	40,654	14,745	61	438,755

⁽¹⁾ The current portion of financial lease receivables included receivables that are credit-impaired.

⁽²⁾ Presented net of deferred initial direct costs of hire-purchase.

(Unit: Million Baht)

Consolidated and separate financial statements						
2021						
Amounts due under lease agreements						
	Over 1 year but not over 1 year ⁽¹⁾	Over 2 years but not over 2 years	Over 3 years but not over 3 years	Over 4 years but not over 4 years	Over 5 years but not over 5 years	Over 5 years Total
Financial lease receivables	264,580	182,306	102,252	49,815	12,138	- 611,091
Less: unearned financial income ⁽²⁾	(31,612)	(15,890)	(7,012)	(2,261)	(259)	- (57,034)
Present value of the minimum lease payment receivables	232,968	166,416	95,240	47,554	11,879	- 554,057
Less: Allowance for expected credit losses	(14,435)	(43)	(25)	(12)	(3)	- (14,518)
Financial lease receivables - net	218,533	166,373	95,215	47,542	11,876	- 539,539

⁽¹⁾ The current portion of financial lease receivables included receivables that are credit-impaired.⁽²⁾ Presented net of deferred initial direct costs of hire-purchase.

8.2 As at 31 December 2022 and 2021, the balances of financial lease receivables are classified by credit risk and allowance for expected credit loss as follows:

(Unit: Thousand Baht)

Consolidated and separate financial statements		
2022		
Accounts receivable -		
	net of unearned financial income	Allowance for expected credit loss
Finance lease receivables where there has not been a significant increase in credit risk (Performing)	435,290	177
Finance lease receivables where there has been a significant increase in credit risk (Under - performing)	3,642	-
Finance lease receivables that are credit-impaired (Non - performing)	19,708	19,708
Total	458,640	19,885



(Unit: Thousand Baht)

Consolidated and separate financial statements		
2021		
	Accounts receivable - net of unearned financial income	Allowance for expected credit loss
Finance lease receivables where there has not been a significant increase in credit risk (Performing)	525,476	143
Finance lease receivables where there has been a significant increase in credit risk (Under - performing)	4,379	-
Finance lease receivables that are credit-impaired (Non - performing)	24,202	14,375
Total	554,057	14,518

9. Loan receivables

9.1 As at 31 December 2022, the balances of loan receivables are classified by period due per the contracts, as follows:

(Unit: Thousand Baht)			
Consolidated and separate financial statements			
2022			
	Amounts due Not over 1 year	Amounts due Over 1 year	Total
Loan receivables	152,758	55,216	207,974
Add: unearned financial costs ⁽¹⁾	64	68	132
Add: Accrued interest receivables	954	-	954
Total loan and accrued interest receivables	153,776	55,284	209,060
Less: Allowance for expected credit loss	(727)	(687)	(1,414)
Loan receivables - net	153,049	54,597	207,646

⁽¹⁾ Presented net of deferred initial direct incomes of loan receivables

9.2 As at 31 December 2022, the balances of loan receivables are classified by credit risk and allowance for expected credit loss as follows:

(Unit: Thousand Baht)		
Consolidated and separate financial statements		
2022		
Accounts receivable -		
	net of unearned financial costs	Allowance for expected credit loss
Loan receivables without a significant increase in credit risk (Performing)	206,087	1,033
Loan receivables with a significant increase in credit risk (Under-performing)	2,973	381
Loan receivables that are credit impaired (Non-performing)	-	-
Total	209,060	1,414

10. Asset quality

As at 31 December 2022 and 2021, hire purchase receivable and financial lease receivables weak financial positions and poor operating results, as follows:

	Consolidated and separate financial statements							
							Allowance for expected credit loss provided in the accounts	
	Number of debtors		Debt balances		Collateral value			
	2022	2021	2022	2021	2022	2021	2022	2021
			Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
1. Non - listed companies with similar operating results and financial position to listed companies possible to delisting from the SET	7	9	1	5	-	-	1	5
2. Companies which have debt repayment problems or have defaulted on the repayment	343	488	683	958	-	-	207	285



11. Investment in subsidiary

Investments in subsidiary as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost	
	2022	2021	2022	2021	2022	2021
			(percent)	(percent)		
RTN Insurance Broker Company Limited	4,000	4,000	100	100	4,000	4,000

For the year ended 31 December 2022 and 2021, dividend income are totaling Baht 143 million and Baht 113 million, respectively.

12. Allowance for expected credit losses

Movements of allowance for expected credit losses (ECL) for the year ended 31 December 2022 and 2021 are as follows:

(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
Hire purchase receivables and financial lease receivables				
Beginning balance	240,521	689,252	555,172	1,484,945
Changes due to changes in stages	139,065	(81,677)	(57,388)	-
Changes due to re-measurement of allowance for credit losses	(240,557)	(57,565)	495,023	196,901
New financial assets purchased or acquired	148,645	295,036	96,304	539,985
Transfer to other assets	-	-	(385,312)	(385,312)
Less: bad debts written-off	-	-	(279,452)	(279,452)
Ending balance	287,674	845,046	424,347	1,557,067
Loan receivables				
Beginning balance	-	-	-	-
New financial assets purchased or acquired	1,033	381	-	1,414
Ending balance	1,033	381	-	1,414
Other non-current assets				
Beginning balance	135	420	1,032,975	1,033,530
Changes due to re-measurement of allowance for credit losses	17	94	(146,803)	(146,692)
Transfer from hire purchase and financial lease receivables	-	-	385,312	385,312
Less: bad debts written-off	-	-	(42,061)	(42,061)
Ending balance	152	514	1,229,423	1,230,089

(Unit: Thousand Baht)

For the year ended 31 December 2021				
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
Hire purchase receivables and financial lease receivables				
Beginning balance	183,248	642,729	402,275	1,228,252
Changes due to changes in stages	85,951	(119,831)	33,880	-
Changes due to re-measurement of allowance for credit losses	(137,899)	11,635	572,310	446,046
New financial assets purchased or acquired	109,221	154,719	44,999	308,939
Transfer to other assets	-	-	(264,620)	(264,620)
Less: bad debts written-off	-	-	(233,672)	(233,672)
Ending balance	240,521	689,252	555,172	1,484,945
Other non-current assets				
Beginning balance	137	629	940,493	941,259
Changes due to re-measurement of allowance for credit losses	(2)	(209)	(141,521)	(141,732)
Transfer from hire purchase and financial lease receivables	-	-	264,620	264,620
Less: bad debts written-off	-	-	(30,617)	(30,617)
Ending balance	135	420	1,032,975	1,033,530



13. Property foreclosed

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	For the year ended 31 December 2022			
	Balance - beginning of the year	Additions	Disposals	Balance - end of the year
Cost	136,259	912,170	(679,241)	369,188
Less: Allowance for impairment	(37,942)	(93,227)	-	(131,169)
Net	98,317	818,943	(679,241)	238,019

(Unit: Thousand Baht)

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	For the year ended 31 December 2021			
	Balance - beginning of the year	Additions	Disposals	Balance - end of the year
Cost	102,125	651,405	(617,271)	136,259
Less: Allowance for impairment	(34,818)	(3,124)	-	(37,942)
Net	67,307	648,281	(617,271)	98,317

14. Investment properties

The net book value of investment properties as at 31 December 2022 and 2021 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	Land awaiting sales	office building for rent	Total	Land awaiting sales	office building for rent	Total
Cost						
1 January 2022	19,326	-	19,326	19,326	-	19,326
Additions	-	42,075	42,075	-	42,075	42,075
Transfer from property, plant and equipment	6,092	-	6,092	6,092	9,597	15,689
31 December 2022	25,418	42,075	67,493	25,418	51,672	77,090
Accumulated depreciation:						
1 January 2022	-	-	-	-	-	-
Depreciation for the year	-	1,078	1,078	-	1,558	1,558
Transfer from property, plant and equipment	-	-	-	-	2,884	2,884
31 December 2022	-	1,078	1,078	-	4,442	4,442
Net book value:						
31 December 2022	25,418	40,997	66,415	25,418	47,230	72,648

	(Unit: Thousand Baht)					
	Consolidated financial statements			Separate financial statements		
	Land	office		Land	office	
	awaiting	building for		awaiting	building for	
	sales	rent	Total	sales	rent	Total
Cost						
1 January 2021	19,326	-	19,326	19,326	-	19,326
Additions	-	-	-	-	-	-
31 December 2021	19,326	-	19,326	19,326	-	19,326
Accumulated depreciation:						
1 January 2021	-	-	-	-	-	-
Depreciation for the year	-	-	-	-	-	-
31 December 2021	-	-	-	-	-	-
Net book value:						
31 December 2021	19,326	-	19,326	19,326	-	19,326

The additional information of the investment properties as at 31 December 2022 and 2021 stated below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
The fair value	86,940	38,638	96,921	38,638

During the year 2022, the Group recognised rent income related to investment properties amount of Baht 1 million in the part of profit or loss (Separate: Baht 1 million).



15. Land, building and equipment

(Unit: Thousand Baht)

Consolidated financial statement							
For the year ended 31 December 2022							
	Land	Condominium units	Building improvement	Furniture, fixtures and equipment	Motor vehicles	Building improvement in process	Total
Cost							
1 January 2022	5,890	94,215	29,312	47,695	11,438	202	188,752
Additions	-	14,516	-	1,618	6,500	823	23,457
Disposals/written off	-	-	-	(296)	(5,762)	-	(6,058)
Transferred in (out)	202	-	-	-	-	(202)	-
Transferred to investment properties	(6,092)	-	-	-	-	-	(6,092)
Transferred from right-of-use assets	-	-	-	-	12,168	-	12,168
31 December 2022	-	108,731	29,312	49,017	24,344	823	212,227
Accumulated depreciation							
1 January 2022	-	42,975	28,775	38,644	11,363	-	121,757
Depreciation for the year	-	5,082	301	3,191	1,201	-	9,775
Disposals/written off	-	-	-	(291)	(5,762)	-	(6,053)
Transferred from right-of-use assets	-	-	-	-	11,008	-	11,008
31 December 2022	-	48,057	29,076	41,544	17,810	-	136,487
Net book value							
31 December 2022	-	60,674	236	7,473	6,534	823	75,740
Depreciation for the year							9,775

(Unit: Thousand Baht)

Consolidated financial statement							
For the year ended 31 December 2021							
	Land	Condominium units	Building improvement	Furniture, fixtures and equipment	Motor vehicles	Building improvement in process	Total
Cost							
1 January 2021	5,890	94,215	29,281	50,876	7,731	202	188,195
Additions	-	-	31	680	-	-	711
Disposals/written off	-	-	-	(3,861)	-	-	(3,861)
Transferred from right-of-use assets	-	-	-	-	3,707	-	3,707
31 December 2021	5,890	94,215	29,312	47,695	11,438	202	188,752
Accumulated depreciation							
1 January 2021	-	38,264	24,784	37,326	7,630	-	108,004
Depreciation for the year	-	4,711	3,991	5,172	417	-	14,291
Disposals/written off	-	-	-	(3,854)	-	-	(3,854)
Transferred from right-of-use assets	-	-	-	-	3,316	-	3,316
31 December 2021	-	42,975	28,775	38,644	11,363	-	121,757
Net book value							
31 December 2021	5,890	51,240	537	9,051	75	202	66,995
Depreciation for the year							14,291

(Unit: Thousand Baht)

Separate financial statement							
For the year ended 31 December 2022							
	Land	Condominium units	Building improvement	Furniture, fixtures and equipment	Motor vehicles	Building improvement in process	Total
Cost							
1 January 2022	5,890	94,215	29,312	46,112	11,438	202	187,169
Additions	-	14,516	-	1,618	6,500	823	23,457
Disposals/written off	-	-	-	(296)	(5,762)	-	(6,058)
Transferred in (out)	202	-	-	-	-	(202)	-
Transferred to investment properties	(6,092)	(9,597)	-	-	-	-	(15,689)
Transferred from right-of-use assets	-	-	-	-	12,168	-	12,168
31 December 2022	-	99,134	29,312	47,434	24,344	823	201,047
Accumulated depreciation							
1 January 2022	-	42,975	28,775	37,715	11,363	-	120,828
Depreciation for the year	-	4,602	301	2,874	1,201	-	8,978
Disposals/written off	-	-	-	(291)	(5,762)	-	(6,053)
Transferred to investment properties	-	(2,884)	-	-	-	-	(2,884)
Transferred from right-of-use assets	-	-	-	-	11,008	-	11,008
31 December 2022	-	44,693	29,076	40,298	17,810	-	131,877
Net book value							
31 December 2022	-	54,441	236	7,136	6,534	823	69,170
Depreciation for the year							8,978

(Unit: Thousand Baht)

Separate financial statement							
For the year ended 31 December 2021							
	Land	Condominium units	Building improvement	Furniture, fixtures and equipment	Motor vehicles	Building improvement in process	Total
Cost							
1 January 2021	5,890	94,215	29,281	49,293	7,731	202	186,612
Additions	-	-	31	680	-	-	711
Disposals/written off	-	-	-	(3,861)	-	-	(3,861)
Transferred from right-of-use assets	-	-	-	-	3,707	-	3,707
31 December 2021	5,890	94,215	29,312	46,112	11,438	202	187,169
Accumulated depreciation							
1 January 2021	-	38,264	24,784	36,713	7,630	-	107,391
Depreciation for the year	-	4,711	3,991	4,856	417	-	13,975
Disposals/written off	-	-	-	(3,854)	-	-	(3,854)
Transferred from right-of-use assets	-	-	-	-	3,316	-	3,316
31 December 2021	-	42,975	28,775	37,715	11,363	-	120,828
Net book value							
31 December 2021	5,890	51,240	537	8,397	75	202	66,341
Depreciation for the year							13,975

As at 31 December 2022, certain building improvement, equipment and motor vehicles items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 74 million (2021: Baht 69 million).



deducting accumulated depreciation of those assets amounted to approximately Baht 74 million (2021: Baht 69 million).

16. Leases

The Group as lessee

The Group enters into lease agreements for use in its operation. The contracts periods are between 3 - 6 years.

16.1 Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	Consolidated and separate financial statements		
	For the year ended 31 December 2022		
	Buildings and building improvements	Motor vehicles	Total
1 January 2021	13,354	7,032	20,386
New contracts	1,109	-	1,109
Contract termination	-	(391)	(391)
Depreciation for the year	(4,894)	(3,386)	(8,280)
31 December 2021	9,569	3,255	12,824
New contracts	6,546	5,879	12,425
Contract termination	(1,443)	(1,160)	(2,603)
Depreciation for the year	(4,948)	(1,242)	(6,190)
31 December 2022	9,724	6,732	16,456

16.2 Lease liabilities

(Unit: Thousand Baht)

	Consolidated and separate financial statement	
	2022	2021
Lease payments	17,240	12,663
Less: Deferred interest expenses	(1,139)	(425)
Total	16,101	12,238
Less: Portion due within one year	(5,953)	(5,433)
Lease liabilities - net of current portion	10,148	6,805

A maturity analysis of lease payments is disclosed in Note 33.3 to consolidated financial statement.

Movements of the lease liability account during the years ended 31 December 2022 and 2021 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated and separate financial statement	
	2022	2021
Balance at beginning of year	12,238	19,741
Additions	11,709	1,109
Accretion of interest	350	458
Repayments	(6,619)	(9,070)
Other	(1,577)	-
Balance at end of year	16,101	12,238

16.3 Expenses relation to leases that are recognised in profit or loss

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	For the year ended 31 December	
	2022	2021
Depreciation of expenses right-of-use assets	6,190	8,280
Interest expenses on lease liabilities	350	458
Expenses relating to leases of low - value assets	1,154	1,489

16.4 Others

The Group had total cash outflows for leases for the year ended 31 December 2022 of Baht 8 million (2021: Baht 11 million) (the Company only: Baht 8 million, 2021 Baht 11 million) including cashflows relating to leases of low-value assets.

17. Intangible assets

The intangible assets are computer software which presented below.

	(Unit: Thousand Baht)			
	Consolidated financial statement			
	For the year ended 31 December 2022			
	Balance - beginning of the year	Additions	Amortised	Balance - end of the year
Cost	71,746	9,666	-	81,412
Less: Accumulated amortisation	(39,945)	-	(8,243)	(48,188)
Net book value	31,801	9,666	(8,243)	33,224
Amortisation for the year				8,243



(Unit: Thousand Baht)

Consolidated financial statement					
For the year ended 31 December 2021					
	Remaining useful lives	Balance - beginning of the year	Additions	Amortised	Balance - end of the year
Cost	0 - 5 year	58,663	13,083	-	71,746
Less: Accumulated amortisation		(35,678)	-	(4,267)	(39,945)
Net book value		22,985	13,083	(4,267)	31,801
Amortisation for the year					4,267

(Unit: Thousand Baht)

Separate financial statement					
For the year ended 31 December 2022					
	Remaining useful lives	Balance - beginning of the year	Additions	Amortised	Balance - end of the year
Cost	0 - 5 year	71,413	9,666	-	81,079
Less: Accumulated amortisation		(39,751)	-	(8,176)	(47,927)
Net book value		31,662	9,666	(8,176)	33,152
Amortisation for the year					8,176

(Unit: Thousand Baht)

Separate financial statement					
For the year ended 31 December 2021					
	Remaining useful lives	Balance - beginning of the year	Additions	Amortised	Balance - end of the year
Cost	0 - 5 year	58,330	13,083	-	71,413
Less: Accumulated amortisation		(35,551)	-	(4,200)	(39,751)
Net book value		22,779	13,083	(4,200)	31,662
Amortisation for the year					4,200

As at 31 December 2022, certain intangible assets have been fully amortised but are still in use. The gross carrying amount before deducting accumulated amortisation of those assets amounted to approximately Baht 34 million (2021: Baht 31 million).

18. Deferred tax assets/income tax expenses

18.1 Deferred tax assets

As at 31 December 2022 and 2021, the components of deferred tax assets and deferred tax liabilities are as follows:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2022	2021	2022	2021
Deferred tax assets				
Allowance for expected credit loss	557,449	503,369	557,449	503,369
Allowance for impairment - properties foreclosed	26,234	7,588	26,234	7,588
Provision for long-term employee benefits	6,216	6,587	6,082	6,451
Others	-	6	-	6
Total	589,899	517,550	589,765	517,414
Deferred tax liabilities				
Deferred initial direct costs of hire-purchase	91,177	78,188	91,177	78,188
Deferred fees/expenses on borrowings	5,712	4,944	5,712	4,944
Difference of financial lease income	2,919	959	2,919	959
Difference in income for accounting and tax purposes	10,131	11,872	10,131	11,872
Total	135	-	135	-
Deferred tax assets - net	110,074	95,963	110,074	95,963
	479,825	421,587	479,691	421,451



18.2 Income tax expenses

Income tax expenses for the years ended 31 December 2022 and 2021 are made up as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2022	2021	2022	2021
Current income tax:				
Current income tax charge for the year	499,450	500,442	456,761	464,546
Adjustment in respect of income tax from previous year	(3,749)	5,514	(3,749)	5,514
Adjustment in previous year corporate income tax payable decrease	-	(26,014)	-	(26,014)
Deferred tax:				
Relating to origination and reversal of temporary differences	(59,308)	(72,390)	(59,279)	(72,351)
Adjustment in deferred tax assets decrease	-	26,014	-	26,014
Income tax expenses reported in the statements of comprehensive income	436,393	433,566	393,733	397,709

The amount of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows:

	Consolidated financial		(Unit: Thousand Baht)	
	statements		Separate financial	
	2022	2021	2022	2021
Deferred tax relating to actuarial gain	1,070	350	1,039	329

Reconciliation between income tax expenses and the product of accounting profits multiplied by the applicable tax rate for the years ended 31 December 2022 and 2021 are as follows:

	Consolidated financial		(Unit: Thousand Baht)	
	statements		Separate financial	
	2022	2021	2022	2021
Accounting profits before tax	2,189,115	2,142,762	2,119,450	2,076,562
Applicable tax rate	20%	20%	20%	20%
Income tax at the applicable tax rate	437,823	428,552	423,890	415,312
Adjustment in respect of income tax from previous year	(3,749)	5,514	(3,749)	5,514
Tax effect of non-deductible income/ expenses	2,319	(500)	(26,408)	(23,117)
Income tax expenses reported in the statements of comprehensive income	436,393	433,566	393,733	397,709

19. Other non-current assets

As at 31 December 2022, the Group has hire purchase receivables that the court has issued judgements in favour of the Group and of which collection is being pursued amounted to Baht 1,211 million (2021: Baht 1,019 million). The Group presents such receivables under other non-current assets in the financial statements and set aside full allowance for estimated credit loss without deducting collateral value.

20. Short-term loans from financial institutions

(Unit: Thousand Baht)			
Consolidated and separate financial statements			
	Interest rate	2022	2021
Related party			
Short-term loan - Promissory notes	Fixed	-	700,000
		-	700,000
Unrelated party			
Short-term loan - Promissory notes	Fixed	1,000,000	500,000
Bills of exchange	Fixed	8,941,342	8,202,667
Total		9,941,342	8,702,667

Short-term loans in the form of promissory notes have maturities as stipulated in each of the note. Interest is payable monthly. The relevant agreements contain certain terms and conditions, such as a requirement to maintain a debt to equity ratio of not more than 10:1. In addition, the Company had loans in the form of bills of exchange with maturities as stipulated on each of the bill.

As at 31 December 2022, the short-term credit facilities with its related party and unrelated parties which have not yet been drawn down amounted to Baht 4,840 million. (2021: Baht 5,040 million)

21. Other payables

(Unit: Thousand Baht)			
Consolidated financial statements		Separate financial statements	
	2022	2021	
Payables for car purchase	161,054	214,177	161,054 214,177
Other payables - insurance premium payable	61,341	73,694	4,700 2,655
Accrued expenses	41,597	40,159	40,612 39,265
Other payables	11,432	4,630	11,493 4,694
Total other payables	275,424	332,660	217,859 260,791



22. Long-term loans

(Unit: Thousand Baht)		
Consolidated and separate financial statements		
	2022	2021
a) A long-term credit facility from a commercial bank amounting to Baht 450 million, repayable in full within 3 years from the drawdown date, with interest at fixed rate per annum and payable monthly.	-	450,000
b) Long-term loans in the form of promissory notes	201,000	201,000
c) Bill of exchange	-	1,984,273
d) A long-term credit facility from a commercial bank amounting to Baht 3,000 million, repayable in full within 4 years from the drawdown date, with interest at fixed rate per annum and payable monthly.	2,000,000	2,000,000
Total	2,201,000	4,635,273
Less: Deferred loans issuing costs	(3,741)	(5,638)
Long-term loans	2,197,259	4,629,635
Less: Current portion due within one year	(50,000)	(2,584,877)
Long-term loans - net of current portion	2,147,259	2,044,758

The outstanding loan agreements require the Company to comply with certain terms and conditions as specified in each agreement, including maintenance of a debt to equity ratio of not more than 10:1 and maintaining the shareholding proportion.

Movements in the long-term loans account during the years ended 31 December 2022 and 2021 are summarised below.

(Unit : Thousand Baht)		
Consolidated and separate financial statements		
	2022	2021
Balance as at the beginning of the year	4,635,273	7,591,455
Add: Loans drawdown during the year	151,000	2,000,000
Less: Loans repayment during the year	(2,585,273)	(4,956,182)
Balance as at the end of the year	2,201,000	4,635,273

23. Debentures

The Company issued registered, unsecured, unsubordinated debentures as follows:

Year of issuance	Debenture period	Maturity date	Interest rate (% p.a.)	(Unit: Thousand Baht) Consolidated and separate financial statements	
				2022	2021
2019	2 - 3 years	January 2022 - October 2022	2.94 - 3.30	-	5,620,200
2019	3 - 4 years	July 2022 - July 2023	3.10 - 3.40	486,300	676,300
2019	5 years	July 2024	3.50	593,700	593,700
2020	2 - 3 years	February 2023	2.65	2,200,000	2,200,000
2020	3 - 4 years	November 2023	3.20	3,439,000	3,439,000
2020	4 - 5 years	February 2024 - May 2025	2.80 - 3.40	3,593,000	3,593,000
2020	6 years	April 2026	3.50	700,000	700,000
2020	7 years	April 2027	3.70	1,300,000	1,300,000
2021	3 years	June 2024	2.00	3,000,000	3,000,000
2021	4 years	July 2025	2.35	1,500,000	1,500,000
2022	2 - 3 years	September 2024 - January 2025	1.78 - 2.88	4,442,975	-
2022	3 - 4 years	December 2025 - September 2026	2.46 - 3.60	7,208,346	-
Total				28,463,321	22,622,200
Less: Deferred debentures issuing costs				(24,815)	(19,082)
Debentures				28,438,506	22,603,118
Less: Current portion due within one year				(6,123,237)	(5,808,776)
Debentures - net of current portion				22,315,269	16,794,342

The Company has to comply with certain terms and conditions, such as maintenance of a debt to equity ratio of not more than 10:1 throughout the life of the debentures.



24. Provision for long-term employee benefits

Provision for long-term employee benefits which is compensations on employees' retirement, was as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2022	2021	2022	2021
Beginning balance of provision for				
long-term employee benefits	32,833	41,857	32,256	41,269
Recognised in profit or loss:				
Current service cost ⁽¹⁾	3,573	3,812	3,500	3,731
Interest cost ⁽¹⁾	1,063	909	1,044	896
Recognised in other				
comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumption				
changes	(2,378)	(1,218)	(2,320)	(1,176)
Financial assumption changes	(3,102)	(3,651)	(3,016)	(3,551)
Experience adjustments	129	3,117	139	3,080
Benefit paid during the year	(1,191)	(11,993)	(1,191)	(11,993)
Ending balance of provision for				
long-term employee benefits	30,927	32,833	30,412	32,256

⁽¹⁾ Long-term employee benefit expenses recognised in selling and administrative expenses.

As at 31 December 2022, the weighted average duration for payment long-term employee benefits of the Company is 19 years, (2021: 19 years) and the Company expects to pay long-term employee benefits within next 1 year amounting to Baht 7 million (2021: Baht 3 million).

Key actuarial assumptions at the valuation date are as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Discount rate	3.45	2.92	3.45	2.92
Future salary increase rate	4.58	4.89	4.58	4.89
(dependent on age of employee)				
Staff turnover rate	0 - 7	0 - 7	0 - 7	0 - 7
(dependent on age of employee)				

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

Consolidated and separate financial statements						
2022						
Discount rate		Salary incremental rate		Turnover rate		
Increased	Decreased	Increased	Decreased	Increased	Decreased	
by 0.5%	by 0.5%	by 0.5%	by 0.5%	by 0.5%	by 0.5%	
Increase (decrease) in						
provisions for long-term						
employee benefits						
	(1,499)	1,650	1,538	(1,415)	(3,076)	3,695

(Unit: Thousand Baht)

Consolidated and separate financial statements						
2021						
Discount rate		Salary incremental rate		Turnover rate		
Increased	Decreased	Increased	Decreased	Increased	Decreased	
by 0.5%	by 0.5%	by 0.5%	by 0.5%	by 0.5%	by 0.5%	
Increase (decrease) in						
provisions for long-term						
employee benefits						
	(1,592)	1,752	1,633	(1,502)	(3,266)	(3,923)

25. Dividend

On 8 April 2021, the Annual General Meeting of shareholders passed the resolution to pay a dividend payment to the shareholders from net profit for 2020, consisting of a cash dividend of Baht 0.17 per share or a total dividend payment of Baht 963 million. The Company paid the dividend to the shareholders on 27 April 2021.

On 5 April 2022, the Annual General Meeting of shareholders passed the resolution to pay a dividend payment to the shareholders from net profit for 2021, consisting of a cash dividend of Baht 0.17 per share or a total dividend payment of Baht 963 million. The Company paid the dividend to the shareholders on 27 April 2022.



26. Statutory reserve

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.

During the year 2022, the Company allocated net profit as statutory reserve amount of Baht 15 million.

27. Expenses by nature

Significant expenses by nature are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	For the years ended		financial statements	
	31 December		For the years ended	
	2022	2021	2022	2021
Expected credit loss	555,110	585,900	555,110	585,900
Salary and wages and other employee benefits	325,313	297,960	287,578	279,649
Bank charges and service fee expenses	38,153	43,559	37,304	42,429
Impairment loss on property foreclosed	93,227	3,124	93,227	3,124
Depreciation and amortisation	25,286	26,838	24,902	26,455
Legal fees	152,687	88,125	152,687	88,125

28. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended		For the years ended	
	31 December		31 December	
	2022	2021	2022	2021
Weighted average number of ordinary shares (Thousand shares)	5,663,028	5,663,028	5,663,028	5,663,028
Profit for the year (Thousand Baht)	1,752,710	1,709,185	1,725,717	1,678,853
Earnings per share (Baht per share)	0.31	0.30	0.30	0.30

29. Financial information classified by operating segment

The Company's principal operations involve a single operating segment in financial service business and the subsidiary has single operating segment which is insurance brokerage business. The chief operating decision maker reviews the operating results of each segment separately in order to make decisions on the allocation of resources to each operating segment and to assess performance. The Company and its subsidiaries measure segment performance based on net income generated by each segment.

The following tables present revenue, profit and segment assets information regarding the Company's and its subsidiary's operating segments for the years ended 31 December 2022 and 2021.

(Unit: Thousand Baht)

	Consolidated financial statement			
	For the year ended 31 December 2022			
	Financial service business	Insurance brokerage business	Eliminate transactions	Total
Revenue from external customers				
Hire purchase interest income	3,469,073	-	-	3,469,073
Financial lease interest income	33,494	-	-	33,494
Loan receivables interest income	8,318	-	-	8,318
Fees and service income	214,160	254,499	-	468,659
Dividend income	143,328	-	(143,328)	-
Other income	464,797	2,190	(3,144)	463,843
Total revenues	4,333,170	256,689	(146,472)	4,443,387
Selling expenses	(107,972)	-	-	(107,972)
Impairment loss on property foreclosed	(93,227)	-	-	(93,227)
Depreciation and amortisation	(24,902)	(866)	482	(25,286)
Administrative expenses	(506,979)	(42,830)	2,662	(547,147)
Allowance for expected credit loss	(555,110)	-	-	(555,110)
Finance cost	(925,530)	-	-	(925,530)
Profit before income tax	2,119,450	212,993	(143,328)	2,189,115
Income tax expenses	(393,733)	(42,659)	-	(436,392)
Profit for the year	1,725,717	170,334	(143,328)	1,752,723



(Unit: Thousand Baht)

Consolidated financial statement				
For the year ended 31 December 2021				
	Financial	Insurance	Eliminate	
	service business	brokerage business	transactions	Total
Revenue from external customers				
Hire purchase interest income	3,384,916	-	-	3,384,916
Financial lease interest income	45,333	-	-	45,333
Fees and service income	178,612	200,924	-	379,536
Dividend income	112,923	-	(112,923)	-
Other income	417,394	2,325	(3,013)	416,706
Total revenues	4,139,178	203,249	(115,936)	4,226,491
Selling expenses	(100,365)	-	-	(100,365)
Impairment loss on property foreclosed	(3,124)	-	-	(3,124)
Depreciation and amortisation	(26,455)	(865)	482	(26,838)
Administrative expenses	(433,560)	(23,271)	2,541	(454,290)
Allowance for expected credit loss	(585,900)	-	-	(585,900)
Finance cost	(913,213)	-	-	(913,213)
Profit before income tax	2,076,561	179,113	(112,913)	2,142,761
Income tax expenses	(397,709)	(35,857)	-	(433,566)
Profit for the year	1,678,852	143,256	(112,913)	1,709,195

Total assets information regarding the Company's and its subsidiary's operating segments as at 31 December 2022 and 2021 is as follows:

(Unit: Thousand Baht)

Consolidated financial statement				
31 December 2022				
	Financial	Insurance		
	service	brokerage	Eliminate	
	business	business	transactions	Total
Assets	53,659,276	255,038	(5,058)	53,909,256

(Unit: Thousand Baht)

Consolidated financial statement				
31 December 2021				
	Financial	Insurance		
	service	brokerage	Eliminate	
	business	business	transactions	Total
Assets	48,988,030	240,964	(5,539)	49,223,455

30. Provident fund

The Company and its subsidiary 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 5 - 15 percent of basic salary and the Company contribute to the fund monthly at the rate of 5 percent of basic salary. The provident fund is managed by Thanachart Fund Management Company Limited, which will be paid to employees upon termination in accordance with the fund rules. The contributed for the year 2022 amounting to approximately Baht 7 million (the Company only: Baht 6 million) (2021: Baht 7 million in consolidated and separate financial statements) were recognised as expenses.

31. Related party transactions

During the years, the Company and its subsidiary had significant business transactions with related parties. Such transactions arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties. List of related parties and transactions are summarized below.

Name of related parties	Relationship with the Company
Thanachart Capital Public Co., Ltd.	The parent company of the Group
RTN Insurance Broker Co., Ltd.	Subsidiary
Baan Rock Garden Plc.	Have common director and shareholder
Thanachart Insurance Plc.	Affiliated company
T life Assurance Plc.	Affiliated company
(Changed name from MBK life Assurance Plc. since 6 July2021)	
Thanachart Securities Plc.	Affiliated company
Thanachart Bank Plc.	Have common shareholder (related party until 4 July 2021)
TMBThanachart Bank Plc. ⁽¹⁾	Have common shareholder
(Changed name from TMB Bank Plc. since 12 May 2021)	

⁽¹⁾ On 5 July 2021, TMBThanachart Bank Public Company Limited and Thanachart Bank Public Company Limited were merged as TMBThanachart Bank Public Company Limited.



(Unit: Thousand Baht)					
	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	2022	2021	2022	2021	
(For the year 2022 and 2021)					
Transactions with related parties					
The parent company of the					
Group - Thanachart Capital					
Public Co., Ltd.					
Interest expenses	3,284	8,215	3,284	8,215	As stipulated in agreements and prospector
Service fee expenses	1,500	1,200	1,500	1,200	As stipulated in agreements
Subsidiary - RTN Insurance					
Broker Co., Ltd.					
Rental income	-	-	720	720	As stipulated in agreements
Service income	-	-	2,424	2,292	As mutually agreed
Dividend income	-	-	143,328	112,923	As declared rate
Related company					
Interest income - Thanachart bank Plc.	-	2,617	-	2,617	The same rates as charged to general customers
Interest income -TMBThanachart bank Plc.	2,844	1,696	2,844	1,696	The same rates as charged to general customers
Interest expenses - Thanachart Insurance Plc.	4,872	6,232	4,872	6,232	As stipulated in prospectus
Interest expenses - T life Assurance Plc.	5,882	1,790	5,882	1,790	As stipulated in prospectus
Interest expenses - Thanachart bank Plc.	-	2,384	-	2,384	As stipulated in agreements and prospectus
Interest expenses - TMB Thanachart bank Plc.	62,280	24,592	62,280	24,592	As stipulated in agreements and prospectus
Service fee expenses - Thanachart Securities Plc.	798	785	798	785	As mutually agreed
Fee expenses - Thanachart bank Plc.	-	2,988	-	2,988	As stipulated in agreements
Fee expenses - TMBThanachart bank Plc.	4,190	2,137	4,190	2,137	As stipulated in agreements
Insurance expenses - Thanachart Insurance Plc.	16	-	16	-	As stipulated in agreements
Service fee expenses - Thanachart bank Plc.	-	1,379	-	1,379	As stipulated in agreements
Service fee expenses-TMBThanachart bank Plc.	-	1,485	-	1,485	As stipulated in agreements

As at 31 December 2022 and 2021, the balances of the accounts between the Company and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash and cash equivalents - cash at bank				
TMBThanachart bank Plc.	561,073	375,781	329,456	163,162
Other assets - Advance expense				
Thanachart Insurance Plc.	42	-	42	-
Investment in subsidiary				
RTN Insurance Broker Co., Ltd.	-	-	4,000	4,000
Short-term loans from financial institutions				
TMBThanachart bank Plc.	-	700,000	-	700,000
Long-term loans				
TMBThanachart bank Plc.	2,000,000	2,000,000	2,000,000	2,000,000
Debentures				
Thanachart Capital Plc.	-	243,000	-	243,000
Thanachart Insurance Plc.	260,835	-	260,835	-
T life insurance Plc.	200,000	-	200,000	-
Other payables				
RTN Insurance Broker Co., Ltd.	-	-	93	93
Accrued interest				
Thanachart Capital Plc.	-	1,878	-	1,878
Thanachart Insurance Plc.	1,285	-	1,285	-
T life insurance Plc.	1,016	-	1,016	-
TMBThanachart Bank Plc.	263	301	263	301



Movements of loans from related persons and related parties during the years are as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	For the year ended 31 December 2022			
	Balance beginning of the year	Increase	Decrease	Balance end of the year
<u>Short-term loans from financial institutions</u>				
TMBThanachart Bank Plc.	700,000	1,800,000	(2,500,000)	-
<u>Long-term loans</u>				
TMBThanachart Bank Plc.	2,000,000	-	-	2,000,000
<u>Long-term debentures</u>				
Thanachart Capital Plc.	243,000	-	(243,000)	-
Thanachart Insurance Plc.	-	290,000	(20,000)	270,000
T life insurance Plc.	-	443,000	(243,000)	200,000

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	For the year ended 31 December 2021			
	Balance beginning of the year	Increase	Decrease	Balance end of the year
<u>Short-term loans from financial institutions</u>				
Thanachart Bank Plc.	1,000,000	3,000,000	(4,000,000)	-
TMBThanachart Bank Plc.	-	700,000	-	700,000
<u>Long-term loans</u>				
TMBThanachart Bank Plc.	-	2,000,000	-	2,000,000
<u>Long-term debentures</u>				
Thanachart Capital Plc.	243,000	-	-	243,000
Thanachart Insurance Plc.	455,000	-	(455,000)	-
T life insurance Plc.	120,000	-	(120,000)	-

Directors and management's benefits

During the years ended 31 December 2022 and 2021, the Company and its subsidiary had employee benefit expenses payable to their directors and management as below:

	(Unit: Thousand Baht)	
	Consolidated and separate	
	financial statements	
	2022	2021
Short-term employee benefits	57,939	56,076
Post-employment benefits	199	689
Total	58,138	56,765

32. Commitments and contingent liabilities

32.1 Long-term service commitments

As at 31 December 2022, the Company has commitments in respect of the agreements appointing debenture trustees and a debenture holder representatives, whereby fees payable in the future are as follows:

	(Unit: Thousand Baht)
	Consolidated and separate
	financial statements
	2022
Payable within	265
Less than 1 year	354
1 to 5 years	

32.2 Litigation

As at 31 December 2022, the Company is being sued as defendant or co-defendant in lawsuits with claims totaling Baht 7 million which final judgement has not yet been rendered. However, the management of the Company has exercised judgement to assess the outcome of the litigation and is confident that the Company will not incur any significant losses. Therefore, no contingent liability has been recognised.



33. Risk management

The Company's and its subsidiary's financial instruments, as defined under TAS 32 "Financial Instruments: Presentation", principally comprise cash and cash equivalents, hire purchase financial lease and loan receivables, other payables and debentures. The financial risks associated with these financial instruments and how they are managed is described below.

33.1 Credit risk

The Company is exposed to credit risk primarily with respect to hire purchase/financial lease and loan receivables. The Company manage 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 large customer base. The maximum exposure to credit risk is limited to the carrying value of loans and receivables before less allowance for expected credit loss as stated in the statements of financial position.

Credit Risk Guidelines

The Company and its subsidiary manage credit risk by the means of careful consideration of credit approval process, analysis of risk factors and the ability to service debt of customers, and a credit review process, which examines and reviews the quality of the loan portfolio so as to prevent and provide a remedy for problem loans in the future.

The maximum exposure to credit risk

The table below shows the maximum exposure to credit risk for recognised and unrecognised financial instruments. The maximum exposure is shown gross carrying amounts before both the effect of mitigation through use of master netting and collateral arrangements.

For financial assets recognised on the statement of financial position, the maximum exposure to credit risk equals their gross carrying amounts before deducting allowance for expected credit losses.

As at 31 December 2022 and 2021, the maximum exposure to credit risk are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statement		financial statement	
	2022	2021	2022	2021
Cash and cash equivalents	650	476	411	254
Hire purchase and financial lease receivables	53,450	49,396	53,450	49,396
Loan receivables	209	-	209	-
Total maximum exposure to credit risk	54,309	49,872	54,070	49,650

Credit quality analysis

Credit risk refers to the risk that a customer or a counterparty will default on its contractual obligations resulting in a financial loss to the Company. The Company has adopted the policy to manage this risk by performing credit analysis from customers' information and follow-up on customer status consistently.

The table below shows the credit quality of financial assets exposed to credit risk. The amounts presented for financial assets are gross carrying amount (before deducting allowance for expected credit losses). The explanation of expected credit losses for 12-month, lifetime and credit impaired are described in Note 4.6 to the financial statements.

(Unit: Million Baht)

	Consolidated financial statement			
	2022			
	Financial assets where there has not been a significant increase in credit risk (12-month 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
Cash and cash equivalents				
Investment grade	650	-	-	650
Total	650	-	-	650
<u>Less</u> Allowance for expected credit losses	-	-	-	-
Net book value	650	-	-	650
Hire purchase and financial lease receivables				
Not overdue	39,759	33	-	39,792
Overdue 1 - 30 days	6,216	59	-	6,275
Overdue 31 - 60 days	-	4,415	-	4,415
Overdue 61 - 90 days	-	1,621	-	1,621
Overdue more than 90 days	-	-	1,347	1,347
Total	45,975	6,128	1,347	53,450
<u>Less</u> Allowance for expected credit losses	(288)	(845)	(424)	(1,557)
Net book value	45,687	5,283	923	51,893
Loan receivables				
Not overdue	189	-	-	189
Overdue 1 - 30 days	17	-	-	17
Overdue 31 - 60 days	-	1	-	1
Overdue 61 - 90 days	-	2	-	2
Total	206	3	-	209
<u>Less</u> Allowance for expected credit losses	(1)	-	-	(1)
Net book value	205	3	-	208



(Unit: Million Baht)

Consolidated financial statement			
2021			
	Financial assets where there has not been a significant increase in credit risk (12-month 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
Cash and cash equivalents			
Investment grade	476	-	-
Total	476	-	-
<u>Less</u> Allowance for expected credit losses	-	-	-
Net book value	476	-	-
Hire purchase and financial lease receivables			
Not overdue	37,195	196	-
Overdue 1 - 30 days	5,254	86	-
Overdue 31 - 60 days	-	3,415	-
Overdue 61 - 90 days	-	1,387	-
Overdue more than 90 days	-	-	1,863
Total	42,449	5,084	1,863
<u>Less</u> Allowance for expected credit losses	(241)	(689)	(555)
Net book value	42,208	4,395	1,308

(Unit: Million Baht)

Separate financial statement				
2022				
	Financial assets where there has not been a significant increase in credit risk (12-month 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
Cash and cash equivalents				
Investment grade	411	-	-	411
Total	411	-	-	411
<u>Less</u> Allowance for expected credit losses	-	-	-	-
Net book value	411	-	-	411
Hire purchase and financial lease receivables				
Not overdue	39,759	33	-	39,792
Overdue 1 - 30 days	6,216	59	-	6,275
Overdue 31 - 60 days	-	4,415	-	4,415
Overdue 61 - 90 days	-	1,621	-	1,621
Overdue more than 90 days	-	-	1,347	1,347
Total	45,975	6,128	1,347	53,450
<u>Less</u> Allowance for expected credit losses	(288)	(845)	(424)	(1,557)
Net book value	45,687	5,283	923	51,893
Loan receivables				
Not overdue	189	-	-	189
Overdue 1 - 30 days	17	-	-	17
Overdue 31 - 60 days	-	1	-	1
Overdue 61 - 90 days	-	2	-	2
Total	206	3	-	209
<u>Less</u> Allowance for expected credit losses	(1)	-	-	(1)
Net book value	205	3	-	208



(Unit: Million Baht)

	Separate financial statement			
	2021			
	Financial assets where there has not been a significant increase in credit risk (12-month 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
Cash and cash equivalents				
Investment grade	254	-	-	254
Total	254	-	-	254
<u>Less</u> Allowance for expected credit losses	-	-	-	-
Net book value	254	-	-	254
Hire purchase and financial lease receivables				
Not overdue	37,195	196	-	37,391
Overdue 1 - 30 days	5,254	86	-	5,340
Overdue 31 - 60 days	-	3,415	-	3,415
Overdue 61 - 90 days	-	1,387	-	1,387
Overdue more than 90 days	-	-	1,863	1,863
Total	42,449	5,084	1,863	49,396
<u>Less</u> Allowance for expected credit losses	(241)	(689)	(555)	(1,485)
Net book value	42,208	4,395	1,308	47,911

Collateral and any operations to increase creditability

The Company and its subsidiary has held collateral and any operations to increase creditability of exposure to credit risk. The details of the collateral held by the Company and its subsidiary for each type of financial assets are as follows:

(Unit: Million Baht)

	Consolidated financial statements		
	Exposure to credit risk with collateral		
	2022	2021	Type of major collateral
Hire purchase and financial lease receivables	53,450	49,396	Cars
Loan receivables	209	-	Cars

33.2 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 and its subsidiary. As the Company and its subsidiary has no foreign currency transactions and has a small amount invested in securities, market risk consists of only interest rate risk.

Interest rate risk is the risk that the value of financial instrument will fluctuate as a result of changes in market interest rates.

Interest rate Risk Guidelines

The Company and its subsidiary manages the changes in interest rate risk by means of an appropriate structuring of holdings in assets and liabilities with different repricing dates, taking into account the direction of market interest rates, in order to generate a suitable yield while maintaining risk at acceptable levels.

Significant financial assets and liabilities, as at 31 December 2022 and 2021, 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: Million Baht)

	Consolidated financial statement					
	2022					
	Fixed interest rates					
	Repricing or maturity date			Floating	Non-	
Transactions	Within	1 - 5	Over	interest	interest	Total
	1 year	years	5 years	rate	bearing	
<u>Financial assets</u>						
Cash and cash equivalents	-	-	-	650	-	650
Hire purchase receivables	2,259	49,852	881	-	-	52,992
Financial lease receivables ⁽¹⁾	49	395	3	-	12	459
Loan receivables	132	77	-	-	-	209
Other assets ⁽²⁾	-	-	-	-	1,211	1,211
<u>Financial liabilities</u>						
Short-term loans from financial institutions	9,941	-	-	-	-	9,941
Other payables	-	-	-	-	222	222
Lease liabilities	6	10	-	-	-	16
Long-term loans	50	2,147	-	-	-	2,197
Debentures	6,123	22,315	-	-	-	28,438

⁽¹⁾ The outstanding balances of financial lease receivable that are non-interest bearing are financial lease receivables that the count has issued judgements in favor of the Company and of which collection is being pursued.

⁽²⁾ The outstanding balances of other assets that are non-interest bearing are hire purchase receivables that the count has issued judgements in favor of the Company and of which collection is being pursued.



(Unit: Million Baht)

Consolidated financial statement						
2021						
Transactions	Fixed interest rates			Floating interest rate	Non-interest bearing	Total
	Repricing or maturity date					
	Within 1 year	1 - 5 years	Over 5 years			
Financial assets						
Cash and cash equivalents	-	-	-	468	8	476
Hire purchase receivables	2,327	45,702	813	-	-	48,842
Financial lease receivables ⁽¹⁾	40	506	-	-	8	554
Other assets ⁽²⁾	-	-	-	-	1,019	1,019
Financial liabilities						
Short-term loans from financial institutions	9,403	-	-	-	-	9,403
Other payables	-	-	-	-	289	289
Lease liabilities	5	7	-	-	-	12
Long-term loans	2,585	2,045	-	-	-	4,630
Debentures	5,809	16,794	-	-	-	22,603

⁽¹⁾ The outstanding balances of financial lease receivable that are non-interest bearing are financial lease receivables that the count has issued judgements in favor of the Company and of which collection is being pursued.

⁽²⁾ The outstanding balances of other assets that are non-interest bearing are hire purchase receivables that the count has issued judgements in favor of the Company and of which collection is being pursued.

(Unit: Million Baht)

Separate financial statement						
2022						
Transactions	Fixed interest rates			Floating interest rate	Non-interest bearing	Total
	Repricing or maturity date					
	Within 1 year	1 - 5 years	Over 5 years			
<u>Financial assets</u>						
Cash and cash equivalents	-	-	-	433	(22)	411
Hire purchase receivables	2,259	49,852	881	-	-	52,992
Financial lease receivables ⁽¹⁾	49	395	3	-	12	459
Loans to customers	132	77	-	-	-	209
Other assets ⁽²⁾	-	-	-	-	1,211	1,211
<u>Financial liabilities</u>						
Short-term loans from financial institutions	9,941	-	-	-	-	9,941
Other payables	-	-	-	-	166	166
Lease liabilities	6	10	-	-	-	16
Long-term loans	50	2,147	-	-	-	2,197
Debentures	6,123	22,315	-	-	-	28,438

⁽¹⁾ The outstanding balances of financial lease receivable that are non-interest bearing are financial lease receivables that the count has issued judgements in favor of the Company and of which collection is being pursued.

⁽²⁾ The outstanding balances of other assets that are non-interest bearing are hire purchase receivables that the count has issued judgements in favor of the Company and of which collection is being pursued.

(Unit: Million Baht)

	Separate financial statement					
	2021					
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total
	Repricing or maturity date					
Transactions	Within 1 year	1 - 5 years	Over 5 years			
<u>Financial assets</u>						
Cash and cash equivalents	-	-	-	254	-	254
Hire purchase receivables	2,327	45,702	813	-	-	48,842
Financial lease receivables ⁽¹⁾	40	506	-	-	8	554
Other assets ⁽²⁾	-	-	-	-	1,019	1,019
<u>Financial liabilities</u>						
Short-term loans from financial institutions	9,403	-	-	-	-	9,403
Other payables	-	-	-	-	217	217
Lease liabilities	5	7	-	-	-	12
Long-term loans	2,585	2,045	-	-	-	4,630
Debentures	5,809	16,794	-	-	-	22,603

⁽¹⁾ The outstanding balances of financial lease receivable that are non-interest bearing are financial lease receivables that the court has issued judgements in favor of the Company and of which collection is being pursued.

⁽²⁾ The outstanding balances of other assets that are non-interest bearing are hire purchase receivables that the court has issued judgements in favor of the Company and of which collection is being pursued.

Analysis of the effect of changes in interest rate

Analysis of the effect of changes in interest rate shows the effect of possible changes in interest rates on the statement of comprehensive income and equity of the Company and its subsidiary when other variables are fixed. However, most of the financial assets and financial liabilities as at the end of the reporting period of the Company and its subsidiary bear fixed interest rates. Sensitivity to changes in interest rates therefore does not have any material impact on the financial statements.

33.3 Liquidity risk

Liquidity risk is the risk that the Company and its subsidiary 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.

Liquidity Risk Guidelines

The Company and its subsidiary manages liquidity risk by means of appropriate structuring of short-term and long-term sources of capital. In addition, the Company and its subsidiary has a policy to maintain liquidity to ensure that it has sufficient liquidity to meet both present and future requirements.



Counting from the statement of financial position date, the periods to maturity of financial instruments held as at 31 December 2022 and 2021 are as follows:

(Unit: Million Baht)

Transactions	Consolidated financial statement				
	2022				
	At call	Less than 1 year	Over 1 year	No specific maturity	Total
<u>Financial assets</u>					
Cash and cash equivalents	650	-	-	-	650
Hire purchase receivables ⁽¹⁾	-	17,735	33,930	1,327	52,992
Financial lease receivables ⁽¹⁾	-	181	258	20	459
Loan receivables	-	154	55	-	209
Other assets ⁽²⁾	-	-	-	1,211	1,211
<u>Financial liabilities</u>					
Short-term loans from financial institutions	-	9,941	-	-	9,941
Other payables	-	222	-	-	222
Lease liabilities	-	6	10	-	16
Long-term loans	-	50	2,147	-	2,197
Debentures	-	6,123	22,315	-	28,438

⁽¹⁾ The outstanding balances of hire purchase and financial lease receivables which have no specific maturity dates include credit impaired loans.

⁽²⁾ The outstanding balances of other assets which have no specific maturity dates are hire purchase receivables that the count has issued judgements in favor of the Company and of which collection is being pursued.

(Unit: Million Baht)

Transactions	Consolidated financial statement				
	2021				
	At call	Less than 1 year	Over 1 year	No specific maturity	Total
<u>Financial assets</u>					
Cash and cash equivalents	476	-	-	-	476
Hire purchase receivables ⁽¹⁾	-	17,170	29,833	1,839	48,842
Financial lease receivables ⁽¹⁾	-	209	321	24	554
Other assets ⁽²⁾	-	-	-	1,019	1,019
<u>Financial liabilities</u>					
Short-term loans from financial institutions	700	8,703	-	-	9,403
Other payables	-	289	-	-	289
Lease liabilities	-	5	7	-	12
Long-term loans	-	2,585	2,045	-	4,630
Debentures	-	5,809	16,794	-	22,603

⁽¹⁾ The outstanding balances of hire purchase and financial lease receivables which have no specific maturity dates include credit impaired loans.

⁽²⁾ The outstanding balances of other assets which have no specific maturity dates are hire purchase receivables that the count has issued judgements in favor of the Company and of which collection is being pursued.

(Unit: Million Baht)

Separate financial statement					
2022					
Transactions	At call	Less than 1 year	Over 1 year	No specific maturity	Total
Financial assets					
Cash and cash equivalents	411	-	-	-	411
Hire purchase receivables ⁽¹⁾	-	17,735	33,930	1,327	52,992
Financial lease receivables ⁽¹⁾	-	181	258	20	459
Loan receivables	-	154	55	-	209
Investment in subsidiary	-	-	-	4	4
Other assets ⁽²⁾	-	-	-	1,211	1,211
Financial liabilities					
Short-term loans from financial institutions	-	9,941	-	-	9,941
Other payables	-	166	-	-	166
Lease liabilities	-	6	10	-	16
Long-term loans	-	50	2,147	-	2,197
Debentures	-	6,123	22,315	-	28,438

⁽¹⁾ The outstanding balances of hire purchase and financial lease receivables which have no specific maturity dates include credit impaired loans.

⁽²⁾ The outstanding balances of other assets which have no specific maturity dates are hire purchase receivables that the count has issued judgements in favor of the Company and of which collection is being pursued.

(Unit: Million Baht)

Separate financial statement					
2021					
Transactions	At call	Less than 1 year	Over 1 year	No specific maturity	Total
Financial assets					
Cash and cash equivalents	254	-	-	-	254
Hire purchase receivables ⁽¹⁾	-	17,170	29,833	1,839	48,842
Financial lease receivables ⁽¹⁾	-	209	321	24	554
Investment in subsidiary	-	-	-	4	4
Other assets ⁽²⁾	-	-	-	1,019	1,019
Financial liabilities					
Short-term loans from financial institutions	700	8,703	-	-	9,403
Other payables	-	217	-	-	217
Lease liabilities	-	5	7	-	12
Long-term loans	-	2,585	2,045	-	4,630
Debentures	-	5,809	16,794	-	22,603

⁽¹⁾ The outstanding balances of hire purchase and financial lease receivables which have no specific maturity dates include credit impaired loans.

⁽²⁾ The outstanding balances of other assets which have no specific maturity dates are hire purchase receivables that the count has issued judgements in favor of the Company and of which collection is being pursued.



33.4 Fair value

As at 31 December 2022 and 2021, the Company and its subsidiary had no assets and liabilities that were measured at fair value. However, the Company and its subsidiary had assets and liabilities that were measured at cost for which fair value are disclosed using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statement				
	2022				
	Book	Fair value			
	value	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed					
Cash and cash equivalents	650	650	-	-	650
Hire purchase receivables	51,455	-	-	50,929	50,929
Financial lease receivables	439	-	-	438	438
Loan receivables	208	-	-	210	210
Investment properties	66	-	-	87	87
Liabilities for which fair value are disclosed					
Short-term loans from financial institutions	9,941	-	9,941	-	9,941
Other payables	222	-	222	-	222
Lease liabilities	16	-	16	-	16
Long-term loans	2,197	-	2,183	-	2,183
Debentures	28,438	-	28,541	-	28,541

(Unit: Million Baht)

	Consolidated financial statement				
	2021				
	Book	Fair value			
	value	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed					
Cash and cash equivalents	476	476	-	-	476
Hire purchase receivables	47,371	-	-	46,840	46,840
Financial lease receivables	540	-	-	529	529
Investment properties	19	-	-	38	38
Liabilities for which fair value are disclosed					
Short-term loans from financial institutions	9,403	-	9,403	-	9,403
Other payables	289	-	289	-	289
Lease liabilities	12	-	12	-	12
Long-term loans	4,630	-	4,642	-	4,642
Debentures	22,603	-	22,973	-	22,973

(Unit: Million Baht)

	Separate financial statement				
	2022				
	Book	Fair value			
	value	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed					
Cash and cash equivalents	411	411	-	-	411
Hire purchase receivables	51,455	-	-	50,929	50,929
Financial lease receivables	439	-	-	438	438
Loan receivables	208	-	-	210	210
Investment properties	73	-	-	97	97
Liabilities for which fair value are disclosed					
Short-term loans from financial institutions	9,941	-	9,941	-	9,941
Other payables	166	-	166	-	166
Lease liabilities	16	-	16	-	16
Long-term loans	2,197	-	2,183	-	2,183
Debentures	28,438	-	28,541	-	28,541

(Unit: Million Baht)

	Separate financial statement				
	2021				
	Book	Fair value			
	value	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed					
Cash and cash equivalents	254	254	-	-	254
Hire purchase receivables	47,371	-	-	46,840	46,840
Financial lease receivables	540	-	-	529	529
Investment properties	19	-	-	38	38
Liabilities for which fair value are disclosed					
Short-term loans from financial institutions	9,403	-	9,403	-	9,403
Other payables	217	-	217	-	217
Lease liabilities	12	-	12	-	12
Long-term loans	4,630	-	4,642	-	4,642
Debentures	22,603	-	22,973	-	22,973

Fair value hierarchy for financial assets and liabilities are presented according to notes 4.19 to the financial statements.



The methods and assumptions used by the Company and its subsidiary in estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, short-term loans and other payables, their carrying amounts in the statement of financial position approximate their fair value.
- b) For hire purchase and financial lease receivables, and loan receivable, their fair value is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions.
- c) For debentures, long-term loans and liabilities under hire purchase and financial lease payables carrying fixed interest, their fair value has been determined by discounting expected future cash flow by the current market interest rate of loans with similar terms and conditions.
- d) Fair value of investment properties has been determined based on market price performed by an independent valuer.

34. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure and preserves the ability to continue its business as a going concern.

As at 31 December 2022, the Company and its subsidiary's debt-to-equity ratio was 3.36 (2021: 3.26).

35. Reclassification of accounts

The Group reclassified certain accounts in the statements of comprehensive income for the year 2021, for comparative purposes, to be consistent with the current period's accounting classification. These reclassifications do not have any impact on previously reported profit or equity.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	Reclassified	Previously reported	Reclassified	Previously reported
Selling expense	100,365	182,500	100,365	182,500
Administrative expense	484,252	402,117	463,138	381,003

36. Event after the reporting period

On 15 February 2023, a meeting of the Company's Board of Directors passed a resolution to propose the following to the Annual General Meeting of shareholders for approval dividend payment to the shareholders from net profit for 2022, consisting of a cash dividend of Baht 0.17 per share or a total dividend payment of Baht 962.71 million.

37. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 15 February 2023.





Attachment



Report of the Audit Committee

Report of the Executive Committee

Report of the Risk Management Committee

Report of the Nomination, Remuneration and Governance Committee

Details of the Board of Directors, Executives, Controlling Persons
and Company Secretary

Details of the Head of Internal Audit and Head of Compliance

Details of the Directors of Subsidiary

Report on Changes in Shareholding of the Company's Directors and Executives

Scope of Reporting and GRI Index



Report of the Audit Committee

The Audit Committee of Ratchaburi Lignite Company Limited (Public Company Limited) has been appointed by the Company's Board of Directors, consisting of independent directors who are qualified, knowledgeable, and experienced enough to perform the duties of examining the reliability of financial statements, with a total of five members, including Dr. Thokorn Nanthirapakorn as the Chairman of the Audit Committee, Mr. Suvit Arunanondchai, Mr. Varavudh Varaporn, Mrs. Naree Boontharawara, Ph.D., and Mr. Surapol Satimanont as Member of the Audit Committee.

All members of the Audit Committee are not executives or employees of the Company and possess qualifications as required by the regulations of the Stock Exchange of Thailand and the Office of Securities and Exchange Commission. The Audit Committee has been assigned to supervise and review the Company's information related to the financial report and financial information disclosure, internal control system and regulatory practices in compliance with the relevant regulatory agencies. The Audit Committee also has a duty to promote the Company's good corporate governance.

In 2022, the Audit Committee held 4 meetings (average of 100% of the directors attended) with the certified auditor, the Company's internal auditor, management and executives from relevant departments to consider and review the financial statements, connected transactions, listen to the explanation and give suggestion beneficial to the accuracy, completion and reliability of financial reports including the efficiency improvement of the internal control. The resolutions of each meeting shall be summarized to the Board of Directors on the significant issues for acknowledgement and undertaking for improvement. The implementation of the Audit Committee is mainly summarized as follows:

The Accuracy, Completion and Reliability of Financial Reports

The Audit Committee reviewed the quarterly and annual financial statements of the Company by consulting with the auditor and management of finance and accounting department. To ensure that the financial statements had been conducted in accordance with General Accepted Accounting Principles, with correct key information and adequate, accurate, reliable information disclosure. In addition, the committee observed and acknowledged the solution approach beneficial to the Company. Besides, the Audit Committee arranged the meetings with the auditor, excluding the participation of the management, to consider on the independence of the auditor in performing his duties and expressing his opinion. In addition, the auditor has reported significant issues from the audit to the Audit Committee.

The Sufficiency and Examination of Internal Control System

The Audit Committee reviewed the internal control system to ensure the Company has good and efficient internal control system including anti-corruption control system. To consider on such system, the committee monitored the internal control system together with the independent internal auditor on the planning and approval of the annual audit plan, including the sufficiency and suitability of employees, and independence in conducting the internal audit. The Audit Committee followed up on the performance and corrective actions according to the audit report on any significant issues continuously. This shall lead to good internal control system, efficient risk management, and good corporate governance.

Compliance with Regulations, Laws or Other Relevant Requirements

The Audit Committee has reviewed the operation of the Company in accordance with the rules and regulations of the Office of Securities and Exchange Commission and the Stock Exchange of Thailand including the laws or other requirements relevant to the Company's business to ensure that the Company has complied with such regulations completely.

Risk Management

In the previous year, the Audit Committee reviewed the Company's various aspects of the risk management, considered and proposed the risk factors which had significant effects on the Company's operations and business plan to the Board of Directors.

Auditor

The Audit Committee selected, nominated for appointment and proposed the auditor remuneration of 2021. The Audit Committee considered qualification, independence, performance and appropriate remuneration rate for auditor and proposed to the Board of Directors before further proposing to the shareholder's meetings.

Related Transactions or Transaction with Conflict of Interest

The Audit Committee considered and examined the related transactions, or transactions with conflict of interest by considering the necessity, reasonability, transparency, information disclosure, including other requirements received from the Company before proposing to the Board of Directors for such transactions approval.

Audit Committee Charter Review

The Audit Committee has considered and reviewed the Audit Committee Charter regularly at least once a year to ensure that the Audit Committee's operations were efficient and updated.

The Audit Committee considered and agreed that the Company has prepared the reports and disclosed the accurate financial information properly, adequately and in accordance with the generally accepted accounting principles. The internal control system and the examination of internal control system were effective, adequate, and appropriately organized. The risk management was efficient. The Company's operations were in compliance with the relevant regulations strictly. The auditor was supported to perform his/her duties on expressing an opinion on the financial reports independently. In addition, the connected transactions and any conflicts of interest were undertaken with transparency, reasonability and sufficient disclosure.



(Mr. Thakol Nunthirapakorn, Ph.D.)

Chairman of the Audit Committee





Report of the Executive Committee

The Board of Directors appointed the Executive Committee, which consists of 4 members as follows Mr.Kovit Rongwattanasophon as the Chairman of the Executive Committee, Mr.Virat Chinprapinporn, Mr.Somjate Moosirilert and Mr.Kamtorn Tantisirivat as Member of the Executive Committee.

In 2022, the Executive Committee held 12 meetings (average of 100% of the directors attended) to consider, execute and manage the important issues of the Company to ensure the compliance with the Company's objectives, regulations, resolution of shareholder meetings and resolution approved by the Board of Directors, under the legal and regulation requirement of the official agencies and the related regulatory agencies. Those issues were considered, examined and screened before being proposed to the Board of Directors as follow:

- Defined the annual strategies and operational plans of the Company and subsidiaries for the year, and communicated to the executives and employees of the organization for further practices. Monitored the result and adjusted the strategies to suite the situation and to be in compliance with the preset objectives.
 - Examined and followed up on the performance of the Company and subsidiaries every month to ensure the achievement of the plans and as assigned by the Board of Directors.
 - Approved the risk management guidelines, scope of decision making authority and the business continuity management of the Company.
 - Considered the direction to define the employee's remuneration.
- Performed other duties as assigned from the Board of Directors and reported to the Board of Directors for acknowledgement or further consideration.

In the year 2565, the Thai economy has shown signs of recovery from the impact of the COVID-19 pandemic, particularly in the private consumption and tourism sectors. As the situation begins to ease and the country fully reopens, economic activities have visibly improved. However, despite this progress, the Thai economy continues to face numerous challenges, both domestic and international, that require preparation and adaptability. The Executive Committee has closely monitored and assessed the situation, ensuring that the company operates under the changing economic conditions with vigilance. The board has fulfilled their duty with great care, ensuring that the company achieves its objectives in accordance with laws, regulations, and related standards. This also includes upholding good corporate governance principles, which will ultimately foster the company's sustainable growth and success.

(Mr. Kovit Rongwattanasophon)

Chairman of the Executive Committee



Report of the Risk Management Committee

The Board of Directors appointed and assigned the Executive Board to act as the Risk Management Committee, as another role, which consists of 4 members as follows Mr.Kovit Rongwattanasophon as the Chairman of the Risk Management Committee, Mr.Virat Chinprapinporn, Mr.Somjate Moosirilert and Mr.Kamtorn Tantisirivat as Member of the Risk Management Committee. In 2022, the Risk Management Committee held 12 meetings (average of 100% of the directors attended) summarizing the performance of risk management as follows:

1. Strategic Risk Management managed the overview of risk management to be in accordance with the Risk Management Policy and the Company's business operation plan by assessing the internal and external factors of the organization, which could have significantly effect on the Company's business operation, via the Strategic Risk Index.

2. Credit risk management involves monitoring and tracking the repayment behavior of debtors and setting up provisions for expected credit losses. This is done through various reporting formats to prevent vulnerable debtors from becoming low-quality debtors in the future.

3. Market Risk Management considered the short-term and long-term interest rate management plans to be in line with the trend of money market condition, capital market, economic factors, and the Company's business operations in order to manage risks from the interest rate fluctuation which could have effect on the Company's net interest income.

4. Liquidity Risk Management considered the financing plan, the financial structure management, the cash inflow and cash outflow management in short term and long term, including the provision of reserve credit lines for liquidity risk management by taking the costs and financial stability into account as key important factors.

5. Operational Risk Management monitored the business continuity management and the pandemic situation management, including the consideration of Operational Loss Data Report to analyze causes, impacts and measures to prevent the potential situation in the future.

Due to economic challenges after recovery from Corona Virus 2019 pandemic, inflations, and domestic household debts, the Risk Management Committee has closely been monitoring the situation and managing risks of all dimensions so that the Company can conduct business appropriately, efficiently, and can achieve targets under such circumstances which will result in the stable performance and continuous growth of business.

(Mr. Kovit Rongwattanasophon)

Chairman of the Risk Management Committee





Report of the Nomination, Remuneration and Corporate Governance Committee

The Board of Directors meeting no. 6/2022 had resolution to change the name of the Nomination and Remuneration Committee to the Nomination, Remuneration and Corporate Governance Committee. The committee's assignment included corporate governance and sustainability of business. The committee consists of 3 directors.

1. Mr. Suvit Arunanondchai (Independent Director) as Chairman of the Committee
2. Mr. Varavudh Varaporn (Independent Director) as Member of the Committee
3. Mr. Somjate Moosirilert (Non-executive Director) as Member of the Committee

The Nomination, Remuneration and Corporate Governance Committee has performed their duties fully and carefully under the policy and charter of the Nomination and Remuneration Committee which were considered and approved by the Board of Directors.

In 2022, the Nomination, Remuneration and Corporate Governance Committee held 3 meetings (average of 100% of the directors attended) to consider the nomination and remuneration issues to propose to the Board of Directors for approval as summarized below:

- Consider and nominate the qualified persons for the Company Director positions according to the nomination criteria and process which the consideration on the knowledge and experience that in accordance with the company's strategies and goals are not inconsistent with the law and the transparency regulation.
- Assured that the Company's Directors, members of sub-committees and the Chief Executive Officer and Managing Director received remuneration appropriate for their duties and responsibilities and in accordance with their performance.
- Determined the performance evaluation criteria for the Managing Director in order to consider the annual remuneration package.
- Reviewed the remuneration package and other benefits for the Company's Directors, members of sub-committees and the Chief Executive Officer and Managing Director to be appropriate for their duties and responsibilities and in accordance with the market condition.
- Review the policy and charter of the Remuneration and Nomination Committee (Board Skill Matrix), including their responsibility, to be appropriate with the current situation and be in accordance with the good corporate governance. And reporting Board Skill Matrix results to the Board of Directors.

In summary, the Nomination, Remuneration and Corporate Governance Committee has performed such above duties and responsibilities as assigned by the Board of Directors and viewed that in 2022 the Company's Directors, members of sub-committees and the Chief Executive Officer and Managing Director were knowledgeable and capable persons. The remuneration and other benefits shown in the Annual Report were considered suitable for their duties and responsibilities in accordance with the economic condition and overall performance of the Company.

(Mr. Suvit Arunanondchai)

Chairman of the Nomination, Remuneration and Corporate Governance Committee



Details of the Board of Directors, Executives, Controlling Persons and Company Secretary

Board of Directors

Mr. Virat Chinprapinporn

Chairman, Member of the Executive Committee, Member of the Risk Management Committee,
(Authorized Director)

Date of Appointment 28 July 2002

Age 62 years old

Education

- Master of Business Administration (Marketing), City University, USA
- Bachelor of Business Administration (Finance), Seattle University, USA

Training Thai Institute of Directors (IOD)

- Director Accreditation Program (DAP), Class 40/2004
- Director Certification Program (DCP), Class 40/2004

Capital Market Academy (CMA)

- Capital Market Academy Leadership Program, Class 16/2013

Commerce Academy, University of the Thai Chamber of Commerce

- Top Executive Program in Commerce and Trade (TEPCoT), Class 8/2015

Institute of Business and Industrial Development (IBID)

- Executive Program in Business, Industry Development and Investment Development, Class 3/2016

Tourism Authority of Thailand (TAT)

- Tourism Management Program for Executives (TME), Class 1/2017

University of the Thai Chamber of Commerce

- Top Executive Program for Creative & Amazing Thai Services (ToPCATS), Class 1/2019

Thailand Energy Academy (TEA)

- Top Executive Program for Energy Science, Class 15/2020

Thanachart Bank Public Company Limited

- Anti-Corruption for Executives

Digital Business Consult

- PDPA Enforcement Action : Board of Directors Responsibility

Position in Other

Listed Company

2002 - Present

Chairman, Baan Rock Garden Public Company Limited



Position in Other**Non-Listed Company**

2018 - Present	Chairman, RTN Insurance Broker Company Limited
2016 - Present	Director, Phukao Hauchang Pungnga Company Limited
2016 - Present	Director, N.V. Real Estate Company Limited
2011 - Present	Director, Nicena Property Company Limited
1994 - Present	Director, Kuylin Pungnga Company Limited
1993 - Present	Director, Chalermcheep Company Limited
1992 - Present	Director, Phowatchara Company Limited
1989 - Present	Director, Chucheeep Housing Land Company Limited
1989 - Present	Director, Chucheeep Northern Group Company Limited
1987 - Present	Director, City Wood Company Limited

**Family Relationship with
Directors and Executives**

- None -

**Shareholding in
the Company (%)**

33,000,000 shares (0.58%)

Mr. Kovit Rongwattanasophon

Director, Managing Director, Chairman of the Executive Committee, Chairman of Risk Management Committee (Authorized Director)

Date of Appointment	28 July 2002
Age	61 years old
Education	● Master of Business Administration, Southeastern University, USA ● Bachelor of Art (Political Science), Ramkhamhaeng University
Training	<u>Thai Institute of Directors (IOD)</u> ● Director Accreditation Program (DAP), Class 19/2004 ● Director Certification Program (DCP), Class 263/2018 <u>Capital Market Academy (CMA)</u> ● Capital Market Academy Leadership Program, Class 25/2017 <u>Commerce Academy, University of the Thai Chamber of Commerce</u> ● Top Executive Program in Commerce and Trade (TEPCoT), Class 12/2019 <u>Thanachart Bank Public Company Limited</u> ● Anti-Corruption for Executives <u>Ratchthani Leasing Public Company Limited</u> ● The Personal Data Protection Act B.E.2019 : Laws and Practices <u>Digital Business Consult</u> ● PDPA Enforcement Action : Board of Directors Responsibility
Position in Other Listed Company	- None -
Position in Other Non-Listed Company	
2018 - Present	Managing Director, RTN Insurance Broker Company Limited
Family Relationship with Directors and Executives	- None -
Shareholding in the Company (%)	21,570,265 shares (0.38%)



Mr. Somjate Moosirilert

Director, Member of the Executive Committee, Member of the Risk Management Committee,
Member of the Nomination & Remuneration Committee, Member of the Corporate Governance
Committee (Authorized Director)

Date of Appointment 14 January 2020

Age 66 years old

Education

- Master of Management, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor of Business Administration, Thammasat University

Training

Thai Institute of Directors (IOD)

- Role of the Chairman Program (RCP), Class 5/2001
- Corporate Governance for Capital Market Intermediaries (CGI), Class 15/2016

Judicial Training Institute, Courts of Justice

- Senior Executives on Justice Administration, Class 9/2005

Capital Market Academy (CMA)

- Capital Market Academy Leadership Program, Class 5/2007

Thai Listed Company Association, The Stock Exchange of Thailand

- Certificate, TLCA Leadership Development Program (LDP), Class 2012

Bank of Thailand

- Thailand Sustainable Banking 2018
- Cyber Resilience Leadership : Herd Immunity 2021

Thanachart Bank Public Company Limited

- Anti-Corruption for Executives 2014
- Anti-Corruption for Executives 2017

TMB Bank Public Company Limited

- 2020 Cyber Security Awareness for BoD, Personal Data Protection Act, Economic and Sectoral Outlook : A High-Frequency Data Perspective

TMBThanachart Bank Public Company Limited

- Security Awareness Training: Cybersecurity and Cyber Resilience

Decentralized Finance (DeFi), Digital Marketing Strategy, Open Banking and Virtual Banking และ ESG - Environmental, Social, Governance

Position in Other**Listed Company**

2021 - Present	Director of the Credit Committee, TMBThanachart Bank Public Company Limited
2019 - Present	Director, Member of the Board of Executive Directors, Member of the Nomination, Remuneration and Corporate Governance Committee, TMBThanachart Bank Public Company Limited

2019 - Present	Chief Executive Officer, Thanachart Capital Public Company Limited
2013 – Present	Member of the Risk Oversight Committee, Thanachart Capital Public Company Limited
2009 - Present	Director and Member of the Executive Committee, Thanachart Capital Public Company Limited
Position in Other	
Non-Listed Company	
2021 - Present	Liquidation Consultant, TBCO Public Company Limited
2021 - Present	Advisor, Phahonyothin Asset Management Company Limited
2021 - Present	Director, Thanachart Plus Company Limited
2020 - Present	Chairman, Thanachart SPV 1 Company Limited
2020 - Present	Chairman, Thanachart SPV 2 Company Limited
2019 - Present	Director, Thanachart SPV 1 Company Limited
2019 - Present	Director, Thanachart SPV 2 Company Limited
2019 - Present	Chairman, TS Asset Management Company Limited
2013 – Present	Chairman of the Executive Committee, Thanachart Securities Public Company Limited
2009 - Present	Chairman, Thanachart Securities Public Company Limited
2010 - Present	Board Advisor, Association of Thai Securities Companies
Work Experience	
2019 - 2021	Director, Member of the Executive Committee, Member of the Nomination, Remuneration and Corporate Governance Committee, Thanachart Bank Public Company Limited
2012 - 2018	Chairman of the Risk Management Committee, Thanachart Bank Public Company Limited
2011 - 2018	Chief Executive Officer and President, Thanachart Bank Public Company Limited
2018	Director, The Thai Bankers' Association
2016 - 2018	Advisor, The Thai Bankers' Association
2011 - 2016	Director, The Thai Bankers' Association
2017 - 2021	Vice Chairman, Thai Listed Company Association
2015 – 2017	Vice Chairman Advisor, Thai Listed Company Association
2014 – 2018	Vice Chairman, Thanachart Insurance Public Company Limited
2013 - 2018	Vice Chairman of the Executive Committee, Thanachart Insurance Public Company Limited
2013 - 2020	Chairman, Thanachart Fund Management Company Limited
2011 - 2020	Chairman of the Executive Committee, Thanachart Fund Management Company Limited
2011 - 2018	Chairman of the Executive Committee, TS Asset Management Company Limited
Family Relationship with Directors and Executives	
	- None -
Shareholding in the Company (%)	
	- None -



Ms. Suvarnapha Suvarnaprathip

Director (Authorized Director)

Date of Appointment	18 February 2020
Age	77 years old
Education	● Bachelor of Economics, Monash University, Australia
Training	<u>Thai Institute of Directors (IOD)</u> ● Director Accreditation Program (DAP), Class 20/2004 <u>Banker Trust, New York, USA</u> ● Corporate Finance Training Program <u>Bank of Thailand</u> ● Thailand Sustainable Banking 2018 <u>Thanachart Bank Public Company Limited</u> ● Anti-Corruption for Executives 2014 ● Anti-Corruption for Executives 2017 <u>Digital Business Consult</u> ● PDPA Enforcement Action : Board of Directors Responsibility
Position in Other Listed Company	
2008 - Present	Vice Chairman of the Executive Committee, Thanachart Capital Public Company Limited
2005 - Present	Director, Thanachart Capital Public Company Limited
Position in Other Non-Listed Company	
2021 - Present	Director, Thanachart Plus Company Limited
1991 - Present	Director, Seacon Development Public Company Limited
Work Experience	
2013 - 2018	Vice Chairman of the Risk Management Committee, Thanachart Capital Public Company Limited
2006 - 2019	Vice Chairman of the Executive Committee, Thanachart Bank Public Company Limited
2002 - 2019	Director, Thanachart Bank Public Company Limited
Family Relationship with Directors and Executives	- None -
Shareholding in the Company (%)	- None -

Mr. Kamtorn Tantisirivat

Director, Member of the Executive Committee, Member of the Risk Management Committee
(Authorized Director)

Date of Appointment 13 August 2020

Age 60 years old

Education

- M.B.A. in Finance, University of Michigan, USA
- M.S. in Computer Science, University of Texas, USA
- Bachelor of Engineering, Chulalongkorn University

Training Thai Institute of Directors (IOD)

- Directors Accreditation Program (DAP), Class 176/2020
- Director Certification Program (DCP), Class 323/2022

CFA Institute

- CFA Program 2001

Federation of Accounting Professions

- Thailand IFRS Conference 2016
- Financial Reporting Standards for 2019 and 2020

KPMG Phoomchai Audit Company Limited

- Financial Asset / Liability Classification (IFRS) according to New Accounting Standards (IFRS 9)

EY Office Company Limited

- Preparatory Program for Changes in Financial Reporting Standards

IMC Institute

- Block Chain 2017: Unlocking Internet of Value

NYC Management Company Limited

- TFRS 2023
- New TFRS (Must know)
- TFRS 2021

Dharmniti Seminar And Training

- Financial Analysis to Analyze Business Situations and Improve Performance

SEC Sustainability and Morningstar Research Thailand

- ESG Risk & Investment for Asset Managers and Market Participants

Bank of Thailand

- Thailand Sustainable Banking 2018

Thanachart Bank Public Company Limited

- Anti-Corruption for Executives Program 2014
- Anti-Corruption for Executives Program 2017
- Impact of IFRS9 on Thanachart Group



- Block Chain Technology 2018

Digital Business Consult

- PDPA Enforcement Action : Board of Directors Responsibility

Team Excellence Consulting Company Limited

- IFRS17

Position in Other

Listed Company

2013 - Present

Member of the Risk Oversight Committee,
Secretary of the Risk Oversight Committee,
and Executive Vice President, Financial Division,
Thanachart Capital Public Company Limited

Position in Other

Non-Listed Company

2020 - Present

Director, TM Communication and Brand Management Company Limited

2019 - Present

Director, TS Asset Management Company Limited

2019 - Present

Director, Thanachart SPV 1 Company Limited

2019 - Present

Director, Thanachart SPV 2 Company Limited

2018 - Present

Vice Chairman, MAX Asset Management Company Limited

2018 - Present

Vice Chairman, NFS Asset Management Company Limited

2016 - Present

Director, MAX Asset Management Company Limited

2016 - Present

Director, NFS Asset Management Company Limited

2016 - Present

Director, MT Service 2016 Company Limited

2014 - Present

Director, Member of the Risk Management Committee,
T Life Assurance Public Company Limited

Family Relationship with Directors and Executives

- None -

Shareholding in the Company (%)

- None -

Mr. Sorasak Chayarak

Director (Authorized Director)

Date of Appointment	13 August 2020
Age	46 years old
Education	● Master of Business Administration, Sasin Graduate Institute of Business Administration of Chulalongkorn University ● Bachelor of Science, University of Toronto, Canada
Training	<u>Thai Institute of Directors (IOD)</u> ● Directors Accreditation Program (DAP), Class 176/2020 ● Director Certification Program (DCP), Class 323/2022 <u>Thanachart Bank Public Company Limited</u> ● Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) ● Preparatory for FATF Assessment (AML / CFT) ● Impact of International Financial Reporting Standard (IFRS9) ● Update Accounting Standards (IFRS 9, TAS16 และ TAS19) ● Pack 5 (TFRS10, TFRS11, TFRS12, TAS27, TAS28) and TFRS13 ● Bank 4.0 Augmented Banking ● Purchase Price Allocation (EY Thailand) ● The 6 Critical Practices for Leading a Team ● Thanachart Leadership Development Program ● Proactive Leader Leading to Success ● Influencing Skills ● The 7 Habits of Highly Effective People <u>Digital Business Consult</u> ● PDPA Enforcement Action : Board of Directors Responsibility <u>Team Excellence Consulting Company Limited</u> ● IFRS17
Position in Other Listed Company	
2021 - Present	First Vice President, Finance Division, Thanachart Capital Public Company Limited
Position in Other Non-Listed Company	
2021 - Present	Director, T Life Assurance Public Company Limited
2016 - Present	Director, Sabuy Family Company Limited



Work Experience

2019 - 2021	Vice President, Special Projects (Finance), Thanachart Capital Public Company Limited
2018 - 2019	Vice President, Planning and Analysis of Cash, Deposit and Capital Fund, Thanachart Bank Public Company Limited
2015 - 2018	Assistant Vice President, Project Data Analysis and Capital Planning, Thanachart Bank Public Company Limited

**Family Relationship with
Directors and Executives**

- None -

**Shareholding in
the Company (%)**

- None -

Mr. Pichai Kititti**Director (Authorized Director)**

Date of Appointment	10 August 2022
Age	54 years old
Education	● M.Pol.Sc. (The Executives), Ramkhamhaeng ● MA in Advertising, Branding and Communication, University of West London ● BA in Management, Bournemouth & Poole College UK
Training	<u>Thai Institute of Directors (IOD)</u> ● Director Certification Program (DCP), Class 54/2005
Position in Other Listed Company	- None -
Position in Other Non-Listed Company	
2020 - Present	Chairman, Mahasan Beverage Company Limited
2014 - Present	Chairman, G & G Beverage Company Limited
2009 - Present	Chairman, Tanguijib Beverage Company Limited
2006 - Present	Managing Director, Charoensook Agriculture Crops Company Limited
2005 - Present	Managing Director, Citymansion Bangwah Company Limited
1992 - Present	Managing Director, Hoon Chew Drug Factory Company Limited
Family Relationship with Directors and Executives	- None -
Shareholding in the Company (%)	1,112,093 Shares (0.02%)



Mr. Thakol Nunthirapakorn, Ph.D.

Independent Director, Chairman of the Audit Committee

Date of Appointment 28 July 2002

Age 77 years old

Education

- Ph.D. (Accounting, MIS, Economics), University of Arkansas, USA
- MBA (Quantitative Analysis), University of Louisiana Monroe, USA
- BS (Finance), West Liberty State, USA
- High Vocational Certificate (Financial Banking), University of the Thai Chamber of Commerce

Training Thai Institute of Directors (IOD)

- Director Accreditation Program (DAP), Class 8/2004
- Audit Committee Program (ACP), Class 8/2005
- Director Certification Program (DCP), Class 228/2016
- Ethical Leadership Program (ELP), Class 3/2016
- Anti-Corruption Practical Guide (ACPG), Class 36/2017
- Role of the Chairman Program (RCP), Class 43/2018
- Chairman Forum and IOD Breakfast Talk, Class 2/2016
- Director's Briefing : Governing in Tomorrow's World, Class 1/2021
- Hot Issue for Directors - What Directors Need to Know About Digital Assets, Class 3/2022

The Securities and Exchange Commission, Thailand (SEC)

- The Transition to TFRS 9 and IFRS 16 for Non-Bank

The Securities and Exchange Commission with Federation of Accounting Professions Under The Royal Patronage of His Majesty The King

- Value of Audit

The Stock Exchange of Thailand (SET)

- Preliminary to Corporate Sustainability
- Corporate Sustainability Strategy
- Sustainability Risk and Materiality Analysis
- Sustainability Evaluation & Data Management
- TCFD (Task Force on Climate-related Financial Disclosures) & SDGs Workshop for Beginners
- Preparation Sustainability Disclosure according to One Report
- TCFD & SDGs Workshop : ESG Risk Analysis and GHG Accounting
- Driving Sustainable Change for Sustainable Organization

- SET ESG Professionals Forum : ESG
- GRI STANDARDS 2021: THE REVISED GRI UNIVERSAL STANDARDS
Thanachart Bank Public Company Limited
- The Personal Data Protection Act : Impact on the Financial Sector
Digital Business Consult
- PDPA Enforcement Action : Board of Directors Responsibility

Position in Other

Listed Company

2019 - Present	Independent Director, Member of the Audit Committee, United Paper Public Company Limited
2015 - Present	Independent Director, Chairman, Chairman of the Audit Committee, Harn Engineering Solutions Public Company Limited

Position in Other

Non-Listed Company

2018 - Present	Advisory Committee, Business School, National Institute of Development Administration (NIDA)
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Work Experience

2014 - 2015	Chairman of the Audit Committee, Fire Victor Public Company Limited
2012 - 2015	Dean, School of Accountancy, The University of Thai Chamber of Commerce (UTCC)
2005 - 2012	Vice President of Administration, The University of Thai Chamber of Commerce (UTCC)

Family Relationship with Directors and Executives

- None -

Shareholding in the Company (%)

- None -



Mr. Suvit Arunanondchai

Independent Director, Member of the Audit Committee,

Chairman of the Nomination, Remuneration and Corporate Governance Committee

Date of Appointment 22 February 2011**Age** 73 years old

Education

- Bachelor of Economics, Louisiana Tech University, USA
- Program for Management Development (PMD 49), Harvard Business School, Harvard University, USA

Training Thai Institute of Directors (IOD)

- Director Certification Program (DCP), Class 14/2002
- Director Diploma Examination (Fellow Member) 2002
- Audit Committee Program (ACP), Class 4/2005
- Quality Financial Reporting, Class 2/2006
- Advanced Audit Committee Program (AAP), Class 15/2014
- Role of The Compensation Committee (RCC), Class 18/2014
- Successful Formulation and Execution of Strategy (SFE), Class 23/2015
- Board Matters & Trends (BMT), Class 3/2017
- Boardroom Success through Financing and Investment (BFI), Class 1/2017
- Board Nomination and Compensation Program (BNCP), Class 5/2018
- Strategic Board Master Class (SBM), Class 4/2018

Capital Market Academy (CMA)

- Executive Program, Class 8/2009

Thanachart Bank Public Company Limited

- The Personal Data Protection Act : Impact on the financial sector

Digital Business Consult

- PDPA Enforcement Action : Board of Directors Responsibility

Position in Other**Listed Company**

2014 - Present

Independent Director / Chairman of the Audit Committee,
Netbay Public Company Limited**Position in Other****Non-Listed Company**

- None -

**Family Relationship with
Directors and Executives**

- None -

Mr. Varavudh Varaporn

Independent Director, Member of the Audit Committee, Member of the Nomination & Remuneration Committee, and Member of the Corporate Governance Committee

Date of Appointment	14 December 2009
Age	74 years old
Education	• Master of Public Administration, Chulalongkorn University • Bachelor of Laws, Thammasat University
Training	<u>Thai Institute of Directors (IOD)</u> • Director Accreditation Program (DAP), Class 82/2010 • Role of The Compensation Committee (RCC), Class 19/2014 • Advanced Audit Committee Program (AACP), Class 25/2017 <u>Thanachart Bank Public Company Limited</u> • The Personal Data Protection Act : Impact on the financial sector <u>Digital Business Consult</u> • PDPA Enforcement Action : Board of Directors Responsibility
Position in Other Listed Company	- None -
Position in Other Non-Listed Company	- None -
Work Experience	
2005 - 2008	Advisor on Performance Efficiency, Department of Lands, Ministry of Interior
2003 - 2004	Deputy Director General, Department of Lands, Ministry of Interior
Family Relationship with Directors and Executives	- None -
Shareholding in the Company (%)	- None -



Mrs. Naree Boontherawara, Ph.D.**Independent Director, Member of the Audit Committee**

Date of Appointment	3 April 2018
Age	68 years old
Education	• Ph.D.in Economics, University of Washington, USA • Master Degree in Economics, Thammasat University • Bachelor Degree in Economics, Thammasat University
Training	<u>Thai Institute of Directors (IOD)</u> • Director Certification Program (DCP), Class 197/2014 • Advance Audit Committee Program, Class 2016 • Nomination and Remuneration Committee Program, Class 2017 <u>Federation of Accounting Professions</u> • Chief Financial Officer Certificate Program - CFO) 2004 • NIDA Wharton Certification Program, USA 2006 • Certified Financial Planner - CFP 2009 <u>Capital Market Academy</u> • Senior Executives, Class 4/2009 <u>Thanachart Bank Public Company Limited</u> • The Personal Data Protection Act : Impact on the financial sector <u>Foundation for Good Governance on Medicine</u> • Good Governance on Medicine for Executive, Class 8/2562 <u>Digital Business Consult</u> • PDPA Enforcement Action : Board of Directors Responsibility
Position in Other Listed Company	- None -
Position in Other Non-Listed Company	
2015 - Present	Independent Director and Chairman of the Audit Committee, Precise Corporation Public Company Limited
Work Experience	
2016 - 2021	Chairman of the Investment Sub-Committee, Social Security Office, Ministry of Labor
2017 - 2019	Independent Director, Member of Audit Committee, and Member of the Investment Project Risk Management Committee, NCL International Logistic Public Company Limited
1999 - 2014	Executive Vice President, Group Head, Asset Management Group Strategy and Finance Division, The Stock Exchange of Thailand (SET)
Family Relationship with Directors and Executives	- None -
Shareholding in the Company (%)	- None -

Mr. Surapon Satimanont

Independent Director, Member of the Audit Committee

Date of Appointment 28 July 2002

Age 61 years old

Education

- Master of Laws, Southern Methodist University, USA
- Master of Laws, Howard University, USA
- M.A. Business, Webster University, USA
- Bachelor of Laws, Ramkhamhaeng University

Training Thai Institute of Directors (IOD)

- Director Certification Program (DCP), Class 40/2004
- IT Governance and Cyber Resilience Program (ITD), Class 7/2018

Thanachart Bank Public Company Limited

- Anti-Corruption for Executive
- The Personal Data Protection Act : Impact on the Financial Sector

Digital Business Consult

- PDPA Enforcement Action Board of Directors Responsibility

Position in Other Listed Company

2007 - Present Vice Chairman and Chariman of the Audit Committee,
2 S Metal Public Company Limited

Position in Other Non-Listed Company

2021 - Present Director, N.D.S. 34 COMPANY LIMITED
2018 - Present Chairman, S&Manont Company Limited
2015 - Present Director and Audit Committee,
Sumitomo Mitsui Trust Bank (Thai) Public Company Limited

Work Experience

2018 - Present Director and Member of the Audit Committee, JSSR Group Public Company Limited
2017 - Present Director and Member of Audit Committee, HYBRID Energy Company Limited
2014 - 2016 Director, Ewawan Insurance Public Company Limited
2005 - 2022 Director, Chairman of Audit Committee, Baan Rock Garden Public Company Limited

**Family Relationship with
Directors and Executives** - None -

**Shareholding in
the Company (%)** 20,294,154 Shares (0.36%)



**Executives, The Person Taking the Highest Responsibility in Finance and Accounting,
and Company Secretary**

Mr. Khomsan Boonyoiyad

Deputy Managing Director, Hire Purchase & Marketing and Branch Administration

Age	57 years old
Education	Bachelor of Business Administration (Industrial Management), Siam University
Training	<u>Faculty of Commerce & Accounting Thammasat University</u> - Executive Program <u>Thai Hire-Purchase Association</u> - Guideline for The Anti-Money Laundering Act and Related Regulatory <u>Ratchthani Leasing Public Company Limited</u> - The Personal Data Protection Act B.E.2019 : Laws and Practices <u>Digital Business Consult</u> - PDPA Enforcement Action : Board of Directors Responsibility
Position in Other Listed Company	- None -
Position in Other Non-Listed Company	
2019 - Present	Senior Academic Committee, Thai Hire-Purchase Association
Work Experience	
2009 - Present	Deputy Managing Director, Hire Purchase & Marketing and Branch Administration, Ratchthani Leasing Public Company Limited
2017 - 2018	Vice President, Thai Hire-Purchase Association
2015 - 2016	Director and Secretary, Thai Hire-Purchase Association
2002 - 2008	Assistant Managing Director, Hire Purchase, Ratchthani Leasing Public Company Limited
Family Relationship with Directors and Executives	- None -
Shareholding in the Company (%)	- None -

Mr. Ponlaphe Sakkayapapwicharnon

Senior Assistant Managing Director, Credit Control, and Company Secretary

Age	52 years old
Education	● Master of Management, College of Management, Mahidol University ● Bachelor of Business Administration (Marketing), Assumption University
Training	<u>Thai Institute of Directors (IOD)</u> ● Company Secretary Program (CSP), Class 20/2006 ● Effective Minute Taking (EMT), Class 5/2006 ● Successful Formulation and Execution of Strategy (SFE), Class 31/2019 ● Role of the Company Secretary in Shaping Corporate Culture ● Role of the Company Secretary to Promote Good Corporate Governance ● Company Secretary Challenges in Building Trust in the Boardroom <u>The Thai Institute of Banking And Finance Association</u> ● Data Privacy Protection : Laws & Regulation, Class 2/2019 ● Compliance Risk Management, Class 5/2019 <u>Thai Hire-Purchase Association</u> ● Guideline for The Anti-Money Laundering Act and Related Regulatory <u>Ratchthani Leasing Public Company Limited</u> ● The Personal Data Protection Act B.E.2019 : Laws and Practices <u>Digital Business Consult</u> ● PDPA Enforcement Action : Board of Directors Responsibility
Position in Other Listed Company	- None -
Position in Other Non-Listed Company	
2018 - Present	Director, RTN Insurance Broker Company Limited
Work Experience	
2017 - Present	Senior Assistant Managing Director, Credit Control, Ratchthani Leasing Public Company Limited
2013 - Present	Company Secretary, Ratchthani Leasing Public Company Limited
2002 - 2016	Assistant Managing Director, Credit Control, Ratchthani Leasing Public Company Limited
Family Relationship with Directors and Executives	- None -
Shareholding in the Company (%)	13,251,119 Shares (0.23%)



Mr. Jaturapat Nudaeng

Assistant Managing Director, Commercial Car

Age	57 years old
Education	• Diploma of Accounting, Dusit Commercial School
Training	<u>Ratchthani Leasing Public Company Limited</u> • The Personal Data Protection Act B.E.2019 : Laws and Practices <u>Digital Business Consult</u> • PDPA Enforcement Action : Board of Directors Responsibility
Position in Other Listed Company	- None -
Position in Other Non-Listed Company	- None -
Work Experience	
2016 - Present	Assistant Managing Director, Commercial Loans, Ratchthani Leasing Public Company Limited
2014 - 2016	Senior Manager, Commercial Loans, Ratchthani Leasing Public Company Limited
Family Relationship with Directors and Executives	- None -
Shareholding in the Company (%)	- None -

Ms. Unchan Srisom

Senior Vice President of Accounting and Planning & Strategy

The Person Taking the Highest Responsibility in Finance and Accounting (CFO)

Age 46 years old

Education

- Bachelor of Business Administration (Accounting), Sukhothai Thammathirat University
- Bachelor of Business Administration (Finance), Rajamangala University of Technology Thanyaburi

Training

The Stock Exchange of Thailand (SET)

- Strategic CFO in Capital Markets class of 9/2019

Federation of Accounting Professions

- Transfer Pricing Program 2019
- Accounting issues and right processes in accordance with Financial Reporting Standards
- Financial Statement Analysis
- Important Accounting Adjustments
- Corruption news against accounting rules with a case study of listed companies

Department of Business Development, Ministry of Commerce

- Accounting Information 2

Faculty of Commerce and Accountancy, Chulalongkorn University

- Micro MBA Chula class of 2015

Thai Hire-Purchase Association

- Guideline for The Anti-Money Laundering Act and Related Regulatory

Ratchthani Leasing Public Company Limited

- The Personal Data Protection Act B.E.2019 : Laws and Practices

Digital Business Consult

- PDPA Enforcement Action : Board of Directors Responsibility

Position in Other Listed Company - None -

Position in Other Non-Listed Company - None -

Work Experience

2020 - Present Senior Vice President of Accounting and Planning & Strategy, Ratchthani Leasing Public Company Limited



2017 - 2020	Vice President of Accounting and and Planning & Strategy, Ratchthani Leasing Public Company Limited
2014 - 2017	Planning & Strategy Manager, Ratchthani Leasing Public Company Limited
2012 - 2017	Accounting Manager, Ratchthani Leasing Public Company Limited
2010 - 2012	Assistant Accounting Manager, NCC Image Company Limited

**Family Relationship with
Directors and Executives** - None -

**Shareholding in
the Company (%)** - None -

Mr. Wachirakorn Thongin

Accounting Manager Accounting Supervisor

Age	44 years old
Education	● Bachelor of Business Administration (Accounting), Suan Sunandha Rajabhat University
Training	<u>EY Company Limited</u> ● Overview of Key Principles of Thai Financial Report Standard for Non-Publicly Accountable Entities, Revised 2022 ● Challenges of Transfer Pricing following COVID-19, Intensity of Government Review and Business Sector Preparation ● Trainings on Financial Reporting Standards impacting the Organization <u>Federation of Accounting Professions Under The Royal Patronage of His Majesty The King</u> ● TFRS 9, Class 1/2022 <u>Department of Business Development, Ministry of Commerce</u> ● Accounting Information 2 <u>Dharmniti Seminar and Training Company Limited</u> ● Legal of e-Payment and Procedure for preparing e-Tax Invoice, e-Receipt, e-Withholding Tax and e-Filing <u>The Revenue Department, Ministry of Finance</u> ● NPAEs in terms of income, assets and tax benefits <u>Thai Hire-Purchase Association</u> ● Announcement of the OCPB, 2022 ● Course of Housing Loan – Pledge – Mortgage – House and Land Redemption ● Legal Management of Hire-Purchase Transaction
Position in Other Listed Company	- None -
Position in Other Non-Listed Company	- None -
Work Experience	
2021 - Present	Accounting Manager, Ratchthani Leasing Public Company Limited
2018 - 2020	Accounting Manager, Thonburi Phanich Company Limited
2017 - 2018	Vice President, Accounting and Finance Department, Piyavate Hospital Public Company Limited
Family Relationship with Directors and Executives	- None -
Shareholding in the Company (%)	- None -





Details of the Head of Internal Audit and Head of Compliance

Head of Internal Audit

Mr. Wichai Sathiarujikanon

Vice President, Internal Audit Division, Thanachart Capital Public Company Limited

Age	58 years old
Education	• Master of Business Administration, University of the Thai Chamber of Commerce • Bachelor of Accounting, Ramkhamhaeng University
Training	<u>Thai Institute Of Directors Association</u> • Corruption Risk & Control : Technical Update CRC <u>The Thai Bankers' Association</u> • Standard Practices for Fraud Risk Management and Technology <u>Institute of Internal Auditors of Thailand</u> • Audit Change from Internal Auditor to Consultant • Smart IA in Digital World <u>Electronic Transactions Development Agency</u> • Risk Based Audit and The Challenges of The Digital Age <u>Thai General Insurance Association</u> • Technique for Examining and Analyzing the Fraudulent Practice
Position in Other Listed Company	- None -
Position in Other Non-Listed Company	- None -
Work Experience	
2013 – Present	Vice President, Internal Audit Division, Thanachart Capital Public Company Limited
2014 - 2019	Vice President, Internal Audit Division, Thanachart Bank Public Company Limited
Family Relationship with Directors and Executives	- None -
Shareholding in the Company (%)	- None -

Head of Compliance

Mr. Vivat Kongyotkullaphat

Compliance Manager and Assistant Company Secretary

Education	• Master of Business Administration, Thammasat University • Bachelor of Economics, Srinakharinwirot University
Training	<u>Stock Exchange of Thailand (SET)</u> • Sustainability Disclosure by Industry 2021 <u>Thai Listed Companies Association (Thai LCA)</u> • Company Secretary Development Program 2021 <u>National Institute of Development Administration (NIDA)</u> • Compliance Management, Class 5/2020 <u>Meaning of Anti-Money Laundering Office (AMLO)</u> • Anti-Money Laundering Standards, Class 1/2020 <u>Thai Institute of Directors (IOD)</u> • Company Secretary Program (CSP), Class 101/2019 <u>The Thai Institute of Banking and Finance Association</u> • Operational Risk Management, Class 12/2018 • Credit Risk Management Concept & Framework, Class 5/2016 <u>Thai Hire-Purchase Association</u> • Legal Management of Hire – Purchase Transaction • Announcement of the OCPB, 2022 • Course of Housing Loan – Pledge – Mortgage – House and Land Redemption
Position in Other Listed Company	- None -
Position in Other Non-Listed Company	- None -
Work Experience	
2019 - Present	Assistant Company Secretary, Ratchthani Leasing Public Company Limited
2019 - Present	Compliance Manager, Ratchthani Leasing Public Company Limited
2018 - 2019	Senior Officer, Operational and Credit Risk Management, Ratchthani Leasing Public Company Limited
2016 - 2019	Credit Analyst, Ratchthani Leasing Public Company Limited
Family Relationship with Directors and Executives	- None -
Shareholding in the Company (%)	- None -





Details of the Directors of Subsidiary

RTN Insurance Broker Company Limited

Names			Position
1.	Mr. Virat	Chinrapinporn	Chairman
2.	Mr. Kovit	Rongwattanasophon	Managing Director
3.	Mr. Ponlaphe	Sakkayapapwicharnon	Director
4.	Ms. Rungtip	Chaipatanapruck	Director
5.	Mrs. Ruetaiwan	Pornpijitsup	Director
6.	Ms. Chanatip	Lapinsee	Director
7.	Ms. Nuttapa	Eiamgosonlert	Director



Report on Changes in Shareholding of the Company's Directors and Executives

No.	Name	Position	Number of shares held as of 31 December 2022	Number of shares held as of 31 December 2021	Change in Number of shares held Increase (decrease) on 2022	Proportion of shares held (%)
1	Mr. Virat Chinprapinporn Spouse and minor child	Chairman	33,000,000 -	23,000,000 -	10,000,000 -	0.58 -
2	Mr. Kovit Rongwattanasophon Spouse and minor child	Director	21,570,265 -	21,570,265 -	- -	0.38 -
3	Mr. Somjate Moosirilert Spouse and minor child	Director	- -	- -	- -	- -
4	Ms. Suvarnapha Suvarnaprathip Spouse and minor child	Director	- -	- -	- -	- -
5	Mr. Kamtorn Tantisirivat Spouse and minor child	Director	- -	- -	- -	- -
6	Mr. Sorasak Chayarak Spouse and minor child	Director	- -	- -	- -	- -
7	Mr. Pichai Kititti Spouse and minor child	Director	1,112,093 -	1,112,093 -	- -	0.02 -
8	Mr. Thakol Nanthirapakorn, Ph.D. Spouse and minor child	Independent Director	- -	100,000 -	(100,000) -	- -
9	Mr. Suvit Arunanondchai Spouse and minor child	Independent Director	- -	- -	- -	- -
10	Mr. Varavudh Varaporn Spouse and minor child	Independent Director	- -	- -	- -	- -
11	Mrs. Naree Boontharawara, Ph.D. Spouse and minor child	Independent Director	- -	- -	- -	- -
12	Mr. Surapon Satimanont Spouse and minor child	Independent Director	20,294,154 -	20,294,154 -	- -	0.36 -



No.	Name	Position	Number of shares held as of 31 December 2022	Number of shares held as of 31 December 2021	Change in Number of shares held Increase (decrease) on 2022	Proportion of shares held (%)
13	Mr. Khomsan Boonyoiyad	Deputy Managing Director, Marketing	-	-	-	-
	Spouse and minor child		-	-	-	-
14	Mr. Ponlaphe Sakkayapapwicharnon	Senior Assistant Managing Director, Credit Control	13,251,119	13,251,119	-	0.23
	Spouse and minor child		-	-	-	-
15	Mr. Jaturapat Nudaeng	Assistant Managing Director, Commercial Loans	-	-	-	-
	Spouse and minor child		-	-	-	-
16	Ms. Unchan Srisom	Senior Vice President, Accounting and Planning & Strategy	-	-	-	-
	Spouse and minor child		-	-	-	-



Scope of Reporting and GRI Index

Scope of Reporting

Ratchthani Leasing Public Company Limited collected information and prepares this annual registration statement/annual report (Form 56-1 One Report) in accordance with the rules, conditions and procedures prescribed by the Capital Market Supervisory Board. Furthermore, the Company collected and disclosure of sustainability performance in economic, social, and environmental dimensions according to the GRI Standard, the scope of information from 1 January to 31 December 2022, covering the Company's performance in the head office and domestic branch. To communicate the Company's performance to stakeholders on an ongoing basis.

Content Index according to the GRI Standard

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ราชนันท์ลีสซิ่ง
Ratchthani Leasing
A Thanachart Group Company

Ratchthani Leasing Public Company Limited

77/35-36 11 UP floor Sinnsathorn Tower, Krungthonburi Road,
Khlongtonsai Sub Distric, Khlongsarn District, Bangkok 10600

Tel. 0 2431 9000 Fax 0 2431 9099

www.ratchthani.com Registration 0107545000209