



Annual Report 2021

Form 56-1 One Report

Asia Sermkij Leasing Public Company Limited



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Message from the Board of Directors

The directors have the pleasure in presenting the Company and its subsidiaries' annual report and audited financial statements for the year ended December 31, 2021.

The year 2021 was a very challenging year in terms of overall economy and private sector business operation. The Covid-19 Pandemic has resulted in negative impact to the Thai economy, purchasing power and the consumer confidence. This led to the GDP growth at 1.6 percent in 2021 which was a negative growth of 6.1 percent compared to that of previous year. The key engines that drove the Thai economic were the export sector that grew 18.8 percent and the investment from both government and private investment that grew 3.8 percent and 3.2 percent respectively. Meanwhile, the private consumption only grew at 0.3 percent.

For the overall automobile industry, the total domestic new car sales in 2021 were 759,119 units decreased 4.2 percent from 792,146 units in 2020 due to economic slowdown from the pandemic. On the other hand, the domestic truck sales increased 31.0 percent from 25,288 units in 2020 to 33,134 units in 2021 due to an increase in demand from export and logistic sectors.

In 2021, the Company had supported the BOT policy to help the customers who were affected by the COVID-19 via the BOT customer relief program such as re-scheduling and re-structuring programs.

The Bank of Thailand has maintained the monetary policy rate at 0.50 percent since May 2020 which has been the lowest in the history in order to continuously support the economic recovery and growth. and to reduce risk from both internal and external in the future.

Performance in 2021

Despite the fact that the year 2021 was a difficult year, the Company and its subsidiaries had performed the outstanding performance. As of December 31, 2021, the total assets of the Company and its subsidiaries increased 26.12 percent from THB 44,930.66 million at December 31, 2020 to THB 56,668.69 million due to the portfolio growth from its hire-purchase and the subsidiary's loan business.

The total liabilities as of December 31, 2021 were THB 47,413.47 million, increasing 20.76 percent from THB 39,262.97 million at the end of 2020 to support the portfolio growth. The shareholders' equity as of December 31, 2021 was THB 9,255.22 million increasing 63.30 percent from THB 5,667.69 million at the end of 2020 as a result of the capital increase. The Company has the paid-up capital at THB 2,639.22 million with the retained earnings of THB 3,803.43 million.

The total revenues in 2021 amounted to THB 4,414.38 million, increasing 22.77 percent from THB 3,595.61 million in 2020 due to the continuing growth of portfolio. The total operating expenses in 2021 amounted to THB 1,865.94 million increasing 20.74 percent from THB 1,545.39 million in 2020 mainly due to an increase in the expected credit losses and impairment loss on assets foreclosed. Consequently, the total profit for the year 2021 was recorded at THB 1,202.80 million, increasing 36.21 percent from THB 883.06 million in 2020.

Corporate Governance & Corporate Social Responsibility

The Board of Directors has adhered to corporate governance policy and corporate social responsibility to enhance efficiency, effectiveness, transparency, and assessability of the management for the confidence and long-term benefits to all shareholders, investors, stakeholders, society, and environment.

The Company continued engaged in the social activities to donate to hospitals during the COVID-19 and provide scholarships to students. In 2021, the Company received 100 score from the AGM Assessment Program of Listed Companies organized by the "Securities and Exchange Commission" in conjunction with the

“Thai Investors Association”. In addition, the company received the announcement of the “Very Good” status 10 years in a row for the Corporate Governance Report of Thai Listed Companies 2021 published by the “Thai Institute of Directors Association”. Additionally, the company received the Approval of certified membership of Thailand’s Private Sector Collective Action Coalition against Corruption (CAC) from the Thailand’s Private Sector Collective Action Coalition against Corruption Council since 2017 and received the approval of re-certification of membership in September 2020.

Business Prospect and Strategy in 2022

Thai GDP in 2022 is forecasted to grow around 4.7 percent from 2021. The key factors to drive the growth are the government easing of Covid-19 controls, the government’s stimulus packages as well as the high Covid-19 vaccinate rate which will support the private consumption and consumer confidence, the government continuous investment in the mega infrastructure projects such as Eastern Economic Corridor (EEC) project and high-speed train projects. Furthermore, the export still continues to grow but at the slower pace from the previous year.

However, there are some concerns about the vulnerabilities of the GDP growth since the economic still has been impacted from the COVID-19 outbreak, low number of tourist arrival, and the war between Russia and Ukraine. The domestic new car sales in 2022 are expected to increase to 860,000 units or growth 13.3 percent due to the economic recovery and an increase in the consumer confidence, the government support of demand for construction vehicles and equipment and related transportation. The demand was also driven by the logistic sector from the growth of e-commerce and the export business.

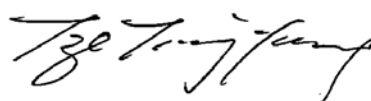
The Company still pursues the opportunities from the government mega infrastructure projects and expands the market via the expansion of the branch network in upcountry to grasp the opportunity and to support the customer demand. Moreover, the Company will continue to enhance the insurance brokerage business, improve the high yield products with the good asset quality control, focus on providing products and services to meet clients’ requirements. The Company will continuously develop human resources and processes via IT to enhance the Company’s service.

Furthermore, this year the Company continues to support our value customers who have the difficult time during the COVID-19 pandemic via flexible customer relief programs that suitable with customers’ situations. The Company strongly believes that our customers will walk along with us and be able to overcome this difficult time together.

The Company has successful performance in the year 2021 and will continue to pursue the strategy to achieve the year 2022 targets to maintain leadership position in the commercial vehicle industry.

On behalf of the Board of Directors, I would like to express gratitude to shareholders, customers and business partners who have continuously entrusted and supported us. I would also like to thank managements and employees for their dedication of knowledge and expertise which are the crucial factors of the Company’s success and will eventually lead to achievement of the Company’s objectives.

For and on behalf of the Board of Directors.

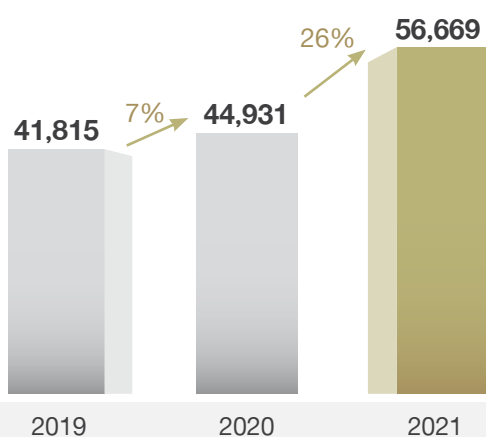


Yang, Tze-Ting

Chairman of the Board of Directors

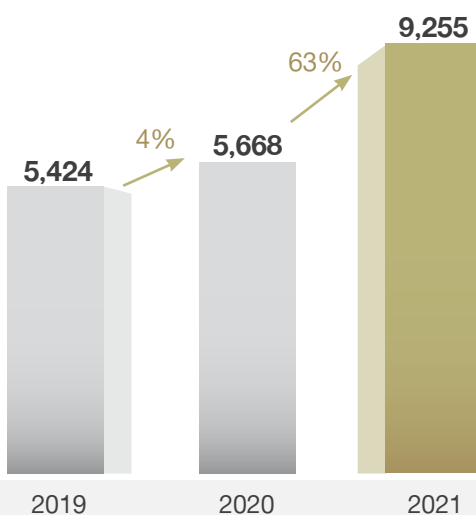
Total Assets

Million Baht



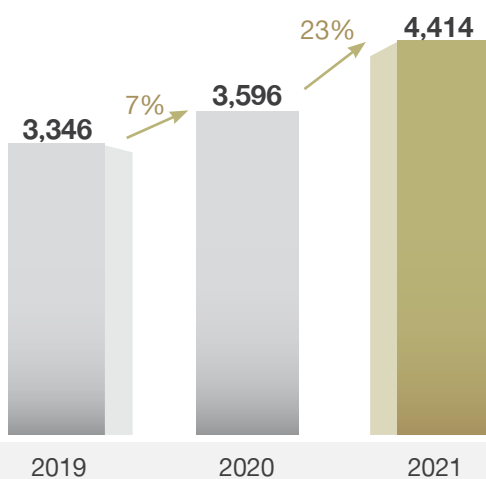
Total Shareholder' Equity

Million Baht



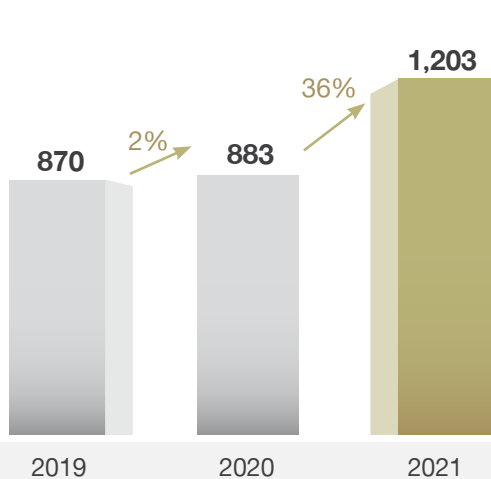
Total Revenue

Million Baht



Profit for the Year

Million Baht





PART 1

BUSINESS OPERATION AND OPERATING RESULTS

PART 1

Business Operation and Operating Results

1. Organizational structure and operation of the group of companies

1.1 Policy and business overview

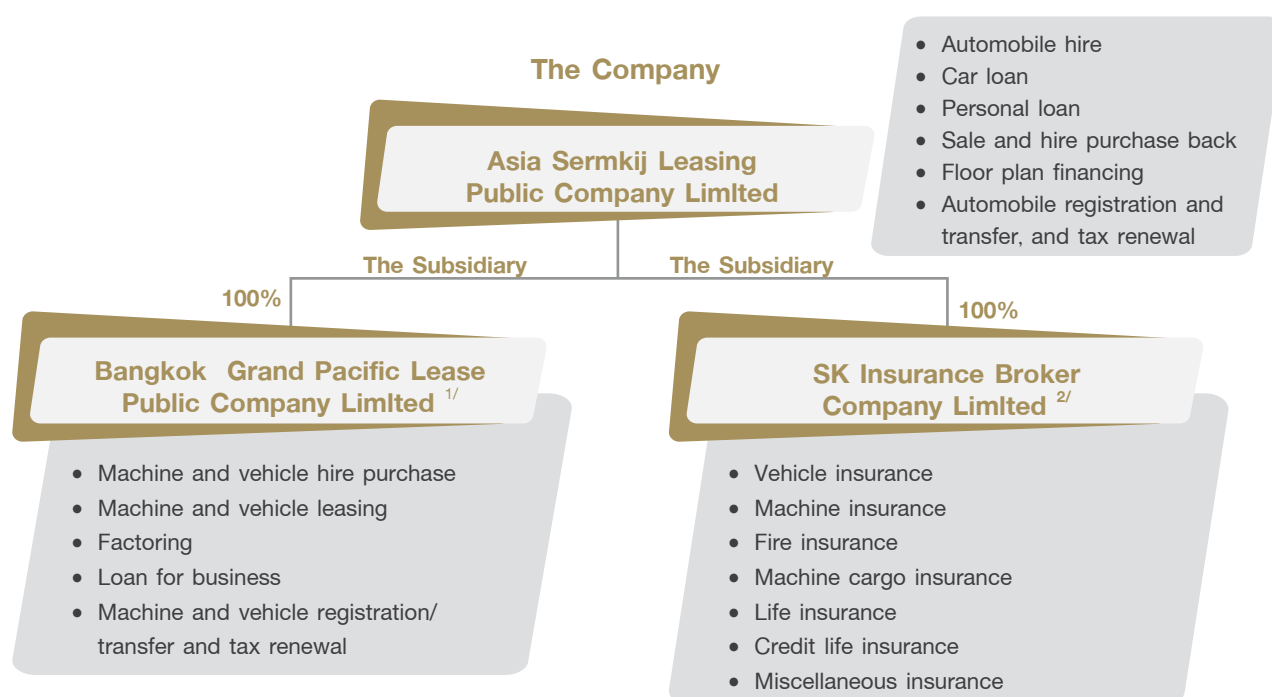
Asia Sermkij Leasing Public Company Limited (“the Company”) was established in Year 1984 by Bangkok Bank Public Company Limited Group to operate hire purchase business for all new car types of automobiles to its customers in Bangkok and metropolitan area. Subsequently the Company has expanded its business into used car hire purchase, personal loan, floor plan financing and sale and hire purchase back service (SHB Service) as well as other services such as auto registration, tax renewal and insurance services.

Currently, the Company operates 17 branches in Rayong, SamutSakhon, Phitsanulok, Chiang Rai, KhonKaen, UbonRatchathani, Lampang, NakhonRatchasima, UdonThani, Mukdahan, SaKaeo, Kanchanaburi, Nakhon Sawan, Chiang Mai, Surat Thani, Chonburi and Surat Thani provinces.

The Company has 2 subsidiaries, namely Bangkok Grand Pacific Lease Public Company Limited (“BGPL”) and SK Insurance Broker Company Limited (“SKIB”).

As of December 31, 2021 the Company had registered and paid up capital of THB 2,639.22 million divided into 527.84 million ordinary shares at par value THB 5.00 per share with the right to vote for one share one vote.

Structure and Operation of the Group Company



Remark : ^{1/} The Company became a shareholder in Bangkok Grand Pacific Lease Plc. in May 2004.

^{2/} The SK Insurance Broker Company Limited was registered in April 2017.

1.1.1 Overview of the vision, objectives, goals and business strategies of the Company

Business strategies of the Company

The company aims to cultivate an advantage from our capital strength and our well managed asset quality, as well as the business and financial support from our major shareholders. While the company's corporate strategy remains to focus in the commercial vehicle finance which is the segment that the company has long expertise and experience.

By seeing opportunities from the expansion of the Government's mega infrastructure projects together with the growth of the logistics and transportation industry through the expansion of exports and border trades, including the growth of e-commerce business, the company is capturing this growth through our company's branches with our country wide service coverage and our long-term good relationship with dealers.

In addition to the main strategy to provide the commercial vehicle finance above, the company also plans to increase the proportion of high-yield products in both used trucks and used cars segments and the car title loan.

Moreover, the company is expected the growth from our subsidiary company, the Bangkok Grand Pacific Lease Public Co., Ltd., which is an expert in the SMEs Finance with its wide range of financial product varieties including hire-purchase and leasing for machines and vehicles, solar finance, and the commercial loan.

And the growth from the SK Insurance Broker Co., Ltd. from its business expansion in life and non-life insurance brokerage businesses which the company is benefited from our larger customer base from the Asia Sermkij Leasing Public Co., Ltd. together with the mutual support from our insurance partners.

Lastly, the company aims to enhance our services and starts to transform the company toward the digital organization in order to continuously satisfy and promptly respond to the customers' need.

Vision, Mission and Corporate Value

Vision

- A Specialized financial provider of consumer and trade finance solutions to individuals and SMEs
- An Expert with Comprehensive Services in Transportation Industry

Mission

- To identify and satisfaction the financial needs of customers for their success and well-being
- To seek steady profitable growth only from areas where we have the competence to create sustainable competitive advantages
- To pursue the best interests of all stakeholders

Corporate Value

"Service with Passion" which is based on the beliefs of Modesty leads to Harmony and Honesty builds Credibility with the following principles:

- Modesty : Non-stop development with innovation
- Harmony : Teamwork with family spirit
- Honesty : Integrity with truth
- Credibility : Mutual trust with stakeholders

1.1.2 Material changes and developments

Significant history and development of the Company are as follow;

1984	- Registered as a limited company with a registered capital of THB 10.00 million by issuing 0.10 million ordinary shares with a par value of THB 100.00 per share and fully paid up.
1991	- Opened the first branch in Rayong to expand the business and to provide services to customers in Rayong and nearby provinces.
1992	- Bangkok Grand Pacific Lease Public Company Limited, whose main shareholders are Bangkok Bank Public Company Limited and Chailease Group from the Taiwan, which operated in hire purchase, leasing and factoring business, acquired 99.99% of the Company's ordinary shares
1994	- Expanded branch to Samut Sakhon to provide services to customers in Samut Sakhon and nearby provinces
1998	- Started providing used automobile hire purchase.
2002	- Converted to a public limited company
2003	- Started providing floor plan loan.
2004	<ul style="list-style-type: none"> - Changed the par value from THB 100.00 per share to THB 5.00 per share, resulting in the ordinary shares of the Company increasing to 85.60 million shares, totaling THB 428.00 million of registered and paid-up capital. - Restructured the shareholding of the group of companies. The Company acquired 99.99% shares in Bangkok Grand Pacific Lease Public Company Limited. As a result, Bangkok Grand Pacific Lease Public Company Limited became a subsidiary of the Company. - Expanded branch to Phitsanulok to provide services to customers in Phitsanulok and nearby provinces. - Received approval from The Securities and Exchange Commission for offering 6.40 million ordinary shares to directors, executives and employees, which increased the company's paid-up capital to THB 460.00 million.
2005	<ul style="list-style-type: none"> - Received approval from The Securities and Exchange Commission for the public offering of 23.00 million shares and the Company's paid-up capital increased to THB 575.00 million. - On August 25, 2005, the Company's ordinary shares were accepted to be listed in The Stock Exchange of Thailand and started trading for the first day.
2006	- Received approval from the shareholders' meeting for the issuance and offer for sale of the company's newly increased ordinary shares in the amount of 115.00 million shares and the allocation of the shares to the existing shareholders of the company in proportion to their shareholding (Right Offering), as a result, in the registered and paid-up capital increased to THB 1,150.00 million.
2012	- Received approval from the shareholders' meeting for the issuance and offer for sale of the company's newly increased ordinary shares in the amount of 115.00 million shares and the allocation of the shares to the existing shareholders of the company in proportion to their shareholding (Right Offering), as a result, in the registered and paid-up capital increased to THB 1,725.00 million.
2013	- Expanded 3 branches in Chiang Rai, Khon Kaen, and Ubon Ratchathani.
2014	<ul style="list-style-type: none"> - Increase the registered capital in the amount of THB 34.50 million by issuing 6.90 million ordinary shares for stock dividend payment. As a result, the company had a registered capital of THB 1,759.50 million and a paid-up capital of THB 1,759.48 million. - Expanded 3 branches in Lampang, Nakhon Ratchasima, and Udon Thani.

2015	- Bangkok Grand Pacific Lease Public Company Limited, the Subsidiary, started providing loans for business.
2016	- Expanded 2 branches in Mukdahan, and Sa Kaeo.
2017	- Established subsidiary, SK Insurance Broker Company Limited (“SKIB”), to operate in insurance brokerage business with a registered capital of THB 10,000,000, divided into 1,000,000 ordinary shares with a par value of THB 10.00 per share, with the company holding 99.80% of the shares. - Expanded branch to Kanchanaburi.
2018	- Expanded 2 branches in Nakhon Sawan, and Chiang Mai.
2019	- Expanded branch to Surat Thani.
2020	- The Subsidiary, SK Insurance Broker Co., Ltd., has obtained a life insurance broker license. - Expanding branches to Chonburi and Songkhla.
2021	- Received approval from the shareholders’ meeting for the issuance and offer for sale of the company’s newly increased ordinary shares in the amount of 175.95 million shares and the allocation of the shares to the existing shareholders of the company in proportion to their shareholding (Right Offering), as a result, in the registered and paid-up capital increased to THB 2,639.22 million.

1.1.3 Fund raising and fund using progress

The Company and its subsidiaries have used all raising funds in accordance with objectives.

1.1.4 Obligation to securities offering

- None -

1.1.5 General information about the Company

Company Name	: Asia Sermkij Leasing Public Company Limited
Head Office	: Sathorn City Tower, 24th Floor, 175 South Sathorn Road, Thungmahamek, Sathorn, Bangkok 10120 Tel. 0-2679-6226, 0-2679-6262 Fax. 0-2679-6241-3
Homepage	: www.ask.co.th
Company registration number	: 0107546000393
Type of business	: The main business is automobile hire purchase loans.
Number of shares issued and fully paid	: 527,843,640 Ordinary shares (As at December 31, 2021)
Par value	: 5 Baht per share
Credit Rating	: BBB+ Stable outlook (Rated by TRIS Rating Co., Ltd. on October 15, 2021)

1.2 Nature of Business

1.2.1 Income structure

Revenue Structure of the Company and its Subsidiaries

During the Year of 2019 - 2021, revenue structure of the Company and its subsidiaries can be classified by the types of business as follows:

Type of Business	Operated by	2019		2020		2021	
		Mil Baht	%	Mil Baht	%	Mil Baht	%
Hire purchase	The Company and BGPL	2,855.26	85.34	2,990.23	83.17	3,411.45	77.28
Factoring	BGPL	36.99	1.10	49.22	1.37	64.43	1.46
Leasing	BGPL	174.02	5.20	271.16	7.54	455.81	10.33
Loan	The Company and BGPL	11.93	0.36	9.41	0.26	3.39	0.08
Insurance Broker	The Company and its subsidiaries	257.16	7.69	262.58	7.30	468.96	10.62
Other item ^{1/}	The Company and its subsidiaries	10.50	0.31	13.01	0.36	10.34	0.23
Total		3,345.86	100.00	3,595.61	100.00	4,414.38	100.00

Source : Consolidated financial statements of Asia Sermkij Leasing Public Company Limited for the Year 2019 - 2021 audited by certified public accountant.

Remark : ^{1/} Other item includes not allocated other income.

1.2.2 Product information

(1) Characteristics of products and services

Business operation of the group company can be classified into 6 main categories, i.e.

1) Automobile hire purchase business 2) Machinery, equipment and vehicle leasing / hire purchase business 3) Factoring business 4) Loan business 5) Insurance Brokers business and 6) Other services including auto registration and transfers and tax renewal service. Details are as follows:

1. Automobile Hire Purchase Business

The Company offers automobile hire purchase, mainly to individual customers, for both new and used automobile, including passenger and commercial car such as pickup, van, truck, taxi and mini bus, etc. Majority of the Company's customers are in Bangkok and metropolitan area followed by customers in the Central and Northeast. The Company is a founding member of Thai Hire Purchase Association which one of the Company's management is a director of such association. In addition, the Company is a member of the National Credit Bureau Co., Ltd.

2. Machinery, Equipment and Vehicle Leasing / Hire Purchase Business

The Subsidiary (Bangkok Grand Pacific Lease Plc.) has commenced its leasing and hire purchase businesses since Year 1989 primarily to corporate customers. The leasing credit includes financial lease. The majority of the business operators utilizing services of the subsidiary are situated in Bangkok and metropolitan area. the subsidiary focuses on providing service to small and medium size enterprises in industries with potential such as Electrical Products and Computer, Vehicles and Parts, and Services. Assets under leasing and hire purchase agreement include machinery, equipment and vehicle. Leased and hire-purchased machinery of the subsidiary consists of both new and used machines, particularly durable and liquid machinery whose technology does not change rapidly. Leased and hire-purchased vehicles include various types of both new and used vehicles, i.e. pickup, van and truck, etc. Currently the subsidiary has started providing loan for solar cell equipment. Currently the subsidiary is a member of Thailand Leasing Association.

3. Factoring Business

The Subsidiary (Bangkok Grand Pacific Lease Plc.) has commenced its factoring business since Year 1999 mainly to the small and medium size corporate customers with good operating performance, strong financial status and repayment ability in the industries with growth potential and the need of short-term working capital. Target customers of the the subsidiary for factoring include business operators in Electrical Products, Chemicals and Plastics, and Packaging. Factoring service can be divided into 2 main areas as follows;

- Domestic factoring, a purchase of claiming rights to collect payment from receivables of products and service providers whose business counterparts (purchasers) are domestic entities.
- International factoring, the subsidiary acts as intermediary in the coordination with the import factor of the oversea importer, business counterpart of the domestic exporter. It also verifies the status of the importer through import factor and provides debt guarantee to the exporter in case where the foreign importer fails to make payment for goods and service after 90 days from the due date. In lieu of the foreign importer, the import factor will make payment to the subsidiary to be further forwarded to the exporter for its goods and services.

4. Loan Business

The Company and its subsidiary (Bangkok Grand Pacific Lease Plc.) provide other financing services such as personal loan, sale and hire purchase back, floor plan financing. Personal loan is a special service offered only to the good customers in need of cash. The Company has commenced personal loan service since Year 2002.

Since late 2003, the Company has commenced its floor plan financing service to auto dealers as a source of fund for auto purchasing for resale to enhance their liquidity. The Company provides such financial support on a selective basis only to auto dealers who referred hire purchase customers to the Company. In addition, the Company started sale and hire purchase back service (SHB service) which credit to person who is the owner of the car for enhance working capital needs.

5. Insurance Brokers Business

The Company and its subsidiary also provide insurance facilitation services to auto hire purchase customers and general customers. Mainly operated by SK insurance Brokers Company Limited, insurance services include:

- Vehicle insurance e.g. voluntary and compulsory motor insurance (CMI)
- Machine insurance
- Fire insurance
- Marine and cargo insurance
- Miscellaneous insurance e.g. personal accident insurance, third party liability insurance
- Life insurance
- Credit Life Insurance

6. Other Services

The Company and its subsidiary also provide other services to auto hire purchase customers including auto registrations and transfers and tax renewal etc. in order to provide full service to the customers.

(2) Marketing and competition

The overall automobile industry, the total domestic new car sales in 2021 were 759,119 units decreased 4.2 percent from 792,146 units in 2020 due to economic slowdown from the pandemic. On the other hand, the domestic truck sales increased 31.0 percent from 25,288 units in 2020 to 33,134 units in 2021 due to the demand from export and logistic sectors.

(3) Procurement of products and services

The Company and its subsidiaries' sources of fund are from shareholders' equity, borrowing from Thai and foreign banks, and debenture issuance both short term and long term.

Type	2019		2020		2021	
	THB Million	percent	THB Million	percent	THB Million	percent
Short-term loans from banks ¹	4,820.00	13.67	5,030.00	13.33	4,280.00	9.51
Bill of exchange	-	-	8,801.88	23.33	4,686.95	10.42
Short-term debentures ²	12,049.54	34.18	-	-	499.98	1.11
Short-term borrowings	16,869.54	47.85	13,831.88	36.66	9,466.93	21.04
Long-term loans from banks ³	11,767.61	33.38	16,724.13	44.33	23,951.83	53.23
Long-term debentures ⁴	6,617.01	18.77	7,171.51	19.01	11,574.47	25.72
Long-term borrowings	18,384.62	52.15	23,895.64	63.34	35,526.30	78.96
Total borrowings	35,254.16	100.00	37,727.52	100.00	44,993.23	100.00

Source: Audited 2019 - 2021 consolidated financial statements of Asia Sermkij Leasing Public Company Limited.

Remark: ^{1/} Short-term loans from bank consist of short-term loans from banks and short-term loans from related party - exclude current portion.

^{2/} Short-term debentures - exclude current portion.

^{3/} Long-term loans from bank consist of long-term loans from banks and long-term loans from related party - include current portion.

^{4/} Long-term debentures - include current portion.

Major sources of fund of the Company and its subsidiary are loans from banks and debentures. The loans from bank accounted for 47.05 percent, 57.66 percent and 62.75 percent of total borrowing of the Company and its subsidiary in 2019 - 2021 respectively. While debentures accounted for 52.95 percent, 19.01 percent and 26.84 percent of total borrowing of the Company and its subsidiary in 2019 - 2021 respectively.

Considering the liquidity, the Company and its subsidiary have long-term borrowings to short-term borrowings at the end of 2019 - 2021 equal to 52:48, 63:37 and 79:21. The Company and its subsidiary's policy is to use more long-term borrowings to protect liquidity risk.

The loan repayment and the installment to be obtained as at December 31, 2021

(Million Baht)

Period	Loan Repayment Due	Installment to be Obtained from Debtor
Within 1 year	20,903.50	22,279.90
More than 1 year but not more than 2 years	9,819.50	17,267.04
More than 2 years but not more than 3 years	13,993.00	11,920.73
More than 3 years	-	11,486.61
Total	44,716.00	62,954.28

As at December 31, 2021 the Company and its subsidiary have installment to be obtained from debtor within 1 year in the amount of THB 21,828.82 million, more than loan repayment due within 1 year which is in the amount of THB 20,903.50 million. This reflexes the adequacy of the source of fund of the Company and its subsidiaries which is a result of ability to manage the source of fund. The Company and its subsidiaries have continually improved the funding structure by gradually increasing the long-term borrowings to short-term borrowings ratio to prevent liquidity risk. Moreover, the Company and its subsidiaries always receive the new credit facilities when it comes maturity and can always rollover short term debentures.

In addition, the Company and its subsidiaries still have the unused credit line from financial institutions amounting to approximately THB 12,425 million. This reflects the credibility and sufficiency in the financial status of the Company and its subsidiaries.

For the future source of fund, the Company and its subsidiary still use the source of fund from shareholders' equity and borrowing. The Company and its subsidiary manage source of fund in accordance with the propose of the use of fund as well as the suitability of the repayment term and interest.

(4) Assets used in business undertaking

1. Hire purchase receivables

The major assets used in the business are hire purchase receivables. The Company and its subsidiary had hire purchase receivables after deducting interest income (before allowance for expected credit losses / allowance for doubtful accounts) in 2020 and 2021 as following;

	2020		2021	
	THB Million	Percent	THB Million	Percent
Hire purchase receivables^{1/}				
- Automobile	37,248.49	91.89	45,449.24	91.68
- Machine	3,285.92	8.11	4,122.43	8.32
Total	40,534.41	100.00	49,571.67	100.00
Add deferred commission	199.86		316.39	
Total	40,734.27		49,888.06	
Remaining term of the contract (excluding court case receivables)^{2/}				
< 12 Months	1,485.78	3.67	1,429.79	2.88
13 - 24 Months	5,130.44	12.66	5,177.09	10.44
25 - 36 Months	9,066.73	22.37	9,265.87	18.69
37 - 48 Months	13,010.58	32.10	14,753.45	29.76
> 48 Months	11,840.87	29.21	18,945.48	38.22
Total	40,534.41	100.00	49,571.67	100.00
Add deferred commission	316.39			
Grand Total	40,734.27		49,888.06	

Source : Consolidated financial statements of Asia Sermkij Leasing Public Company Limited for the Year 2019 - 2021 audited by certified public accountant.

Remark : ^{1/} Before allowance for expected credit losses in 2020 amounted THB 852.34 million and in 2021 amounted THB 1,050.35 million.

2. Financial lease receivables

The subsidiary had financial lease receivables after deducting unearned interest income before deducting allowance for expected credit losses / allowance for doubtful accounts in 2020 and 2021 as follows:

	2020		2021	
	THB Million	Percent	THB Million	Percent
Financial lease receivables^{1/}				
- Vehicle	487.06	60.08	682.39	61.25
- Machine	323.56	39.92	431.76	38.75
Total	810.62	100.00	1,114.15	100.00
Remaining term of the contract (excluding court case receivables)^{1/}				
< 12 Months	54.17	6.68	71.69	6.43
13 - 24 Months	139.33	17.19	146.10	13.11
25 - 36 Months	177.09	21.85	234.81	21.08
37 - 48 Months	250.42	30.89	344.59	30.93
> 48 Months	189.61	23.39	316.96	28.45
Total	810.62	100.00	1,114.15	100.00

Source : Consolidated financial statements of Asia Sermkij Leasing Public Company Limited for the Year 2019 - 2021 audited by certified public accountant.

Remark : ^{1/} Before allowance for expected credit losses in 2020 amounted THB 33.55 million and in 2021 amounted THB 32.25 million.

3. Factoring receivables

The subsidiary had factoring receivables in 2020 and 2021 as follows:

	THB Million	
	2020	2021
Factoring receivables	163.72	170.66
Less: Factoring payables	(44.53)	(50.09)
Add: Interest receivables	6.16	6.26
Factoring receivables - net^{1/}	125.35	126.83

Source : Consolidated financial statements of Asia Sermkij Leasing Public Company Limited for the Year 2019 - 2021 audited by certified public accountant.

Remark : ^{1/} Before allowance for expected credit losses in 2020 and 2021 amounted THB 61.98 million

4. Loan receivables

The Company and its subsidiary had factoring receivables in 2020 and 2021 as follows:

	THB Million	
	2020	2021
Loan receivables of the Company	958.59	1,311.25
Loan receivables of the Subsidiary	1,860.93	3,288.49
Total loan receivables¹	2,819.52	4,599.74

Source : Consolidated financial statements of Asia Sermkij Leasing Public Company Limited for the Year 2019 - 2021 audited by certified public accountant.

Remark : ^{1/} Before allowance for expected credit losses in 2020 and 2021 amounted THB 86.02 million and 187.89 million.

Revenue recognition

The Company and its subsidiary recognize interest income from hire purchase, financial leases, factoring and loan agreements on an accrual basis throughout the term of the contract, using the effective interest rate method, with the calculation based on the gross book value of the receivables. Income directly attributable to the initial recognition of the loan receivables are amortized using the effective interest rate method and presented as adjustments on interest income throughout the term of the agreement, to reflect the effective rate of return. When the receivables are later credit-impaired, the Group continues to recognize interest income using the effective interest rate, based on the net book value (gross book value net of allowance for expected credit losses) of the receivables. When the debtor is no longer credit-impaired, the Group changes to calculate interest income based on the gross book value.

Allowance for expected credit losses

The Group recognizes an allowance for expected credit losses for hire purchase receivables, financial lease receivables and loan receivables using a general approach. The Group considers changes in credit risk and groups its receivables into 3 stages as described below.

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

- Stage 2: Receivables with a significant increase in credit risk (Under-performing) - The Group recognizes expected credit losses in an amount equal to the expected credit losses over the lifetime of the receivable.
- Stage 3: Receivables that are credit-impaired (Non-performing) - The Group recognizes expected credit losses in an amount equal to the expected credit losses over the lifetime of the receivable.

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

If the credit quality of a receivable improves in a subsequent period and the assessment is that it is no longer a receivable whose credit risk has significantly increased since initial recognition, as assessed in a previous period, the Group will change the basis for recognizing expected credit losses from the lifetime expected credit losses to the 12-month expected credit losses, or the remaining period if that is less than 12 months.

In order to estimate expected credit losses, the Group considers historically collected loss data, adjusted on the basis of current observable data. In addition, the Group applies forward-looking macroeconomic information that is supportable and reasonable and appropriately exercises judgement. At least once a year the Group also considers whether to adjust forward-looking information and the weighting of the probability of each scenario used in determining the expected credit losses. Most of the information used by the Group is announced by the Bank of Thailand or other government agencies and adjusted to reflect the Group's internal perspective. The Group calculates expected credit losses based on three probability-weighted scenarios, which are a base scenario, best-case scenario and worst-case scenario. For the base scenario, the Group applies an unbiased market perspective that incorporates forecasts of macroeconomic factors.

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

5. Land, building and equipment

As of December 31, 2021, the Company and its subsidiaries had land, plant and equipment as follows:

รายการ	Book value (THB million)	Ownership type	Obligation
1. Land with building used for locating 17 branches*	106.79	Owner	None
2. Vehicles	15.76	Owner	None
3. Furnishings and office supplies	35.13	Owner	None
4. Intangible assets	10.96	Owner	None
Total	168.64		

Remark : Details of each land and building are show in Attachment 4

6. Assets foreclosed

The Company and its subsidiary have assets foreclosed, which are vehicles and machinery repossessed from hire purchase and financial lease receivables due to the default as follows;

Year	Total contracts	Amount of remaining assets foreclosed	Value of remaining assets foreclosed (THB million)*
2019	48,125	186	200.29
2020	49,353	169	157.67
2021	55,656	217	186.26

Remark : Assets value = Loan value before deducting allowance for diminution

The table showing details of assets seized and disposed during the year:

Year	Amount of asset foreclosed (Unit)	Value of sale of asset foreclosed (THB million) (1)	Value of asset foreclosed (2)	Gross profit (loss) from sale of asset foreclosed (THB million) (3) = (1) - (2)	Refund to customer (THB million) (4)	Net profit (loss) from sale of asset foreclosed (THB million) (5) = (3) - (4)
2562	471	291.63	468.17	(176.54)	3.46	(180.00)
2563	508	367.95	546.34	(178.39)	5.40	(183.79)
2564	463	315.43	455.17	(139.74)	5.54	(145.29)

The Company and its subsidiary had losses from gross sales of assets in 2019 - 2021 amounting to THB 176.54 million, THB 178.39 million and THB 139.74 million respectively. After deducting of penalty income and refunding to customers, the Company and its subsidiary had losses on sale of asset foreclosed in 2019 - 2021 in the amount of THB 180.00 million, THB 183.79 million and THB 145.29 million respectively. However, the Company and its subsidiary can collect payments from customers or file a lawsuit against the remaining debt.

7. Investment in subsidiaries

As of December 31, 2021, the Company had investments in 2 subsidiaries, namely Bangkok Grand Pacific Lease Public Company Limited and SK Insurance Broker Company Limited. The proportion of investment and details of business operations of subsidiaries can be summarized as follows:

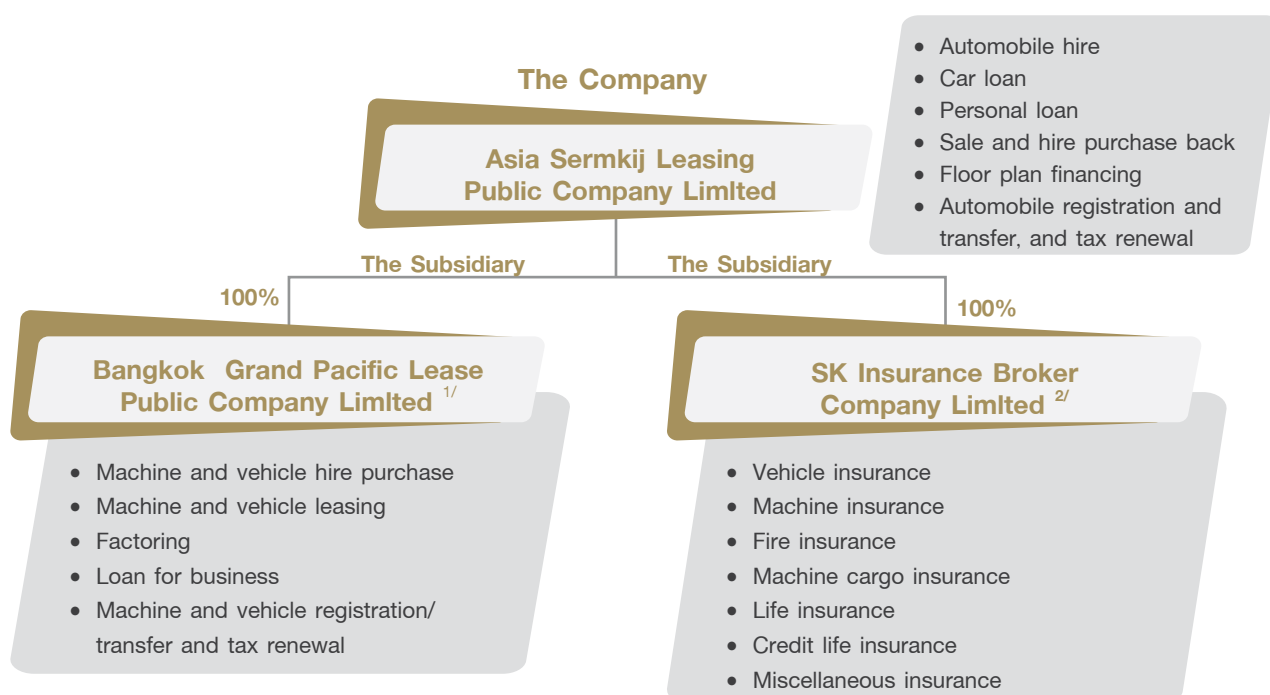
Company	Type of business	Paid up capital (THB)	Percent of investment	Value of investment (THB)
Bangkok Grand Pacific Lease Public Company Limited	Leasing and factoring	1,096,250,000	100	1,096,249,860
SK Insurance Broker Company Limited	Insurance broker	10,000,000	100	9,999,980

1.3 Shareholding Structure

1.3.1 Shareholding structure of the group of companies

The Company operates in hire purchase and loan business including all types of automobiles, personal loan, car loan, floor plan and services for registration / transfer of automobile and tax renewal. The Company has 2 subsidiaries which are (1) Bangkok Grand Pacific Lease Public Company Limited (“BGPL”), operates in vehicle and machine hire purchase and leasing, loan for business, factoring, and services for registration / transfer of vehicle and machine and tax renewal, and (2) SK Insurance Broker Company Limited (“SKIB”), operates in insurance broker business including vehicle insurance, machine insurance, fire insurance, machine cargo insurance, life insurance, credit life insurance, and miscellaneous insurance.

Structure and Operation of the Group Company



Remark : ^{1/} The Company became a shareholder in Bangkok Grand Pacific Lease Plc. in May 2004.

^{2/} The SK Insurance Broker Company Limited was registered in April 2017.

1.3.2 Shareholding in subsidiaries or associates of persons who may have conflicts

- None -

1.3.3 Relationship with major shareholders' business

- None -

1.3.4 Shareholders

Major shareholders as of December 30, 2021

No.	Name	No. of shares	%
1	Chailease's Group	266,082,577	50.41
	Chailease Finance Company Limited	193,256,488	36.61
	Chailease International Company (Malaysia) Limited	62,698,848	11.88
	Chailease Capital (Thailand) Co., Ltd.	10,127,241	1.92
2	Thai NVDR Company Limited	42,200,861	7.99
3	Bangkok Bank Public Company Limited	38,784,489	7.35
4	Mr. Chatree Sophonpanich	9,218,397	1.75
5	Miss Pakavadee Samphant	6,816,400	1.29
6	Bangkok Insurance Public Company Limited	5,334,291	1.01
7	Bualuang Siriphol Corporate Governance Fund	3,782,930	0.72
8	Bualuang Siriphol Corporate Governance RMF	3,645,326	0.69
9	Mr. Somchai Pitakkampol	3,113,200	0.59
10	Mr. Somchart Sotthimai	2,565,000	0.49
Top Ten Shareholders		381,543,471	72.28
Other Shareholders		146,299,989	27.72
Total		527,843,460	100.00

1.4 Amounts of registered capital and paid-up capital

As of December 31, 2021 the Company has registered capital of THB 2,639,217,300 and paid-up Capital of THB 2,639,217,300 consisting of 527,843,460 shares of common stock at par value of THB 5 each.

1.5 Issuance of other securities

The Company had other securities which are debentures and bill of exchange. The Company received a credit rating at BBB+ from TRIS Rating Co., Ltd. on October 15, 2021.

The Company had outstanding debentures as at December 31, 2021 as follows:

Long Term Debentures

(THB million)

Long term debentures				Consolidate financial statement		
Debentures	Interest rate	Age	Date of maturity	2021	2020	2019
No. 7/2016	3.25% per year	4 Years	29 June 2020	-	-	200.00
No. 1/2017	2.95% per year	3 Years	28 February 2020	-	-	100.00
No. 2/2017	2.96% per year	3 Years	15 May 2020	-	-	150.00
No. 3/2017	2.98% per year	3 Years	7 July 2020	-	-	110.00
No. 4/2017	2.93% per year	3 Years	10 August 2020	-	-	1,500.00
No. 1/2018	2.86% per year	3 Years	15 February 2021	-	1,000.00	1,000.00
No. 2/2018	2.86% per year	3 Years	25 March 2021	-	500.00	500.00
No. 3/2018	2.98% per year	2 Years	13 September 2020	-	-	500.00
No. 1/2019	3.00% per year	2 Years	5 February 2021	-	290.00	290.00
No. 2/2019	3.20% per year	3 Years	31 January 2022	100.00	100.00	100.00
No. 3/2019	3.15% per year	3 Years	17 May 2022	200.00	200.00	200.00
No. 4/2019	3.15% per year	3 Years	30 June 2022	270.00	270.00	270.00
No. 5/2019	2.95% per year	2 Years	23 July 2021	-	200.00	200.00
No. 6/2019	3.15% per year	3 Years	26 July 2022	500.00	500.00	500.00
No. 7/2019	3.15% per year	3 Years	8 August 2022	800.00	800.00	800.00
No. 8/2019	3.15% per year	3 Years	16 August 2022	200.00	200.00	200.00
No. 1/2020	2.90% per year	3 Years	17 February 2023	600.00	600.00	-
No. 2/2020	2.88% per year	3 Years	26 March 2023	500.00	500.00	-
No. 3/2020 Tranche 1	3.25% per year	2 Years	28 August 2022	721.50	721.50	-
No. 3/2020 Tranche 2	3.75% per year	3 Years	28 November 2023	602.50	602.50	-
		3 Months				
No. 4/2020	2.40% per year	1 Years	9 November 2021	-	245.00	-
No. 5/2020	2.40% per year	1 Years	3 December 2021	-	100.00	-
No. 6/2020	3.25% per year	2 Years	18 December 2022	416.00	416.00	-
No. 2/2021	2.45% per year	1 Years	14 September 2022	300.00	-	-
No. 3/2021	2.70% per year	2 Years	18 March 2023	200.00	-	-
No. 4/2021	2.20% per year	1 Years	1 July 2022	56.00	-	-
No. 5/2021	2.70% per year	2 Years	21 April 2023	317.00	-	-
No. 6/2021	2.90% per year	3 Years	18 June 2024	2,200.00	-	-
No. 7/2021	2.88% per year	3 Years	27 August 2024	500.00	-	-
No. 8/2021	2.52% per year	2 Years	30 August 2023	500.00	-	-
No. 9/2021 Tranche 1	2.50% per year	2 Years	17 October 2023	500.00	-	-
No. 9/2021 Tranche 2	2.85% per year	3 Years	7 October 2024	1,500.00	-	-
No. 10/2021	2.50% per year	2 Years	23 November 2023	650.00	-	-
Total long term debenture				11,633.00	7,245.00	6,620.00

The Company's short-term unsubordinated and unsecured debentures age not over 270 days

As of December 31, 2021, the outstanding value was THB 500 million, offering period from January, 23, 2020 - January 23, 2022, amount not exceeding 30,000,000 units (par value THB 1,000 per unit). A replacement tranche shall be entitled to issue to replace a matured tranche, provided the total outstanding balance at any time shall not exceed THB 30,000 million. The interest rate depends on the market rate at the time of offering for each tranche.

The Company's short-term bill of exchange age not over 270 days.

The outstanding value of short-term bills of exchange offered to institutional investors as of 31 December 2021 was THB 4,700 million. The interest rate was discounted rate based on the market rate at the time of offering. A replacement tranche shall be entitled to issue to replace a matured tranche, provided the total outstanding balance at any time shall not exceed THB 20,000 million.

1.6 Dividend Payment policy

The Company and its subsidiaries are, according to the Company and its subsidiaries' circumstances from time to time, to declare dividend in an appropriate rate, considering their performance, financial standing, and economic conditions. The payment rate shall not be less than 40 percent but not more than 70 percent, for the Company of the payable amount arising after the Company and its subsidiaries have, for each fiscal year, incurred net profit from operation, and duly complied with applicable laws, Articles of Association as well as fulfilled all of their obligations, except for the Company and its subsidiaries require to utilize any part or all of such payables on investment to generate higher income. This payment, in any event, shall be subject to the Company and its subsidiaries' Articles of Association, prohibiting them from paying any dividend from other monies than profit. Additionally, where the Company and its subsidiaries incur accumulated losses, no dividend shall be paid.

Unless otherwise stipulated, dividend shall be paid according to the number of shares held (equally for each share), under the approval from a shareholders' meeting. However, the Company and its subsidiaries might, from time to time, pay interim dividend to the shareholders as their profits are deemed adequate for such purpose, and, if so, report the same to the shareholders in their next meeting.

However, the Board of Directors might decide otherwise, or amend the said Policy from time to time, provided that such decision is made for the shareholders' best interest and under approval from the shareholders' meeting.

According to the resolution of the Annual General Meeting of Shareholders No. 35/2019 held on April 19, 2019, that has approved cash dividend payment from year 2018 operating result at the rate equivalent to Baht 1.61 per share in the total amount of Baht 566,551,980. The payout ratio is 69.82 percent and the payment of dividends shall be subjected to withholding tax at the rate prescribed by law. The Company shall fix the record date on March 8, 2019 to determine the shareholders right to receive dividends. The dividend payment date shall be made on April 30, 2019.

According to the resolution of the Board of Directors Meeting of Asia Sermkij Leasing Public Company Limited No. 5/2020 held on April 10, 2020 that approved payment of interim dividend from year 2019 operating result at the rate equivalent to Baht 1.72 per share in the total amount of Baht 605,260,501. The payout ratio is 69.61 percent and the payment of dividends shall be subjected to withholding tax at the rate prescribed by law. The Company fixed the record date on March 6, 2020 to determine the shareholders right to receive dividends, which was unchanged from the date previously announced to the Stock Exchange of Thailand. The dividend payment date shall be made on May 8, 2020. The Board of Directors' approval of the interim dividend payment is aimed to avoid the impact on shareholders' right to receive dividend from the postponement of the Annual General Meeting of Shareholders No. 36/2020 due to the Covid situation

According to the resolution of the Annual General Meeting of Shareholders No. 37/2020 held on April 20, 2020, that has approved cash dividend payment from year 2020 operating result at the rate equivalent to Baht 1.70 per share in the total amount of Baht 598,222,588. The payout ratio is 67.74% and the payment of dividends shall be subjected to withholding tax at the rate prescribed by law. The Company shall fix the record date on March 5, 2021 to determine the shareholders right to receive dividends. The dividend payment date shall be made on May 6, 2021.

2. Risk Management

2.1 Risk management policy and plan

The Company and its subsidiary determined to operate to achieve the business goals of creating added value and stability for the best interests of stakeholders and in accordance with the principles of Good Corporate Governance. The company believes that Risk Management is the basis for sustainable business operations. The organization's Risk Management Policy has been formulated to serve as a framework for Risk Management in accordance with the business plan and to be effective in various activities and operations in order to manage risks at an appropriate level within the company's Risk Appetite with the following policies:

1. Provide integrated enterprise-wide Risk Management and set Risk Management to be the responsibility of all departments in organization under the Risk Management Process is part of normal operations and to be managed systematically and continuously.
2. Provide regular monitoring, evaluation, review and improvement of risk management by providing development of tools and processes in order to monitor and control the organization's risks on a regular basis and keep up with the changing situations appropriately.
3. Determine the business strategy that balances with risk level and return on business under the management's acceptable level of risk in order to generate appropriate returns to shareholders as well as social responsibility.
4. Risks that may affect the achievement of the Company's objectives and strategies must be managed in time and continual basis.
5. Determine risk management guidelines according to the Company's anti-corruption policy. This policy applies to all executives and employees of the Company and its subsidiary.
6. Risk Management Policy to be under the supervision of the Risk Management Committee under the Risk Management Policy.
7. Directors and Executives support to encourage cooperation in overall risk management of the company and review the adequacy of the policy and Risk Management System including the efficiency of the system and its compliance.

2.2 Risk factors on business operation

2.2.1 Risk from Marketing and Competition

The growth of automobile industry and logistic industry resulted in the attractiveness of automobile hire purchase industry and attracting new players into the industry. This may result in an intense competition and there may be price competition to attract customers.

Considering the revenue structure, as of December 31, 2021, major revenue of the Company and its subsidiaries was interest income from hire purchase business accounting for 77.28 percent of total revenue. That means the Company and its subsidiaries may expose to high competitive risk arisen from the recession in automobile industry that may occur.

However, the Company and its subsidiaries still commit to offer a good quality service, to maintain the existing customer base, to have strict credit approval and to have a monitoring measure for customer repayment process. In addition, the Company will focus on an increase in the proportion of other hire purchase segments such as buses which has no impact from the recession in automobile industry, and try to increase income from service fee in order to increase profitability of the Company and its subsidiaries.

2.2.2 Risk of Mismatching between the Term of Financing and Source of Fund

The Company and its subsidiary charge a fixed interest rate to their hire purchase and leasing customers throughout the term of agreements while some of the loan's borrowing costs fluctuate according to the market interest rate. This leads to interest rate risk especially when the interest rate increases. However, as in the year 2020 and 2021, 38.12 percent and 36.41 percent of total receivables have been repaid each year, therefore the Company and its subsidiary can lend the proceeds collected to new debtors at the higher interest rate according to the market situation.

2.2.3 Risk of Liquidity

In relation to the financial liquidity risk, the Company and its subsidiary can be exposed to the risk of demand for loan repayment or non-renewal of the loans after maturity by the financial institutions as the majority of loan of the Company and its subsidiary are short-term. However, most of these short-term loans are from financial institution is the Company's major shareholder, hence the risk of demand for loan repayment is minimal. In addition, the Company and its subsidiary have never incurred any problem concerning the source of borrowing and sufficiency of the working capital as their short-term loans have never been recalled for repayment or unable to renew upon maturity. Furthermore, the Company and its subsidiary have sought for additional credit line from domestic financial institutions and diversified to more fund from new sources such as equity market and debt capital market, which can secure the financial liquidity risk. Moreover, and its subsidiary have hedged against liquidity risks by increasing the proportion of long-term borrowing. As at December 31, 2021, the ratio of long-term borrowings to short-term borrowings was at 79:21.

2.2.4 Risk of Used Cars Financing

Although used cars financing will face up with higher risk than new cars financing, but it generate higher return. Nowadays, customers with low purchasing power have more chance to buy a car due to higher competition in automobile hire purchase industry causing more flexibility in credit approval process. In order to prevent risk arising from used cars financing, the Company has set out a policy to finance cars that are popular, durable and will be easily sold at good prices in secondary market. A stringent credit approval for used cars is set out. Additionally, the Company maintains good relationship with a number of used car dealers. Used car transaction will be made only with trustworthy and strong financial dealers who sell only good quality used car at reasonable prices. This will help reduce possible risk arising from the substandard used cars and give customer confidence to the Company's service standard. The Company has a strong marketing team with extensive experiences in used car financing. They specialized in used car appraisal and inspection which will enable credit verification to be more accurate. Moreover, the Company has debt management staffs with high experience in debt monitoring, collection and car repossession. Thus, the Company has no loss incurred from significant error in the price appraisal of used cars.

2.2.5 Risk of Non-Performing Loans

Risk of non-performing loans is one of the risks which might arise as a result of hire purchase financing. Thus, as a credit provider, the Company need to have qualified personnel, efficient credit approval process, strict credit control and standard debt collection system. To prevent the risk arising from non-performing loans, the Company and its subsidiary hence have laid out the measures comprising screening of quality employees and customers, being strict and careful in credit approval process and building up an effective credit control and collection system. In addition, the Company and its subsidiary opt for the liquid and popular assets which can be promptly resold at good price, to generate profit or minimize loss, in case of customer default of payments. However, in case of which the selling price of asset sold is less than the amount of outstanding debts, the Company and its subsidiary can pursue the collection and legal proceeding to claim for the remaining debts from its debtors. As such, the level of non-performing loans of the Company and its subsidiary has been minimal. As at the end of Year 2020 and 2021, non-performing loans accounted for 2.87 percent and 2.71 percent of total outstanding receivables of the Company and its subsidiary, respectively. Non-performing loans to total outstanding receivables ratio in 2021 decreased from 2020 according to a performance of debt collection and management. The Company and its subsidiary continue on legal process with these bad debts which have been partially collected or sometimes found other assets of the debtors.

2.2.6 Risk from relying on dealers

For the truck industry, manufacturers sell products through dealers and dealers will propose the loan service provider to customers to consider. Dealer is an important part in choosing credit providers of customers. Moreover, the Company and its subsidiary mainly do the marketing through dealers. Therefore, the Company and its subsidiary have a risk of relying on dealers to refer customers. However, the Company and its subsidiary have been in this business for a long time. This makes the Company and its subsidiary have a strong relationship with dealers. In addition, the Company and its subsidiary have a policy to reduce the risk of relying on a particular dealer by continually seeking new potential partners.

2.2.7 Risk from inability to sell assets foreclosed and losses from sale of foreclosed assets

The Company and its subsidiary have assets foreclosed repossessing from customers who are unable to pay the installment. The Company and its subsidiary will sell assets foreclosed for repayment of the loans. Therefore, if the Company and its subsidiary cannot sell the assets foreclosed or the sales do not cover the outstanding loans and cause losses from the sales, it will affect the Company and its subsidiary's financial position and performance.

In 2021, the Company sold a total of 463 units of assets foreclosed, with a loss in the amount of THB 145.29 million. As of December 31, 2021, there were 217 units of assets foreclosed remaining, with a value of THB 186.26 million.

However, the Company and its subsidiary have a set strict and efficient measures for credit approval in order to reduce the risk of default, as well as having an effective credit control and monitoring system to quickly track down and repossess the cars and to sell at the best price. In addition, the Company is trying to increase the distribution channel of the repossessed cars by establishing a website www.mycarmytruck.com

2.2.8 Risks of exceed 25 percent shares held by major shareholders


As at December 31, 2021, Chailease Group (a group of major shareholders) held 266,082,577 shares, representing 50.41 percent of the total paid up shares. As a result of this shareholding structure, Chailease Group can control most of the resolutions of the shareholders' meeting including the election of directors and other matters which require majority voting for approval. With exception to the matters, as required by law and other rules and regulations of the Company, to have a vote of not less than three quarters of the total number of votes from shareholders who attend the meeting and have the right to vote. Therefore, other shareholders may not have enough voting right to check and balance on the proposal from the major shareholders.

However, the Company has appointed 5 directors as the independent directors who 4 of 5 are in the Audit Committee. The Audit Committee shall monitor and consider any conflict of interest transactions according to the rules and regulations, to ensure transparency, auditability, reasonableness, and the best interest for the Company.

3. Business Sustainability Development

3.1 Policy and objectives of sustainable management

The Company and its subsidiaries focus on driving business sustainable growth with the goal of operating business that create social, economic, and environmental value under corporate governance and good governance at the same time with being a part to drive the Sustainable Development Goals (SDGs) in national and international level.

Target	Sustainability Policy		
	Economic	Social	Environment
	Operate business to create sustainable growth and return	Being a responsible organization for social and all stakeholders	Being a part of environmental conservation
change	<ol style="list-style-type: none"> 1. Development of comprehensive products to serve the needs of customers and social change. 2. Focusing on improving efficiency and effectiveness of operations. 3. Management with transparency. 	<ol style="list-style-type: none"> 1. Fair and appropriate treatment of employees. 2. Treat customers and partners with honesty, appropriateness and fairness. 3. Responsible treatment of creditors 4. Operate business with social responsibility and ethics along with taking care of society and community. 5. Strictly comply with the regulations of related regulators. 	<ol style="list-style-type: none"> 1. Development of eco-friendly products. 2. Promoting the most efficient use of resources. 3. Promoting of environmental supporting activities.
Sustainable Development Goals			

3.2 Management of impacts on stakeholders in the business value chain

3.2.1 Business value chain

The Company committed to create value for products and services in order to meet the expectation of key stakeholders involved in business operation from upstream to downstream which can be identified as the Value Chain as follows:

1. Primary activities

1) Inbound logistics

Using fund from equity and borrowing to provide loan to customers.

2) Operations

Offering various loan services to customers such as hire purchase and leasing for automobile and vehicle, title loan, loan for business, factoring and life and non-life insurance broker services, as well as, registration services. The Company will design variety of products and services to cover all needs of target customers.

3) Outbound logistics

The Company provides services to customers through branches, service at the dealer's showroom and direct marketing.

4) Marketing and Sales

The Company provides clear, accurate, complete, straight and most beneficial information about products to customers and answers questions clearly. The Company will offer products that suit and meet the needs of customers as well as fast service. The Company's marketing officers will coordinate with both customers and dealers to offer services.

5) Customer services

After the completion of the loan service the Company still takes care of customers continuously, such as calling to follow up if the customers forget to pay the installment to help prevent customers from default. In addition, it also provides advice to customers if customers have problems in paying installments, and a convenient installment payment system.

2. Support activities

Activities that support the company to achieve its main activities include credit analysis, support systems include accounting, finance, legal and information technology systems which are important parts.

3.2.2 Analysis of stakeholders in the business value chain

The Company give importance to all groups of stakeholders, whether internal or external. The policy is to meet the expectations of the stakeholders as follows:

Stakeholders	Stakeholder expectation	Stakeholder expectation responsiveness
Internal stakeholders		
Shareholders	<ul style="list-style-type: none"> - Continuous and sustainable performance growth - Receive adequate information - Efficient business operations 	<ul style="list-style-type: none"> - Operate business to grow and generate continuous profit. - Disclose information completely and timely. - Effective management of company resources
Employees	<ul style="list-style-type: none"> - Reasonable, fair compensation, including other welfare - Secure job with career path - Opportunity to continuously learn and develop. - Fairness in work. - Health and safety at work. 	<ul style="list-style-type: none"> - Fair compensation, incentives and good welfare. - Promote opportunities and career growth. - Promote learning and development both internal training and external training. - Treat employees equally and fairly. - Create a good workplace.
External stakeholders		
Customers	<ul style="list-style-type: none"> - Products that meet the needs. - Receive good service with reasonable and fair prices and conditions. 	<ul style="list-style-type: none"> - Develop suitable products according to market demand. - Disclose complete and accurate product information. - Provide good and fast service to make customers satisfied.
Business partners	<ul style="list-style-type: none"> - Receive fair remuneration - Build a good relationship and take care of regularly 	<ul style="list-style-type: none"> - Comply with the terms of contracts which are fair and transparent. - Visit partners regularly to listen to opinions, suggestions in order to improve the Company's system and business operations.
Competitors	<ul style="list-style-type: none"> - Operate business with ethics 	<ul style="list-style-type: none"> - Operate business with ethics
Creditors	<ul style="list-style-type: none"> - Comply with the agreement - Repayment of debts on time 	<ul style="list-style-type: none"> - Comply with the agreement - Repayment of debts on time
Regulators	<ul style="list-style-type: none"> - Regulations compliance 	<ul style="list-style-type: none"> - Strictly comply with the regulations
Social	<ul style="list-style-type: none"> - Operate business with social responsibility 	<ul style="list-style-type: none"> - Help for social development

3.3 Management of environmental sustainability

3.3.1 Environmental Policy and guidelines

The Company and its subsidiaries give importance on environmental responsibility by cultivating an attitude and creating a corporate culture to make employees responsible for the environment and set up environmental policies such as measures to reduce environmental impacts throughout the value chain and reduce resource usage and efficient resource utilization.

The environmental measures that the Group has implemented are as follows:

Development of eco-friendly products	: Loan for solar power generation and electric vehicles
Use of resources	: Promoting the most efficient use of resources.
Promoting of environmental supporting activities.	: Promote awareness of employees to understand and realize the importance of environmental protection.

3.3.2 Environmental operating results

1. Development of eco-friendly products

The subsidiary (Bangkok Grand Pacific Lease Public Company Limited) has been providing loans for solar power generation since 2020, including solar power generation equipment hire purchase and loans for using in solar power generation business. In 2021, the subsidiary has disbursed loans for solar power generation totaling THB 164.26 million.

2. Promoting the most efficient use of resources.

(1) Energy saving

The Company and its subsidiaries manage to save energy such as turning on and off the lights and electrical equipment at certain time, selection of electrical appliances with energy-saving standards, etc. In 2021, the Company's electricity consumption was 612,571 kWh, decrease from 619,752 kWh in 2020.

(2) The use of alternative energy

The Company and its subsidiaries support the use of alternative energy and environment friendly energy. The company is in the process of studying the feasibility of producing solar power by installing solar cell panels at branch offices.

(3) Reduce paper usage

The Company and its subsidiaries have a policy to reduce the use of paper by using technology in operation (Paperless system) as much as possible. Currently, there are 4 projects implemented and 2 projects under development.

3.4 Social sustainability management

3.4.1 Social policy and guidelines

The Company and its subsidiaries operate business with responsibility for social and all stakeholders inside and outside. The Company adheres to the principles of ethical business operations along with taking care of society and community to grow together in a sustainable way.

The social measures that the Group has implemented are as follows:

Treatment of employees	:	<p>Fair and appropriate treatment of employees.</p> <ul style="list-style-type: none"> - Recruit and select employees with an efficient and fair selection system and strictly comply with labor laws - Provide fair compensation to employees determined in accordance with the Company's performance and appropriate welfare. - Support the development of knowledge, abilities and skills of employees - Support career growth - Enhance a good working environment including health, safety and occupational health in the workplace.
Treatment of customers and business partners	:	<p>Treat customers and business partners with honesty</p> <p><u>Treatment of customers</u></p> <ul style="list-style-type: none"> - Commit to service customers for maximum benefit and satisfaction at a fair rate and maintain a good relationship in the long term. - Provide accurate, complete and clear information to customers as well as fair contracts and conditions for both parties. - Store customer information systematically, securely and do not misuse customer information. - Establish a department responsible for giving advice to customers, solving problems and receiving complaints from customers via easily accessible channels. <p><u>Treatment of business partners</u></p> <ul style="list-style-type: none"> - Comply with the terms of contracts which are fair and transparent. - Visit partners regularly to listen to opinions, suggestions in order to improve the Company's system and business operations.
Treatment of creditors	:	<p>Responsible treatment of creditors</p> <ul style="list-style-type: none"> - Comply with the agreement - Repayment of debts on time
Treatment of community and society.	:	<p>Operate business with social responsibility and ethics along with taking care of society and community.</p> <ul style="list-style-type: none"> - Support and carry out activities for the public, community and society.
Regulations compliance		<p>Strictly comply with the regulations of related regulators.</p>

3.4.2 Social operating results

1. Treatment of employees

(1) Support the development of knowledge, abilities and skills of employees

The Company and its subsidiaries had focus on employee development to increase knowledge performance and quality of service. The Company and its subsidiaries have policy to encourage employees to practice and self-development consistently by their position and task. The executive level will focus on the skills of management and psychology. And operational levels will focus on the skills and techniques for employees to learn and practice skills under the guidance of experienced professionals. The Company and its subsidiaries have provided training within the Company by inviting knowledgeable speakers from internal and external institutions. In 2021, the Company and its subsidiaries have provided training both internal training and external institutions to managements and employees totaling 53 times comprised of 19 times internal training covered the content to support the work of the Company, and skills relating to the Company business, 34 times external training. The Company and its subsidiaries have employee development expenses THB 0.56 million in 2020 and THB 0.15 million in 2021. The average hour of training in 2020 was 7.8 hours/ person/ year.

(2) Enhance a good working environment including health, safety and occupational health in the workplace.

The Company and its subsidiaries had a campaign on safety at work constantly regarding workplace safety and sanitation policy. In 2021 the Company recorded sick leave equal to 1.42 percent of the total employees of the Company and its subsidiaries. The Company has no accidents arising from working. The Company has organized the annual health check for the welfare of manpower to keep all healthy. This project, the Company held annually and operated continuously for more than 19 years.

Moreover, during the epidemic situation of the coronavirus disease 2019 (Covid 19), the Company and its subsidiaries gave importance to safety of the employees.

Preventive measures and actions as follow:

- Allow employee to work from home
- Flexibility of time attendance for employees who work at the office and travel by public transport to avoid traveling during rush hour because there are large number of travelers.
- Coordinate with relevant government agencies to provide vaccines to employees.
- Allow employees to take special leave for vaccination.
- Offer ATK kits to employees to get test before returning to work at the office and assign employees who work at the office get ATK test every Sunday and Wednesday.
- Limit external people in allocated area without entering to the office
- Prepare alcohol gel and temperature checking for employees before entering to the office area.
- Often clean common points of contact.

2. Treatment of community and society.

(1) Scholarship support

The company realizes the importance of education and youth development, which will be the main force in driving the country in the future. However, the shortage of funds is a major obstacle that makes students not be able concentrate on studying. Therefore, the Company has set up a scholarship program for undergraduate students from 2016 onwards. The Company provides scholarship for tuition expenses for 4th year students with good school results but lack of fund.

In this regard, in 2021, the Company gave scholarship to at the Bachelor's students for 14 scholarships amounted THB 10,000 - 30,000, totaling THB 280,000.

(2) Social assistance activity

The company has implemented social assistance projects in order to be a part that support and help society better, in 2021, the Company donated money to the Thai Red Cross Society and 2 hospitals, totaling 450,000 baht, in order to contribute to help and heal people who affected by Covid 19 and to procure medical equipment for use in the epidemic situation of Covid 19.

3. Regulations compliance

The Company has established a Compliance Department to ensure compliance with regulations of government regulators including a Data Governance Office to promote and support the efficient and accurate data management.



4. Management Discussion and Analysis (MD&A)

4.1 Financial statements and significant financial ratios

Summary Audit Report of Auditors within 3 past years

Consolidated Financial Statements of Asia Sermkij Leasing Public Company Limited in 2019 were audited by Ms. Vissuta Jariyathanakorn Certified Public Accountant (Thailand) No. 3853 of EY Office Limited as Auditors of the opinion that the financial statements as at December 31, 2019 of financial position, performance and cash flows for the year of the Company and its subsidiary in accordance with Thai Financial Reporting Standards.

Consolidated Financial Statements of Asia Sermkij Leasing Public Company Limited in 2020 were audited by Ms. Vissuta Jariyathanakorn Certified Public Accountant (Thailand) No. 3853 of EY Office Limited as Auditors of the opinion that the financial statements as at December 31, 2020 of financial position, performance and cash flows for the year of the Company and its subsidiary in accordance with Thai Financial Reporting Standards.

Consolidated Financial Statements of Asia Sermkij Leasing Public Company Limited in 2021 were audited by Ms. Vissuta Jariyathanakorn Certified Public Accountant (Thailand) No. 3853 of EY Office Limited as Auditors of the opinion that the financial statements as at December 31, 2021 of financial position, performance and cash flows for the year of the Company and its subsidiary in accordance with Thai Financial Reporting Standards.

Summary Financial Position and Performance

Table shows statement of financial statement, statement of comprehensive income, and cash flows statement in 2019 - 2021 as follows;

Statement of financial position	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Current assets						
Cash and cash equivalents	457.60	1.09	394.92	0.88	471.30	0.83
Bank deposits with restriction	59.07	0.14	62.12	0.14	147.90	0.26
Current investment	9.60	0.02	-	-	-	-
Current portion of hire purchase receivables	13,904.37	33.25	14,514.59	32.30	15,544.89	27.43
Current portion of financial lease receivables	242.93	0.58	288.10	0.64	403.21	0.71
Factoring receivables	139.30	0.33	63.38	0.14	64.86	0.12
Current portion of loan receivables	1,144.60	2.74	1,664.01	3.70	2,688.92	4.75
Other current financial assets	-	-	7.02	0.02	8.25	0.01
Assets foreclosed	141.44	0.34	95.98	0.21	122.07	0.22
Other current assets	217.55	0.52	246.04	0.55	465.79	0.82
Total current assets	16,316.46	39.02	17,336.16	38.58	19,917.19	35.15
Non-current assets						
Bank deposits with restriction	1.00	-	-	-	-	-
Hire purchase receivables - long-term portion	23,879.91	57.11	25,367.34	56.46	33,292.82	58.75
Financial lease receivables - long-term portion	371.59	0.89	488.97	1.09	678.68	1.20
Loan receivables - long-term portion	653.62	1.56	1,069.49	2.38	1,722.93	3.04
Derivative assets	-	-	-	-	361.68	0.64
Other non-current financial assets	-	-	8.70	0.02	3.85	0.01
Other long-term investment	9.71	0.02	-	-	-	-
Land, building and equipment	165.19	0.40	170.45	0.38	157.68	0.28
Right-of-use assets	-	-	42.26	0.09	64.54	0.11
Intangible assets	10.45	0.02	13.27	0.03	10.96	0.02
Deferred tax assets	326.77	0.78	349.81	0.78	377.99	0.66
Other non-current assets	80.31	0.19	84.21	0.19	80.37	0.14
Total non-current assets	25,498.55	60.98	27,594.50	61.42	36,751.50	64.85
Total assets	41,815.01	100.00	44,930.66	100.00	56,668.69	100.00

Statement of financial position	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Liabilities and shareholders' equity						
Current liabilities						
Short-term loans from banks	4,760.00	11.38	4,030.00	8.97	3,780.00	6.67
Short term loan from related parties	60.00	0.15	1,000.00	2.23	500.00	0.88
Current portion of long-term loans from a related party	-	-	2,150.00	4.78	2,850.00	5.03
Current portion of long-term loans from banks	4,699.43	11.24	2,269.78	5.05	5,009.67	8.84
Other short-term loan	-	-	8,801.88	19.59	4,686.94	8.27
Current portion of long-term debentures	2,559.45	6.12	2,334.76	5.20	3,556.02	6.28
Short-term debentures	12,049.54	28.82	-	-	499.98	0.88
Current portion of leases liability	-	-	22.71	0.05	33.22	0.06
Amounts due to related parties	0.53	-	2.78	0.01	0.74	-
Income tax payable	116.42	0.28	126.11	0.28	182.15	0.32
Current portion of deposits relating to collateral customers	5.91	0.01	66.91	0.15	255.94	0.45
Other current liabilities	802.36	1.92	770.75	1.71	912.99	1.61
Total current liabilities	25,053.64	59.92	21,575.68	48.02	22,267.65	39.29
Non-current liabilities						
Long-term loans from a related party	4,300.00	10.28	3,650.00	8.12	3,600.00	6.35
Long-term loans from banks	2,768.18	6.62	8,654.35	19.26	12,492.16	22.04
Long-term debentures	4,057.56	9.70	4,836.75	10.77	8,018.45	14.15
Leases liabilities	-	-	20.39	0.05	32.84	0.06
Derivative liabilities	-	-	-	-	10.08	0.02
Deposit relating to collateral customers	69.48	0.17	346.41	0.77	812.90	1.44
Provision for long-term employee benefits	142.19	0.34	179.39	0.40	179.2	0.32
Other non-current liabilities	-	-	-	-	0.19	-
Total non-current liabilities	11,337.41	27.11	17,687.29	39.37	25,145.82	44.38
Total liabilities	36,391.05	87.03	39,262.97	87.39	47,413.47	83.67
Shareholders' equity						
Issued and fully paid-up	1,759.48	4.21	1,759.48	3.92	2,639.22	4.66
Share premium	715.42	1.71	715.42	1.59	2,824.82	4.98
Difference from restructuring of shareholding	4.19	0.01	4.19	0.01	4.19	0.01
Retained earnings						
Appropriated - statutory reserve	176.00	0.42	176.00	0.39	228.23	0.40
Retained earnings						
Unappropriated	2,768.87	6.62	3,015.01	6.71	3,575.20	6.31
Other components of equity	-	-	(2.41)	(0.01)	(16.44)	(0.03)
Total shareholders' equity	5,423.96	12.97	5,667.69	12.61	9,255.22	16.33
Total liabilities and shareholders' equity	41,815.01	100.00	44,930.66	100.00	56,668.69	100.00

Source : Consolidated financial statements of Asia Sermkij Leasing Public Company Limited for the Year 2019 - 2021 audited by certified public accountant.

Statement of comprehensive income	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues						
Interest income from loan receivables	2,911.34	87.01	3,183.90	88.55	3,807.93	86.26
Interest income from hire purchase agreements	2,691.17	80.43	2,857.62	79.48	3,288.02	74.48
Interest income from financial lease agreements	36.36	1.09	48.25	1.34	63.58	1.44
Interest income from loan agreements	173.29	5.18	269.81	7.50	453.45	10.27
Interest income from factoring	10.52	0.31	8.22	0.23	2.88	0.07
Service income	291.85	8.73	298.46	8.30	509.57	11.54
Service income from insurance broker	256.80	7.68	262.44	7.30	468.32	10.61
Other service income	35.05	1.05	36.02	1.00	41.25	0.93
Other income	142.67	4.26	113.25	3.15	96.88	2.19
Penalty income	126.02	3.77	90.89	2.53	76.81	1.74
Dividend income	0.17	0.01	0.19	0.01	0.19	0.00
Other	16.48	0.48	22.17	0.61	19.88	0.45
Total revenues	3,345.86	100.00	3,595.61	100.00	4,414.38	100.00
Expenses						
Selling expenses	225.72	6.75	233.87	6.50	305.04	6.91
Administrative expenses	718.86	21.49	754.23	20.98	744.18	16.86
Expected credit losses and impairment loss on assets foreclosed	-	-	557.29	15.50	816.72	18.50
Bad debts and doubtful accounts	467.01	13.96	-	-	-	-
Total expenses	1,411.59	42.20	1,545.39	42.98	1,865.94	42.27
Finance cost	858.72	25.66	929.65	25.85	1,039.13	23.54
Income tax expenses	206.02	6.15	237.51	6.61	306.51	6.94
Profit for the year	869.53	25.99	883.06	24.56	1,202.80	27.25
Other comprehensive income:						
Loss on change of value of equity investment	-	-	(2.41)	(0.07)	(2.28)	(0.05)
Actuarial losses, net of income tax	-	-	(18.51)	(0.51)	7.40	0.17
Net changes in cost of hedging, net of income tax	-	-	-	-	(8.43)	(0.19)
Other comprehensive income for the year	-	-	-	-	(3.31)	(0.08)
Total comprehensive income for the year	869.53	25.99	862.14	23.98	1,196.18	27.10

Source : Consolidated financial statements of Asia Sermkij Leasing Public Company Limited for the Year 2019 - 2021 audited by certified public accountant.

(Unit : Million Baht)

Cash flow statement	Consolidated financial statements		
	2019	2020	2021
Cash flows from operating activities			
Profit before tax	1,075.55	1,120.57	1,509.32
<i>Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:</i>			
Doubtful accounts and loss on diminution in value of assets foreclosed	467.01	-	-
Expected credit losses and impairment loss on assets foreclosed	-	557.29	816.72
Depreciation of building and equipment	26.22	27.08	26.67
Depreciation of right-of-use assets	-	33.55	34.49
Amortization of intangible assets	2.64	2.38	2.34
Provision for long-term employee benefits	38.47	17.11	19.11
Gain on disposals of equipment and vehicle	(1.03)	(0.98)	(1.49)
Write-off of equipment and vehicle	0.01	-	-
Loss (gain) from revaluation of investments	2.37	1.58	(1.23)
Dividend income	(0.17)	(0.19)	(0.19)
Interest income	(2,911.34)	(3,183.90)	(3,807.94)
Finance costs	858.72	929.65	1,039.13
Loss from operating activities before changes in operating assets and liabilities	(441.55)	(495.86)	(363.07)
<i>Decrease (increase) in operating assets</i>			
Bank deposits with restriction	(16.73)	(3.07)	(85.77)
Hire purchase receivables	(4,310.03)	(2,090.63)	(9,929.21)
Financial lease receivables	(205.25)	(169.27)	(304.97)
Factoring receivables	49.68	108.69	(1.38)
Loan receivables	(907.13)	(1,004.30)	(1,821.20)
Assets foreclosed	(102.17)	(141.17)	309.88
Other current assets	(10.81)	(15.62)	(229.68)
Other non-current assets	(227.42)	(293.10)	59.43
<i>Increase (decrease) in operating liabilities</i>			
Amounts due to related party	0.13	0.05	-0.18
Deposit relating to collateral customers	58.00	337.92	655.52
Other current liabilities	84.45	(0.40)	114.46
Other non-current liabilities	-	-	0.19
Cash used in operating activities	(6,028.83)	(3,766.76)	(11,595.98)
Cash paid for long-term employee benefits	(2.49)	(3.03)	(10.05)
Compensation for loss on assets foreclosed	3.32	4.45	12.41
Cash received from bad debts recovery	43.46	47.50	81.70
Cash received from interest	2,851.94	3,072.65	3,631.80
Cash paid for interest expenses	(839.52)	(1,100.83)	(959.06)
Cash paid for corporate income tax	(237.05)	(242.32)	(287.73)
Net cash used in operating activities	(4,209.17)	(1,988.34)	(9,126.91)

(Unit : Million Baht)

Cash flow statement	Consolidated financial statements		
	2019	2020	2021
Cash flows from investing activities			
Increase in current investment	(1.00)	-	-
Acquisitions of investment in a subsidiary	-	-	2.01
Acquisitions of building and equipment	(31.05)	(32.35)	(14.13)
Acquisitions of intangible assets	(0.60)	(5.20)	(0.04)
Proceeds from disposals of equipment and vehicle	1.03	0.98	1.72
Dividend income	0.17	0.19	0.19
Net cash used in investing activities	(31.45)	(36.38)	(10.25)
Cash flows from financing activities			
Increase (decrease) in short-term loans from banks	355.00	(730.00)	(250.00)
Increase (decrease) in short-term loans from a related party	-	940.00	(500.00)
Increase (decrease) in other short-term loans	-	8,855.00	(4,155.00)
Increase (decrease) in short-term debentures	355.00	(730.00)	(250.00)
Increased in long-term loans from a related party	-	940.00	(500.00)
Increase in long-term loans from banks	-	8,855.00	(4,155.00)
Repayment of long-term loans from a related party	3,315.00	(12,050.00)	500.00
Repayment of long-term loan from banks	2,500.00	1,500.00	2,000.00
Proceeds from long-term debentures issuance	1,300.00	8,160.00	8,493.00
Repayment of long-term debentures	(2,000.00)	-	(1,350.00)
Repayment of lease liabilities	(1,400.00)	(4,700.00)	(2,270.00)
Proceeds from share capital increase	2,560.00	3,185.00	6,723.00
Dividend paid	(1,585.00)	(2,560.00)	(2,335.00)
Net cash from financing activities	4,478.53	1,962.04	9,213.54
Net increase (decrease) in cash and cash equivalents	237.91	(62.68)	76.38
Cash and cash equivalents at beginning of year	219.69	457.60	394.92
Cash and cash equivalents at end of year	457.60	394.92	471.30

Source : Consolidated financial statements of Asia Sermkij Leasing Public Company Limited for the Year 2019 - 2021 audited by certified public accountant

Financial ratio

Financial Ratio		Consolidated financial statements		
		2019	2020	2021
Profitability ratio				
Interest revenue ^{1/}	(%)	7.77	7.65	7.83
Interest expense ^{1/}	(%)	2.64	2.49	2.55
Interest spread	(%)	5.13	5.16	5.28
Net profit margin	(%)	25.99	24.56	27.25
Return on equity	(%)	16.91	16.27	15.66
Efficiency Ratio				
Return on asset	(%)	2.25	2.02	2.37
Cost to income	(%)	37.98	37.04	31.07
Asset turnover	(Times)	0.09	0.08	0.09
Leverage Ratio				
Debt to equity	(Times)	6.71	6.93	5.12
Lending to borrowings	(Times)	1.17	1.17	1.23
Asset Quality Ratio				
Allowance for expected credit losses to total lending	(%)	2.33	2.32	2.39
Bad debt to total lending	(%)	0.21	0.96	1.35
NPL to total lendings	(%)	3.45	2.87	2.71
Allowance for expected credit losses to NPL	(%)	67.91	81.04	88.35

Note : ^{1/} Interest revenue is an Effective Rate and interest expense includes aval and guarantee fees.

4.2 Financial Position and Operating Performance analysis

Overview of the Historical Financial Position and Operating Performance

Overview of the historical financial position and operating performance from 2019 - 2021 are as follow;

	2019		2020		2021	
	Million Baht	Change YoY (Percent)	Million Baht	Change YoY (Percent)	Million Baht	Change YoY (Percent)
Assets	41,815.01	15.35	44,930.66	7.45	56,668.69	26.12
Liabilities	36,391.05	16.91	39,262.97	7.89	47,413.47	20.76
Shareholders' equity	5,423.96	5.92	5,667.69	4.49	9,255.22	63.30
Revenues						
Interest income from loan receivables	2,911.34	9.76	3,183.90	9.36	3,807.93	19.60
Service income	291.85	10.78	298.46	2.26	509.56	69.81
Other income	142.67	(14.56)	113.25	(20.62)	96.88	(14.45)
Total revenues	3,345.86	8.53	3,595.61	7.46	4,414.38	22.77
Expenses						
Selling and administrative expenses	944.58	9.97	988.10	4.61	1,049.22	6.19
Expected credit losses and impairment loss on assets foreclosed ¹	467.01	1.73	557.29	19.33	816.72	46.55
Finance cost	858.72	12.39	929.65	8.26	1,039.13	11.78
Total expenses - exclude income tax expense	2,270.31	9.04	2,475.04	9.02	2,905.07	17.37
Profit for the year	869.53	7.18	883.06	1.56	1,202.84	36.21
Earning per share ² (Baht)	2.47	6.93	2.51	1.62	2.62	4.38
Disbursement	22,632.76	24.07	20,367.86	10.01	30,843.76	51.43
Total portfolio - before allowance for expected credit losses	41,299.84	15.04	44,489.77	7.72	55,728.79	25.26
Total portfolio - Net	40,336.33	15.01	43,455.88	7.73	54,396.31	25.18

¹ Year 2019 : Allowance for doubtful accounts

² Weighted average

³ ปี 2563 : ค่าเพื่อหนี้สงสัยจะสูญ

The shareholders' equity as of December 31, 2021 was THB 9,255.22 million, increased by 63.30 percent from THB 5,667.69 million at the end of 2020. This was resulted from a capital increase in May 2021 and a good operating performance that reflected on a rise in the Company's retain earnings. The Company had registered capital of THB 2,639.22 million and retained earnings of THB 3,803.43 million.

Total revenues in 2021 amounted to THB 4,414.38 million increased by 22.77 percent from THB 3,595.61 million in 2020 as a result of a growth in portfolio. The major sources of revenues were from interest income form loan receivables which mainly were interest income from hire purchase business, accounted for 74.48 percent of total revenue in 2021 and 79.48 of total revenue in 2020.

The total profit for the year 2021 amounted to THB 1,202.80 million increased by 36.21 percent from THB 883.06 million in 2020. The net profit margin ratio in 2021 was 27.26 percent increased from 24.56 percent in 2020 as a result of an increase of operating efficiency. The return on equity ratio in 2021 was 15.67 percent, slightly decreased from 16.27 percent at the end of 2020. This was due to an increase in shareholders' equity from the Company's capital increase.

The total portfolio before allowance for expected credit losses in 2021 amounted to THB 55,728.79 million, increased from THB 44,489.77 million in 2020 or increased by 25.26 percent. The NPLs ratio at the end of 2021 was at 2.71 percent of the total portfolio, decreased from 2.87 percent at the end of 2020. This reflected the well-controlled asset quality of the Company and its subsidiary. The allowance for expected credit losses to NPLs ratio was 88.33 percent at the end of 2021, increased from 81.04 percent at the end of 2020.

Operating Performance by Business

Revenues

The total revenues of the Company and its subsidiaries during 2019 - 2021 equaled to THB 3,345.86 million, THB 3,595.61 million and THB 4,414.38 million respectively. The major sources of revenues were an interest income from loan receivables and service income.

Interest income from loan receivables

Interest income from loan receivables in 2019 – 2021 amounted to THB 2,911.34 million, THB 3,183.90 million and THB 3,807.93 million respectively. Interest income in 2020 increased 9.36 percent from 2019 and interest income in 2021 increased 19.60 percent from 2020. Interest income from loan receivables in 2019 – 2021 accounted for 87.01 percent, 88.55 percent and 86.26 percent of total revenues respectively.

Interest income from hire purchase agreements

Interest Income from hire purchase agreements during 2019 - 2021 amounted to THB 2,691.17 million, THB 2,857.62 million and THB 3,288.02 million respectively. The hire-purchase interest income in 2020 increased by 6.19 percent from 2019, income in 2021 increased by 15.06 percent from 2020 due to the expansion in the hire purchase portfolio. The hire-purchase account receivables before allowance for expected credit losses (2019: allowance for doubtful accounts) at the end of the year 2019 - 2021 equaled to THB 38,579.98 million, THB 40,734.27 million and THB 49,888.06 million respectively. The hire-purchase interest income accounted for 80.43 percent, 79.48 percent and 74.48 percent of the total revenues of the Company and its subsidiaries during the year 2019 - 2021 respectively.

Interest income from financial lease agreements

Interest income from financial leases agreements of the subsidiary (Bangkok Grand Pacific Lease Plc.) during 2019 - 2021 amounted to THB 36.36 million, THB 48.25 million and THB 63.58 million respectively. Income in 2020 increased by 32.70 percent from 2019 and income in 2021 increased by 31.77 percent from 2020. The increase was mainly from an increase in financial lease portfolio in accordance of increase of disbursement. The financial lease receivables before allowance for expected credit losses (in 2019: allowance for doubtful accounts) at the end of the year 2019 - 2021 equaled to THB 640.67 million, THB 810.62 million and 1,114.15 THB million respectively. Interest income from financial leases accounted for 1.09 percent, 1.34 percent and 1.44 percent of the total revenues of the Company and its subsidiaries respectively.

Interest income from factoring business

Interest income from factoring business of the subsidiary (Bangkok Grand Pacific Lease Plc.) during 2019 - 2021 amounted to THB 10.52 million, THB 8.22 million and THB 2.88 million respectively. Income in 2020 decreased by 21.86 percent from 2019 and income in 2021 decreased by 64.96 percent from 2020. The decreases in factoring income were resulted from a drop in factoring disbursement due to the stringent credit policy of subsidiary. The factoring receivables before allowance for expected credit losses (2019: allowance for doubtful accounts) at end of the year 2019 - 2021 equaled to THB 229.78 million, THB 125.36 million and 126.84 THB million respectively. Factoring income accounted for 0.31 percent, 0.23 percent and 0.07 percent of the total revenues of the Company and its subsidiaries respectively.

Interest income from loan agreements

Interest income from loan business during 2019 - 2021 amounted to THB 173.29 million, THB 269.81 million and 453.45 THB million respectively. Income in 2020 increased by 55.70 percent from 2019, income in 2021 increased by 68.06 percent from 2020 due to the expansion in the loan portfolio. The loan account receivables before allowance for expected credit losses (2019: allowance for doubtful accounts) at the end of the year 2019 - 2021 equaled to THB 1,849.40 million, THB 2,819.52 million and THB 4,599.74 million respectively. The interest income accounted for 5.18 percent, 7.50 percent and 10.27 percent of the total revenues of the Company and its subsidiaries during the year 2019 - 2021 respectively.

Service incomes

Service incomes during 2019 - 2021 amounted to THB 291.85 million, THB 298.46 million and THB 509.57 million respectively. Service incomes comprised of service income from insurance broker business, fee and other service incomes. Service incomes were mainly from service income from insurance broker business which accounted for 91.91 percent of service income in 2021.

Service income from insurance broker business

Service income from insurance broker business during 2019 - 2021 amounted to THB 256.80 million, THB 262.44 million and THB 468.32 million respectively. This income in 2020 increased by 2.20 percent from 2019, income in 2021 increased by 78.45 percent from 2020 due to an increase of disbursement and penetration rate.

Other Incomes

Other incomes included penalty income, dividend income and etc. Other incomes from the Company and its subsidiaries during 2019 - 2021 amounted to THB 142.67 million, THB 113.25 million and THB 96.88 million respectively. Other incomes in 2020 decreased by 20.62 percent from 2019 and other incomes in 2021 decreased by 14.45 percent from 2020. Such increases were mainly attributable to a decrease in penalty income.

Expenses

The Company and its subsidiaries' expenses (including expected credit losses and impairment loss on assets foreclosed (2019: bad debts and doubtful accounts) and finance cost, excluding income tax expenses) during 2019 - 2021 amounted to THB 2,270.31 million, THB 2,475.04 million and THB 2,905.07 million respectively. The expenses in 2020 increased by 9.02 percent from 2019 and expenses in 2021 increased by 17.37 percent from 2020. The major source of expenses was selling and administrative expenses whereas the other sources of expenses included, finance cost and expected credit losses and impairment loss on assets foreclosed/ bad debt and doubtful accounts expenses as below:

Selling and administrative expenses

Selling and administrative expenses of the Company and its subsidiaries during 2019 - 2021 amounted to THB 944.58 million, THB 988.10 million and THB 1,049.22 million respectively. Selling and administrative expenses in 2020 increased by 4.61 percent from 2019 and the expenses in 2021 increased by 6.19 percent from 2020. This increase was due to the growth of disbursement while the Company had better efficiency. The cost to income ratio in 2021 was 31.07 percent, decreased from 37.07 percent in 2020. Selling and administrative expenses accounted for 41.61 percent, 39.92 percent and 36.12 percent of the total expenses exclude income tax expenses of the Company and its subsidiaries during 2019 - 2021 respectively. The selling and administrative expenses were mainly employee expenses.

Expected credit losses and impairment loss on assets foreclosed/ Bad debts and doubtful accounts expenses

Expected credit losses and impairment loss on assets foreclosed (2019: Bad debts and doubtful accounts) expenses of the Company and its subsidiary during 2019 - 2021 amounted to THB 467.01 million, THB 557.29 and THB 816.72 million respectively. Expected credit losses and impairment loss on assets foreclosed in 2020 increased by 19.33 percent from 2019. And the expense in 2021 increased by 46.55 percent from 2020. The increase in 2021 was a result of the Company's write-off according to the Ministerial Regulation No.374 about the write-off. Therefore, the Company had to record provision for those bad debt. The Company had expected credit losses and impairment loss on assets foreclosed (Bad debts and doubtful accounts) to average loan receivable ratio in 2019 - 2021 equal to 1.26 percent, 1.34 percent and 1.68 percent respectively. The expected credit losses and impairment loss on assets foreclosed accounted for 20.57 percent, 22.52 percent and 28.11 percent of total expenses exclude income tax expenses during 2019 - 2021 respectively.

Financial Cost

Financial cost was the main cost of the Company's business which consisted of interest expenses and guarantee fees. The financial cost of the Company and its subsidiaries during 2019 - 2021 amounted to THB 858.72 million, THB 929.65 million and THB 1,039.13 million respectively. Financial cost in 2020 increased by 8.26 percent from 2019. Financial cost in 2021 increased by 11.78 percent from 2020 due to an increase of the borrowings amount to support the portfolio expansion and a slight increase of interest rate due to the fact that the Company increased long term loan to reduce liquidity risk. The interest expense rate in 2019 - 2021 were equal to 2.64 percent 2.49 percent and 2.55 percent respectively. During the year 2019 - 2021, the financial cost accounted for 37.82 percent, 37.56 percent and 35.77 percent of the total expenses exclude income tax expense respectively.

Profit for the year

Profits during the year 2019 - 2021 for the Company and its subsidiaries amounted to THB 869.53 million, THB 883.06 million and THB 1,202.80 million respectively. The profit in 2020 increased by 1.56 percent from 2019 and profit in 2021 increased by 36.21 percent from 2020. This increase was a result of the Company's improvement in operating efficiency and cost management. Net profit margin ratio during the year 2019 - 2021 equaled to 25.99 percent, 24.56 percent and 27.25 percent respectively. The earning per weighted average shares during the year 2019 - 2021 equaled to THB 2.47 per share, THB 2.51 per share and THB 2.62 per share respectively.

Financial Status Analysis

Assets

The total assets of the Company and its subsidiaries at the end of the year 2019 - 2021 amounted to THB 41,815.01 million, THB 44,930.66 million and THB 56,668.69 million respectively. Total assets at the end of 2020 increased by 7.45 percent from end of 2019 and total assets at the end of 2021 increased by 26.12 percent from end of 2020. The increase in total assets was mainly due to a growth of the number of the hire-purchase account receivables (net of allowance for expected credit losses/ doubtful accounts) which were the main assets of the Company and its subsidiaries which accounted for 90.36 percent, 88.76 percent and 86.18 percent of the total assets at the end of the year 2019 - 2021 respectively. The main assets of the Company and its subsidiaries were summarized as follows:

Total portfolio

Total portfolio (net of allowance for expected credit losses/ doubtful accounts) of the Company and its subsidiary at the end of the year 2019 - 2021 amounted to THB 40,336.33 million, THB 43,455.88 million and THB 54,396.31 million respectively. Total portfolio at the end of 2020 increased by 7.73 percent from end of 2019 and total assets at the end of 2021 increased by 25.18 percent from end of 2020. The detail of types of portfolio are as follow;

Hire-Purchase Receivables

The hire-purchase receivables (net of allowance for expected credit losses/ doubtful accounts) of the Company and its subsidiary at the end of the year 2019 - 2021 amounted to THB 37,784.28 million, THB 39,881.93 million and THB 48,837.71 million respectively. The hire-purchase receivables at the end of 2020 increased by 5.55 percent from end of 2019 and hire-purchase receivables at the end of 2021 increased by 22.46 percent from end of 2020. Such increases were mainly due to a growth of the hire-purchase disbursement of the Company and its subsidiary. The disbursement in 2021 amounted to THB 25,431.57 million increased 50.99 percent from THB 16,842.73 million in 2020.

Financial Lease Receivables

The financial lease receivable (net of allowance for expected credit losses/ doubtful accounts) of the subsidiary (Bangkok Grand Pacific Lease Plc.) at the end of the year 2019 - 2021 amounted to THB 614.52 million, THB 777.07 million and THB 1,081.89 million respectively. Financial lease receivables at the end of 2020 increased by 26.45 percent from end of 2019 and financial lease receivables at the end of 2021 increased by 39.23 percent from end of 2020 from an increase of disbursement. Financial lease disbursement in 2021 amounted to THB 674.15 million increased 49.95 percent from 2020.

Loan Receivables

The loan receivables (net of allowance for expected credit losses/ doubtful accounts) of the Company and its subsidiary at the end of the year 2019 - 2021 amounted to THB 1,798.22 million, THB 2,733.50 million and THB 4,411.85 million respectively. The loan receivables at the end of 2020 increased by 52.01 percent from end of 2019 and loan receivables at the end of 2021 increased by 61.40 percent from end of 2020. The increase in the loan receivables were mainly from to a growth of the disbursement of the Company and its subsidiary. The disbursement in 2021 amounted to THB 4,738.04 million increased 54.06 percent from THB 3,075.55 million in 2020. The majority of disbursement were from the subsidiary.

Quality of Receivables of the Company and its subsidiary

The Company and its subsidiary had the customer's status classification under Thai Financial Report Standard 9 to assess the quality of the receivables. The Company classify receivables status by state of credit risk.

Table of the balance of hire purchase receivables of the Company and its subsidiary classified by
State of credit risk as at December 31, 2021

State of credit risk	Amount (Million Baht)	Percent	Allowance for expected credit losses
Receivables with no significant increase in credit risk (State 1)	46,356.09	92.92	464.84
Receivables with a significant increase in credit risk (State 2)	2,284.57	4.58	261.92
Receivables that are credit-impaired (State 3)	1,247.40	2.50	323.59
Total	49,888.06	100.00	1,050.35
Less: Allowance for expected credit losses	1,050.35		
Hire purchase lease receivables - net	48,837.71		

Note : * The hire purchase receivables were calculated from the hire purchase receivables before subtracting allowance for expected credit risk.

Table of the balance of financial lease receivables of the subsidiary classified by
State of credit risk as at December 31, 2021

State of credit risk	Amount (Million Baht)	Percent	Allowance for expected credit losses
Receivables with no significant increase in credit risk (State 1)	1,080.70	97.00	5.53
Receivables with a significant increase in credit risk (State 2)	1.89	0.17	0.32
Receivables that are credit-impaired (State 3)	31.56	2.83	26.41
Total	1,114.15	100.00	32.26
Less: Allowance for expected credit losses	32.26		
Hire purchase lease receivables - net	1,081.89		

Note : * The financial lease receivables were calculated from the financial lease receivables before subtracting allowance for expected

Table of the balance of factoring receivables of the subsidiary classified by
State of credit risk as at December 31, 2021

State of credit risk	Amount (Million Baht)	Percent	Allowance for expected credit losses
Receivables with no significant increase in credit risk (State 1)	34.19	26.96	-
Receivables with a significant increase in credit risk (State 2)	-	-	-
Receivables that are credit-impaired (State 3)	92.65	73.04	61.98
Total	126.84	100.00	61.98
Less: Allowance for expected credit losses	61.98		
Factoring receivables - net	64.86		

Note : * The factoring receivables were calculated from the factoring receivables before subtracting allowance for expected credit risk.

Table of the balance of loan receivables of the Company and its subsidiary classified by
State of credit risk as at December 31, 2021

State of credit risk	Amount (Million Baht)	Percent	Allowance for expected credit losses
Receivables with no significant increase in credit risk (State 1)	4,378.13	95.18	56.74
Receivables with a significant increase in credit risk (State 2)	85.25	1.85	38.36
Receivables that are credit-impaired (State 3)	136.36	2.97	92.79
Total	4,599.74	100.00	187.89
Less: Allowance for expected credit losses	187.89		
Loan receivables - net	4,411.85		

Note : * The loan receivables were calculated from the loan receivables before subtracting allowance for expected credit risk.

Non-performing loans to total lending (NPL ratio) at the end of the year 2019 - 2021 of the Company and its subsidiary were at 3.45 percent 2.87 percent and 2.71 percent respectively.

The adequacy of the Company and its subsidiary's provision for expected credit losses

The Company and its subsidiary have adequate provision for expected credit losses. Management judgement is used in estimating the allowance for expected credit losses of debtors who are having problems making principal and/or interest payments, with management taking into consideration analysis of debtor status performed on an individual and a group basis, the probability of default, estimated losses arising from the default, historical collection experience, collateral value, statistical data and economic factors. These are used in determining assumptions and forward-looking scenarios, as well as probability weighted outcomes. In addition, the management sets aside an additional allowance for expected credit losses to account for the uncertainties around future events that have not yet been reflected in the model (Management overlay), based on the assessment and judgement of the management. In 2021 the management have decided to record management overlay in the amount of THB 189.53 million after careful consideration of various factors and the effect of the COVID-19 pandemic, which has resulted in an economic slowdown and could affect the credit quality of receivables in the future, as well as temporary measures to provide debt relief under which receivables are restaged in a way that not fully reflect the credit quality and expected credit loss.

Land, Building and Equipment and Intangible assets

Land, Building and Equipment and Intangible assets (Intangible assets such as computer programs) of the Company and its subsidiaries at the end of the year 2019 - 2021 amounted to THB 175.64 million, THB 183.72 million and THB 168.64 million respectively.

Assets Foreclosed

Assets foreclosed of the Company and its subsidiary such as vehicles and equipment repossessed from contractual customers' default, at the end of the year 2019 - 2021 amounted to THB 141.44 million, THB 95.98 million and THB 122.07 million respectively, comprised of 186 contracts, 169 contracts and 217 contracts respectively which considered to be very low comparing to the total numbers of contracts at the end of the year 2019 - 2021 amounted to 48,125 contracts, 49,353 contracts and 55,656 contracts respectively. This was resulted from the Company and its subsidiary's efficient in control system and collection process along with high liquidity of financed assets.

Total Liabilities

Total liabilities of the Company and its subsidiaries at the end of the year 2019 - 2021 amounted to THB 36,391.05 million, THB 39,262.97 million and THB 47,413.47 million respectively. The total liabilities at the end of 2020 increased 7.89 percent from end of 2019 and total liabilities at the end of 2021 increased 20.76 percent from end of 2020. The increases in liabilities were mainly from an increase in the borrowings to support disbursement and the growth of portfolio.

Table presents details of total liabilities of the Company and its subsidiaries

(Million baht)

Liabilities	As at December 31,					
	2019		2020		2021	
	THB million	%	THB million	%	THB million	%
Bank overdrafts and short-term loans	4,820.00	13.25	5,030.00	12.81	4,280.00	9.02
- Bank overdrafts and short-term loans from related party	60.00	0.17	1,000.00	2.55	500.00	1.05
- Bank overdrafts and short-term loans from banks	4,760.00	13.08	4,030.00	10.26	3,780.00	7.97
Current portion of long-term loans from related party	-	-	2,150.00	5.47	2,850.00	6.01
Current portion of long-term loans from banks	4,699.43	12.91	2,269.78	5.78	5,009.67	10.57
Other short-term loan	-	-	8,801.88	22.42	4,686.94	9.89
Current portion of long-term debentures	2,559.45	7.03	2,334.76	5.95	3,556.02	7.50
Short-term debentures	12,049.54	33.11	-	-	499.98	1.05
Total current borrowings	24,128.42	66.30	20,586.42	52.43	20,882.61	44.04
Long-term loans from related party	4,300.00	11.82	3,650.00	9.30	3,600.00	7.59
Long-term loans from banks	2,768.18	7.61	8,654.35	22.04	12,492.16	26.35
Long-term debentures	4,057.56	11.15	4,836.75	12.32	8,018.45	16.91
Total non-current borrowings	11,125.74	30.58	17,141.10	43.66	24,110.61	50.85
Total borrowings	35,254.16	96.88	37,727.52	96.09	44,993.22	94.89
Other liabilities ^{/1}	1,136.89	3.12	1,535.45	3.91	2,420.25	5.11
Total liabilities	36,391.05	100.00	39,262.97	100.00	47,413.47	100.00

Source : Audited 2019 - 2021 consolidated financial statements of Asia Sermkij Leasing Public Company Limited.

Note : ^{/1} Other liabilities consisted of lease liabilities, amounts due to related parties, income tax payable, other current liabilities, rental deposit, derivative liabilities, and provision for long-term employee benefit, etc.

The Company and its subsidiaries had short-term borrowings (Including the current portion of long-term borrowings that due within 1 year) at the end of 2019 - 2021 amounted to THB 24,128.42 million, THB 20,586.42 million and 20,882.61 THB million respectively, or equaled to 66.30 percent, 52.43 percent and 44.04 percent of total liabilities at the end of 2019 - 2021 respectively.

Debt to equity ratio of the Company and its subsidiaries at the end of the year 2019 - 2021 equaled to 6.71 times, 6.93 times and 5.12 times respectively.

Shareholders' equity

Shareholders' equity of the Company and its subsidiaries at the end of the year 2019 - 2021 amounted to THB 5,423.96 million, THB 5,667.69 million and THB 9,255.22 million respectively. The Company had a capital increase in 2021 and received total THB 2,989.14 million. Moreover, the good operating performance raised the retained earnings. In 2021, the retained earnings equaled to THB 3,803.43 million.

Return on equity during 2019 - 2021 equaled 16.91 percent, 16.27 percent and 15.66 percent respectively. Return on equity in 2021 decreased due to the increase of equity from capital increase.

Liquidity

As at December 31, 2021 the loan repayment and the installment to be obtained in different period were summarized as follows:

(Million Baht)

Period	Loan Repayment Due	Installment to be Obtained from Debtor
Within 1 year	20,903.50	22,279.90
More than 1 year but not more than 2 years	9,819.50	17,267.04
More than 2 years but not more than 3 years	13,993.00	11,920.73
More than 3 years	-	11,486.61
Total	44,716.00	62,954.28

The Company and its subsidiaries have the installment expected to be obtained within 1 year more than loan repayment due in 1 year which indicate the adequacy of financial liquidity. The Company and its subsidiaries have improved the funding structure by gradually increasing the long-term borrowings to short-term borrowings ratio to prevent liquidity risk. In the end of 2021, the Company and its subsidiaries had long-term borrowings to short-term borrowings ratio at 79:21

In addition, the Company and its subsidiaries still have the unused credit line from financial institutions amounting to approximately THB 12,075 million. These factors reflected the credibility and sufficiency in the financial status of the Company and its subsidiaries. Nevertheless,

Borrowings	As at December 31,					
	2019		2020		2021	
	THB million	%	THB million	%	THB million	%
Short-term borrowings-excluding the current portion of long-term borrowings	16,869.54	47.85	13,831.88	36.66	9,466.92	21.04
Long-term borrowings-including the current portion	18,384.62	52.15	23,895.64	63.34	35,526.30	78.96
Total borrowings	35,254.16	100.00	37,727.52	100.00	44,993.22	100.00

Cash Flow

The Company and its subsidiaries had the profit before tax during the year 2019 - 2021 amounted to THB 1,075.55 million, THB 1,120.57 million and THB 1,509.32 million respectively. After adjusting the non-cash expenditures and the change in assets and liabilities, the Company and its subsidiaries had the net cash flow used in operating activities during the year 2019 - 2021 amounted to THB 4,209.17 million, THB 1,988.34 million and THB 9,126.91 million respectively. This was mainly resulted from an increase in hire purchase receivables during the year 2019 - 2021 by THB 4,310.03 million, THB 2,090.63 million and 9,929.21 THB million respectively and the increase in loan receivables during the year 2019 - 2021 by THB 907.13 million, THB 1,004.30 million and THB 1,821.20 million respectively.

The net cash flow used in investing activities of the Company and its subsidiaries during the year 2019 - 2021 amounted to THB 31.45 million, THB 36.38 million and THB 10.25 million respectively. The net cash flow used in 2021 decreased from 2020 due to less investment in assets of the Company and its subsidiaries.

Moreover, the net cash flow from financing activities of the Company and its subsidiaries during the year 2019 - 2021 amounted to THB 4,478.53 million, THB 1,962.04 million and THB 9,213.54 million respectively. The increase in 2021 was mainly from long-term borrowings and debentures and proceeds from capital increase.

Fulfillment of borrowing covenant obligation

The Company has to comply with the borrowing covenant by maintaining debt to equity ratio of not more than 10 times which the Company has always fulfilled the obligation. As of December 2021, the Company has debt to equity ratio at 5.12 times.

Relief measures to assist customers who were affected from COVID-19

The Company and its subsidiary provided debt restructuring measure to assist customer who were affected from Covid 19 pandemic. As at December 31, 2021 the company and its subsidiary had debts which are under the measures to assist customer totally 10,727 agreements, amounted THB 10,014.87 million or 17.97 of total portfolio of the Company and its subsidiary.

After the assisting period, 84.8 percent of the customers in the assisting program can repay loans and have no significant increase in credit risk, 9.4 percent of customers repay late and have significant increase in credit risk and 5.8 percent of customers cannot repay and are credit-impaired.

4.3 Factors that may significantly affect the financial status or operations in the future (forward looking)

Factors that may significantly affect the Company's operations consists of economic conditions, interest rates and automobile industry. The details are as follows;

Thai GDP in 2022 is forecasted to grow around 4.7 percent from 2021. The key factors to drive the growth are the government easing of Covid-19 controls, the government's stimulus packages as well as the high Covid-19 vaccinate rate which will support the private consumption and consumer confidence, the government continuous investment in the mega infrastructure projects such as Eastern Economic Corridor (EEC) project and high-speed train projects. Furthermore, the export still continues to grow but at the slower pace from the previous year.

The Company expects that the Monetary Policy Committee (MPC) will maintain its policy rate on hold at 0.50 percent during the meeting per year in 2022. Although the economy tends to recover continuously, the recovery rate is still slow. The Committee viewed that the continued accommodative monetary policy would help support economic growth.

The domestic new car sales in 2022 are expected to increase to 860,000 units or growth 13.3 percent due to the economic recovery and an increase in the consumer confidence, the government support of demand for construction vehicles and equipment and related transportation. The demand was also driven by the logistic sector from the growth of e-commerce and the export business.

5. General Information and Other Material Facts

5.1 General Information

Company Name : Asia Sermkij Leasing Public Company Limited

Address	: Head Office	Sathorn City Tower, 24th Floor, 175 South Sathorn Road, Thungmahamek, Sathorn, Bangkok 10120 Tel. 0-2679-6226, 0-2679-6262 Fax. 0-2679-6241-3
	Rayong Branch	Number 6,8 Sukhumvit Road, Tha Pradu, Mueang, Rayong 21000 Tel. 0-3861-2185, 0-3861-7380, 0-3886-0153-5 Fax. 0-3886-0156
	Samut Sakhon Branch	Number 199/193-4, Moo 3, Nadi, Mueang Samut Sakhon, Samut Sakhon 74000 Tel. 0-3444-6958-63 Fax. 0-3444-6964
	Phitsanulok Branch	Number 9/7-9, Moo 5, Ban Khlong, Mueang Phitsanulok, Phitsanulok 65000 Tel. 0-5521-6566 Fax. 0-5528-2630
	Chiang Rai Branch	Number 478/4-5, Moo 5, Rim Kok, Mueang Chiang Rai, Chiang Rai 57100 Tel. 0-5316-6981-83 Fax. 0-5316-6984
	Khon Kaen Branch	Number 161/7-8, Moo 5, Old Town, Mueang Khon Kaen, Khon Kaen 40000 Tel. 0-4346-7031-34 Fax. 0-4346-7030
	Ubon Ratchathani Branch	Number 941/18-19 Chayangkun Road, Nai Mueang, Mueang Ubon Ratchathani, Ubon Ratchathani 34000 Tel. 0-4531-1512-14 Fax. 0-4531-1524
	Lampang Branch	Number 108/7 Highway-Lampang-Ngao Road, Phrabat, Mueang Lampang, Lampang 52000 Tel. 0-5482-1990-92 Fax. 0-5482-1993
	Nakhon Ratchasima Branch	Number 1444/23-24 Village Moo 13, Johor, Mueang Nakhon Ratchasima, Nakhon Ratchasima 30310 Tel. 0-4437-0267-68 Fax. 0-4437-0266
	Udon Thani Branch	Number 12/9-10, Moo 2, Nadi, Mueang Udon Thani, Udon Thani 41000 Tel. 0-4234-7594-96 Fax. 0-4234-7597
	Mukdahan Branch	Number 111/4 Phithaksantirat Rd. Sibunruang, Mueang Mukdahan, Mukdahan 49000 Tel. 0-4261-4045-47 Fax. 0-4261-4048

Sa Kaeo Branch	Number 354/78 Suwannasorn Rd., Sa Kaeo, Mueang Sa Kaeo, Sa Kaeo 27000 Tel. 0-3742-1937
Kanchanaburi Branch	Number 65/30-31, Moo 9, Pak Phraek, Mueang Kanchanaburi, Kanchanaburi 71000 Tel. 0-3451-8462-4 Fax. 0-3451-8465
Nakhon Sawan Branch	Number 105/10-11, Moo 9, Wat Sai, Mueang Nakhon Sawan, Nakhon Sawan 60000 Tel. 0-5605-3957-59 Fax. 0-5605-3955
Chiang Mai Branch	Number 161/60, Moo 4, Nong Pa Khrang, Mueang Chiang Mai, Chiang Mai 50000 Tel. 0-5324-0971-3 Fax. 0-5324-0974
Surat Thani Branch	Number 88/41-42, Moo 5, Kanchanawithi Road, Bang Kung, Mueang Surat Thani, Surat Thani 84000 Tel. 0-7720-3405-7 Fax. 0-7720-3409
Chonburi Branch	Number 379/15, Moo 3, Nong Kham, Si Racha, Chonburi 20110 Tel. 0-3819-8346-7, 0-3811-1644-5 Fax. 0-3819-8350
Songkhla Branch	Number 299/14 Moo 2, Sanambin-Lopburiramet Road, Khuan Lang, Hat Yai, Songkhla 90110 Tel. 0-7423-6231-4 Fax. 0-7423-6235

Homepage	: www.ask.co.th
Company registration number	: 0107546000393
Type of business	: The main business is automobile hire purchase loans.
Number of shares issued and fully paid	: 527,843,640 Ordinary shares (As at December 31, 2021)
Par value	: 5 Baht per share
Credit Rating	: BBB+ Stable outlook (Rated by TRIS Rating Co., Ltd. on October 15, 2021)

Information of the subsidiaries

Company Name	: Bangkok Grand Pacific Lease Public Company Limited
Head Office	: Sathorn City Tower, 10/1 Floor, 175 South Sathorn Road, Thungmahamek, Sathorn Bangkok 10120 Tel. 0-2679-6226, 0-2679-6262 Fax. 0-2679-6241-3
Type of business	: Vehicle and machine hire purchase and leasing, loan for business, factoring, and services for registration.
Number of shares issued and fully paid	: 109,625,000 Ordinary shares (As of December 31, 2021)
Par value	: 10 Baht per share

Company Name : **SK Insurance Broker Co., Ltd.**

Head Office : Sathorn City Tower, 25/1 Floor, 175 South Sathorn Road, Thungmahamek, Sathorn, Bangkok 10120
Tel. 0-2679-6226, 0-2679-6262 Fax. 0-2679-6258

Type of business : Insurance broker business

Number of shares issued : 1,000,000 Ordinary shares (As of December 31, 2021)
and fully paid

Par value : 10 Baht per share

Company Secretary : **Mr. Danai Lapaviwat**

Address : Sathorn City Tower, 24th Floor, 175 South Sathorn Road, Thungmahamek, Sathorn, Bangkok 10120
Tel. 0-2679-6226, 0-2679-6262 Fax. 0-2679-6241-3

Securities registrar : **Thailand Securities Depository Co., Ltd.**

Address : 93 Ratchadaphisek Road, Din Daeng, Bangkok 10400
Tel. 0-2009-9000 Fax. 0-2009-9991

Debenture Registrar : **Bank of Ayudhya Public Company Limited**

Address : 1222 Rama III Road, Bangphongphang, Yannawa, Bangkok 10120
Tel. 0-2296-2000, 0-2683-1000 Fax. 0-2683-1304

Auditor : **EY Office Limited**

Address : 33rd Floor Lake Ratchada Building, 193/136-137 Ratchadapisek Road, Klongtoey, Bangkok 10110 Tel. 0-2264-0777 Fax. 0-2264-0789-90

5.2 Other material facts

- None -

5.3 Legal disputes

- None -

5.4 Secondary market

- None -

5.5 Financial institution with regular contact

- None -



PART 2

CORPORATE GOVERNANCE

Part 2

Corporate Governance

6. Corporate Governance Policy

The Company establishes the operational policy concerning corporate governance system of the management in order to maximize the efficiency of the Company's management. The Company's Board of Directors sets out the Code of Best Practice for directors of a listed company to comply with the guidelines of the Stock Exchange of Thailand and the Corporate Governance Code for Listed companies 2017 of the Securities and Exchange Commission to enhance the transparency and effectiveness of the management which will create confidence to the shareholders, investors and all stakeholders.

6.1 Overview of the Policy and Guidelines

6.1.1 Policy and guidelines related to the Board of Directors

The Company's Board of Directors has a duty to determine vision, mission, strategy, business plan, budget and objective of the operation of business which can be changed according the business situation and will be reviewed every year, as well as to supervise the management to perform in accordance with the targeted plan in an effectiveness and efficient manner and to monitor the implementation of the Company's strategy. It also has a duty to establish the appropriate internal control, internal audit and risk management system, and to ensure that the financial report is provided on a regular basis and with quality under supervision of the Audit Committee in order for the Company to meet the determined target and to provide optimal benefits to all groups of stakeholders. The company has an established term of office for directors in the Articles of Association. The term of each director is set at 3 year, therefore at each General Meeting of Shareholders, one-third of the directors - or if their number is not a multiple of three, then the number nearest to one-third - must retire from office.

The Company also has a balance of power for directors that the Board of Directors consists of 12 directors, comprising 2 executives and 10 non-executive directors. The Company establishes the Audit Committee comprising 4 independent directors. In addition, there is 1 independent director accounting for 42 percent or 5 of 12 of the Board of Directors. The Audit Committee is regarded as the representatives of minor shareholders with the duty to supervise the operation of the Company to ensure its accuracy and transparency.

The Company separates the duty and authority of the Board of Directors, Executive Board and the Audit Committee are clearly separated (as detailed in Shareholding and Management Structure) to ensure the transparency, sufficient balance of power and ability to review the operation of the Company. Resolution on any material agenda still requires the approval from the Board of Directors or the shareholders' meeting. In addition, authority assigned to the Board of Directors, Executive Board and the Managing Director shall not allow the directors with conflict of interest in any transaction, whether by themselves or by their potential conflict of interest related parties, to approve such transaction made with the Company or Subsidiaries.

Although, the Company has not yet established the policy to limit the number of listed companies that a director can hold, none of the Director holds the directorship more than 5 listed companies in which the details are disclosed in the Board of Directors and Managements' Profiles.

The Company organized the director orientation for newly appointed directors starting in the year 2009 to familiarize them with the Company information, rule and responsibilities of director and related regulations. The topics covered the company mission and vision, business plan, company background, shareholding structure, organization structure and list of management, standard agenda and minutes of the Board of Directors Meeting in the past year and also enclosed with Directors Handbook to familiarize them in performing the duty of director of a listed company.

The Company would inform preliminary the schedule of the Board of Directors to facilitate the director for attending. However, the informed schedule is for the regular meeting. The extra meeting if any, the secretary to the Board of Directors will send the invitation letter to each director prior the meeting at least 7 day before the meeting. At least one Board of Directors' meeting is held in each quarter with additional meeting to be called if required. Furthermore, the Company has set the meeting of the Non-Executive Board of Directors once a year in the first quarter of the year.

The Company requires the directors to attend every Board of Directors' meeting except in case of emergency. Meeting agenda must be clearly indicated prior to each Board of Directors' meeting with the inclusion of agenda on operational monitoring on a regular basis. The Company delivers the meeting invitation letter together with meeting agenda and support documents for the meeting to each director at least 7 days in advance of the meeting date to allow sufficient timing for the Board of Directors to study on the information prior to attend the meeting. In each Board of Directors' meeting, the Chairman of the Board of Directors is obliged to allocate adequate timing in order to enable the management to propose and provide thorough explanation on the material issues. Minutes of the meeting are accurately and completely recorded in writing. Minutes of the meeting, certified by the Board of Directors, will be retained for further examination by the Board of Directors and other related parties.

The Company has set the meeting of Audit Committee, auditor without executive and management as annual basis to enhance the good corporate governance and transparency of financial statements. The meeting is set prior the approval of annual financial statements each year. In 2021, the meeting was February 19, 2021.

6.1.2 Policy and guidelines related to shareholders and stakeholders

The Company recognizes and is aware of the importance of all groups of stakeholders, both internal and external including customers, shareholders, employees, creditors, debtors, competitors and others related entities. Moreover, the Company also pays attention to the social and environmental responsibility, since every stakeholder always has a long term support for the company. The company is well aware of the rights of stakeholders and treat stakeholders in accordance with the rights, conditions, laws and regulations In order for stakeholders to be looked after and treated with good care as follows

1) Shareholders' right

The Board of Directors has recognized the importance of shareholders' right, which has been listed in shareholders' right protection policy, and also encourages every shareholders and institutional shareholders to exercise their rights under the law i.e. the Company profit sharing, the right to sell or transfer stocks, the shareholders' right to obtain the information, the voting right in the shareholders' meeting to appoint or to demote the directors, the remuneration of the Board of Directors, the appointment of a certified auditor, the approval of the audit fee and other issues which may significance effect the company.

In addition, the circulation of the information needed for any shareholders have been listed through the company website “www.ask.co.th” i.e. the shareholders’ right for a shareholder or shareholders holding shares and having an aggregate voting rights not less than 1 percent of all Company voting rights to propose the meeting agenda or nomination of directors. The Company has been disclosed to SET and Company’s website since November 24, 2021.

For the year 2021, the Company has circulated the shareholders’ invitation letter and supplementary documents for the meeting on the Company’s website since March 19, 2021 (or before meeting 32 days, the Company held the Annual General Meeting of Shareholders on April 20, 2021). Thailand Securities Depository Co., Ltd (TSD) as the Company registrar has sent out the shareholders’ invitation letter and supplementary documents and annual report 2020 via registered postage on March 29, 2021 (or before the meeting 21 days). The minutes of the meeting has been revealed to public through the Company website for advance consideration of shareholders on April 30, 2021 or 10 days after the meeting. Moreover, the Company never had any policy to lessen the shareholders’ right. The Company will not distribute the importance information immediately on the meeting day, or not put additional agenda or change any details of the meeting without noticing the shareholders in advance. In addition, the shareholders shall be obtained the rights to ask any question to the Board of Directors and attend in the meeting although they come late.

2) Fair and Equitable Treatment to Shareholders

The Company recognizes the importance of the right of shareholders and treats every shareholder included institutional shareholders equally. As a result, the Company will timely, accurately and completely disclose material information and news to its shareholders on a regular basis. In an invitation to the shareholders’ meeting, the Company will deliver a meeting invitation letter together with support information relevant to meeting agenda to the shareholders 21 days prior to the meeting date. Invitation letter for the meeting is also announced in the newspaper with complete opinion of the Board of Directors on each meeting agenda in order that the shareholders have sufficient time to consider the information prior to the meeting. Minutes of the meeting are also accurately recorded for further review by the shareholders. The Company intends to provide additional option to the shareholders by authorizing the independent director of the Company as a proxy on behalf of the shareholders in case the shareholders cannot attend the meeting.

In the Year 2021, the Company held an annual general meeting of shareholders which was the Annual General Meeting of Shareholders No.37/2021 held on April 20, 2021 at 3.00 pm. at Grand Hall Meeting Room of Bangkok Club, 28th Floor, Sathorn City Tower, 175 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120. The venue was convenient for travelling by BTS and BRT. Every shareholder is entitled to use his/her right to vote and express opinion or make inquiry before making decision.

Before the meeting

The Company has posted the invitation letter, which detailed every aspects of the meeting through the company website 32 days in advance, since March 19, 2021. The Company has sent the invitation letter including, the Meeting Agenda, the Board of Directors’ opinion and the minute of the previous shareholders’ meeting and also the Annual report together with the documents important for the meeting, the proxy which detailed the clarification manual. The documents will be handed to Thailand Security Depository Company Limited, the company registrar who has been in charge of distributing the documents to the shareholders 21 days prior to the meeting date.

In 2021, the Company has sent the invitation letter and others importance documents to the shareholders since March 29, 2021 and made an announcement through the Sai Klang News for 3 consecutive days from March 31 - April 2, 2021 in order to inform in advance the shareholders and allow them to look through all information before The General Meeting has been called. The Company has sent the documents to all shareholders listed at the date of the record date on April 5, 2021. In order to facilitate the shareholders who cannot attend the meeting, the company also sent the proxy together with the invitation letter and listed the required documents for the meeting stated the detailed for both the shareholders who will attend the meeting and who will assign the others as the representative in order to assist the shareholders for the preparation of the documents and to avoid any problems which might occur in attending the meeting. Moreover the company has authorized Mr. Pradit Sawattananond the Chairman of the Audit Committee/ Independent Director as a proxy on behalf of the shareholders in case the shareholders cannot attend the meeting.

On the meeting date

The Company has set the venue, and the appropriate time that is convenient for every shareholder and institutional shareholders to assure the security. The Company has provided the sufficient registration counters with “Barcode System” and allowed the participants to register 2 hours before the meeting starts. They can also register prior to or during the meeting. The Company also provided free of charge duty stamps for authorization of proxies. There were snack and coffee break provided to the shareholders.

The Company has provided the related documents for the meeting such as invitation letter, annual report with CD and book for the shareholders who requested. The Company also appointed the legal consultant to conduct and clarify the details of the meeting, including voting method, counting, the use of ballot and announced the voting result in each agenda. During the meeting, the Company had appropriately and adequately provided the opportunities to shareholders to ask or express their opinions. Regarding the appointing of director agenda, the Company had set the vote to be separated one by one and collected the ballot of each director for the transparently counted by legal consultant.

In the Annual General Meeting No.37/2021, there were 12 directors participated including 3 directors attended in meeting room which are (1) Mr. Pradit Sawattananond, Chairman of the Audit Committee/ Independent Director, (2) Mr. Tang, Lai-Wang, Director/ Managing Director and (3) Mr. Shen, Ying-Hui, Director and 9 directors attended via video conference which are (1) Mr. Yang, Tze-Ting, Chairman of the Board of Directors, (2) Chen, Fong-Long, Director, (3) Mr. Liao, Ying-Chih, Director, (4) Chen, Jui-Hsin, Director, (5) Mr. Tientavee Saraton Director, (6) Mrs. Patima Chavalit, Independent Director, (7) Dr. Supriya Kuandachakupt Audit Committee/ Independent Director, (8) Mr. Kasem Akanesuwan Audit Committee/ Independent Director, and (9) Mr. Anant Svattananon Audit Committee/ Independent Director together with Mr. Danai Lapaviwat Chief Financial Officer/ Company Secretary/ Secretary to the Board of Directors. There were also the Company’s auditor (EY office Limited) and 3 Independent legal advisors from MSC International Law Office as a Master of Ceremony, and Invent tech System (Thailand) Co., Ltd as an Independent Vote Counter during the meeting. As a result of the continually enhancing of the quality of Annual General Meeting arrangement, the company was announced as 100 score for the assessment of Annual General Meeting Year 2021 arrangement.

After the Meeting

The Company had informed the resolution of the meeting on April 20, 2021 via the Stock Exchange of Thailand's information system. The Company had submitted and published the minutes of the meeting on the Company website within 14 days after the meeting. In 2021, the company had posted the minutes through the company website since April 30, 2020. The event had also recorded both in video and audio format to be distributed to any shareholders who may have an interest and also posted on the Company website and made an announcement through the newspaper for 3 consecutive days from April 26- 28, 2021 in order to inform the shareholders for dividend payment.

3) Awareness in stakeholders

The Company recognizes and is aware of the importance of all groups of stakeholders, both internal and external including customers, shareholders, employees, creditors, debtors, competitors and others related entities. Moreover, the Company also pays attention to the social and environmental responsibility, since every stakeholder always has a long term support for the company. The Company has disclosed the further information the "Corporate Governance" in company's website www.ask.co.th in section "Investor Relations" with the following:

- Code of Conduct
- Facilitating and Promoting to attending the Shareholders' Meeting Policy
- Anti-Fraud Policy
- Whistle Blowing Policy and form
- Employee development program policy
- Workplace safety and sanitation policy

The human development policy will be very crucial to help every single employee to develop himself both on the knowledge concerning current responsibility and the skill development in supporting them for the achievement in their career path. The Company therefore provides both internal and external development program for every employee. In year 2020, the company and its subsidiaries provide all employees totally 53 training programs, 19 programs are internal training programs and 34 programs are external training programs.

The Company has a campaign on safety at work constantly regarding workplace safety and sanitation policy. In 2021 the Company recorded sick leave equal to 1.42 percent of the total employees of the Company and its subsidiaries. The Company has no accidents arising from working. The Company has organized the annual health check for the welfare of manpower to keep all healthy. This project, the Company held annually and operated continuously for more than 19 years.

The Company has provided "Corporate Social Responsibility Report 2021" in the Company website www.ask.co.th in "Investor Relations" section for all stakeholders to access.

In order to be a channel for stakeholders' participation, the Company has set up a channel to gather any complaints, suggestions or comments to the board via the Company's website (in Investor Relations Section) or the stakeholders may send by mail or by hand at the Company.

The Company operates business with integrity according to good corporate governance and adhere to responsibility to social and all stakeholders by establishing the Anti-Fraud Policy to identify the responsibility and practices for fraud prevention as clear guidelines for business operations which develop corporate sustainability. The Company received the Approval of certified membership of Thailand's Private Sector Collective Action Coalition Against Corruption on August 18, 2017 and received the approval of re-certification of membership on September 30, 2020 for period of three years.

4) Information disclosure and transparency

The Company recognizes the important of accurate, complete and prompt disclosure of important information of the company including the company performance information, clearness shareholding structure which detailed in Shareholding Structure section and the corporate governance policy, which was disclosed in the Annual Report, Annual Filing (56-1) and the Company website at www.ask.co.th.

Regarding the quality of financial report, in 2021, the company appointed EY Office Limited, who has been certified by the Securities and Exchange Commission, as an independent auditor. The Company's 2021 financial report was certified with unqualified opinion from the auditor.

Furthermore, the Company establishes the Investor Relations Department to be another channel to disclose the information to its shareholders, the analysts and general investors. The Investor Relations Department can be reached at 02-679-6226 ext 1501. The information including the shareholders' structure, the organization structure, corporate governance policy, the Board of Directors member, the financial report, the annual report, the invitation to the shareholders' meeting and the minutes of the shareholders' meeting, has been disclosed in the company's website in Investor Relations section.

In 2021, the Company has disclosed and presented the information to related parties as follows:

1. Analyst Meeting 4 times
2. Road Show for institution investor arranging by securities companies 4 times
3. SET Opportunity Day 1 time
4. Disclosure of the company's performance to newspaper (Press releases) in total 1 time
5. Disclosure of the company's quarterly performance via SET 4 times

The Company has initiated the policy for directors to report the conflict of interest in order to prepare the related transactions according to the Securities and Exchange Act.

6.2 Business code of conduct

The Company prepared the guidelines on business ethics for the Board of Directors, managements and all levels of employees that guide of the business operation and implement. The Company believes that the guidelines about the Ethics is an important tool to enhance transparency for the business operations which lead to the confidence all related parties.

6.3 Material changes and developments regarding policy, guidelines and corporate governance system

6.3.1 Significant developments in the review of policies, guidelines, and corporate governance systems

The Board of Directors emphasize the review of the Company's good corporate governance policy and business ethics to enhance the efficiency and the standard of corporate governance of the Company by reviewing the said policy at least once a year. In 2021, the Board of Directors had completed a review of the corporate governance policy in accordance with the Corporate Governance Code 2017.

6.3.2 Implementation of the Corporate Governance Code 2017 (CG Code)

The Board of Directors had implemented and adapted the CG Code to suit the Company's business operations. For practices that the Company had not yet implemented, the Board of Directors had considered to prepare and develop a plan for future implementation in the future.

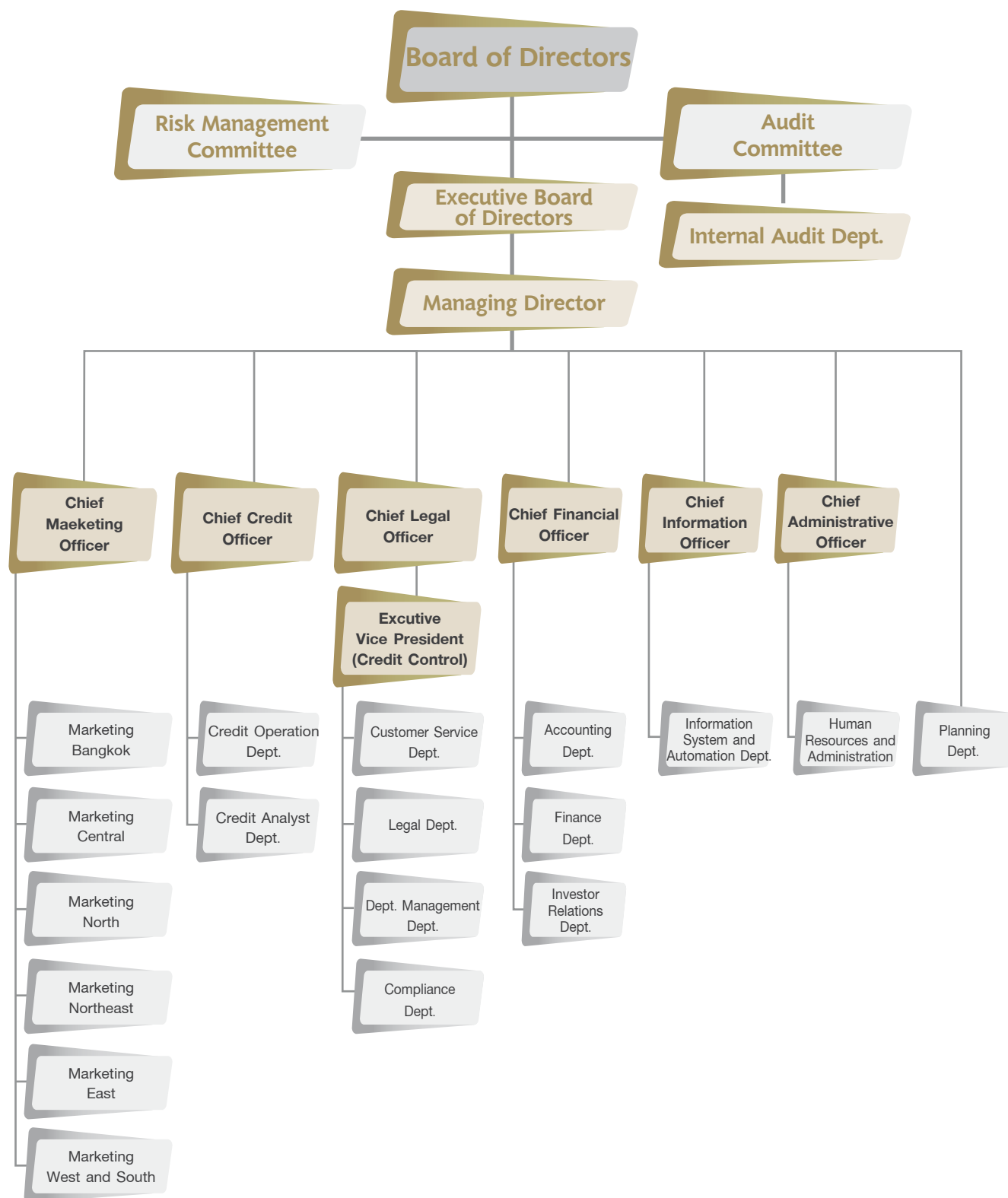
6.3.3 Other practices in accordance with the principles of good corporate governance

To enhance the compliance with good corporate governance principles, the Company participated in the Corporate Governance Report of Thai listed companies organized by the Thai Institute of Directors. In 2021, the Company received an overall score of 86 percent or very good level. This is higher than the average of listed companies, which is 84 percent.

In addition, the company also participated in the AGM Assessment Program of listed companies organized by the Securities and Exchange Commission in conjunction with the Thai Investors Association to assess the quality of the shareholders' meeting. In 2021, the Company received an evaluation score of 100.

7. Corporate Governance Structure and Significant Information Related to the Board of Directors, Subcommittees, Executives, Employees and Others

7.1 Corporate Governance Structure



7.2 Information on the Board of Directors

7.2.1 The composition of the Board of Directors

The Company also has a balance of power for directors that the Board of Directors consists of 12 directors, comprising 2 executives and 10 non-executive directors. The Company establishes the Audit Committee comprising 4 independent directors. In addition, there is 1 independent director accounting for 42 percent or 5 of 12 of the Board of Directors. The Audit Committee is regarded as the representatives of minor shareholders with the duty to supervise the operation of the Company to ensure its accuracy and transparency.

7.2.2 The information on each director and controlling person.

The Company's Board of Directors as at December 31, 2021 consists of 12 members as follows:

No.	Name	Position
1	Mr. Yang, Tze-Ting	Chairman of the Board of Directors
2	Mr. Tang, Lai-Wang	Director
3	Mr. Shen, Ying-Hui ¹	Director
4	Mr. Liao, Ying-Chih	Director
5	Mr. Chen, Fong-Long	Director
6	Mr. Chen, Jui-Hsin	Director
7	Mr. Tientavee Saraton	Director
8	Mrs. Patima Chavalit	Independent Director
9	Mr. Pradit Sawattananond	Chairman of the Audit Committee/ Independent Director
10	Mr. Anant Svattananon	Member of the Audit Committee/ Independent Director
11	Dr. Supriya Kuandachakupt	Member of the Audit Committee/ Independent Director
12	Mr. Kasem Akanesuwan	Member of the Audit Committee/ Independent Director

Remark : Mr. Danai Lapaviwat is Company Secretary and Secretary to the Board of Directors

^{1/} According to the resolution of BOD No. 1/2022 held on January 19,2022, it had acknowledged the resignation of a director, Mr. Shen, Ying-Hui effective from January 19,2022 and the appointment of a new director, Mr. Wang, Chia-Hung effective from January 19,2022.

7.2.3 Roles and duties of the Board of Directors

Power, Role and Responsibilities of the Board of Directors

- 1) To administrate and manage the Company's business in conformity with applicable laws, company objectives, and the articles of association as well as the resolutions of the shareholders' meeting. To use their authority to do any action as specified in the memorandum of association or which may be relevant to such action pursuant to the Public Limited Companies Act honestly and in good faith and with care to preserve the interest of the Company and to disclose any information accurately and completely standardized and to be transparent.
- 2) To consider and have Authority on Credit Approval, Non-Policy Expenses Approval, and Non-Policy Assets (Buying and Selling) Approval as granted from Shareholders Meeting, other Non-Policy, and annual business plan, budgeting, or management including policy or administrative matters which have not set policy or which are beyond the authority of the Executive Board of Directors but requested for approval by them under the authority and/or authorized amount that the Board of Directors are approved by the shareholders' meeting.

- 3) The Board of Directors may appoint the directors and/or some executives as deemed appropriate to administrate and manage the Company's business as assigned by the Board of Directors; unless it is clearly stipulated otherwise in the Company's article of association.
- 4) A director shall not: operate any business which has the same nature and is in competition with the business of the Company; become a partner in an ordinary partnership; become a partner with unlimited liability in a limited partnership, or become a director of a private company or any other public limited company operating business which has the same nature as and is in competition with the business of the Company either for the director's own benefit or for the benefit of other persons, unless the director notifies the shareholders' meeting before the resolution for his or her appointment has passed.
- 5) A director shall, without delay, notify the Company in case that he/she has a direct or indirect interest in any contract which is made by the Company during the fiscal year, and shall indicate the nature of the contract, names of the contracting party and his/her interest in the contract. Furthermore, a director shall notify the Company if he/she holds shares or a debenture or any other securities of the Company or any affiliated company, which have increased or decreased during the fiscal year.
- 6) A director who has specific interest in any matter shall not be entitled to vote on such matter.
- 7) At any meeting, in an event of a tie vote, the chairman of the meeting shall have the casting vote.
- 8) The Board of Director will stipulate the company to have the efficient and effectiveness internal control system by appointing the internal audit department to follow up and co-proceed and coordinate with the Audit Committee to conduct the business of the company to comply with the laws and the regulations of competent bodies in line with business moral.

The authorization of powers to the Board of Directors shall be subject to the laws, rules and regulations of the Company and relevant authorities such as the Securities and Exchange Commission, the Stock Exchange of Thailand.

7.3 Information on subcommittees

7.3.1 Information on each subcommittee

The Company has 3 subcommittees which are Audit Committee, Executive Committee, and Risk Management Committee as detail;

1. Audit Committee

The Audit Committee consisted of 4 independent directors with a 2-year tenure and has a duty to supervise the operation of the Company. Details of the authority and duty of the Audit Committee are provided in Management Structure. At least 1 meeting of the Audit Committee is to be held in each quarter with additional meeting to be called if required.

The Audit Committee Member will use their own discretion in reviewing the financial report, internal control and internal audit system and operation of the Company, considering and appointing the Company's auditor, as well as disclosing information on related transaction or transaction with potential conflict of interest. Such Audit Committee will enhance the effectiveness of the Company's control and governance pursuant to the Stock Exchange of Thailand approach.

Role and Responsibilities of the Audit Committee

- 1) To review the Company's financial reporting process to ensure that it is accurate and adequate.
- 2) To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the Internal Audit Department Head or any other unit in charge of an internal audit.
- 3) To review the Company's compliance with the Securities and Exchange Act., the Stock Exchange of Thailand's regulations, and the laws relating to the Company's business.
- 4) To consider, select, nominate and dismissal an independent person to be the Company's external auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year.
- 5) To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Stock Exchange of Thailand's regulations, and are reasonable and for the highest benefit of the Company.
- 6) To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:
 - a) An opinion on the accuracy, completeness and creditability of the Company's financial report,
 - b) An opinion on the adequacy of the Company's internal control system,
 - c) An opinion on the compliance with the Securities and Exchange Act., the Stock Exchange of Thailand's regulations, or the laws relating to the Company's business,
 - d) An opinion on the suitability of an auditor,
 - e) An opinion on the transactions that may lead to conflicts of interests,
 - f) The number of the audit committee meetings, and the attendance of such meetings by each committee member,
 - g) An opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter, and
 - h) other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors; and
- 7) To perform any other act as assigned by the Company's Board of Directors, with the approval of the audit committee.

2. Executive Board of Directors

Power, Role and Responsibilities of the Executive Board of Directors

- 1) To generally act on behalf and in the interest of the Company and its subsidiaries to carry on the business.
- 2) To administrate the Company's business in conformity with applicable laws, company objectives, the article of association, the resolutions of the shareholders' meeting and the Board of Directors.

- 3) To consider and have Authority on Credit Approval, Non-Policy Expenses Approval, Non-Policy Assets (Buying and Selling) Approval, and request for approval to the Board of Director for which is beyond the granted authority and/or authorized amount. To consider and have authority on personnel Policy which includes recruiting, transferring, promoting, terminating, compensating, annual salary increase and other related human resource management as granted from the Board of Directors.
- 4) To appoint one or more directors in the Executive Board of Directors or other persons to perform any act which is under the supervision of the Executive Board of Directors as the Executive Board of Directors may deem appropriate and within the period defined by them. However, such appointment may be revoked, altered, changed as the Executive Board of Directors deemed appropriate.
- 5) To perform any other act delegated by the Board of Directors.

In authorizing the Power, Role and Responsibility of the above Executive Board of Directors, such authority shall be under the rules and regulations' of relevant laws, regulations and article of association of the Company. In addition, the members of the Executive Board of Directors or then related persons will not be able to approve the transactions which are not normal course of business of the Company or under generally accepted conditions while they have conflict or participation or interest against the Company or the Company's subsidiaries and shall report the transactions to the Board of Directors to comply with the role and regulation of the SET.

7.3.2 Name of each subcommittee

1. Audit Committee

The Audit Committee Member was established and appointed from the Annual General Meeting of Shareholders No. 20/2004 to be an independent committee in reviewing the financial report to be submitted to shareholders and stakeholders, internal control and internal audit system and operation of the Company according to the Role and Responsibilities of the Audit Committee.

As of December 31, 2021, the Audit Committee consists of 4 members as follows:

No.	Name	Position
1	Mr. Pradit Sawattananond	Chairman of the Audit Committee/ Independent Director
2	Mr. Anant Svattananon	Member of the Audit Committee/ Independent Director
3	Dr. Supriya Kuandachakupt	Member of the Audit Committee/ Independent Director
4	Mr. Kasem Akanesuwan	Member of the Audit Committee/ Independent Director

Mr. Pradit Sawattananond Chairman of the Audit Committee/ Independent Director, has experiences in accounting, financing and reviewing of financial statements.

2. Executive Board of Directors

The Company sets up the Executive Board of Directors comprising 6 directors with a 2-year tenure. It is a policy of the Executive Board of Directors to regularly arrange a meeting at least once a month with additional meeting to be called if required.

As of December 31, 2021, the Executive Board of Directors consists of 6 members as follows:

No.	Name	Position
1.	Mr. Yang, Tze-Ting	Chairman of the Executive Board of Directors
2.	Mr. Tang, Lai-Wang	Director
3.	Mr. Shen, Ying-Hui	Director
4.	Mr. Liao, Ying-Chih	Director
5.	Mr. Chen, Fong-Long	Director
6.	Mr. Chen, Jui-Hsin	Director

3. Risk Management Committee

Regarding the risk management, the company had set up a Risk Management Committee to establish an adequate risk management system and approve risk management policy, procedures and quarterly risk management reports prepared by Risk Management Subcommittee. The risk management system covers important risks which are credit risk, financial risk and operational risk. The risk management procedures include risk assessment, risk management, risk monitoring and risk controlling which will be reviewed every quarter. The members of the committee were fixed with the internal position as follows:

No.	Position in the Company and its subsidiaries	Position in Risk Management Committee
1	Managing Director	Chairman of the Risk Management Committee
2	Acting General Manager - The Subsidiary (BGPL)	Member of the Risk Management Committee
3	Chief Financial Officer	Member of the Risk Management Committee
4	Chief Information Officer	Member of the Risk Management Committee
5	Chief Credit Officer	Member of the Risk Management Committee
6	Chief Marketing Officer	Member of the Risk Management Committee
7	Chief Legal Officer	Secretary to the Risk Management Committee

7.4 Information on executives

7.4.1 Names and positions of the highest ranking executive

Management as of December 31, 2021 consists of 7 members as follows:

No.	Name	Position
1	Dr. Amnuay Viravan	Honorary Chairman
2	Mr. Tang, Lai-Wang	Managing Director
3	Mr. Danai Lapaviwat	Chief Financial Officer/ Company Secretary/ Secretary to the Board of Directors
4	Mr. Sarayuth Chaisawadi	Chief Information Officer/ Acting Chief Administrative Officer
5	Mr. Kitisak Leelaharat	Chief Credit Officer
6	Mr. Anurit Wongudom	Chief Marketing Officer
7	Mr. Pattrapol Kangwalsakul	Chief Legal Officer

Role and Responsibilities of the Managing Director

- 1) Set out policy, plan and business strategy of the Company and monitor the operation of the Company to ensure that the determined policy, plan and business strategy is complied with.
- 2) Operate and manage normal operation of the Company's business.

- 3) Perform other duties as assigned by the Board of Directors on an ad hoc basis.
- 4) Consider to approve the operations of the Company as authorized by the Board of Directors.
- 5) Consider to approve the employment and salary, staff transfer, rotation, promotion, termination, rewarding and remuneration provision and any other matters related to human resource management.
- 6) Authorized to appoint attorney or assign other persons whom the Managing Director considers appropriate to act on his/her behalf. Such appointment / assignment must comply with the regulations and the articles of association of the Company.

The above authority and duty must be in compliance with law, rules, regulations and the Company's articles of association. However such authority excludes the authority to approve the transaction which the Managing Director or other related persons may have interest in or conflict of interest with the Company or Subsidiaries, and is not in the ordinary course of business or not complied with trading conditions as authorized and/or within a limited determined by the Board of Directors. The approval will be made according to the regulations, conditions and methods regarding related transactions and acquisition or disposal of core assets of the listed company in compliance with the rules and regulations of the Stock Exchange of Thailand or the notification of the Office of Securities and Exchange Commission.

7.4.2 Remuneration for Directors and Management

1. Remuneration for Directors

Cash Remuneration

The remuneration policy for directors, approved by the shareholders' meeting, is clearly established. The remuneration for directors is provided at an appropriate level and sufficient to attract and retain the capable and qualified directors. Such remuneration is set at the same level as industry standard suitable to the duty and responsibility assigned. The Company does not set out a policy to provide excessive amount of remuneration to its directors. Remuneration for the management is set according to the principles and policy determined by the Board of Directors by correlating the compensation with the Company's operating performance together with the performance of each individual management.

Currently, the company has three types of director remunerations which are the monthly fixed remuneration, meeting attendant allowance (for audit committee and external director only) and bonus which will be paid to the directors based on company's performance. The company does not have an established remuneration committee to consider the appropriate remuneration. However, the remuneration has been carefully considered by the Board of Directors in comparison with the referenced industry sector and the Company's profitability.

The Annual General Meeting of Shareholders No.37/2021 held on April 20, 2021 approved the remuneration of year 2021 for directors as follows:

	Fixed Remuneration (Baht per month)	Meeting Attendant Allowance (Baht per meeting)	Bonus (Y2020 performance)
Honorary Chairman	40,000	-	-
Chairman of the Board of Directors	40,000	-	-
Chairman of the Audit Committee/ Independent Director	40,000	10,000	320,000
Audit Committee/ Independent Director/ Non-Executive Director	30,000	10,000	240,000
Executive Director	20,000	-	-

Summary the directors' remunerations for the year 2020- 2021 are as follows;

Type of Remunerations	2020		2021	
	No. of Person	Amount (Baht)	No. of Person	Amount (Baht)
Fixed Remuneration	13	3,960,000	12	3,960,000
Meeting Attendant Allowance	6	710,000	6	280,000
Bonus	6	1,520,000	6	1,520,000
Total	13	6,190,000	12	5,760,000

Other Remunerations

- None -

2. Remuneration for Management

Cash Remuneration

Type of Remunerations	2020		2021	
	No. of Person	Amount (Baht)	No. of Person	Amount (Baht)
Salary and bonus	8	49,053,992	7	41,192,045
Other remunerations such as provident fund and social security fund etc.	8	2,616,985	7	2,668,264
Total	8	51,670,977	7	43,860,309

Remuneration for management is based on the Company's principle and policies of the board of directors with in regarding the operation of the company and the performance of each management.

Other Remunerations

- None -

7.5 Information on employees

7.5.1 Number of Employees

No. of Employees of the Company and its subsidiaries as of December 31, 2021 detail as follows;

Department	No. of Employees	
	The Company	The Subsidiaries
1. Management	7	3
2. Marketing and Credit Department	130	87
3. Credit Operation Department	28	33
4. Credit Analyst Department	50	31
5. Credit Control Department	70	16
6. Branch Operation Department	161	0
7. Accounting Department	22	6
8. Finance Department	10	6
9. Information System and Autonomous Department	29	2
10. Planning Department	5	3
11. Human Resource and Secretary Department	21	4
12. Investor Relations Department	1	-
13. Internal Audit Department	5	-
Total	539	191

7.5.2 Remuneration for Employees of the Company and subsidiaries

The employee remunerations of the Company and subsidiaries include salary, bonus, provident fund and other benefits detail as following;

Cash Remuneration

Type of Remunerations	2020		2021	
	No. of person ¹	Baht	No. of person ²	Baht
Salary and bonus	704	483,904,678	723	501,285,043
Other remunerations such as provident fund, fuel cost, phone bill, social security fund, medical bill and staff reward for operating of customer's service etc.	704	131,858,869	723	188,778,243
Total	704	615,763,547	723	690,063,286

Note : ^{1/} Exclude 8 managements of the Company.

^{2/} Exclude 7 managements of the Company.

Other Remunerations

- None -

7.6 Other significant information

7.6.1 The name of the person assigned to take direct responsibility for accounting oversight, company secretary, head of internal audit, head of compliance unit

The person assigned to take direct responsibility for accounting oversight

Miss Jintana Vivatanavanon, Senior Vice President, Accounting Department

Company Secretary

According to the resolution of the Board of Directors Meeting No. 4/2012 as of May 8, 2012, it opined to appoint Mr. Danai Lapaviwat as the Company Secretary, to be responsible for and undertake the tasks of the Company Secretary in order to comply with Section 89/15 of the Securities and Exchange B.E. 2535 (including its amendments) as follows:

1. Preparing and keeping the following documents:
 - (a) A register of directors
 - (b) A notice calling director meeting, a minute of the board of directors and an annual report of the company
 - (c) A notice calling shareholder meeting and a minute of shareholders' meeting;
2. Keeping a report on interest filed by a director or an executive;
3. Performing any other acts as specified in the notification of the Capital Market Supervisory Board.

The detail of the Company's Secretary is follow part of shareholding and management and shareholding structure and clause of board of directors and managements' profiles.

Head of internal audit

Mr. Kaweevat Chouthong, Vice President, Internal Audit Department

Head of compliance unit

Mr. Sarnyapong Pattharanitthapongsa, First Vice President, Compliance Department

7.6.2 Name of the head of investor relations and contact information

Miss Kanokporn Charoenphol Tel: 0-2679-6226 Ext. 501 Email : kanokporn.ch@ask.co.th

7.6.3 Remunerations of the auditor

In Year 2021, the Company and its subsidiaries' remuneration to the auditors were summarized as follows:

- 1) Auditing fee to:
 - The office employing such auditor in the previous financial period totaling 3,760,000 Baht.
 The Company's remuneration to the auditor 1,790,000 Baht
 The subsidiaries' remuneration to the auditor 1,970,000 Baht
 - The person or business related to such auditor and its office in the previous financial period for auditing service totaling Baht 0 and no for other expense related to auditing service.

2) Other expenses related to auditing

The Company and its subsidiaries' expenses related to auditing were derived from such expenses as document delivery, traveling expense and other expenses etc., to the following parties:

- The office employing such auditor in the previous financial period totaling Baht 31,098.
The Company's expenses related to auditing 22,676 Baht
The subsidiaries' expenses related to auditing 8,422 Baht
- The person or business related to such auditor and its office in the previous financial period totaling 0 Baht

3) Fee from other services

The Company and its subsidiaries' fee from other services to the following parties:

- The office employing such auditor in the previous financial period totaling Baht 400,000.
The Company's fee for specified audit procedures performed for consolidation purpose of the parent company of the group 200,000 Baht
The subsidiaries' fee for specified audit procedures performed for consolidation purpose of the parent company of the group 200,000 Baht
- The business related to auditor's office in the previous financial period totaling 0 Baht

8. Report on Key Operating Results on Corporate Governance

8.1 Summary of duty performance of the Board of Directors in the past year

8.1.1 Selection, development and evaluation of duty performance of the Board of Directors

In the year 2021, the Board of Directors and the sub-committees have monitored, evaluated and supervised the operating result appropriately under the ethical, transparent and verifiable.

The Company has established important criteria for nomination and appointment of directors and top management as follows:

1. Independent Directors

The Company has defined the meaning of “Independent Directors” more strengthen than the criteria set by the Capital Market Supervisory Board Tor.Chor.14/2551 as follows:

- 1) Holding shares not exceeding 0.5 percent of the total number of voting rights of the company, its parent company, subsidiaries, affiliate or juristic person which may have conflicts of interest, including the shares held by related persons of the independent director.
- 2) Neither being nor having been an executive director, employee, staff, or advisor who receives salary, or a controlling person of the company, its parent company, subsidiaries, affiliate, same-level subsidiaries or juristic person who may have conflicts of interest unless the foregoing status has ended not less than two years prior to the appointment.
- 3) Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling persons of the Company or its subsidiaries.
- 4) Not having a business relationship with the Company, its parent company, subsidiaries, affiliate or juristic person who may have conflicts of interest, in the manner which may interfere with his independent judgment, and neither being nor having been a major shareholder, non-independent director or executive of any person having business relationship with the company, its parent company, subsidiaries, affiliate or juristic person who may have conflicts of interest unless the foregoing relationship has ended not less than two years prior to the appointment.
- 5) Neither being nor having been an auditor of the Company, its parent company, subsidiaries, affiliate or juristic person who may have conflicts of interest, and not being a major shareholder, non-independent director, executive or partner of an audit firm which employs auditors of the Company, its parent company, subsidiaries, affiliate or juristic person who may have conflicts of interest unless the foregoing relationship has ended not less than two years from the appointment.
- 6) Neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the company, its parent company, subsidiaries, affiliate or juristic person who may have conflicts of interest, and neither being nor having been a major shareholder, non-independent director, executive or partner of the professional advisor unless the foregoing relationship has ended not less than two years from the appointment date.
- 7) Not being a director who has been appointed as a representative of the Company’s director, major shareholder or shareholders who are related to the company’s major shareholder.
- 8) Not having any characteristics which make him incapable of expressing independent opinions with regard to the Company’s business affairs.

2. Nomination of directors and top management

The Company does not have an established nominating committee to select directors. The Board of Directors considers a nomination selected to be a director in the structure, board diversity policy such gender, nationality (the Company' directors are both Thai and foreign) and the expertise to complement the existing skill of the Board of Directors and personal qualification for directorship as well as experience, skills, directorship performance and unprohibited person by the law and the regulation of the Securities and Exchange Commission. The procedure of appointment is as follows:

- 1) Each shareholder shall have a number of votes at the equivalent of one share per one vote;
- 2) Shareholders shall vote for each individual director; and
- 3) After the vote, the candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be appointed as directors in that order until all of the directorial positions are filled. In the event of a tie vote, the Chairman shall have the casting vote.

3. Director Development

The Company gives importance to director development and training. All Directors who based in Thailand have finished the Director Accreditation Program and some of them have been trained in Director Certification Program. All of the above programs have been conducted by the Thai Institute of Directors (IOD) and the company has sponsored this full-course training. The Company also encourages new director to attend the program. Furthermore, all directors are also encouraged to attend other seminar or training to enhance their knowledge for being a director.

In 2021, the directors have attended training courses detail as following:

Name	Course
Mr. Yang, Tze-Ting	<ul style="list-style-type: none">- Gender Equality in Employment Act and Prevention of Workplace Bullying- Business Management Risks and Corporate Governance- Fiduciary Duty of the Board of Director and Business Judgment Rule
Mr. Chen, Fong-Long	<ul style="list-style-type: none">- Anti-Money Laundering regulations and the role of Leasing industry- Business Management Risks and Corporate Governance- Fiduciary Duty of the Board of Director and Business Judgment Rule- Anti-Money Laundering regulations and the role of Leasing industry- Overall Economic Outlook and Industry Development Trends- Circular Economy Speech
Mr. Liao, Ying-Chih	<ul style="list-style-type: none">- Business Management Risks and Corporate Governance- Fiduciary Duty of the Board of Director and Business Judgment Rule- Circular Economy Speech
Mr. Chen, Jui-Hsin	<ul style="list-style-type: none">- Overall Economic Outlook and Industry Development Trends- Circular Economy Speech
Dr. Supriya Kuandachakupt	<ul style="list-style-type: none">- Information Security Awareness Training 2021

4. Evaluation of the Board of Directors

The Company has established the Board of Directors Self Assessment to assess the board's structure and performance. The Board Self Assessment Form consisted of 6 areas: Structure and characteristics of the Board, Roles and responsibilities of the Board, Board Meetings, The board's performance of duties, Relationship with management, and Self-development of directors. The assessment form was provided individual to each director. The 6 assessment areas were included sub-item and director could fill 0-4 score for each sub-item. The company has initially established the individual director assessment in 2014 for directors to evaluate other directors except themselves. The Individual Director Assessment Form consisted of 4 areas: Roles and responsibilities of the director, The director's performance of duties, Relationship with management, and Self-development of the director. Last, the evaluation of the performance of the Managing Director (MD) has been started the evaluation from 2013 in order to assess the MD's performance for the past previous year with 3 areas of Roles and Responsibilities, Performance, Relationship with the Board of Directors, and Self-development. The all above assessment forms were provided individual to each director. After received the assessment form, the company secretary would evaluate and then informed to the board of directors meeting.

Moreover, the Company has established the Board of Directors Self Assessment and Individual Director Assessment for the sub-committee; Audit committee and Risk Management committee. The assessment form consisted of 3 areas: Structure and characteristics of the Board, Board Meetings and Roles and responsibilities of the Board.

8.1.2 Meeting attendance and remuneration payment to each Board member

Each director has dedicated his/her time to attend all of the Board of Directors' meetings, except in case of necessity. In the year 2021, all meetings were attended by each of the Company's directors and the Audit Committee as follows:

Name	No. of Meetings Attended/ No. of Total Meeting		
	Board of Directors	Audit Committee	Annual general meeting of shareholders
Mr. Yang, Tze-Ting	5/5	-	1/1
Mr. Tang, Lai-Wang	5/5	-	1/1
Mr. Shen, Ying-Hui ^{1/}	5/5	-	1/1
Mr. Liao, Ying-Chih	4/5	-	1/1
Mr. Chen, Fong-Long	3/5	-	1/1
Mr. Chen, Jui-Hsin	4/5	-	1/1
Mr. Tientavee Saraton	5/5	-	1/1
Mrs. Patima Chavalit	5/5	-	1/1
Mr. Pradit Sawattananond	5/5	4/4	1/1
Mr. Anant Svattananon	4/5	4/4	1/1
Dr. Supriya Kuandachakupt	4/5	4/4	1/1
Mr. Kasem Akanesuwan	5/5	4/4	1/1

Remark : ^{1/} According to the resolution of BOD No. 1/2022 held on January 19,2022, it had acknowledged the resignation of a director, Mr. Shen, Ying-Hui effective from January 19,2022 and the appointment of a new director, Mr. Wang, Chia-Hung effective from January 19,2022.

The directors' remunerations for the year 2021 are as follows:

Name	Position	Fixed Remuneration (Baht)	Meeting Attendant Allowance (Baht)	Bonus (Baht)	Total (Baht)
Mr. Yang, Tze-Ting	Chairman of the Board of Directors	480,000	-	-	480,000
Mr. Tang, Lai-Wang	Director	240,000	-	-	240,000
Mr. Shen, Ying-Hui	Director	240,000	-	-	240,000
Mr. Liao, Ying-Chih	Director	240,000	-	-	240,000
Mr. Chen, Fong-Long	Director	240,000	-	-	240,000
Mr. Chen, Jui-Hsin	Director	240,000	-	-	240,000
Mr. Tientavee Saraton	Director	360,000	50,000	240,000	650,000
Mrs. Patima Chavalit	Independent Director	360,000	50,000	240,000	650,000
Mr. Pradit Sawattananond	Chairman of the Audit Committee/ Independent Director	480,000	50,000	320,000	850,000
Mr. Anant Svattananon	Member of the Audit Committee/ Independent Director	360,000	40,000	240,000	640,000
Dr. Supriya Kuandachakupt	Member of the Audit Committee/ Independent Director	360,000	40,000	240,000	640,000
Mr. Kasem Akanesuwan	Member of the Audit Committee/ Independent Director	360,000	50,000	240,000	650,000
Total		3,960,000	280,000	1,520,000	5,760,000

8.1.3 Supervision of subsidiaries and associated companies

Guideline of Subsidiaries Management of the Company are as following:

- 1) The appointment, dismissal, and performance review of the Company legal representative, who is appointed to Subsidiaries due to stake holding, shall be approved by the Company. The Company representative includes company promoter, authorized representative, director, supervisor and others.
- 2) To protect the Company's rights and interests, the company representative appointed by Company shall exercise authorities, fulfill duties, and observe the Company's instruction under the relevant laws and ordinances, articles of Incorporation, contract, ect.
- 3) Subsidiaries shall pursue approval from the Company for matters regulated by the rule of "Subsidiaries' matters reserved for Holding Company".
- 4) Subsidiaries shall hold business review meeting (the Meeting) regularly and invite persons designated by the Company to attend the meeting. Minutes of the Meeting shall be submitted to Corporate Secretary for the Company's review.
- 5) Subsidiaries shall accept regular audits from the Company. The Company can also appoint an auditor to conduct extra audits on Subsidiaries at any time, whenever necessary.
- 6) Cohere with the rule of "Guideline of Managing Subsidiaries Performance Reports", Subsidiaries shall submit relevant reports and statements to the Company regularly or upon request.
- 7) The policies and procedures of Subsidiaries shall comply with the rule of "Guideline of Company Policies and Procedures Management" stipulated by the Company and shall be maintained and updated regularly.

- 8) When the continuity of business or the investment reason of Subsidiaries is vanished, the company-dissolving proposal or stake-selling project shall be submitted to Corporate Planning Department and subject to the approval of Board of Directors.

8.1.4 Monitoring of compliance with the corporate governance policy and guidelines

The company has emphasized the good corporate governance and set the relevant policy and guidance in the Company's corporate governance policy and business ethics as well as encouraged the implementation to create confidence in all stakeholders and has monitored to ensure compliance with good corporate governance.

In addition, the Company has monitored for compliance with 4 other good corporate governance issues as follows:

1. Prevention of conflicts of interest policy

The Company has a conflict of interest policy as follows:

1) Board of Directors and Management

Consider conflict of interest regarding the related transaction between the Company and the Subsidiaries as well as the other related parties according to the regulations of the Stock Exchange of Thailand with honesty rational and independence within the framework of good ethics by taking into account the interests of the company's primary focus to ensure that the transaction is reasonable and for the benefit of the company.

2) The Audit Committee

The Audit Committee are responsible to ensure the related transactions or transactions that may have conflicts of interests are complied with the law and the regulations of the Stock Exchange of Thailand, are reasonable and for the Company's benefit.

3) Employees

- (1) Employees should avoid any action that is contrary to the interests of the Company whether arising from contact with the Company's operating related parties such as business partners, customers, competitors, or from using opportunities or information obtained from being an employee for personal benefit or from doing business in competition with the Company.
- (2) Employees must protect the interests of the Company with full capacity.
- (3) Employees must not do anything else that is contrary to the interests of the Company, whether directly or indirectly.
- (4) Employees must not be involved in any other business which may affect the benefits of the Company or competition with the company.

2. Supervision on the Use of Internal Information

The Company sets out the policy on a supervision on the use of internal information and complies with the policy in a strictly manner. Details of the policy can be summarized as follows:

- 1) The information is provided only to relevant parties while at the same time emphasis is made to the officers to retain the information cautiously. If the information is required for disclosure, report or disclosure of such internal information can be made only by the assigned person.
- 2) Notification must be made to all directors and management of the Company pertaining to their duty and responsibility on the internal information by not using internal information for their personal interest, including securities trading.

- 3) Every director and management of the Company is made aware of their duty and responsibility in providing a report of change in securities holding by themselves, by their spouses, minority and by other parties related to directors and/or management, pursuant to Section 258 of the Securities and Exchange Act B.E. 1992, within 3 days from the date of a change in holding of the Company's securities. Such requirement is in compliance with Section 59 of the Securities and Exchange Act B.E. 1992. In addition, the Board of Directors sets the policy that all directors have to inform the change in shareholding by sending the copy of the report to the Company Secretary in order to inform in the next Board of Directors Meeting.
- 4) Directors, management and employees in the division receiving internal information are recommended to avoid or suspend their trading of the Company's securities for a period of 1 month prior to the disclosure of financial statements to public. These persons have to sign the acknowledgement of restrain the internal information.

Disciplinary penalty is determined should the policy be violated. Punishment will be determined based on the intention of the action and the severity of such wrongdoing.

3. Anti-Corruption

The Company operates business with integrity according to good corporate governance and adhere to responsibility to social and all stakeholders by establishing the Anti-Fraud Policy to identify the responsibility and practices for fraud prevention as clear guidelines for business operations which develop corporate sustainability. The Company received the Approval of certified membership of Thailand's Private Sector Collective Action Coalition Against Corruption on August 18, 2017 and received the approval of re-certification of membership on September 30, 2020 for period of three years.

The Company has strictly implemented Anti-Corruption policy and has organized the anti-corruption training course by the Internal Audit Department on a regular basis for employees to know and understand about the Anti-Corruption policy of the Company in order to be able to properly comply with the policy. For new employees, on the orientation day, there will be training on the said policy as well.

In addition, the Company also pays attention to other related matter which is the prevention and suppression of Money Laundering. The Company has organized training courses on the law on Anti-Money Laundering, Anti-Money Laundering laws, and suppress financial support for employees. In 2021, 9 courses were held, totaling 588 hours.

4. Whistle Blowing Policy

The Company has established the Whistle Blowing Policy as a channel for directors, executives, employees and all stakeholders to be able to file a complaint or to report cases of corruption or fraud in significant matter such as the illegal act, act against the rules or the Company's policies, or against business ethics, to help improve or perform action with accuracy, adequacy, transparency, and fairness. The whistleblower's information and reporting subject will be kept confidentially in order to prevent the infringement.

- 1) Any staff/ outsider with concern may report such concern through the Company's Internal Audit Vice President. All allegations raised should be made in writing and finally sent to the Company's Internal Audit Vice President. The Internal Audit Vice President shall make preliminary study to decide whether the raised allegation is a suspected fraud event and an investigation is necessary

- (1) Mr. Kaweewat Chouthong: Internal Audit Vice President
Telephone: 0-2679-6226
E-mail: kaweewat.ch@ask.co.th,
- (2) Regular mail: Internal audit Vice President,
24th Sathorn city tower, 175 South Sathorn road, Tungmahamek, Sathorn, Bangkok 10120,
Facsimile: (66) 0-2679-6241-3.
- 2) In case that the allegation does not stand for a suspected fraud event and no investigation is needed, the Internal Audit Vice President will inform the initiator who raises the concern of the reason not to start an investigation.
- 3) If the suspected fraud event is a subsidiaries' case and without concern of materiality or interest conflict, the Head of the subsidiaries concerned will be informed of the case.
- 4) As the suspected fraud event is considered material or concerned with interest conflict or considered the Company's case, the Internal Audit Vice President is responsible for carrying out the subsequent investigation and reporting to the Audit Committee and MD of the investigation result. The MD is to instruct the actions to be taken and inform the Audit Committee. If the suspected fraud event involves senior management of the Company, the investigation report will be submitted to the Audit Committee.
- 5) The Human Resource Department shall be responsible for the subsequent disciplinary meeting as instructed by the MD of the Company.
- 6) The summary report of a material case shall be informed to Audit committee.
- 7) As the case is closed, the Internal Audit Vice President may inform the initiator of the result.
- 8) Principles
 - (1) The allegation should be raised in good faith, not for personal gain.
 - (2) Anonymous Event Note will not be considered and no action will be taken.
 - (3) All participants in a fraud investigation shall keep the details and results of the investigation confidential.
- 9) Contact Information will be accessible on the Company's Web site: www.ask.co.th. The record of each allegation and related documents shall be kept by the Internal Audit of ASK confidentially. The retaining period should not be less than three years
- 10) Approval and review, these procedures shall be reviewed periodically and amended if necessary.

Protection of Complainants or Whistle-Blowers

Any staff/ outsider who raise allegation with their sincerity are to be appropriately protected by the company as follows:

- 1) The Company will keep the whistle-blower and suspect their confidential information.
- 2) In case that the Company requires disclosure the information, it must be done as necessary to secure and protect the whistle-blowers and suspects.

8.2 Report on the results of duty performance of the Audit Committee in the past year

8.2.1 Specify the total number of the Audit Committee's meetings and the attendance of each member;

Each Audit Committee member has dedicated his/her time to attend all of the Audit Committee's meetings. In the year 2021, all meetings were attended by each of the Company's directors and the Audit Committee as follows:

Name	No. of Meetings Attended / No. of Total Meeting
Mr. Pradit Sawattananond	4/4
Mr. Anant Svattananon	4/4
Dr. Supriya Kuandachakupt	4/4
Mr. Kasem Akanesuan	4/4

8.2.2 Performance result of the Audit Committee

During the year 2021, the Audit Committee held 4 meetings with the Company's management, the internal auditors and the external auditors for discussion of the related agenda, including one non-management meeting with the external auditors in order to enhance good corporate governance and transparency of the Company's financial statements. The important issues are as follows:

1. Financial Statements

Review of the consolidated quarterly and annual financial statements with the external auditors and the related management by considering the accounting information, compliance with accounting standards and regulatory requirements and internal control in the preparation process of the financial statements. The review concluded that the financial statements were prepared in accordance with the generally accepted accounting principles and the disclosure of information was adequate, accurate, reliable, and timely.

2. Internal Control System

Review of the internal control system with the internal auditors and the external auditors to assess its sufficiency and effectiveness with the aim to prevent all possible risks. The Audit Committee reviewed the internal control assessment for the year 2021 with the Assessment Form of Sufficiency of Internal Control System prescribed by the Securities and Exchange Commission (SEC). The review concluded that there were no significant flaws from the operation and the Company's internal control system was sufficient, effective and in compliance with the SEC's requirements.

3. Regulatory Compliance

Review of the Company's operations to ensure that they were in compliance with the Securities and Exchange Acts and the Stock Exchange of Thailand's regulations and laws relating to the Company's business. The review concluded that the Company's operations were in compliance with the relevant laws and regulations.

4. Nomination of External Auditor

Consideration of the selection, nomination, and remuneration of the Company's external auditors in order to propose to the Board of Directors for approval in the Shareholders' meeting including non-audit services of the office related to the Company's external auditors. With regard to the past performance, independence, and the appropriate remuneration, the Audit Committee nominated EY Office Company Limited as the Company's external auditors for the year 2022. The Audit Committee concluded that the external auditors performed their duties professionally and independently. In addition, the external auditors have no relations with the Company and its subsidiary.

5. Connected Transactions

Review of the connected transactions or those which may cause conflict of interest, including the reasoning, transparency and completeness of the Company's disclosure of such information, to ensure that they were in compliance with the laws and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission. The review concluded that they were consistent with the normal business practices, all the required regulations, reasoning and the best interest of the Company.

6. Internal Audit

Approval of the internal audit plan for the year 2022 with emphasis on a risk-based audit approach for each business function, review of the internal audit activities, resources and manpower, and suggest and follow-up the improvement of audit items from the Internal Audit Department. The management concerned was invited to explain the result of the corrective action. The Audit Committee concluded that the internal audit practices were independent, appropriate, effective and contributive to the Company's good internal control, risk management, and corporate governance.

7. Risk Management

Review and evaluation of the Company's risk management process as well as giving recommendations on the improvement of the efficiency and effectiveness of the Company's risk management system according to the Company's risk management policy.

8. Major Shareholder's Audit

Acknowledgment of the annual audit report prepared by the internal auditors of Chailease Group, the Company's major shareholder, and followed-up of their suggestions on the improvement of the significant issues on a quarterly basis.

9. Self Assessment

Conduct of the self assessment on the audit committee in accordance with the guidelines of the Stock Exchange of Thailand. The Audit Committee had the opinion that its practices were in compliance with such guidelines with the effective enhancement of the Company's good corporate governance.

10. Anti - Corruption

Consideration and review of the Company's Self-Evaluation Tool for Countering Bribery as required by the Institute of Directors (IOD) in order to send to CAC Committee for the Re-Certification process.

In addition, the Company has obtained the Re- Certification of membership from CAC Committee for 3 years since September 30, 2020.

8.3 Summary of the results of duty performance of subcommittees

8.3.1 Number of the subcommittees' meetings and the attendance of each subcommittee member

1. Executive Board of Directors' meeting

The Executive Board of Directors have a policy to regularly arrange a meeting at least once a month with additional meeting to be called if necessary. The Detail of attendance of each director are as follow;

Name	No. of Meetings Attended / No. of Total Meeting
Mr. Yang, Tze-Ting	12/12
Mr. Tang, Lai-Wang	12/12
Mr. Shen, Ying-Hui	12/12
Mr. Liao, Ying-Chih	0/12
Mr. Chen, Fong-Long	0/12
Mr. Chen, Jui-Hsin1/	0/12

2. Risk Management Committee's meeting

The Risk Management Committee have a policy to arrange a meeting at least once a year with additional meeting to be called if necessary. In 2021, the Risk Management Committee holds 1 meeting with the Managing Director as Chairman of the meeting. The Risk Management Committee emphasized the continuous monitoring of risk management including the participation of executives and employees at all levels by focusing on preventative approaches and monitor risks that affect business operations

9. Internal Control and Related Party Transactions

9.1 Internal Control

The Company has recognized the important of good internal control systems by set up Internal Audit department to examine and monitor to improve continuously which found from the Company's operational. For Internal Audit department has independent to check and balance extremely, so the Company determines Internal Audit reporting directly to the Audit Committee.

9.1.1 Adequacy and appropriateness of the Company's internal control system

The Company has appropriate and effective internal control and risk management system by complies with internal control and risk management framework according to the internationally accepted standards on enterprise risk management developed by The Committee of Sponsoring Organizations of the Treadway Commission (COSO-ERM). This corresponds to the Company's business operations and based on 5 internal control components, namely (1) Control Environment (2) Risk Assessment (3) Control Activities (4) Information & Communication and (5) Monitoring Activities.

Internal control and risk management system is the important tool and mechanism which enables the Company to have a good management system. The Company has assigned the employees to collaborate their role and responsibility in control self assessment (CSA), it encourages the employees to be responsible for risk assessment and continuously develop internal control by themselves including risk assessment and related system in order to improve system and mitigate risk.

In addition, the Company has set up fraud risk assessment by Internal Audit department has conducted fraud risk assessment to enable to assess the possibility to occur fraud and consider the most efficient preventive and control measure to be ensure that the Company will be able to prevent and control to be guideline in the business operations with morals according to good corporate governance.

In addition, the company has established a compliance department to ensure that the Company is conducting business in full compliance with the related laws and regulations. Compliance department shall report the company's management team in the event of a compliance violation. Compliance will educate compliance-related issues to employees across all divisions of organization that will prevent wrongdoing.

9.1.2 The Board of Directors' opinion to the Internal Control System

The Board of Directors' meeting No.2/2022 held on February 18, 2022 which the Audit Committee members attended this meeting. The Board of Directors assessed the Company's internal control, allowing the management to explain the systems relevant to the internal control including discussion with the management. The Board of Directors concluded that the Company's internal control system was sufficient and appropriate in this situation covering 5 components, namely Control Environment, Risk Assessment, Control Activities, Information & Communication, and Monitoring Activities.

In addition, the Company has also provided sufficient employees to perform internal control efficiently, and monitored the asset safeguard of the Company and its subsidiary from the management's misuse including the scope regarding the transactions with the persons who may have conflicts of interest and connected persons sufficiently.

9.1.3 The Audit Committee's opinion to the Internal Control System

In the Audit Committee's meeting No. 1/2022 held on February 15, 2022 concluded regarding the Company's internal control and reviewed the Assessment Form of Sufficiency of Internal Control System as required by the Securities and Exchange Commission (SEC), based on 5 components, namely Control Environment, Risk Assessment, Control Activities, Information & Communication, and Monitoring Activities. The review concluded that the Company's internal control was sufficient and complied with the SEC's requirement, and there was no significant change from the previous year.

9.1.4 The Company's Head of Internal Audit

The Company's Head of Internal Audit Department is Mr. Kaweewat Choothong, who is responsible for overseeing internal audit operations. He is experienced in internal auditing and understands the operating activities of the Company and its subsidiaries. Therefore, he is suitably qualified for this task.

In the addition, to approve the appointment, transfer and dismissal of the Company's Head of Internal Audit will be passed the approval of the Audit Committee.

9.2 Related party transactions

The Company and its subsidiaries have connected transactions with connected persons who may have conflict of interest, all of which being made in a normal course of business of the Company and its subsidiaries. In approving the connected transaction, the Company and its subsidiaries set out policy to proceed according to normal trading terms by referring to appropriate market rate and condition. In case where the transaction is not normal business transaction or without normal trading terms, such transaction must be presented to the Board of Directors' meeting for approval. In approving the connected transaction, directors and persons with potential interest or potential conflict of interest will not be entitled to participate in the voting of such transaction. Such transaction must be reported to the Company's Board of Directors for further acknowledgement accordingly. In entering into such transaction, it must be ensured that the transaction must provide maximum benefit to the Company.

In considering the transaction, the Audit Committee must attend the meeting for review its necessity and reasonableness by considering price and rate of return of such transaction except where the connected transaction is the normal business transaction or has normal trading terms which can be approved by the Executive Board of Directors or Managing Director within the predetermined authorized limit. In case where the Audit Committee does not have expertise in considering the transaction arisen, the Company will arrange to have person with expertise and skill, e.g. the Company's auditor or independent expert, to provide opinion on such connected transaction. Opinion of the Audit Committee or expert will be used as support for decision making of the Company's Board of Directors or shareholders as the case may be.

In addition, the information on connected transactions will be disclosed in the notes to financial statements as audited by the Company and its subsidiaries' auditor. The connected transaction must be made in accordance with the Securities and Exchange Act, rules and regulations, notification, order or provision of the Office of Securities and Exchange Commission and/or the Stock Exchange of Thailand concerning the connected transactions or the acquisition and disposal of the Company's asset in a strictly manner. The Company must also comply with the provision concerning the disclosure of information of connected transaction and acquisition or disposal of asset.

In entering into any potential connected transaction in the future, the Company will proceed according to the measure stipulated above. It has a policy to operate in accordance with normal course of business by referring to appropriate market rate and condition to maximize benefit to the Company.

Details of Connected Transaction

According to the resolution from the Board of Directors meeting No. 2/2022 on February 18, 2022 also attended by the Audit Committee and the independent directors to review the connected transaction for the period ended December 31, 2020 and December 31, 2021, the Board of Directors provided opinion concerning connected transactions that such connected transaction were necessary for the ordinary course of business whereas terms of such connected transactions with connected persons during such period were according to the market rate, contractual and agreed price which were reasonable and in the ordinary course of business. Details of the transaction can be summarized as follows:

Parties with Potential Conflict/ Nature of Transaction	Type of Transaction	Value of Connected Transaction for the Period Ended (Million Baht)		Reason and Necessity of the Connected Transaction / Remark
		December 31,	December 31,	
		2020	2021	
1. Bangkok Bank Public Company Limited / - Hold 7.35% of the Company's shares as at December 31, 2021.	Savings and current deposit at bank, bank overdraft, short and long-term loan, aval fee of the Company and its subsidiaries for working capital and business expansion 1. Savings and current deposit 2. Bank deposits with restriction 3. Short-term loan 4. Current portion of Long-term loan 5. Long-term loan 6. Accrued interest expense 7. Interest expense 8. Interest income	322.08 62.13 1,000.00 2,150.00 3,650.00 2.60 161.33 1.22	405.22 147.90 500.00 2,850.00 3,600.00 0.74 191.58 0.09	- Audit Committee have reviewed and considered this item and provided opinion that interest rate charged is similar to the market rate and deemed easonable in the ordinary course of business.
2. Bangkok Insurance Public Company Limited / - Hold 1.01% of the Company's shares as at December 31, 2021.	Short-term loan of BGPL for working capital and Insurance expense of the Company and its subsidiaries according to the market rate 1. Insurance expense 2. Prepaid insurance expense	2.57 1.66 2.57 1.66	2.83 1.49 2.83 1.49	- Audit Committee have reviewed and considered this item and provided opinion that interest rate charged and nsurance expense are similar to the market rate and deemed reasonable in the ordinary course of business.
3. Chailease Finance Co., Ltd. - Major shareholder of the Company with 36.61% shareholding as of December 31, 2021	Internal Audit Fee	1.00	1.00	- Audit Committee and/or Independent Director have reviewed and considered this item and provided opinion that item and provided opinion that value of such internal audit fee is comparable with the asset size in reference industry and deemed reasonable in the ordinary course of business.
4. Sathorn City Tower Property Fund / - Related to City Realty Co., Ltd. whom relates to the major shareholder of the Company (Bangkok Bank Plc.)	Expense relating to office space and fixture and service of the Company and its subsidiaries 1. Service fee 2. Amortization of right of use asset 3. Interest Expense of Lease Liabilities	1.79 30.30 1.25	1.79 30.28 1.62	- Audit Committee have reviewed and considered this item and provided opinion that its value is consistent with the agreement made and deemed reasonable in the ordinary course of business.
5. CITC Enterprise (Thai) Limited - Common director with the Company's major shareholders	1. Finance lease and loan receivables 2. Interest income	1.76 0.44	9.22 0.12	- Finance lease and loan provided by the subsidiary under the same conditions as other customers.

Parties with Potential Conflict/ Nature of Transaction	Type of Transaction	Value of Connected Transaction for the Period Ended (Million Baht)		Reason and Necessity of the Connected Transaction / Remark
		December 31, December 31,		
		2020	2021	
6. Anywhere 2 go Company Limited - Common director with the Company	Loan receivable Interest income	2.54 0.31	0.62 0.14	- Loan provided by the subsidiary under the same conditions as other customers.
7. Chailease International Financial Service Co., Ltd. - Common director with the Company	Financial guarantee fee	0.50	0.08	- Audit Committee and/or Independent Director have reviewed and considered this item and provided opinion that such prepaid insurance expenses
				incurred from life insurance and assets insurance for Company and its subsidiary is reasonable and in the ordinary course of business.
8. Chailease International Financial Service (Singapore) Pte Ltd. - Related party of ultimate parent company	Financial guarantee fee income Financial guarantee fee	0.43 0.58	0.89 0.04	- Audit Committee and/or Independent Director have reviewed and considered this item and provided opinion that such prepaid insurance expenses
				incurred from life insurance and assets insurance for Company and its subsidiary is reasonable and in the ordinary course of business.

Source : Consolidated financial statements of Asia Sermkij Leasing Public Company Limited as audited by the auditor for the Year 2020 - 2021.

Reasonableness of the Connected Transactions

According to the resolution of the Board of Directors' Meeting No. 2/2022 on February 18, 2022 where the Audit Committee who are independent directors have attended, it was opined that the connected transaction is necessary in the normal operation of business. Terms of the connected transactions are made according to the market price, contractual price and agreed price, which are reasonable and in the ordinary course of business.

Measures or Process for Connected Transaction Approval

To prevent any conflict of interest arisen from the transaction, the connected transaction between the Company and a person with potential conflict of interest, which is neither in the normal course of business nor has normal term of trading must be presented to the Board of Directors' meeting for approval. Directors and persons with interest or potential conflict of interest in such transaction will not be entitled to vote on such matter and must report the Board of Directors accordingly. Such transaction must be entered for the maximum benefit to the Company. In considering such transaction, member of the Audit Committee must attend the meeting to provide opinion pertaining to the execution of such connected transaction, except if such connected transaction entered by the Company or related companies is made in the normal course of business or normal trading terms. In such case, the Executive Board of Directors or the Managing Director is authorized to approve the transaction according to the predetermined approval authority limit. The execution of connected transaction, however, must be in accordance with the Securities and Exchange Act, regulation, notification, order or the provision of the Office of Securities and Exchange Commission and/or the Stock Exchange of Thailand concerning the connected transactions and the acquisition and disposal of the Company's asset in a strictly manner.

Policy or Tendency of Connected Transactions

In entering into connected transaction in the future, the Company's procedures are as discussed earlier in order to maximize benefit to the Company. Accordingly, it is the Company's policy to undertake the transactions according to the normal course of business based on appropriate market price and conditions. The Audit Committee and/or Independent Director will be required to audit and provide opinion, taking into account pricing and return, on the necessity and appropriateness of the transactions. In relation to the execution of connected transactions in the future, the Board of Directors must comply with the Securities and Exchange Act, regulation, notification, order or the provision of the Office of Securities and Exchange Commission and/or the Stock Exchange of Thailand concerning the disclosure of information of connected transaction and the acquisition or disposal of assets.

However, in case of the Audit Committee have no special skill for consideration related transaction which occurred, the Company will provide specialists such as auditor of the Company or independent expert provide opinion on such related transaction. The opinion of the Audit Committee or specialist will be applied to decision of the Board of Directors or shareholders. Moreover, the Company will be disclosed the related transaction in the note of financial statement have been audited by the auditors of the Company and its subsidiaries.

บริษัทได้ผ่านการรับรองเป็นสมาชิก
โครงการแนวร่วมปฏิบัติของภาคเอกชนไทย
ในการต่อต้านการทุจริตครั้งแรก เมื่อวันที่ 18 สิงหาคม 2560
และได้รับการรับรองต่ออายุการเป็นสมาชิกโครงการ
ในวันที่ 30 กันยายน 2563 โดยมีอายุการรับรอง 3 ปี





PART 3

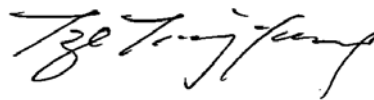
FINANCIAL STATEMENTS

Report of the Board of Directors Responsibilities for Financial Statements

The Board of Directors is responsible for the consolidated financial statement of the Company and its subsidiaries which have been prepared in accordance with generally accepted accounting standards in Thailand. The accounting policies pursued are deemed appropriate and applied consistently with adequate disclosure of important information in the notes to financial statements. This is for the benefit of the shareholders and general investors who are entitled to acknowledge the information that is accurate, on time and reasonable.

The Board of Directors has appointed the Audit Committee comprising qualified independent directors, to review the quality of financial report and internal control system. The opinion of the Audit Committee is reported in the Audit Committee's Report in this annual report.

The Board of Directors views that the Company's internal control system provides reasonable assurance that the financial position and results of operation are presented accurately.



Yang, Tze-Ting

Chairman of the Board of Directors

Independent Auditor's Report

To the Shareholders of Asia Sermkij Leasing Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Asia Sermkij Leasing Public Company Limited and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2021, 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 Asia Sermkij 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 Asia Sermkij Leasing Public Company Limited and its subsidiaries and of Asia Sermkij Leasing Public Company Limited as at 31 December 2021, 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 as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

I draw attention to Note 1.2 and 3 to the financial statements. Due to the impact of the COVID-19 pandemic, in preparing the financial statements for the year ended 31 December 2021, the Group has adopted the Accounting Guidance on Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations That Affect the Thai Economy issued by the Federation of Accounting Professions. My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Allowance for expected credit losses on loan receivables

As described in Note 38.2 to the financial statements, as at 31 December 2021, the Group had total loan receivables (before net of allowance for expected credit losses) of Baht 56,201 million and allowance for expected credit losses of Baht 1,805 million (the net balance representing 96% of total assets), which are material to the financial statements.

The expected credit losses on loan receivables method requires development of a complex calculation model, which involves significant use of management judgement and estimates in order to be compliant with the Thai Financial Reporting Standard. The areas of significant management judgement include the identification of criteria for assessing that there has been a significant increase in credit risk since initial recognition, the selection of future economic variables to be incorporated in the model and use of an overlay adjustment on the allowance for expected credit losses due to limitations of the model.

Because of the materiality and the extent of the judgement and estimates mentioned above, the allowance for expected credit losses on loan receivables is considered a key audit matter.

My audit procedures included assessment of the appropriateness of the calculation methodologies inherent within the model used for collective assessment of expected credit loss by comparison with the requirements of TFRS 9, and assessment and tests of the Group's information technology system and internal controls relevant to the estimation of allowance for expected credit losses. I assessed the assumptions significant to the model and considered the reasonableness of the assumptions in the forward-looking information and the appropriateness of the weightings adopted. I also assessed and considered reasonableness of the overlays applied by management. For the assessment of individual allowances for expected credit losses, I assessed the assumptions relevant to the expected future cash flows and the realisable values of collateral, and recalculated expected credit losses for exposures assessed on an individual basis.

In addition, I focused on the Group's disclosures regarding the allowance for expected credit losses on loan receivables.

Recognition of interest income from loan receivables

Interest income on hire purchase, financial lease, factoring and other loan receivables is the main revenue of the Group, with Baht 3,808 million recognised in 2021 (representing 86% of total revenues). I identified the recognition of such revenues to be an area of significant risk requiring special audit consideration since the Group has provided loans to a large number of customers, consisting of both consumer and commercial loans, and the conditions vary from agreement to agreement.

My audit procedures included assessment and tests of the Group's information technology systems and controls relevant to approval and recognition of interest income from loan receivables. I applied a sampling method to select loan agreements to evaluate the recording of loan receivables, and determine whether the recognition of related revenue was consistent with the conditions of the relevant agreement, and in compliance with the Group's policy. I also performed analytical procedures on disaggregated data designed to detect possible irregularities in revenue transactions throughout the period, particularly for accounting entries 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.



Vissuta Jariyathanakorn

Certified Public Accountant (Thailand) No. 3853

EY Office Limited

Bangkok: 18 February 2022

Statement of financial position

Asia Sermkij Leasing Public Company Limited and its subsidiaries

As at 31 December 2021

(Unit:Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Assets					
Current assets					
Cash and cash equivalents	6, 7	471,303,503	394,917,582	265,860,568	227,525,573
Bank deposits with restrictions	6, 8	147,895,360	62,126,454	-	-
Current portion of hire purchase receivables	9	15,544,892,709	14,514,586,327	12,626,812,344	12,097,084,391
Current portion of financial lease receivables	6, 10	403,208,977	288,105,858	-	-
Factoring receivables	11	64,859,890	63,378,238	-	-
Current portion of loan receivables	6, 12	2,688,917,509	1,664,010,088	624,274,578	456,442,568
Current portion of long-term loan to a related party	6	-	-	-	1,500,000,000
Short-term loans to a related party	6	-	-	2,090,000,000	2,375,000,000
Other current financial assets	15	8,248,500	7,020,000	8,248,500	7,020,000
Assets foreclosed	16	122,068,036	95,976,313	121,102,451	92,237,995
Other current assets	6	465,792,985	246,039,789	276,802,008	187,289,324
Total current assets		19,917,187,469	17,336,160,649	16,013,100,449	16,942,599,851
Non-current assets					
Hire purchase receivables	9	33,292,815,858	25,367,340,448	29,393,419,238	22,211,119,662
Financial lease receivables	6, 10	678,681,898	488,964,838	-	-
Loan receivables	6, 12	1,722,927,175	1,069,491,901	647,636,256	461,832,932
Long-term loans to a related party	6	-	-	3,000,000,000	-
Derivative assets	38.1	361,683,182	-	361,683,182	-
Other non-current financial assets	6, 15	3,846,586	8,702,749	3,636,026	6,482,262
Investment in subsidiaries	17	-	-	1,397,496,087	1,397,496,087
Land, building and equipment	18	157,677,874	170,453,392	149,274,886	165,426,125
Right-of-use assets	19	64,537,474	42,254,640	49,651,424	32,709,467
Intangible assets	20	10,962,277	13,267,732	9,586,009	11,405,480
Deferred tax assets	32	377,990,033	349,813,079	291,048,346	271,006,880
Other non-current assets	21	80,375,411	84,206,910	9,968,478	8,532,795
Total non-current assets		36,751,497,768	27,594,495,689	35,313,399,932	24,566,011,690
Total assets		56,668,685,237	44,930,656,338	51,326,500,381	41,508,611,541

The accompanying notes are an integral part of the financial statements.

Statement of financial position (continued)

Asia Sermkij Leasing Public Company Limited and its subsidiaries

As at 31 December 2021

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	22	3,780,000,000	4,030,000,000	3,680,000,000	3,840,000,000
Short-term loans from related parties	6	500,000,000	1,000,000,000	-	500,000,000
Current portion of long-term loans from banks	23	5,009,670,164	2,269,779,763	5,009,670,164	2,269,779,763
Current portion of long-term loans from a related party	6	2,850,000,000	2,150,000,000	2,350,000,000	1,350,000,000
Other short-term loans	22	4,686,945,762	8,801,879,692	4,686,945,762	8,801,879,692
Current portion of long-term debentures	24	3,556,024,691	2,334,758,276	3,556,024,691	2,334,758,276
Short-term debentures	24	499,981,371	-	499,981,371	-
Current portion of lease liabilities	19	33,215,966	22,711,190	25,479,014	17,709,696
Amounts due to related parties	6	738,013	2,779,709	3,755,443	5,062,016
Income tax payable		182,147,200	126,112,326	145,632,778	120,589,498
Current portion of deposits relating to collateral of customers		255,938,456	66,913,991	-	-
Other current liabilities	6	912,991,726	770,747,343	556,607,678	571,432,303
Total current liabilities		22,267,653,349	21,575,682,290	20,514,096,901	19,811,211,244
Non-current liabilities					
Long-term loans from banks	23	12,492,157,479	8,654,353,497	12,492,157,479	8,654,353,497
Long-term loans from a related party	6	3,600,000,000	3,650,000,000	1,300,000,000	2,650,000,000
Long-term debentures	24	8,018,450,699	4,836,749,865	8,018,450,699	4,836,749,865
Lease liabilities	19	32,844,428	20,390,781	25,300,279	15,675,255
Derivative liabilities	38.1	10,079,337	-	10,079,337	-
Deposits relating to collateral of customers		812,904,877	346,405,586	-	-
Provision for long-term employee benefits	25	179,196,877	179,393,597	143,734,046	145,474,667
Other non-current liabilities		186,916	-	186,916	-
Total non-current liabilities		25,145,820,613	17,687,293,326	21,989,908,756	16,302,253,284
Total liabilities		47,413,473,962	39,262,975,616	42,504,005,657	36,113,464,528

The accompanying notes are an integral part of the financial statements.

Statement of financial position (continued)

Asia Sermkij Leasing Public Company Limited and its subsidiaries

As at 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Shareholders' equity					
Share capital	27				
Registered					
527,843,460 ordinary shares of Baht 5 each					
(2020: 351,900,000 ordinary shares of Baht 5 each)		2,639,217,300	1,759,500,000	2,639,217,300	1,759,500,000
Issued and fully paid-up					
527,843,460 ordinary shares of Baht 5 each					
(2020: 351,895,640 ordinary shares of Baht 5 each)		2,639,217,300	1,759,478,200	2,639,217,300	1,759,478,200
Share premium	27	2,824,819,459	715,415,690	2,824,819,459	715,415,690
Difference from restructuring of shareholding		4,188,003	4,188,003	-	-
Retained earnings					
Appropriated - statutory reserve	28	228,229,552	176,000,000	228,229,552	176,000,000
Unappropriated		3,575,197,064	3,015,013,019	3,146,668,516	2,746,667,313
Other components of equity		(16,440,103)	(2,414,190)	(16,440,103)	(2,414,190)
Total shareholders' equity		9,255,211,275	5,667,680,722	8,822,494,724	5,395,147,013
Total liabilities and shareholders' equity		56,668,685,237	44,930,656,338	51,326,500,381	41,508,611,541

The accompanying notes are an integral part of the financial statements.

Statement of comprehensive income

Asia Sermkij Leasing Public Company Limited and its subsidiaries
For the year ended 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Profit or loss:					
Revenues					
Interest income from loan receivables	6				
Hire purchase agreements		3,288,023,665	2,857,619,724	2,806,740,221	2,445,617,934
Financial lease agreements		63,580,710	48,255,677	-	-
Factoring		2,882,867	8,223,275	-	-
Loan agreements		453,452,098	269,806,059	277,292,733	229,980,797
Service income		509,564,121	298,461,397	289,903,006	185,686,954
Other income					
Penalty income		76,804,411	90,886,324	72,256,638	85,323,314
Dividend income	6, 17	187,200	187,200	185,878,302	124,662,571
Others		19,884,105	22,171,037	16,540,447	14,784,036
Total revenues		4,414,379,177	3,595,610,693	3,648,611,347	3,086,055,606
Expenses					
Selling expenses		305,038,135	233,871,062	218,263,485	157,834,796
Administrative expenses		744,182,671	754,225,440	591,057,467	607,665,440
Expected credit losses and impairment loss on assets foreclosed	29	816,716,188	557,293,908	603,845,967	428,716,162
Total expenses		1,865,936,994	1,545,390,410	1,413,166,919	1,194,216,398
Profit before finance cost and income tax expenses		2,548,442,183	2,050,220,283	2,235,444,428	1,891,839,208
Finance cost	6, 30	(1,039,126,676)	(929,644,161)	(969,774,549)	(872,527,116)
Profit before income tax expenses		1,509,315,507	1,120,576,122	1,265,669,879	1,019,312,092
Income tax expenses	32	(306,511,490)	(237,512,149)	(221,078,833)	(183,448,794)
Profit for the year		1,202,804,017	883,063,973	1,044,591,046	835,863,298

The accompanying notes are an integral part of the financial statements.

Statement of comprehensive income (continued)

Asia Sermkij Leasing Public Company Limited and its subsidiaries
For the year ended 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Loss on changes in value of equity investments designated at fair value through other comprehensive income - net of income tax		(2,276,989)	(2,414,190)	(2,276,989)	(2,414,190)
Actuarial gains (losses) - net of income tax		7,399,846	(18,505,974)	5,429,975	(13,585,457)
Losses on cash flow hedges - net of income tax		(8,435,536)	-	(8,435,536)	-
Net changes in cost of hedging - net of income tax		(3,313,388)	-	(3,313,388)	-
Other comprehensive income for the year		(6,626,067)	(20,920,164)	(8,595,938)	(15,999,647)
Total comprehensive income for the year		1,196,177,950	862,143,809	1,035,995,108	819,863,651
Earnings per share	33				
Basic earnings per share					
Profit for the year		2.62	2.51	2.28	2.38

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity

Asia Sermkij Leasing Public Company Limited and its subsidiaries
For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements									
	Retained earnings					Other components of equity				
	Other comprehensive income					Total other components of equity				
	Issued and paid-up share capital	Share premium	Difference from restructuring of shareholding	Appropriated - Statutory reserve	Unappropriated reserve	Fair value reserve	Cash flow hedge reserve	Cost of hedging reserve	shareholder's equity	Total
Balance as at 1 January 2020	1,759,478,200	715,415,690	4,188,003	176,000,000	2,755,715,521	-	-	-	-	5,410,797,414
Profit for the year	-	-	-	-	883,063,973	-	-	-	-	883,063,973
Other comprehensive income for the year	-	-	-	-	(18,505,974)	(2,414,190)	-	-	(2,414,190)	(20,920,164)
Total comprehensive income for the year	-	-	-	-	864,557,999	(2,414,190)	-	-	(2,414,190)	862,143,809
Dividend paid	-	-	-	-	(605,260,501)	-	-	-	-	(605,260,501)
Balance as at 31 December 2020	1,759,478,200	715,415,690	4,188,003	176,000,000	3,015,013,019	(2,414,190)	-	-	(2,414,190)	5,667,680,722
Balance as at 1 January 2021	1,759,478,200	715,415,690	4,188,003	176,000,000	3,015,013,019	(2,414,190)	-	-	(2,414,190)	5,667,680,722
Profit for the year	-	-	-	-	1,202,804,017	-	-	-	-	1,202,804,017
Other comprehensive income for the year	-	-	-	-	7,399,846	(2,276,989)	(8,435,536)	(3,313,388)	(14,025,913)	(6,626,067)
Total comprehensive income for the year	-	-	-	-	1,210,203,863	(2,276,989)	(8,435,536)	(3,313,388)	(14,025,913)	1,196,177,950
Ordinary share capital increase	879,739,100	2,109,403,769	-	-	-	-	-	-	-	2,989,142,869
Transfer to statutory reserve	-	-	-	52,229,552	(52,229,552)	-	-	-	-	-
Dividend paid	-	-	-	-	(597,790,266)	-	-	-	-	(597,790,266)
Balance as at 31 December 2021	2,639,217,300	2,824,819,459	4,188,003	228,229,552	3,575,197,064	(4,691,179)	(8,435,536)	(3,313,388)	(16,440,103)	9,255,211,275

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity

Asia Sermkij Leasing Public Company Limited and its subsidiaries

For the year ended 31 December 2021

(Unit:Baht)

	Note	Separate financial statements									
		Other components of equity					Total other components of shareholder's equity				
		Retained earnings					Other comprehensive income				
		Issued and paid-up share capital	Share premium	Appropriated - Statutory reserve	Unappropriated reserve	Fair value reserve	Cash flow hedge reserve	Cost of hedging reserve			Total
Balance as at 1 January 2020		1,759,478,200	715,415,690	176,000,000	2,529,649,973	-	-	-	-	-	5,180,543,863
Profit for the year		-	-	-	835,863,298	-	-	-	-	-	835,863,298
Other comprehensive income for the year		-	-	-	(13,585,457)	(2,414,190)	-	-	-	(2,414,190)	(15,999,647)
Total comprehensive income for the year		-	-	-	822,277,841	(2,414,190)	-	-	-	(2,414,190)	819,863,651
Dividend paid	36	-	-	-	(605,260,501)	-	-	-	-	-	(605,260,501)
Balance as at 31 December 2020		1,759,478,200	715,415,690	176,000,000	2,746,667,313	(2,414,190)	-	-	-	(2,414,190)	5,395,147,013
Balance as at 1 January 2021		1,759,478,200	715,415,690	176,000,000	2,746,667,313	(2,414,190)	-	-	-	(2,414,190)	5,395,147,013
Profit for the year		-	-	-	1,044,591,046	-	-	-	-	-	1,044,591,046
Other comprehensive income for the year		-	-	-	5,429,975	(2,276,989)	(8,435,536)	(3,313,388)	(14,025,913)	(8,595,938)	(10,444,591,046)
Total comprehensive income for the year		-	-	-	1,050,021,021	(2,276,989)	(8,435,536)	(3,313,388)	(14,025,913)	(10,444,591,046)	(8,595,938)
Ordinary share capital increase	27	879,739,100	2,109,403,769	-	-	-	-	-	-	-	1,035,995,108
Transfer to statutory reserve	28	-	-	52,229,552	(52,229,552)	-	-	-	-	-	2,989,142,869
Dividend paid	36	-	-	-	(597,790,266)	-	-	-	-	-	(597,790,266)
Balance as at 31 December 2021		2,639,217,300	2,824,819,459	228,229,552	3,146,668,516	(4,691,179)	(8,435,536)	(3,313,388)	(16,440,103)	(16,440,103)	8,822,494,724

The accompanying notes are an integral part of the financial statements.

Cash flow statement

Asia Sermkij Leasing Public Company Limited and its subsidiaries
For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit before tax	1,509,315,507	1,120,576,122	1,265,669,879	1,019,312,092
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Expected credit losses and impairment loss on assets foreclosed	816,716,188	557,293,908	603,845,967	428,716,162
Depreciation of building and equipment	26,674,275	27,081,026	24,572,006	25,221,958
Depreciation of right-of-use assets	34,487,868	33,546,341	26,650,793	25,871,116
Amortisation of intangible assets	2,341,555	2,378,226	1,855,571	1,621,044
Provision for long-term employee benefits	19,107,284	17,108,831	14,988,485	13,499,519
Gain on disposals of equipment and vehicle	(1,491,964)	(976,200)	(1,491,964)	(976,200)
Loss (gain) from revaluation of investments	(1,228,500)	1,579,500	(1,228,500)	1,579,500
Dividend income	(187,200)	(187,200)	(185,878,302)	(124,662,571)
Interest income	(3,807,939,340)	(3,183,904,735)	(3,084,032,954)	(2,675,598,731)
Finance costs	1,039,126,676	929,644,161	969,774,549	872,527,116
Loss from operating activities before changes in operating assets and liabilities	(363,077,651)	(495,860,020)	(365,274,470)	(412,888,995)
Decrease (increase) in operating assets				
Bank deposits with restrictions	(85,768,906)	(3,068,390)	-	-
Hire purchase receivables	(9,929,213,895)	(2,090,631,829)	(8,609,498,868)	(1,270,816,826)
Financial lease receivables	(304,965,397)	(169,273,249)	-	-
Factoring receivables	(1,384,223)	108,687,832	-	-
Loan receivables	(1,821,202,486)	(1,004,296,992)	(390,163,230)	(273,063,070)
Short-term loans to a related party	-	-	285,000,000	640,000,000
Long-term loans to a related party	-	-	(1,500,000,000)	-
Assets foreclosed	309,882,106	(141,169,847)	306,098,928	(130,940,205)
Other current assets	(229,676,796)	(15,624,263)	(97,470,011)	(27,397,447)
Other non-current assets	59,427,183	(293,106,727)	74,763,629	(171,869,591)
Increase (decrease) in operating liabilities				
Amounts due to related parties	(177,251)	51,561	736,918	(3,148,231)
Deposits relating to collateral of customers	655,523,756	337,923,812	-	-
Other current liabilities	114,464,939	(395,495)	(53,564,061)	14,624,151
Other non-current liabilities	186,916	-	186,916	-

The accompanying notes are an integral part of the financial statements.

Cash flow statement (continued)

Asia Sermkij Leasing Public Company Limited and its subsidiaries
For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash used in operating activities	(11,595,981,705)	(3,766,763,607)	(10,349,184,249)	(1,635,500,214)
Cash paid for long-term employee benefits	(10,054,197)	(3,033,888)	(9,941,637)	(1,953,128)
Compensation for loss on assets foreclosed	12,415,768	4,454,553	12,116,703	3,735,060
Cash received from bad debts recovery	81,703,146	47,501,262	73,222,294	44,416,779
Cash received from interest	3,631,798,008	3,072,653,483	2,925,641,854	2,558,283,141
Cash paid for finance costs	(959,063,616)	(1,100,825,836)	(889,659,860)	(1,044,037,823)
Cash paid for corporate income tax	(287,726,041)	(242,320,888)	(213,927,704)	(197,996,034)
Net cash used in operating activities	(9,126,908,637)	(1,988,334,921)	(8,451,732,599)	(273,052,219)
Cash flows from investing activities				
Acquisitions of investment in a subsidiary	-	-	-	(940,582,501)
Acquisitions of equipment and vehicle	(14,124,923)	(32,347,771)	(8,646,933)	(30,223,221)
Acquisitions of intangible assets	(36,100)	(5,199,336)	(36,100)	(5,048,996)
Proceeds from disposals of equipment and vehicle	1,718,130	976,206	1,718,130	976,206
Dividend received	187,200	187,200	185,878,302	124,662,571
Decrease in other non-current financial assets	2,009,927	-	-	-
Net cash from (used in) investing activities	(10,245,766)	(36,383,701)	178,913,399	(850,215,941)
Cash flows from financing activities				
Decrease in short-term loans from banks	(250,000,000)	(730,000,000)	(160,000,000)	(730,000,000)
Increase (decrease) in short-term loans from related parties	(500,000,000)	940,000,000	(500,000,000)	440,000,000
Increase (decrease) in other short-term loans	(4,155,000,000)	8,855,000,000	(4,155,000,000)	8,855,000,000
Increase (decrease) in short-term debentures	500,000,000	(12,050,000,000)	500,000,000	(12,050,000,000)
Increase in long-term loans from banks	8,493,000,000	8,160,000,000	8,493,000,000	8,160,000,000
Increase in long-term loans from a related party	2,000,000,000	1,500,000,000	1,000,000,000	1,000,000,000
Repayments of long-term loans from banks	(2,270,000,000)	(4,700,000,000)	(2,270,000,000)	(4,700,000,000)
Repayments of long-term loans from a related party	(1,350,000,000)	-	(1,350,000,000)	-
Proceeds from long-term debentures issuance	6,723,000,000	3,185,000,000	6,723,000,000	3,185,000,000
Repayments of long-term debentures	(2,335,000,000)	(2,560,000,000)	(2,335,000,000)	(2,560,000,000)
Payments of lease liabilities	(33,812,279)	(32,699,010)	(26,198,408)	(25,195,632)
Proceeds from share capital increase	2,989,142,869	-	2,989,142,869	-
Dividend paid	(597,790,266)	(605,260,501)	(597,790,266)	(605,260,501)
Net cash from financing activities	9,213,540,324	1,962,040,489	8,311,154,195	969,543,867
Net increase (decrease) in cash and cash equivalents	76,385,921	(62,678,133)	38,334,995	(153,724,293)
Cash and cash equivalents at beginning of year	394,917,582	457,595,715	227,525,573	381,249,866
Cash and cash equivalents at end of year	471,303,503	394,917,582	265,860,568	227,525,573
Supplemental cash flows information				
Non-cash items consist of				
Increase in right-of-use assets and lease liabilities	56,770,703	2,757,982	43,592,750	2,757,982

The accompanying notes are an integral part of the financial statements.

Notes to consolidated financial statements

Asia Sermkij Leasing Public Company Limited and its subsidiaries
For the year ended 31 December 2021

1. General information

1.1 General information of the Company

Asia Sermkij Leasing Public Company Limited is a public company incorporated and domiciled in Thailand. Its major shareholders are Chailease Finance Company Limited and Chailease International (Malaysia) Company Limited, which have the same group of shareholders, and its ultimate parent company is Chailease Holding Company Limited. The Company is principally engaged in the auto hire purchase services and its registered address is 175 Sathorn City Tower, 24th Floor, South Sathorn Road, Tungmahamek, Sathorn, Bangkok.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. 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, and has used estimates and judgement in respect of various issues as the situation has evolved.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

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

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

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Asia Sermkij Leasing Public Limited ("the Company") and the following subsidiary companies (collectively as "the Group").

Subsidiaries	Nature of business	Country of incorporation	Percentage of shareholding	
			2021 (Percent)	2020 (Percent)
Bangkok Grand Pacific Lease Public Company Limited	Hire purchase, leasing, factoring and loan	Thailand	99.99	99.99
SK Insurance Broker Company Limited	Insurance broker	Thailand	99.99	99.99

- b) The Company is deemed to have control over investees or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are 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 subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements. The Group had the same directors and shareholders both before and after the Company acquired a subsidiary, and the Company therefore recorded the difference between the attributable net asset value of a subsidiary and the acquisition cost of Baht 4.19 million in shareholders' equity.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

3. New financial reporting standards and accounting guidance

a) 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 2021. 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.

However, the Group has adopted the temporary exemptions from applying specific hedge accounting requirements in accordance with TFRS 9, Financial Instruments, and TFRS 7, Disclosure of Financial Instruments, which apply to all hedging relationships directly affected by interest rate benchmark reform. Consequently, the Group can continue to apply hedge accounting for those hedging relationships in the period when there is uncertainty about the timing or the amount of interest rate benchmark-based cash flows of the hedged item or of the hedging instrument.

The adoption of these temporary exemptions does not have any significant impact on the Group's financial statements.

b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

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 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, 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.

c) Accounting Guidances

Accounting Guidance on Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations That Affect the Thai Economy

The Federation of Accounting Professions announced the Accounting Guidance on Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations That Affect the Thai Economy. Its objectives are to provide temporary relief measures solely for entities providing assistance to debtors impacted by the situations that affect the Thai economy, such as COVID-19, economic conditions, trade wars and drought, and to provide an alternative for all entities providing assistance to debtors in accordance with measures to assist debtors specified in the circular of the Bank of Thailand No. BOT.RPD. (23) C.276/2563 “Guidelines on providing assistance to debtors impacted by situations that affect the Thai economy” and the circular of the Bank of Thailand No. BOT.RPD. (01) C.380/2563 “Measures to provide additional assistance to debtors during the COVID-19 situation” or any other measures announced by the Bank of Thailand. Such entities include credit card businesses, businesses providing loans secured against vehicle registrations, personal loan businesses under the supervision of the Bank of Thailand and certain entities not under the supervision of the Bank of Thailand, such as leasing, hire-purchase, motorcycle hire-purchase and factoring businesses. Entities providing assistance to debtors in accordance with the Bank of Thailand’s measures and electing to apply this Accounting Guidance have to apply all temporary relief measures in this guidance.

The Accounting Guidance is effective for entities providing assistance to debtors impacted by situations that affect the Thai economy during the period from 1 January 2020 to 31 December 2021 or until the Bank of Thailand makes changes, with which the entities are to comply. The guidance applies to large debtors, small and medium debtors and retail debtors who have the ability to run a business or to pay debts in the future and who have been impacted directly or indirectly by such situations, considering the following guidelines.

- Debtors who were not yet non-performing (Stage 1 or Stage 2) on or after 1 January 2020
- Debtors who became non-performing (Stage 3) on or after 1 January 2019, unless the entity is able to prove that the debtors becoming non-performing before 1 January 2019 are non-performing loans affected by the economic conditions

Since the Group is an entity providing assistance to affected debtors in accordance with the Bank of Thailand’s guidelines, it applies these procedures.

- 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 analysis of its status and business shows that the debtor is able to comply with the debt restructuring agreement without compliance monitoring and the debt restructuring is considered a pre-emptive debt restructuring rather than a troubled debt restructuring. If it is a provision of assistance to debtors in accordance with the circular of the Bank of Thailand No. BOT.RPD. (01) C. 380/2563, classification of the debtor remains at the same stage as before.
- Non-performing loans (NPL) are classified as performing loans 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 working capital loans provided to a debtor in order to increase liquidity and enable the debtor to continue its business operations during the debt restructuring are classified by account level if the debtor has cash flows to support repayment or if, considering other factors, the debtor has the ability to pay the debt.
- The guidelines specified in the appendix of the circular of the Bank of Thailand relating to assessment of whether there has been a significant increase in credit risk are applied to assess whether a debtor is to move to Stage 2.

- Expected credit losses are determined based on the outstanding balance of the drawn down portion only.
- A newly calculated effective interest rate is applied to determine the present value of loans that have been restructured in accordance with guidelines to assist debtors specified in the circulars of the Bank of Thailand, if the debt restructuring causes the existing effective interest rate to no longer reflect the estimated cash inflows from the loan. In addition, provided that the provision of assistance is in compliance with the circular of the Bank of Thailand No. BOT.RPD. (01) C.380/2563, the Group recognises interest income on the basis of this new effective interest rate during the grace period, or in accordance with the Bank of Thailand's new guidelines if there are changes.
- Consideration is given to placing less weight on forward-looking information that is the result of the temporary crisis than on information reflecting ability of debt payment from historical experience, in cases where a general approach is used in determining expected credit losses.

Accounting Guidance on the Guidelines Regarding the Provision of Financial Assistance to Debtors Affected by COVID-19 that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions announced Accounting Guidance on the Guidelines Regarding the Provision of Financial Assistance to Debtors Affected by COVID-19. Its objectives are to provide temporary relief measures and an alternative for all entities providing assistance to debtors in accordance with the measures to assist debtors specified in the circular of the Bank of Thailand No. BOT.RPD2.C. 802/2564 "Guidelines regarding the provision of financial assistance to debtors affected by COVID-19 (sustainable debt resolution)" or any other measures announced by the Bank of Thailand. Such entities include credit card businesses, businesses providing loans secured against vehicle registrations without collateral, personal loan businesses under the supervision of the Bank of Thailand and certain entities not under the supervision of the Bank of Thailand, such as leasing, hire-purchase, motorcycle hire-purchase and factoring businesses.

The accounting guidance is effective for entities that provide assistance to debtors impacted by COVID-19 during the period from 1 January 2022 to 31 December 2023 or until the Bank of Thailand makes changes with which the entities are to comply. The guidance applies to the staging assessment and setting aside of provisions for qualified debtors, and covers all types of debtors, namely large debtors, small and medium debtors and retail debtors.

- a) In cases of debt restructuring for the purpose of reducing the debt burden of debtors that involve more than just extending the payment timeline, the applicable procedures are as follows:
 - Loans that are not yet non-performing (Non-NPL) are classified as loans with no significant increase in credit risk (Performing or Stage 1) without compliance monitoring, provided that the payment terms and conditions are clearly stated in the debt restructuring agreement and the debtor is considered able to comply with the debt restructuring agreement.
 - Non-performing loans (NPL) are classified as performing loans or Stage 1 if the debtor is able to make payment in accordance with the debt restructuring agreement for 3 consecutive months or installments, whichever is the longer period.
 - 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 that there has been a significant increase in credit risk (Under-performing or Stage 2) when principal or interest payments are more than 30 days past due or 1 month past due.

- A new effective interest rate is applied to determine the present value of loans that have been restructured if the debt restructuring causes the existing effective interest rate to no longer reflect the estimated cash inflows from the loan.
- b) In cases of the debt restructuring involving only a payment timeline extension, the applicable procedures are as follows:
 - The staging assessment and setting aside of provisions are performed in accordance with the relevant financial reporting standards.
 - The guidelines specified in the appendix of the circular of the Bank of Thailand No. BOT.RPD2.C. 802/2564 “Guidelines regarding the provision of financial assistance to debtors affected by COVID-19 (sustainable debt resolution)” relating to assessment of whether there has been a significant increase in credit risk are applied to assess whether a debtor is to move to under-performing stage or Stage 2.
- c) Expected credit losses are determined based on the outstanding balance of the drawn down portion only. No expected credit loss is calculated for unused credit lines.
- d) For retail debtors and SME debtors who are in the process of debt restructuring and unable to complete the process by 31 December 2021 in accordance with guidelines specified in the circular of the Bank of Thailand No. BOT.RPD2.C. 594/2564 “Guidelines regarding debt restructuring to assist debtors affected by COVID-19”, classification of the debtors remains at the same stage as before restructuring until 31 March 2022 or until the Bank of Thailand makes changes with which the entities are to comply.

For debtors whose debt is restructured between 1 January 2021 and 31 December 2021, in accordance with the above clauses no. a) and b), the guidelines on staging assessment and provisioning under this accounting guidance apply from 1 January 2022 to 31 December 2023. However, for the year 2021 entities can still apply the Accounting Guidance on Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations That Affect the Thai Economy.

4. Significant accounting policies

4.1 Revenue and expense recognition

a) Interest income from loan receivables

The Group recognises interest income from hire purchase, financial leases, factoring and loan agreements on an accrual basis throughout the term of the contract, using the effective interest rate method, with the calculation based on the gross book value of the receivables.

Costs and income directly attributable to the initial recognition of the loan receivables are amortised using the effective interest rate method and presented as adjustments on interest income throughout the term of the agreement, to reflect the effective rate of return.

When the receivables are later credit-impaired, the Group continues to recognise interest income using the effective interest rate, based on the net book value (gross book value net of allowance for expected credit losses) of the receivables. When the debtor is no longer credit-impaired, the Group changes to calculate interest income based on the gross book value.

b) Service income

Most of service income are recognised at a point in time upon completion of the service.

c) Penalty income

Penalty income is recognised on a cash basis.

d) Dividends

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

e) Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

f) Other income and expenses

Other income and expenses are recognised on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments, with an original maturity of 3 months or less and not subject to withdrawal restrictions.

For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

4.3 Assets foreclosed

These represent assets repossessed from hire purchase and financial lease receivables and are stated at the lower of cost (which mostly comprises the net outstanding balance) and estimated net realisable value. Allowance is made for the decline in value of the repossessed assets.

4.4 Land, building and equipment/Depreciation

Land is stated at cost. Building and equipment are stated at cost less accumulated depreciation and allowance for impairment loss on assets (if any). Depreciation of building and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives.

Buildings	20 years
Furniture, fixtures and equipment	5 years
Vehicles	5 years

Depreciation is charged to profit or loss.

No depreciation is provided for land and building improvement under construction.

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 included in profit or loss when the asset is derecognised.

4.5 Intangible assets

Intangible assets are initially recognised at cost. Following initial recognition, the intangible assets are stated at cost less accumulated amortisation and allowance for impairment loss on assets (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

The finite useful lives of intangible assets, computer software is 10 years.

The amortisation is charged to profit or loss.

4.6 Related party transactions

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

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

4.7 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 as a lessor

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, amounts due from leasees under hire purchases and financial leases are recorded as receivables at the amount of the Group's net investment in leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Initial costs directly attributable to a hire purchase contract, such as commissions, are included in the measurement of the net investment in the lease and reflected in the calculation of the implicit interest rate.

The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (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

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received. Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Buildings	3 years
Vehicles	5 years

Depreciation is charged to profit or loss.

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.

4.8 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.9 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

4.10 Employee benefits

Short-term employee benefits

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

Post-employment benefits and other long-term employee benefits

Defined contribution plans

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

Defined benefit plans and other long-term employee benefits

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely long service award.

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

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term employee benefits are recognised immediately in profit or loss.

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 Group recognises restructuring-related costs.

4.11 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.12 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 Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.13 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (“FVOCI”), or fair value through profit or loss (“FVTPL”). The classification of financial assets at initial recognition is driven by the Group’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVOCI

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value including interest income recognised in profit or loss.

Dividends on listed equity investments are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

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

Financial guarantee contracts

Provisions on financial guarantee contracts are initially recognised in the financial statements at fair value, which is equal to the fee received. The provision under each guarantee contract is subsequently measured at the higher of the amount initially recognised less cumulative amortisation, and the allowance for expected credit losses.

The guarantee fee income is recognised as other income in profit or loss by amortising the initial fair value or fee received on a straight-line basis over the life of the guarantee.

Regular way purchases and sales of financial assets

Regular way purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the trade date, i.e., the date on which the Group commits to purchase or sell the asset.

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.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Group recognises an allowance for expected credit losses for hire purchase receivables, financial lease receivables and loan receivables using a general approach. The Group considers changes in credit risk and groups its receivables into 3 stages as described below.

- Stage 1: Receivables with no significant increase in credit risk (Performing) - The Group recognises expected credit losses in an amount equal to the expected credit losses in the next 12 months. For receivables under loan agreements with remaining periods of less than 12 months, recognition is based on the probability of default over the remaining period.
- Stage 2: Receivables with a significant increase in credit risk (Under-performing) - The Group recognises expected credit losses in an amount equal to the expected credit losses over the lifetime of the receivable.
- Stage 3: Receivables that are credit-impaired (Non-performing) - The Group recognises expected credit losses in an amount equal to the expected credit losses over the lifetime of the receivable.

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

If the credit quality of a receivable improves in a subsequent period and the assessment is that it is no longer a receivable whose credit risk has significantly increased since initial recognition, as assessed in a previous period, the Group will change the basis for recognising expected credit losses from the lifetime expected credit losses to the 12-month expected credit losses, or the remaining period if that is less than 12 months.

In order to estimate expected credit losses, the Group considers historically collected loss data, adjusted on the basis of current observable data. In addition, the Group applies forward-looking macroeconomic information that is supportable and reasonable and appropriately exercises judgement. At least once a year the Group also considers whether to adjust forward-looking information and the weighting of the probability of each scenario used in determining the expected credit losses. Most of the information used by the Group is announced by the Bank of Thailand or other government agencies and adjusted to reflect the Group's internal perspective. The Group calculates expected credit losses based on three probability-weighted scenarios, which are a base scenario, best-case scenario and worst-case scenario. For the base scenario, the Group applies an unbiased market perspective that incorporates forecasts of macroeconomic factors.

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

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

Impairment of financial guarantee contracts

The Group estimates the expected credit losses of financial guarantee contracts based on the present value of the payments expected to be made to the holder of the contract if a default occurs, discounted using a risk-adjusted interest rate relevant to the exposure. The calculation is made using a probability-weighting. The expected credit losses related to financial guarantee contracts are recognised under provisions.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.14 Derivatives and hedge accounting

Derivatives

The Group uses derivatives, such as interest rate swaps and cross-currency interest rate swap contracts, to hedge its foreign currency risks and interest rate risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes including interest income are recognised in profit or loss unless the derivative is designated and effective as a hedging instrument under cash flow hedge. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to a variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedging relationship, the Group formally designates and documents the hedging relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation, at the inception of the hedge and on an ongoing basis, includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements, including analysis of the sources of hedge ineffectiveness and how the hedge ratio is determined.

A hedging relationship qualifies for hedge accounting if it meets all of the following hedge effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk is not the dominant factor in the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all of the qualifying criteria for hedge accounting are accounted for, as described below:

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in profit or loss. The cash flow hedge reserve is adjusted to the lower (in absolute amounts) of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The way cash flow hedge reserve accumulated in other comprehensive income are subsequently accounted for, depends on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the reserve accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and is not recognised in other comprehensive income for the period. For any other cash flow hedges, the reserve accumulated in other comprehensive income is subsequently reclassified to profit or loss as a reclassification adjustment in the same period which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the cash flow hedge reserve accumulated in other comprehensive income must remain in equity if the hedged future cash flows are still expected to occur. Otherwise, the reserve will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, the way the reserve remaining in equity is accounted for depends on the nature of the underlying transaction as described above.

The Group designates only the financial instrument excluding the foreign currency basis spread as a hedging instrument. The change in fair value of the foreign currency basis spread of financial instrument that relates to the hedged item is separately accounted for as a cost of hedging which is recognised in other comprehensive income and accumulated in a separate component of equity under cost of hedging reserve.

If the hedged item is transaction-related, the cost of hedging reserve accumulated in other comprehensive income is reclassified to profit or loss when the hedged item affects profit or loss. If the hedged item is time-period related, then the reserve accumulated in other comprehensive income is reclassified to profit or loss on systematic and rational basis. The reclassified amounts are recognised in profit or loss in the same line as the hedged item. If the hedged item is a non-financial item, then the reserve is removed directly from equity and included in the initial carrying amount of the recognised non-financial item. Furthermore, if the Group expects that some or all of the loss accumulated in cost of hedging reserve will not be recovered in the future, that amount is immediately reclassified to profit or loss.

4.15 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 its 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 observable 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. Significant judgements and estimates are as follows.

Allowance for expected credit losses

Judgement is used in estimating the allowance for expected credit losses of debtors who are having problems making principal and/or interest payments, with management taking into consideration analysis of debtor status performed on an individual and a group basis, the probability of default, estimated losses arising from the default, historical collection experience, collateral value, statistical data and economic factors. These are used in determining assumptions and forward-looking scenarios, as well as probability weighted outcomes. In addition, the management sets aside an additional allowance for expected credit losses to account for the uncertainties around future events that have not yet been reflected in the model (Management overlay), based on the assessment and judgement of the management.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plan and other long-term employee benefit plan

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

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.

6. Related party transactions

The relationships between the Company and its related parties are summarised below.

Name	Relationship
Chailease Holding Company Limited	Ultimate parent company
Chailease Finance Company Limited	The Company's major shareholder
Bangkok Grand Pacific Lease Public Company Limited	Subsidiary
SK Insurance Broker Company Limited	Subsidiary
Bangkok Bank Public Company Limited	The Company's shareholder
Bangkok Insurance Public Company Limited	The Company's shareholder
Chailease International Finance Services Company Limited	Share common director with the Company
Anywhere 2 Go Company Limited	Share common director with the Company
Chailease International Financial Services (Singapore) Pte. Ltd.	Related party of ultimate parent company
CITC Enterprise (Thai) Limited	Related party of ultimate parent company
Sathorn City Tower Property Fund	Related party of the Company's shareholder

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2021	2020	2021	2020	
Subsidiaries					
(Eliminated from the consolidated financial statements)					
Marketing fee income	-	-	224.39	68.76	As stipulated in the agreement
Management fee income	-	-	12.84	13.37	Cost plus margin of 5%
Financial guarantee fee income	-	-	0.19	1.25	0.50% per annum
Interest income	-	-	125.94	112.69	Close to interest rates of other loans with similar conditions
Dividend income	-	-	185.69	124.48	As declared
Related companies					
Interest income	0.38	1.97	0.03	1.10	As stipulated in the agreement
Financial guarantee fee income	0.89	0.43	-	-	As stipulated in the agreement
Rental and service fees	33.28	32.66	24.84	24.37	Close to rental rates of other buildings in the same area
Insurance premium	2.83	2.57	2.21	2.00	Close to general insurance premium
Interest expense	191.58	161.33	125.38	108.17	Close to interest rates of other loans with similar conditions
Financial guarantee fee	0.12	1.08	-	-	As stipulated in the agreement
Major shareholder					
Internal audit fee	1.00	1.00	0.50	0.50	Close to actual cost

Directors and management's benefits

During the years ended 31 December 2021 and 2020, the Group had employee benefit expenses of its directors and management as below.

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Short-term employee benefits	61,878	69,621	47,644	56,043
Post-employment and other long-term employee benefits	2,491	2,438	1,976	1,818
Total	64,369	72,059	49,620	57,861

As at 31 December 2021 and 2020, the Group had outstanding balances of significant assets and liabilities with the related parties as follows.

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Subsidiaries				
(Eliminated from the consolidated financial statements)				
Short-term loans to a related party	-	-	2,090,000	2,375,000
Long-term loan to a related party	-	-	3,000,000	1,500,000
Other current assets				
Accrued marketing fee income	-	-	22,042	7,534
Other receivables	-	-	239	29
Amounts due to related parties				
Insurance premium payables	-	-	3,434	2,697
Related companies				
Cash and cash equivalents	405,222	322,080	203,010	157,768
Bank deposits with restrictions	147,895	62,126	-	-
Financial lease and loan receivables	9,842	4,295	-	-
Other current assets				
Accrued interest income	39	13	-	-
Prepaid insurance premium	1,492	1,655	1,042	1,252
Other non-current financial assets	-	2,010	-	-
Short-term loans from a related party	500,000	1,000,000	-	500,000
Long-term loans from a related party	6,450,000	5,800,000	3,650,000	4,000,000
Amounts due to related parties				
Accrued interest expense	738	2,602	321	2,365
Accrued financial guarantee fee	-	177	-	-
Other current liabilities				
Unearned financial guarantee fee income	377	1,032	-	-

The movements of short-term loans to a related party during the current year are as follows.

(Unit:Thousand Baht)

Movement	Separate financial statements
Balance as at 31 December 2020	2,375,000
Increase during the year	5,200,000
Decrease during the year	(5,485,000)
Balance as at 31 December 2021	2,090,000

The movements of long-term loan to a related party during the current year are as follows.

(Unit:Thousand Baht)

Movement	Separate financial statements
Balance as at 31 December 2020	1,500,000
Increase during the year	3,000,000
Decrease during the year	(1,500,000)
Balance as at 31 December 2021	3,000,000

The movements of short-term loans from a related party during the current year are as follows.

(Unit:Thousand Baht)

Movement	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2020	1,000,000	500,000
Increase during the year	1,360,000	-
Decrease during the year	(1,860,000)	(500,000)
Balance as at 31 December 2021	500,000	-

The movements of long-term loans from a related party during the current year are as follows.

(Unit:Thousand Baht)

Movement	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2020	5,800,000	4,000,000
Increase during the year	2,000,000	1,000,000
Decrease during the year	(1,350,000)	(1,350,000)
Balance as at 31 December 2021	6,450,000	3,650,000
Less: Portion due within one year	(2,850,000)	(2,350,000)
Long-term loans - portion due over one year	3,600,000	1,300,000

Short-term and long-term loans to a related party, short-term and long-term loans from a related party are denominated in Thai Baht and unsecured.

Guarantees to a related party

As at 31 December 2020, the Company had provided guarantees of short-term loans to a subsidiary totaling Baht 250 million.

7. Cash and cash equivalents

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash	2,506	1,960	2,456	1,910
Bank deposits	468,798	392,958	263,405	225,616
Total	471,304	394,918	265,861	227,526

As at 31 December 2021, the Group's bank deposits in savings accounts are carrying interests between 0.08% and 0.15% per annum (2020: between 0.08% and 0.25% per annum) the Company only: between 0.08% and 0.15% per annum (2020: between 0.08% and 0.15% per annum).

8. Bank deposits with restrictions

The balance represents deposits at bank of insurance premiums that a subsidiary received from policyholders. A subsidiary has to submit these premiums to the insurers, and the brokerage contracts stipulates that it cannot use or derive benefit or deduct any expenses from them.

9. Hire purchase receivables

9.1 The balance of hire purchase receivables classified by contractual due date

(Unit:Thousand Baht)

	Consolidated financial statements		
	2021		
	Current portion	Long-term portion	Total
Hire purchase receivables	18,896,314	38,113,997	57,010,311
Less: Unearned interest income	(3,025,789)	(4,096,462)	(7,122,251)
Net investment in the hire purchase contract	15,870,525	34,017,535	49,888,060
Less: Allowance for expected credit losses	(325,633)	(724,719)	(1,050,352)
Hire purchase receivables - net	15,544,892	33,292,816	48,837,708

(Unit:Thousand Baht)

	Consolidated financial statements		
	2022		
	Current portion	Long-term portion	Total
Hire purchase receivables	17,253,605	28,643,249	45,896,854
Less: Unearned interest income	(2,394,721)	(2,767,862)	(5,162,583)
Net investment in the hire purchase contract	14,858,884	25,875,387	40,734,271
Less: Allowance for expected credit losses	(344,298)	(508,046)	(852,344)
Hire purchase receivables - net	14,514,586	25,367,341	39,881,927

(Unit:Thousand Baht)

Separate financial statements

2021

	Current portion	Long-term portion	Total
Hire purchase receivables	15,488,802	33,774,887	49,263,689
Less: Unearned interest income	(2,615,303)	(3,762,242)	(6,377,545)
Net investment in the hire purchase contract	12,873,499	30,012,645	42,886,144
Less: Allowance for expected credit losses	(246,687)	(619,226)	(865,913)
Hire purchase receivables - net	12,626,812	29,393,419	42,020,231

(Unit:Thousand Baht)

Separate financial statements

2020

	Current portion	Long-term portion	Total
Hire purchase receivables	14,395,099	25,155,562	39,550,661
Less: Unearned interest income	(2,061,312)	(2,505,794)	(4,567,106)
Net investment in the hire purchase contract	12,333,787	22,649,768	34,983,555
Less: Allowance for expected credit losses	(236,703)	(438,648)	(675,351)
Hire purchase receivables - net	12,097,084	22,211,120	34,308,204

9.2 The balances of hire purchase receivables classified by the stage of credit risk

(Unit:Thousand Baht)

Consolidated financial statements

2021

2020

	Balance of receivables net of unearned interest income	Allowance for expected credit losses	Balance of receivables net of unearned interest income	Allowance for expected credit losses
Receivables with no significant increase in credit risk	46,356,090	464,839	37,843,345	320,932
Receivables with a significant increase in credit risk	2,284,567	261,917	1,819,833	211,018
Receivables that are credit-impaired	1,247,403	323,596	1,071,093	320,394
Total	49,888,060	1,050,352	40,734,271	852,344

(Unit:Thousand Baht)

	Separate financial statements			
	2021		2020	
	Balance of receivables net of unearned interest income	Allowance for expected credit losses	Balance of receivables net of unearned interest income	Allowance for expected credit losses
Receivables with no significant increase in credit risk	39,587,103	406,395	32,354,816	260,968
Receivables with a significant increase in credit risk	2,219,997	244,230	1,758,236	195,869
Receivables that are credit-impaired	1,079,044	215,288	870,503	218,514
Total	42,886,144	865,913	34,983,555	675,351

9.3 Undiscounted lease payments receivable under hire purchase contracts

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Within one year	18,896,314	17,253,605	15,488,802	14,395,099
After one year but not more than five years	37,273,965	28,442,063	32,934,885	24,954,376
More than five years	840,002	201,186	840,002	201,186
Total	57,010,311	45,896,854	49,263,689	39,550,661
Less: Unearned interest income	(7,122,251)	(5,162,583)	(6,377,545)	(4,567,106)
Net investment in the hire purchase contract	49,888,060	40,734,271	42,886,144	34,983,555
Less: Allowance for expected credit losses	(1,050,352)	(852,344)	(865,913)	(675,351)
Net	48,837,708	39,881,927	42,020,231	34,308,204

- 9.4 As at 31 December 2021, the Company had assigned collection rights over hire purchase receivables with outstanding balances (before net of unearned interest income) of Baht 14,438.85 million (2020: Baht 13,398.69 million), in order to secure certain credit facilities granted by commercial banks as discussed in Note 22 and 23 to financial statements.
- 9.5 Most of hire purchase agreements of the Group have terms of 12 to 60 months and require settlement in equal installments.

10. Financial lease receivables

10.1 The balance of financial lease receivables classified by contractual due date

(Unit:Thousand Baht)

	Consolidated financial statements		
	2021		
	Current portion	Long-term portion	Total
Financial lease receivables	476,368	760,830	1,237,198
Less: Unearned interest income	(61,135)	(61,910)	(123,045)
Net investment in the financial lease contract	415,233	698,920	1,114,153
Less: Allowance for expected credit losses	(12,024)	(20,238)	(32,262)
Financial lease receivables - net	403,209	678,682	1,081,891

(Unit:Thousand Baht)

Consolidated financial statements			
2020			
	Current portion	Long-term portion	Total
Financial lease receivables	357,442	541,179	898,621
Less: Unearned interest income	(43,577)	(44,422)	(87,999)
Net investment in the financial lease contract	313,865	496,757	810,622
Less: Allowance for expected credit losses	(25,759)	(7,792)	(33,551)
Financial lease receivables - net	288,106	488,965	777,071

10.2 The balances of financial lease receivables classified by the stage of credit risk

(Unit:Thousand Baht)

Consolidated financial statements				
2021			2020	
Balance of receivables net of unearned interest income	Allowance for expected credit losses		Balance of receivables net of unearned interest income	Allowance for expected credit losses
Receivables with no significant increase in credit risk	1,080,705	5,529	772,016	5,504
Receivables with a significant increase in credit risk	1,893	317	4,714	1,140
Receivables that are credit-impaired	31,555	26,416	33,892	26,907
Total	1,114,153	32,262	810,622	33,551

10.3 Undiscounted lease payments receivable under financial lease contracts

(Unit:Thousand Baht)

Consolidated financial statements		
	2021	2020
Within one year	476,368	357,442
After one year but not more than five years	760,830	541,179
Total	1,237,198	898,621
Less: Unearned interest income	(123,045)	(87,999)
Net investment in the financial lease contract	1,114,153	810,622
Less: Allowance for expected credit losses	(32,262)	(33,551)
Net	1,081,891	777,071

10.4 Most of financial lease agreements of a subsidiary have terms of 36 to 60 months and require settlement in equal installments.

11. Factoring receivables

11.1 As at 31 December 2021 and 2020, the balances of factoring receivables are as follows.

(Unit:Thousand Baht)

	Consolidated financial statements	
	2021	2020
Factoring receivables	170,663	163,722
Less: Factoring payables	(50,086)	(44,530)
Add: Interest receivables	6,260	6,163
	126,837	125,355
Less: Allowance for expected credit losses	(61,977)	(61,977)
Factoring receivables - net	64,860	63,378

11.2 The balances of factoring receivables classified by the stage of credit risk

(Unit:Thousand Baht)

	Consolidated financial statements			
	2021		2020	
	Balance of receivables and interest receivables	Allowance for expected credit losses	Balance of receivables and interest receivables	Allowance for expected credit losses
Receivables with no significant increase in credit risk	34,185	-	33,378	-
Receivables with a significant increase in credit risk	-	-	-	-
Receivables that are credit-impaired	92,652	61,977	91,977	61,977
Total	126,837	61,977	125,355	61,977

12. Loan receivables

12.1 The balances of loan receivables classified by contractual due date

(Unit:Thousand Baht)

	Consolidated financial statements		
	2021		
	Current portion	Long-term portion	Total
Loan receivables	2,786,642	1,799,563	4,586,205
Less: Deferred financing fee	(22,128)	(5,006)	(27,134)
Add: Interest receivables	40,665	-	40,665
	2,805,179	1,794,557	4,599,736
Less: Allowance for expected credit losses	(116,261)	(71,630)	(187,891)
Loan receivables - net	2,688,918	1,722,927	4,411,845

(Unit:Thousand Baht)

Consolidated financial statements

2020

	Current portion	Long-term portion	Total
Loan receivables	1,715,674	1,101,795	2,817,469
Less: Deferred financing fee	(14,793)	(3,652)	(18,445)
Add: Interest receivables	20,493	-	20,493
	1,721,374	1,098,143	2,819,517
Less: Allowance for expected credit losses	(57,364)	(28,651)	(86,015)
Loan receivables - net	1,664,010	1,069,492	2,733,502

(Unit:Thousand Baht)

Separate financial statements

2021

	Current portion	Long-term portion	Total
Loan receivables	626,238	669,549	1,295,787
Less: Deferred financing fee	(1,584)	(1,298)	(2,882)
Add: Interest receivables	18,349	-	18,349
	643,003	668,251	1,311,254
Less: Allowance for expected credit losses	(18,728)	(20,615)	(39,343)
Loan receivables - net	624,275	647,636	1,271,911

(Unit:Thousand Baht)

Separate financial statements

2020

	Current portion	Long-term portion	Total
Loan receivables	466,589	481,484	948,073
Less: Deferred financing fee	(881)	(692)	(1,573)
Add: Interest receivables	12,087	-	12,087
	477,795	480,792	958,587
Less: Allowance for expected credit losses	(21,352)	(18,959)	(40,311)
Loan receivables - net	456,443	461,833	918,276

12.2 The balances of loan receivables classified by the stage of credit risk

(Unit:Thousand Baht)

Consolidated financial statements				
2021		2020		
Balance of receivables net of deferred financial fee	Allowance for expected credit losses	Balance of receivables net of deferred financial fee	Allowance for expected credit losses	
Receivables with no significant increase in credit risk	4,378,128	56,742	2,714,174	32,593
Receivables with a significant increase in credit risk	85,252	38,363	26,574	5,707
Receivables that are credit-impaired	136,356	92,786	78,769	47,715
Total	4,599,736	187,891	2,819,517	86,015

(Unit:Thousand Baht)

Separate financial statements				
2021		2020		
Balance of receivables net of deferred financial fee	Allowance for expected credit losses	Balance of receivables net of deferred financial fee	Allowance for expected credit losses	
Receivables with no significant increase in credit risk	1,247,748	11,709	896,578	10,073
Receivables with a significant increase in credit risk	21,333	4,934	17,384	3,139
Receivables that are credit-impaired	42,173	22,700	44,625	27,099
Total	1,311,254	39,343	958,587	40,311

13. Allowance for expected credit losses

(Unit:Thousand Baht)

	Consolidated financial statements				
	For the year ended 31 December 2021				
	Receivables with an insignificant increase in credit risk	Receivables with a significant increase in credit risk	Credit- impaired receivables	Management overlay	Total
Loan receivables ⁽¹⁾					
Beginning balances	277,386	211,790	1,140,259	88,096	1,717,531
Changes due to transfers of loan classification	(264,832)	72,731	192,101	-	-
Changes due to revaluation of loss allowance	299,919	(14,960)	280,825	189,531	755,315
Written-off	-	-	(668,063)	-	(668,063)
Ending balances	312,473	269,561	945,122	277,627	1,804,783

⁽¹⁾ Consist of hire purchase, financial lease, factoring and loan receivables including court case receivables which are presented under other non-current assets.

(Unit:Thousand Baht)

Consolidated financial statements

For the year ended 31 December 2020

	Receivables with an insignificant increase in credit risk	Receivables with a significant increase in credit risk	Credit- impaired receivables	Management overlay	Total
Loan receivables ⁽¹⁾					
Beginning balances	215,988	229,058	1,266,035	-	1,711,081
Changes due to transfers of loan classification	(188,768)	47,094	141,674	-	-
Changes due to revaluation of loss allowance	250,166	(64,362)	140,521	88,096	414,421
Written-off	-	-	(407,971)	-	(407,971)
Ending balances	277,386	211,790	1,140,259	88,096	1,717,531

⁽¹⁾ Consist of hire purchase, financial lease, factoring and loan receivables including court case receivables which are presented under other non-current assets.

(Unit:Thousand Baht)

Separate financial statements

For the year ended 31 December 2021

	Receivables with an insignificant increase in credit risk	Receivables with a significant increase in credit risk	Credit- impaired receivables	Management overlay	Total
Loan receivables ⁽¹⁾					
Beginning balances	189,398	192,933	836,322	88,096	1,306,749
Changes due to transfers of loan classification	(185,381)	67,997	117,384	-	-
Changes due to revaluation of loss allowance	211,200	(31,253)	217,155	144,200	541,302
Write-off	-	-	(563,045)	-	(563,045)
Ending balances	215,217	229,677	607,816	232,296	1,285,006

⁽¹⁾ Consist of hire purchase, financial lease, factoring and loan receivables including court case receivables which are presented under other non-current assets.

(Unit:Thousand Baht)

	Separate financial statements				
	For the year ended 31 December 2020				
	Receivables with an insignificant increase in credit risk	Receivables with a significant increase in credit risk	Credit- impaired receivables	Management overlay	Total
Loan receivables ⁽¹⁾					
Beginning balances	149,570	203,588	884,220	-	1,237,378
Changes due to transfers of loan classification	(165,549)	55,904	109,645	-	-
Changes due to revaluation of loss allowance	205,377	(66,559)	90,887	88,096	317,801
Write-off	-	-	(248,430)	-	(248,430)
Ending balances	189,398	192,933	836,322	88,096	1,306,749

⁽¹⁾ Consist of hire purchase, financial lease, factoring and loan receivables including court case receivables which are presented under other non-current assets.

For the years ended 31 December 2021 and 2020, the management have decided to record additional expected credit losses that resulted from the addition of a management overlay after careful consideration of various factors and the effect of the COVID-19 pandemic, which has resulted in an economic slowdown and could affect the credit quality of receivables in the future, as well as temporary measures to provide debt relief under which receivables are restaged in a way that not fully reflect the credit quality and expected credit loss.

14. Troubled debt restructuring/debts under the measures to assist debtors

As at 31 December 2021 and 2020, the balance of hire purchase, financial lease and loan receivables of the Group for which troubled debt restructuring agreements have been made and which are debts under the measures to assist debtors were as follows.

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Total number of agreements at end of year	59,289	52,083	51,561	45,867
Troubled debt restructuring				
Number of agreements	66	232	51	193
Balance (Million Baht)	69	122	32	92
Debts under the measures to assist debtors				
Debts granted a moratorium				
Number of agreements	-	378	-	378
Balance (Million Baht)	-	501	-	501
Pre-emptive debt restructuring				
Number of agreements	10,727	7,014	9,828	6,356
Balance (Million Baht)	10,015	6,364	8,538	5,407

15. Other financial assets

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Debt instruments at amortised cost				
Fixed deposit	-	2,010	-	-
Equity instruments at FVTPL				
Quoted equity investments	8,249	7,020	8,249	7,020
Equity instruments at FVOCI				
Unquoted equity investments	3,846	6,693	3,636	6,482
Total other financial assets - net	12,095	15,723	11,885	13,502
Current	8,249	7,020	8,249	7,020
Non-current	3,846	8,703	3,636	6,482
	12,095	15,723	11,885	13,502

16. Assets foreclosed

16.1 As at 31 December 2021 and 2020, assets foreclosed are as follows.

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Reposessed assets	186,259	157,665	182,470	139,042
Less: Allowance for impairment	(64,191)	(61,689)	(61,368)	(46,804)
Assets foreclosed - net	122,068	95,976	121,102	92,238

16.2 A reconciliation of the cost of assets foreclosed for the years ended 31 December 2021 and 2020 is presented below.

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cost at beginning of year	157,665	200,286	139,042	169,586
Additions	483,764	503,741	478,611	479,557
Disposals	(455,170)	(546,362)	(435,183)	(510,101)
Cost at end of year	186,259	157,665	182,470	139,042

17. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows.

(Unit:Thousand Baht)

Subsidiaries	Separate financial statements							
	Paid-up capital		Percentage of shareholding		Cost		Dividend received during the year	
	2021	2020	2021	2020	2021	2020	2021	2020
	(Thousand Baht)	(Thousand Baht)	(Percent)	(Percent)				
Bangkok Grand Pacific Lease Public Company Limited	1,096,250	1,096,250	99.99	99.99	1,387,497	1,387,497	119,491	71,475
SK Insurance Broker Company Limited	10,000	10,000	99.99	99.99	9,999	9,999	66,200	53,000
Total						1,397,496	1,397,496	185,691
124,475								

18. Land, building and equipment

(Unit:Thousand Baht)

	Consolidated financial statements				
	Land	Building	Furniture, fixtures and equipment	Vehicles	Total
Cost					
As at 1 January 2020	15,803	117,528	176,876	75,211	385,418
Additions	968	11,982	16,327	3,071	32,348
Disposals and written-off	-	-	-	(3,765)	(3,765)
As at 31 December 2020	16,771	129,510	193,203	74,517	414,001
Additions	-	-	7,231	6,894	14,125
Disposals and written-off	-	-	(130)	(6,737)	(6,867)
As at 31 December 2021	16,771	129,510	200,304	74,674	421,259
Accumulated depreciation					
As at 1 January 2020	-	27,562	137,725	54,945	220,232
Depreciation for the year	-	5,690	14,026	7,365	27,081
Depreciation on disposals and written-off	-	-	-	(3,765)	(3,765)
As at 31 December 2020	-	33,252	151,751	58,545	243,548
Depreciation for the year	-	6,243	13,538	6,893	26,674
Depreciation on disposals and written-off	-	-	(120)	(6,521)	(6,641)
As at 31 December 2021	-	39,495	165,169	58,917	263,581
Net book value					
As at 31 December 2020	16,771	96,258	41,452	15,972	170,453
As at 31 December 2021	16,771	90,015	35,135	15,757	157,678

(Unit:Thousand Baht)

Separate financial statements

	Land	Building	Furniture, fixtures and equipment	Vehicles	Total
Cost					
As at 1 January 2020	15,803	117,528	151,806	63,328	348,465
Additions	968	11,982	15,736	1,537	30,223
Disposals and written-off	-	-	-	(3,765)	(3,765)
As at 31 December 2020	16,771	129,510	167,542	61,100	374,923
Additions	-	-	5,727	2,920	8,647
Disposals and written-off	-	-	(130)	(6,737)	(6,867)
As at 31 December 2021	16,771	129,510	173,139	57,283	376,703
Accumulated depreciation					
As at 1 January 2020	-	27,562	116,552	43,926	188,040
Depreciation for the year	-	5,690	12,600	6,932	25,222
Depreciation on disposals and written-off	-	-	-	(3,765)	(3,765)
As at 31 December 2020	-	33,252	129,152	47,093	209,497
Depreciation for the year	-	6,243	12,336	5,993	24,572
Depreciation on disposals and written-off	-	-	(120)	(6,521)	(6,641)
As at 31 December 2021	-	39,495	141,368	46,565	227,428
Net book value					
As at 31 December 2020	16,771	96,258	38,390	14,007	165,426
As at 31 December 2021	16,771	90,015	31,771	10,718	149,275

As at 31 December 2021, certain building, equipment and vehicle items of the Group have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to Baht 173.15 million (2020: Baht 163.61 million) (the Company only: Baht 143.63 million (2020: Baht 136.95 million)).

19. Leases

The Group has entered into operating leases for use in its operation. The lease terms are between 3 to 5 years.

19.1 Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2021 and 2020 are as follows.

(Unit:Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	Buildings	Vehicles	Total	Buildings	Vehicles	Total
As at 1 January 2020	66,767	6,314	73,081	49,509	6,314	55,823
Additions	-	2,758	2,758	-	2,758	2,758
Adjustments	(38)	-	(38)	-	-	-
Depreciation for the year	(31,943)	(1,603)	(33,546)	(24,269)	(1,603)	(25,872)
As at 31 December 2020	34,786	7,469	42,255	25,240	7,469	32,709
Additions	50,457	6,346	56,803	38,610	4,983	43,593
Adjustments	(33)	-	(33)	-	-	-
Depreciation for the year	(31,928)	(2,560)	(34,488)	(24,292)	(2,359)	(26,651)
As at 31 December 2021	53,282	11,255	64,537	39,558	10,093	49,651

19.2 Lease liabilities

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Lease payments	68,976	44,561	52,950	34,534
Less: Deferred interest expenses	(2,916)	(1,459)	(2,171)	(1,149)
Total	66,060	43,102	50,779	33,385
Less: Portion due within one year	(33,216)	(22,711)	(25,479)	(17,710)
Lease liabilities - portion due over one year	32,844	20,391	25,300	15,675

Movement of the lease liabilities account during the years ended 31 December 2021 and 2020 are summarised below:

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Beginning balances	43,102	73,081	33,385	55,823
Additions	56,803	2,758	43,592	2,758
Interest expenses	2,172	1,591	1,572	1,266
Lease payment	(35,984)	(34,290)	(27,770)	(26,462)
Adjustments	(33)	(38)	-	-
Ending balances	66,060	43,102	50,779	33,385

A maturity analysis of lease payments is disclosed in Note 38.2 to financial statements under the liquidity risk.

19.3 Expenses relating to leases that are recognised in profit or loss for the years ended 31 December 2021 and 2020

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Depreciation expense of right-of-use assets	34,488	33,546	26,651	25,872
Interest expense on lease liabilities	2,172	1,591	1,572	1,266
Expenses relating to short-term leases	1,789	1,747	1,661	1,570

The Group had total cash outflows for leases for the year ended 31 December 2021 of Baht 37.92 million (2020: Baht 36.11 million) (the company only: Baht 29.43 million (2020: Baht 28.10 million)), including the cash outflow related to short-term lease.

20. Intangible assets

20.1 The net book value of intangible assets, computer software as at 31 December 2021 and 2020 are as follows.

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
As at 31 December 2021				
Cost	52,785		42,163	
Less: Accumulated amortisation	(41,823)		(32,577)	
Net book value	10,962		9,586	
As at 31 December 2020				
Cost	52,749		42,127	
Less: Accumulated amortisation	(39,481)		(30,722)	
Net book value	13,268		11,405	

20.2 A reconciliation of the net book value of intangible assets for the years ended 31 December 2021 and 2020 is as follows.

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Net book value at beginning of year	13,268	10,447	11,405	7,977
Acquisitions	36	5,199	36	5,049
Amortisation	(2,342)	(2,378)	(1,855)	(1,621)
Net book value at end of year	10,962	13,268	9,586	11,405

21. Other non-current assets

As at 31 December 2021, the Group had hire purchase receivables, financial lease receivables, factoring receivables, loan receivables, and receivables from financial guarantees totaling Baht 472.30 million (2020: Baht 693.67 million) (the Company only: hire purchase receivables and loan receivables totaling of Baht 379.75 million (2020: Baht 591.09 million)). For balances totaling Baht 449.81 million (2020: Baht 671.18 million), courts issued judgements in favor of the Group, which are in the process of pursuing collection. Balances of Baht 22.49 million (2020: Baht 22.49 million) are in the litigation process. These receivables are presented under other non-current assets in the statement of financial position. The Company has provided full allowance for the balances.

22. Short-term loans from banks and other short-term loans

As at 31 December 2021, short-term loans from banks of the Group amounting to Baht 2,980 million (2020: Baht 3,690 million) (the Company only: Baht 2,880 million (2020: Baht 3,500 million)) are clean loans, while other loans are secured by the assignment of collection rights over hire purchase receivables of the Company, as discussed in Note 9.4 to financial statements.

The Company's other short-term loans are clean loans in form of bills of exchange.

23. Long-term loans from banks

(Unit:Thousand Baht)

Movement	Consolidated/Separate financial statements
Balance as at 31 December 2020	10,930,000
Increase during the year	8,493,000
Decrease during the year	(2,270,000)
Unrealised loss on exchange rate	366,290
Balance as at 31 December 2021	17,519,290
Less: Deferred financing fees	(17,463)
Long-term loans - net	17,501,827
Less: Portion due within one year	(5,009,670)
Long-term loans - portion due over one year	12,492,157

(Unit:Thousand Baht)

Due for repayment	Consolidated/Separate financial statements
Within 2022	5,010,000
Within 2023	5,150,000
Within 2024	7,359,290
Total	17,519,290

During the current year, the Group entered into a interest rate swap and cross-currency interest rate swap for hedging the foreign exchange rate and interest rate risks associated with the long-term loans.

The long-term loans are partially secured by the assignment of collection rights over hire purchase receivables of the Company, as discussed in Note 9.4 to financial statements. The loan agreements contain certain covenants and restrictions, pertaining to matters such as maintenance of the shareholding of the shareholders, debts to equity ratio and interest coverage ratio.

24. Debentures

The Company's debentures which are unsecured, issued with a registered certificate and unsubordinated are summarised below.

(Unit:Thousand Baht)

Long-term debentures						
Year of issuance	Interest rate (% p.a.)		Terms (years)		Consolidated/Separate financial statements	
	2021	2020	2021	2020	2021	2020
2018	-	2.86 - 2.98	-	2 - 3	-	1,500,000
2019	3.15 - 3.20	2.95 - 3.20	3	2 - 3	2,070,000	2,560,000
2020	2.88 - 3.75	2.40 - 3.75	2 - 3	2 - 3	2,840,000	3,185,000
2021	2.20 - 2.90	-	1 - 3	-	6,723,000	-
Total long-term debentures, at face value					11,633,000	7,245,000
Less: Unamortised costs relating to the issuance of the debentures					(58,524)	(73,492)
Long-term debentures - net					11,574,476	7,171,508
Less: Long-term debentures - portion due within one year					(3,556,025)	(2,334,758)
Long-term debentures - portion due over one year					8,018,451	4,836,750

(Unit:Thousand Baht)

Short-term debentures						
Debentures	Interest rate (% p.a.)		Terms (months)		Consolidated/Separate financial statements	
	2021	2020	2021	2020	2021	2020
Short-term debentures	2.31	-	12	-	500,000	-
Less: Unamortised costs relating to the issuance of the debentures					(19)	-
Short-term debentures - net					499,981	-

In accordance with the rights and obligations of the debenture issuer, the Company has to comply with certain covenants and restrictions including maintenance of a debt to equity ratio in the consolidated financial statements of not more than of 10:1 at the end of each fiscal year throughout the term of the debentures, and restrictions on dividend payment.

25. Provision for long-term employee benefits

25.1 Provision for long-term employee benefits, which is compensations on employees' retirement and long service awards, was as follows.

(Unit: Thousand Baht)

Consolidated financial statements			
	Provision for retirement benefits	Provision for other long-term benefits	Total
Balance as at 1 January 2020	137,581	4,605	142,186
Included in profit or loss:			
Past service cost	-	3,536	3,536
Current service cost	9,634	580	10,214
Interest cost	3,222	137	3,359
Included in other comprehensive income:			
Actuarial loss arising from			
Demographic assumption changes	-	-	-
Financial assumption changes	13,606	-	13,606
Experience adjustments	9,527	-	9,527
Total	23,133	-	23,133
Benefit paid during the year	(2,464)	(570)	(3,034)
Balance as at 31 December 2020	171,106	8,288	179,394
Included in profit or loss:			
Current service cost	15,230	959	16,189
Interest cost	2,782	136	2,918
Included in other comprehensive income:			
Actuarial loss arising from			
Demographic assumption changes	-	-	-
Financial assumption changes	(9,250)	-	(9,250)
Experience adjustments	-	-	-
Total	(9,250)	-	(9,250)
Benefit paid during the year	(9,416)	(638)	(10,054)
Balance as at 31 December 2021	170,452	8,745	179,197

(Unit: Thousand Baht)

Separate financial statements			
	Provision for retirement benefits	Provision for other long-term benefits	Total
Balance as at 1 January 2020	113,384	3,562	116,946
Included in profit or loss:			
Past service cost	-	2,777	2,777
Current service cost	7,605	439	8,044
Interest cost	2,574	105	2,679
Included in other comprehensive income:			
Actuarial loss arising from			
Demographic assumption changes	-	-	-
Financial assumption changes	10,173	-	10,173
Experience adjustments	6,809	-	6,809
Total	16,982	-	16,982
Benefit paid during the year	(1,437)	(516)	(1,953)
Balance as at 31 December 2020	139,108	6,367	145,475
Included in profit or loss:			
Current service cost	11,923	722	12,645
Interest cost	2,238	104	2,342
Included in other comprehensive income:			
Actuarial loss arising from			
Demographic assumption changes	-	-	-
Financial assumption changes	(6,787)	-	(6,787)
Experience adjustments	-	-	-
Total	(6,787)	-	(6,787)
Benefit paid during the year	(9,416)	(525)	(9,941)
Balance as at 31 December 2021	137,066	6,668	143,734

25.2 As at 31 December 2021, the Group expects to pay Baht 35.12 million of long-term employee benefits during the next year (2020: Baht 8.00 million) (the Company only: Baht 33.16 million (2020: Baht 7.90 million)).

25.3 As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit is 16 years (2020: 16 years) (the Company only: 16 years (2020: 16 years)).

25.4 Principal actuarial assumptions at the valuation date were as follows.

	Consolidated/Separate financial statements	
	2021	2020
	(% per annum) (% per annum)	
Discount rate	2.57	1.70
Salary increase rate	5.00	5.00
Staff turnover rate (depending on age)	2.00 - 16.00	2.00 - 16.00
Gold price inflation rate	5.00	5.00

- 25.5 The result of sensitivity analysis for significant assumptions that affect the increase (decrease) in the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below.

(Unit: Thousand Baht)

Provision for retirement benefit				
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Discount rate				
Increase by 1%	(10,632)	(9,959)	(7,802)	(7,441)
Decrease by 1%	12,118	11,348	8,856	8,446
Salary increase rate				
Increase by 1%	11,594	10,857	8,473	8,082
Decrease by 1%	(10,411)	(9,752)	(7,639)	(7,286)
Staff turnover rate				
Increase by 10% of base in each age	(3,651)	(3,417)	(2,644)	(2,522)
Decrease by 10% of base in each age	3,862	3,614	2,792	2,663

(Unit: Thousand Baht)

Provision for other long-term benefit				
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Discount rate				
Increase by 1%	(696)	(655)	(523)	(496)
Decrease by 1%	798	752	600	569
Staff turnover rate				
Increase by 10% of base in each age	(367)	(346)	(276)	(261)
Decrease by 10% of base in each age	396	373	297	282

26. Financial guarantee contracts

The Group issues financial guarantees in order to guarantee loans of a company. Financial guarantees commit the Group to make payment on behalf of a company in the event of default on the payment of loans.

The outstanding exposure of financial guarantee which is not recognised on the statement of financial position and corresponding allowance for expected credit losses classified by stage is as follow:

(Unit: Thousand Baht)

	Consolidated financial statements			
	2021		2020	
	Outstanding exposure	Allowance for expected credit losses	Outstanding exposure	Allowance for expected credit losses
Financial assets with an insignificant increase in credit risk	22,500	-	60,000	436
Financial assets with a significant increase in credit risk	-	-	-	-
Financial assets that are credit-impaired	-	-	-	-
Total	22,500	-	60,000	436

Movements of allowance for expected credit losses on financial guarantee contracts are as follows.

(Unit:Thousand Baht)

	Consolidated financial statements			
	Financial assets with an insignificant increase in credit risk	Financial assets with a significant increase in credit risk	Financial assets that are credit- impaired	Total
As at 1 January 2020	-	-	-	-
Remeasurement	436	-	-	436
As at 31 December 2020	436	-	-	436
Remeasurement	(436)	-	-	(436)
As at 31 December 2021	-	-	-	-

27. Share capital and premium on ordinary shares

On 20 April 2021, the Annual General Meeting of the Company's shareholders passed the following resolutions approving.

- The reduction of the Company's registered capital by Baht 0.02 million, from Baht 1,759.50 million to Baht 1,759.48 million by cancelling the 4,360 unsubscribed shares with a par value of Baht 5 per share

The Company registered the reduction of its registered capital with the Ministry of Commerce on 3 May 2021.

- An increase of the Company's registered capital from Baht 1,759.48 million to Baht 2,639.22 million through the issuance of 175.95 million new ordinary shares with a par value of Baht 5 per share at a price of Baht 17 each, which were called and fully paid up

Premium on ordinary shares was recognised separately from share capital in shareholders' equity in the statement of financial position.

The Company registered the increase of its paid-up capital with the Ministry of Commerce on 2 June 2021.

28. 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 their 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.

29. Expected credit losses and impairment loss on assets foreclosed

29.1 Expected credit losses and impairment loss on assets foreclosed for the years ended 31 December 2021 and 2020 are as follows.

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Expected credit losses				
Loan receivables	755,315	414,421	541,302	317,801
Other receivables	4,378	2,634	2,412	2,858
Bad debts recovery	(81,703)	(47,501)	(73,222)	(44,417)
Impairment loss on assets foreclosed	135,374	182,177	131,531	153,638
Others	3,353	5,563	1,823	(1,164)
Total	816,717	557,294	603,846	428,716

30. Finance cost

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Interest expenses on borrowings	1,028,236	928,053	959,484	871,261
Interest expenses on lease liabilities	2,172	1,591	1,572	1,266
Interest paid from derivatives defined as instruments used for cash flow hedges	8,719	-	8,719	-
Total	1,039,127	929,644	969,775	872,527

31. Expenses by nature

Significant expenses by nature are as follows.

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Salary, wages and other employee benefits	739,804	673,745	564,299	514,567
Depreciation and amortisation	63,504	63,005	53,078	52,714
Rental and service expenses	13,643	13,109	10,660	10,423
Commission expense	30,283	35,032	24,382	30,282
Stamp duty	33,961	22,556	33,347	22,141

32. Income tax expenses

32.1 Income tax expenses for the years ended 31 December 2021 and 2020

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current income tax				
Current income tax charge	383,330	252,036	277,056	207,509
Adjustment of a prior year's income tax under new rules for write-offs of bad debts	(50,299)	-	(38,085)	-
Deferred tax				
Relating to origination and reversal of temporary differences	(26,520)	(14,524)	(17,892)	(24,060)
Income tax expense reported in profit or loss	306,511	237,512	221,079	183,449

32.2 The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2021 and 2020

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Deferred tax on				
Loss on changes in value of equity instruments at FVOCI	(569)	(604)	(569)	(604)
Actuarial gains (losses)	1,849	(4,626)	1,357	(3,396)
Losses on cash flow hedges	(2,109)	-	(2,109)	-
Net change in cost of hedging	(828)	-	(828)	-
Total	(1,657)	(5,230)	(2,149)	(4,000)

32.3 A reconciliation between accounting profit and income tax expenses

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Accounting profit before tax	1,509,316	1,120,576	1,265,670	1,019,312
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	301,863	224,115	253,134	203,862
Effects of:				
Double deduction for investments in assets	(1,478)	(4,164)	(99)	(463)
Tax exempt on dividend income	(37)	(38)	(37,176)	(24,933)
Non-deductible expenses and others	6,163	17,599	5,220	4,983
Total	4,648	13,397	(32,055)	(20,413)
Income tax expenses reported in profit or loss	306,511	237,512	221,079	183,449

32.4 The components of deferred tax assets and liabilities

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Deferred tax assets				
Allowance for expected credit losses	363,019	345,141	258,511	262,745
Allowance for impairment in value of assets foreclosed	12,839	12,338	12,274	9,361
Provision for long-term employee benefits	35,764	35,804	28,747	29,095
Accrued penalty income	10,498	11,747	7,768	7,108
Written-off of debts	73,862	35,704	66,725	29,931
Derivatives	2,937	-	2,937	-
Others	10,894	12,542	5,091	8,962
Total	509,813	453,276	382,053	347,202
Deferred tax liabilities				
Revenue recognition under finance leases	(40,818)	(27,454)	-	-
Deferred commission to dealers	(66,168)	(46,771)	(66,168)	(46,771)
Unrealised gain from revaluation of equity investments	(399)	(536)	(399)	(722)
Deferred discounts	(12,113)	(23,789)	(12,113)	(23,789)
Others	(12,325)	(4,913)	(12,325)	(4,913)
Total	(131,823)	(103,463)	(91,005)	(76,195)
Net deferred tax assets	377,990	349,813	291,048	271,007

32.5 The reconciliation of deferred tax assets and deferred tax liabilities for the years ended 31 December 2021 and 2020

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Beginning balance	349,813	330,059	271,007	242,947
Deferred tax income realised in profit or loss	26,520	14,524	17,892	24,060
Deferred tax income realised in other comprehensive income	1,657	5,230	2,149	4,000
Ending balance	377,990	349,813	291,048	271,007

33. Earnings per share

Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Profit for the year (Thousand Baht)	1,202,804	883,064	1,044,591	835,863
Weighted average number of ordinary shares (Thousand shares)	458,428	351,896	458,428	351,896
Basic earnings per share (Baht)	2.62	2.51	2.28	2.38

34. Segment information

For management purposes, the Group is organised into business units based on its services and has 5 reportable operating segments as follows.

- 1) The hire purchase segment provides auto and machine hire purchase services, for consumers and commercial customers.
- 2) The leasing segment principally provides auto and machine leasing services for commercial customers.
- 3) The loan segment principally provides lending services to hire purchase customers, entrepreneur and automotive dealers.
- 4) The factoring segment provides factoring services to commercial customers in various industries.
- 5) The insurance broker segment provides insurance broker service, principally for to the Group's hire purchase and finance lease customers.

Segment results, segment assets and segment liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment assets consist principally of loans and receivables. Segment liabilities consist principally of interest-bearing loans and borrowings.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The following tables present revenues and profit for the years ended 31 December 2021 and 2020, and total assets and total liabilities information regarding the Group's operating segments.

(Unit: Thousand Baht)

For the year ended	Hire				Insurance	Items not	
31 December 2021	purchase	Leasing	Loan	Factoring	broker	allocated	Consolidated
Interest income from loan receivables	3,288,023	63,581	453,452	2,883	-	-	3,807,939
Service income	37,796	658	2,283	504	468,323	-	509,564
Other income	85,635	192	75	-	637	10,337	96,876
Employee expenses	(644,469)	(32,183)	(45,513)	(31)	(17,608)	-	(739,804)
Operating expenses	(73,191)	(9,621)	(10,885)	(116)	(8,968)	(143,132)	(245,913)
Segment profit	2,693,794	22,627	399,412	3,240	442,384	(132,795)	3,428,662
Depreciation and amortisation							(63,504)
Expected credit losses and impairment loss on assets foreclosed							(816,716)
Interest expense							(1,039,127)
Income tax expenses							(306,511)
Profit for the year							1,202,804
Segment total assets							
As at 31 December 2021	49,158,066	1,113,067	4,412,146	64,870	305,368	1,615,168	56,668,685
Segment total liabilities							
As at 31 December 2021	40,846,937	833,889	4,518,926	95,329	191,986	926,407	47,413,474

(Unit: Thousand Baht)

For the year ended	Hire				Insurance	Items not	
31 December 2020	purchase	Leasing	Loan	Factoring	broker	allocated	Consolidated
Interest income from loan receivables	2,857,620	48,256	269,806	8,223	-	-	3,183,905
Service income	33,441	548	865	1,172	262,435	-	298,461
Other income	99,169	418	490	9	146	13,013	113,245
Employee expenses	(595,772)	(13,377)	(44,327)	(49)	(20,220)	-	(673,745)
Operating expenses	(66,023)	(3,190)	(11,331)	(233)	(14,167)	(156,403)	(251,347)
Segment profit	2,328,435	32,655	215,503	9,122	228,194	(143,390)	2,670,519
Depreciation and amortisation							(63,005)
Expected credit losses and impairment loss on assets foreclosed							(557,294)
Interest expense							(929,644)
Income tax expenses							(237,512)
Profit for the year							883,064
Segment total assets							
As at 31 December 2020	40,126,935	789,946	2,734,769	63,387	145,870	1,069,750	44,930,657
Segment total liabilities							
As at 31 December 2020	35,026,610	611,635	2,606,016	92,116	94,242	832,357	39,262,976

The Group is operated in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable.

For the years ended 31 December 2021 and 2020, the Group has no major customer with revenue of 10 percent or more of the Group's revenues.

35. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contributed to the fund monthly at the rate of 5 percent of basic salary. The fund, which is managed by CIMB-Principal Asset Management Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2021 amounting to approximately Baht 14.85 million were recognised as expenses (2020: Baht 14.93 million) (the Company only: Baht 11.40 million (2020: Baht 11.60 million)).

36. Dividend paid

Dividend	Approved by	Dividends per share (Baht)	Total dividends (Thousand Baht)
Dividends for 2021	Annual General Meeting of the shareholders on 20 April 2021	1.70	597,790
Dividends for 2020			
Dividends for 2020	Annual General Meeting of the shareholders on 10 April 2020	1.72	605,261
Dividends for 2019			

37. Commitments

As at 31 December 2021, the Group had capital commitments of Baht 7.02 million relating to the purchases of equipment and computer software (2020: Baht 0.07 million relating to the purchases of equipment) (the Company only: Baht 6.60 million (2020: Baht 0.07 million relating to the purchases of equipment)).

38. Financial instruments

38.1 Derivatives and hedge accounting

(Unit:Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Derivative assets				
Cross-currency interest rate swap contracts	361,683	-	361,683	-
Derivative liabilities				
Interest rate swap contracts	10,079	-	10,079	-

Derivatives designated as hedging instruments

Cash flow hedges

Foreign currency risk and interest rate risk

The Group uses hedging instruments to hedge cash flows as follows:

- Interest rate swaps as hedging instruments to hedge cash flows on variable rate loans. The Group receives a variable rate THOR of interest and pays interest at a fixed-rate. These are defined as a hedge of interest rate risk.
- Cross-currency interest rate swaps as hedging instruments to hedge cash flows on variable rate loans in foreign currency. These are defined as a combined hedge of currency risk and interest rate risk.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the interest rate swap and cross-currency interest rate swap contracts match those of the conditions of loans (i.e., notional amount, maturity and expected payment date). To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

Details of derivatives held by the Group as hedging instruments as at 31 December 2021 classified based on the maturity date are as follows:

	Less than 1 year	1 to 5 years	More than 5 years	Total
Interest rate swap contracts				
Notional amount (Thousand Baht)	-	500,000	-	500,000
Average fixed rate (%)	-	2.23	-	2.23
Cross-currency interest rate swap contracts				
Notional amount (Thousand Baht)	-	2,993,000	-	2,993,000
Average fixed rate (%)	-	2.27	-	2.27
Average exchange rate (Baht/US dollar)	-	29.93	-	29.93

38.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, loan receivables, investments, short-term loan, long-term loans and debentures. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to loan receivables. The Group manages the risk by adopting appropriate credit control policies and procedures. In addition, it does not have high concentrations of credit risk since it has a large customer base diversified across many industries.

The maximum exposure to credit risk for financial assets recognised on the statements of financial position is equal to their gross carrying value before allowance for expected credit losses. For financial guarantee contracts, the maximum exposure to credit risk is the maximum amount that the Group would have to pay if the guarantees are called. For undrawn credit limits that are irrevocable over the life of the respective facilities, the maximum exposure to credit risk is the full amount of the committed facilities. The maximum exposure is the gross value before both the effect of mitigation through use of collateral arrangements and other credit enhancements.

All loan receivables are categorised into 'not yet due or past due not over 30 days', 'past due 31 - 90 days' and 'past due over 90 days'.

Distribution of loan receivables by credit quality as at 31 December 2021 and 2020

(Unit: Million Baht)

Consolidated financial statements				
2021				
	12-month expected credit losses	Lifetime expected credit losses - not credit impaired	Lifetime expected credit losses -credit impaired	Total
Not yet due or past due not over 30 days	51,664.27	184.84	-	51,849.11
Past due 31 - 90 days	-	2,371.71	-	2,371.71
Past due over 90 days	-	-	1,980.27	1,980.27
Gross carrying amount	51,664.27	2,556.55	1,982.27	56,201.09
Less: Allowance for expected credit losses	(526.36)	(301.35)	(977.08)	(1,804.79)
Net carrying amount	51,137.91	2,255.20	1,003.19	54,396.30

(Unit: Million Baht)

Consolidated financial statements

2020

	12-month expected credit losses	Lifetime expected credit losses - not credit impaired	Lifetime expected credit losses -credit impaired	Total
Not yet due or past due not over 30 days	41,202.93	159.99	-	41,362.92
Past due 31 - 90 days	-	1,851.12	-	1,851.12
Past due over 90 days	-	-	1,969.40	1,969.40
Gross carrying amount	41,202.93	2,011.11	1,969.40	45,183.44
Less: Allowance for expected credit losses	(358.40)	(218.50)	(1,140.63)	(1,717.53)
Net carrying amount	40,844.53	1,792.61	828.77	43,465.91

(Unit: Million Baht)

Separate financial statements

2021

	12-month expected credit losses	Lifetime expected credit losses - not credit impaired	Lifetime expected credit losses -credit impaired	Total
Not yet due or past due not over 30 days	40,684.19	5,240.66	-	45,924.85
Past due 31 - 90 days	-	2,241.33	-	2,241.33
Past due over 90 days	-	-	1,500.97	1,500.97
Gross carrying amount	40,684.19	7,481.99	1,500.97	49,667.15
Less: Allowance for expected credit losses	(417.35)	(249.92)	(617.74)	(1,285.01)
Net carrying amount	40,266.84	7,232.07	883.23	48,382.14

(Unit: Million Baht)

Separate financial statements

2020

	12-month expected credit losses	Lifetime expected credit losses - not credit impaired	Lifetime expected credit losses -credit impaired	Total
Not yet due or past due not over 30 days	33,124.79	4,001.61	-	37,126.40
Past due 31 - 90 days	-	1,775.62	-	1,775.62
Past due over 90 days	-	-	1,506.21	1,506.21
Gross carrying amount	33,124.79	5,777.23	1,506.21	40,408.23
Less: Allowance for expected credit losses	(270.41)	(199.64)	(836.70)	(1,306.75)
Net carrying amount	32,854.38	5,577.59	669.51	39,101.48

Explanations of the 12-month expected credit losses, lifetime expected credit losses - not credit impaired, and lifetime expected credit losses - credit impaired are included in Notes 4.13 to the financial statements under Impairment of financial assets.

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 Group.

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to borrowings that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into cross-currency interest swap contracts.

As at 31 December 2021, the balances of financial assets denominated in foreign currencies are summarised below.

Currency	Financial assets	Average exchange rate
	(Million)	(Baht per 1 foreign currency unit)
US dollar	100.00	29.93

When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of the derivative to match the terms of the hedged exposure. For hedges of forecast transactions, the derivative covers the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting payable that is denominated in the foreign currency.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, loans to customers, bank overdrafts, loans and debentures.

The Group manages interest rate risk by appropriate structuring of its proportionate holdings in assets and liabilities that have the different interest rate repricing periods that is in line with the market rate, in order to achieve an appropriate return within an acceptable risk level. To manage this, the Group enters into cross-currency interest swaps, in which it agrees to exchange, at specified intervals, between variable and fixed rate interest amounts calculated by reference to an agreed-upon notional principal amount.

As at 31 December 2021 and 2020, significant financial assets and liabilities classified by type of interest rates 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 statements

2021

Fixed interest rates

	Within 1 year	1 - 5 years	More than 5 years	Floating interest rate	Non-interest bearing	Total
Financial assets						
Cash and cash equivalents	1.00	-	-	134.13	336.17	471.30
Bank deposits with restrictions	-	-	-	-	147.90	147.90
Hire purchase receivables	15,870.53	33,204.01	813.52	-	-	49,888.06
Financial lease receivables	415.23	698.92	-	-	-	1,114.15
Factoring receivables	-	-	-	120.58	-	120.58
Loan receivables	2,689.79	1,794.56	-	74.72	-	4,559.07
Derivative assets	-	-	-	361.68	-	361.68
Other financial assets	-	-	-	-	12.10	12.10
	18,966.55	35,697.49	813.52	691.11	496.17	56,674.84
Financial liabilities						
Short-term loans from banks	2,300.00	-	-	1,480.00	-	3,780.00
Short-term loans from a related party	500.00	-	-	-	-	500.00
Other short-term loan	4,686.95	-	-	-	-	4,686.95
Long-term loans from a related party	2,850.00	3,600.00	-	-	-	6,450.00
Long-term loans from banks	4,409.67	8,645.71	-	4,446.45	-	17,501.83
Debentures	4,056.01	8,018.45	-	-	-	12,074.46
Derivative liabilities	-	-	-	10.08	-	10.08
Deposits relating to collateral of customers	7.89	5.00	-	-	1,055.95	1,068.84
	18,810.52	20,269.16	-	5,936.53	1,055.95	46,072.16

(Unit: Million Baht)

Consolidated financial statements

2020

Fixed interest rates

	Fixed interest rates					
	Within		More than	Floating	Non-interest	
	1 year	1 - 5 years	5 years	interest rate	bearing	Total
Financial assets						
Cash and cash equivalents	-	-	-	107.50	287.42	394.92
Bank deposits with restrictions	-	-	-	-	62.13	62.13
Hire purchase receivables	14,858.88	25,679.79	195.60	-	-	40,734.27
Financial lease receivables	313.86	496.76	-	-	-	810.62
Factoring receivables	-	-	-	119.19	-	119.19
Loan receivables	1,630.82	1,098.14	-	70.06	-	2,799.02
Other financial assets	2.01	-	-	-	13.71	15.72
	16,805.57	27,274.69	195.60	296.75	363.26	44,937.88
Financial liabilities						
Short-term loans from banks	4,030.00	-	-	-	-	4,030.00
Short-term loans from a related party	1,000.00	-	-	-	-	1,000.00
Other short-term loan	8,801.88	-	-	-	-	8,801.88
Long-term loans from a related party	2,150.00	3,650.00	-	-	-	5,800.00
Long-term loans from banks	2,269.78	8,054.35	-	600.00	-	10,924.13
Debentures	2,334.76	4,836.75	-	-	-	7,171.51
Deposits relating to collateral of customers	37.16	11.72	-	-	364.44	413.32
	20,623.58	16,552.82	-	600.00	364.44	38,140.84

(Unit: Million Baht)

Separate financial statements

2021

Fixed interest rates

	Fixed interest rates			Floating	Non-interest	
	Within		More than			
	1 year	1 - 5 years	5 years	interest rate	bearing	Total
Financial assets						
Cash and cash equivalents	-	-	-	93.62	172.24	265.86
Hire purchase receivables	12,873.50	29,199.12	813.52	-	-	42,886.14
Loan receivables	549.93	668.25	-	74.72	-	1,292.90
Loans to a related party	-	3,000.00	-	2,090.00	-	5,090.00
Derivative assets	-	-	-	361.68	-	361.68
Other financial assets	-	-	-	-	11.88	11.88
	13,423.43	32,867.37	813.52	2,620.02	184.12	49,908.46
Financial liabilities						
Short-term loans from banks	2,200.00	-	-	1,480.00	-	3,680.00
Other short-term loans	4,686.95	-	-	-	-	4,686.95
Long-term loans from a related party	2,350.00	1,300.00	-	-	-	3,650.00
Long-term loans from banks	4,409.67	8,645.71	-	4,446.45	-	17,501.83
Debentures	4,056.01	8,018.45	-	-	-	12,074.46
Derivative liabilities	-	-	-	10.08	-	10.08
	17,702.63	17,964.16	-	5,936.53	-	41,603.32

(Unit: Million Baht)

Separate financial statements

2020

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total
	Within	More than				
	1 year	1 - 5 years	5 years			
Financial assets						
Cash and cash equivalents	-	-	-	68.21	159.32	227.53
Hire purchase receivables	12,333.79	22,454.17	195.60	-	-	34,983.56
Loan receivables	395.65	480.79	-	70.06	-	946.50
Loans to a related party	3,875.00	-	-	-	-	3,875.00
Other financial assets	-	-	-	-	13.50	13.50
	16,604.44	22,934.96	195.60	138.27	172.82	40,046.09
Financial liabilities						
Short-term loans from banks	3,840.00	-	-	-	-	3,840.00
Short-term loans from a related party	500.00	-	-	-	-	500.00
Other short-term loans	8,801.88	-	-	-	-	8,801.88
Long-term loans from a related party	1,350.00	2,650.00	-	-	-	4,000.00
Long-term loans from banks	2,269.78	8,054.35	-	600.00	-	10,924.13
Debentures	2,334.76	4,836.75	-	-	-	7,171.51
	19,096.42	15,541.10	-	600.00	-	35,237.52

Liquidity risk

Liquidity risk arises in the general funding of the Group's activities and in the management of positions. It includes both the risk of being unable to source assets with appropriate maturities and costs and the risk of being unable to liquidate assets at a reasonable price and in an appropriate time frame.

The Group has access to a diverse funding base, with funds being raised using a broad range of instruments including capital and loans. This enhances funding flexibility, limits dependence on any one source of funds and generally lowers the costs of funds. The Group strives to maintain a balance between continuity of funding and flexibility through the use of liabilities with a range of maturities. The Group continually assesses liquidity risk by identifying and monitoring changes in funding required to meet business goals and targets set in terms of the Group's overall strategy.

In addition, the Group holds a portfolio of liquid assets as part of its liquidity risk management strategy.

As at 31 December 2021, the credit facilities of the Group which have not yet been drawn down amounted to Baht 12,075 million (2020: Baht 8,651 million).

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2021 and 2020 based on contractual undiscounted cash outflows (inflows):

(Unit: Million Baht)

Consolidated financial statements					
2021					
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Carrying amount
Non-derivatives					
Short-term loans from banks	1,480.19	2,301.01	-	-	3,781.20
Short-term loans from a related party	-	500.30	-	-	500.30
Other short-term loans	-	4,700.00	-	-	4,686.95
Long-term loans from a related party	-	3,027.84	3,778.14	-	6,805.98
Long-term loans from banks	-	5,399.61	12,856.83	-	18,256.44
Debentures	-	4,348.73	8,353.65	-	12,702.38
Deposits relating to collateral of customers	2.32	252.28	813.77	0.73	1,069.10
Lease liabilities	-	34.99	33.97	-	68.96
Total non-derivatives	1,482.51	20,564.76	25,836.36	0.73	47,884.36
Derivatives					
Derivative assets	-	6.51	(355.84)	-	(349.33)
Derivative liabilities	-	5.57	11.63	-	17.20
Total derivatives	-	12.08	(344.21)	-	(322.13)

(Unit: Million Baht)

Consolidated financial statements					
2020					
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Carrying amount
Non-derivatives					
Short-term loans from banks	350.03	3,692.34	-	-	4,042.37
Short-term loans from a related party	-	1,000.35	-	-	1,000.35
Other short-term loans	-	8,855.00	-	-	8,855.00
Long-term loans from a related party	-	2,200.45	3,867.09	-	6,067.54
Long-term loans from banks	-	2,309.16	9,109.68	-	11,418.84
Debentures	-	2,358.86	5,169.05	-	7,527.91
Deposits relating to collateral of customers	0.90	67.82	344.59	0.55	413.86
Lease liabilities	-	23.62	20.94	-	44.56
Total non-derivatives	350.93	20,507.60	18,511.35	0.55	39,370.43

(Unit: Million Baht)

Separate financial statements						
2021						
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total	Carrying amount
Non-derivatives						
Short-term loans from banks	1,480.19	2,200.89	-	-	3,681.08	3,680.00
Other short-term loans	-	4,700.00	-	-	4,700.00	4,686.95
Long-term loans from a related party	-	2,443.36	1,363.04	-	3,806.40	3,650.00
Long-term loans from banks	-	5,399.61	12,856.83	-	18,256.44	17,501.83
Debentures	-	4,348.73	8,353.65	-	12,702.38	12,074.46
Lease liabilities	-	26.78	26.17	-	52.95	50.78
Total non-derivatives	1,480.19	19,119.37	22,599.69	-	43,199.25	41,644.02
Derivatives						
Derivative assets	-	6.51	(355.84)	-	(349.33)	361.68
Derivative liabilities	-	5.57	11.63	-	17.20	10.08
Total derivatives	-	12.08	(344.21)	-	(332.13)	371.76

(Unit: Million Baht)

Separate financial statements						
2020						
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total	Carrying amount
Non-derivatives						
Short-term loans from banks	350.03	3,501.49	-	-	3,851.52	3,840.00
Short-term loans from a related party	-	500.12	-	-	500.12	500.00
Other short-term loans	-	8,855.00	-	-	8,855.00	8,801.88
Long-term loans from a related party	-	1,382.46	2,805.34	-	4,187.80	4,000.00
Long-term loans from banks	-	2,309.16	9,109.68	-	11,418.84	10,924.13
Debentures	-	2,358.86	5,169.05	-	7,527.91	7,171.51
Lease liabilities	-	18.41	16.12	-	34.53	33.39
Total non-derivatives	350.03	18,925.50	17,100.19	-	36,375.72	35,270.90

38.3 Fair values of financial instruments

Fair values estimation

The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows.

- For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, factoring receivables and short-term loan receivables, bank overdrafts and short-term loans, their carrying amounts in the statement of financial position approximate their fair value.
- For equity securities, their fair value is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.

- c) For fixed rate hire purchase and financial lease receivables and fixed rate debentures and long-term loans, their fair value is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions.
- d) For debentures and long-term loans carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximate their fair value.
- e) The fair value of derivatives has been determined using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves and commodity price yield curves. The Group considers to counterparty credit risk when determining the fair value of derivatives.

As at 31 December 2021 and 2020, the Group had the assets and liabilities that were measured and disclosed at fair value using different levels of inputs as follows.

(Unit: Million Baht)

Consolidated financial statements					
2021					
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
Assets measured at fair value					
Quoted equity investments	8.25	8.25	-	-	8.25
Unquoted equity investments	3.85	-	-	3.85	3.85
Cross-currency interest rate swap contracts	361.68	-	361.68	-	361.68
Assets for which fair value are disclosed					
Hire purchase receivables	48,837.71	-	49,232.91	-	49,232.91
Financial lease receivables	1,081.89	-	1,080.16	-	1,080.16
Loan receivables	4,411.85	-	4,392.52	-	4,392.52
Liabilities measured at fair value					
Interest rate swap contracts	10.08	-	10.08	-	10.08
Liabilities for which fair value are disclosed					
Long-term loans from a related party	6,450.00	-	6,502.44	-	6,502.44
Long-term loans from banks	17,501.83	-	17,483.73	-	17,483.73
Long-term debentures	11,574.48	-	11,551.66	-	11,551.66

(Unit: Million Baht)

Consolidated financial statements

2020

	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
Assets measured at fair value					
Quoted equity investments	7.02	7.02	-	-	7.02
Unquoted equity investments	6.69	-	-	6.69	6.69
Assets for which fair value are disclosed					
Hire purchase receivables	39,881.93	-	40,040.52	-	40,040.52
Financial lease receivables	777.07	-	775.54	-	775.54
Loan receivables	2,733.50	-	2,750.77	-	2,750.77
Liabilities for which fair value are disclosed					
Long-term loans from a related party	5,800.00	-	5,808.89	-	5,808.89
Long-term loans from banks	10,924.13	-	10,879.50	-	10,879.50
Long-term debentures	7,171.51	-	7,255.32	-	7,255.32

(Unit: Million Baht)

Separate financial statements

2021

	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
Assets measured at fair value					
Quoted equity investments	8.25	8.25	-	-	8.25
Unquoted equity investments	3.64	-	-	3.64	3.64
Cross-currency interest rate swap contacts	361.68	-	361.68	-	361.68
Assets for which fair value are disclosed					
Hire purchase receivables	42,020.23	-	42,403.71	-	42,403.71
Financial lease receivables	1,271.91	-	1,277.03	-	1,277.03
Liabilities measured at fair value					
Interest rate swap contracts	10.08	-	10.08	-	10.08
Liabilities for which fair value are disclosed					
Long-term loans from a related party	3,650.00	-	3,746.83	-	3,746.83
Long-term loans from banks	17,501.83	-	17,483.73	-	17,483.73
Long-term debentures	11,574.48	-	11,551.66	-	11,551.66

(Unit: Million Baht)

Separate financial statements				
2020				
Carrying amount	Fair value			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Quoted equity investments	7.02	7.02	-	7.02
Unquoted equity investments	6.48	-	6.48	6.48
Assets for which fair value are disclosed				
Hire purchase receivables	34,308.20	-	34,485.89	34,485.89
Financial lease receivables	918.28	-	917.49	917.49
Liabilities for which fair value are disclosed				
Long-term loans from a related party	4,000.00	-	4,024.10	4,024.10
Long-term loans from banks	10,924.13	-	10,879.50	10,879.50
Long-term debentures	7,171.51	-	7,255.32	7,255.32

During the current year, there were no transfers within the fair value hierarchy.

Reconciliation of recurring fair value measurement of assets categorised within Level 3 of the fair value hierarchy

(Unit: Million Baht)

	Unquoted equity investments			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Beginning balance	6.69	9.71	6.48	9.50
Loss recognised in other comprehensive income	(2.84)	(3.02)	(2.84)	(3.02)
Ending balance	3.85	6.69	3.64	6.48

Key assumptions used in the valuation

Financial instruments

Unquoted equity instrument

Valuation technique

Reference price from net asset value

Significant unobservable in puts

Not applicable

39. Capital management

The primary objective of the Group's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

The Group manages its capital position with reference to their debt-to-equity ratio in order to comply with a condition in long-term loan agreements with financial institutions and issuance of debentures, which require the Group to maintain a debt-to-equity ratio of not more than 10:1.

As at 31 December 2021, the Group's debt-to-equity ratio was 5.12:1.00 (2020: 6.93:1.00) and the Company's was 4.82:1.00 (2020: 6.69:1.00).

No changes were made in the objectives, policies or processes during the years ended 31 December 2021 and 2020.

40. Events after the reporting period

On 18 February 2022, the meeting of the Company's Board of Directors passed a resolution to propose that the Annual General Meeting of shareholders to be held in April 2022 to adopt a resolution to pay a dividend of Baht 1.14 per share, or a total of Baht 601.74 million to the shareholders in respect of the 2021 profit. The dividend will be paid and recorded after approval is granted by the Annual General Meeting of the Company's shareholders.

41. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 18 February 2022. The directors have the power to amend and reissue the financial statements.



ATTACHMENTS

Attachment 1

Details of Directors, Managements, the Person Assigned to Take Direct Responsibility for Accounting Oversight, and the Company's Secretary

Mr. Yang, Tze-Ting	Chairman of the Board of Directors/ Chairman of the Executive Board of Directors (The director who authorized to sign)
Age	Appointed as director on July 31, 2018 69 years
Highest Education	Master of Business Administration, University of Southern California, USA
Experience	<div data-bbox="173 683 344 712">2018 - Present</div> <div data-bbox="624 683 1477 754">Chairman of the Board of Directors / Chairman of the Executive Board of Directors, Asia Sermkij Leasing Public Company Limited</div> <div data-bbox="173 768 344 797">2018 - Present</div> <div data-bbox="624 768 1477 840">Chairman of the Board of Directors / Chairman of the Executive Board of Directors, Bangkok Grand Pacific Lease Public Company Limited</div> <div data-bbox="173 853 312 882">2018 - 2019</div> <div data-bbox="624 853 1417 882">Chief Executive Officer, Asia Sermkij Leasing Public Company Limited</div> <div data-bbox="173 896 312 925">2018 - 2019</div> <div data-bbox="624 896 1477 925">Chief Executive Officer, Bangkok Grand Pacific Lease Public Company Limited</div> <div data-bbox="173 938 344 967">2016 - Present</div> <div data-bbox="624 938 1098 967">Chairman, Chailease Auto Rental Co., Ltd.</div> <div data-bbox="173 981 344 1010">2016 - Present</div> <div data-bbox="624 981 1038 1010">Chairman, Apex Credit Solutions Inc.</div> <div data-bbox="173 1023 312 1052">2009 - 2016</div> <div data-bbox="624 1023 1147 1052">Chief Audit Officer, Chailease Holding Co., Ltd</div> <div data-bbox="173 1066 312 1095">2005 - 2008</div> <div data-bbox="624 1066 1430 1095">Senior Executive Vice President, Chailease Consumer Finance Co., Ltd.</div> <div data-bbox="173 1108 383 1137">Director program</div> <div data-bbox="624 1108 1477 2074"> <ul style="list-style-type: none"> - Personal Information Protection Act 2012, Taiwan Corporate Governance Association - Reinforcing CG blueprint and sophisticating CSR vision statement 2014, Taiwan Corporate Governance Association - Corporate Governance and Planning/Managing Shareholders Meeting 2015, Taiwan Corporate Governance Association - Enterprise Fraud Risk Deduction and Prevention 2016, Taiwan Corporate Governance Association - Introduction and Impact of CFC, PEM and CRS 2017, Taiwan Corporate Governance Association - Common Financial Scandals, Fraud Cases and Mechanisms in Prevention 2018, Taiwan Corporate Governance Association - Obligations & Liabilities of Directors in M&A Deals 2018, Taiwan Corporate Governance Association - Anti-Money Laundering regulations and the role of Leasing industry 2019, Taiwan Corporate Governance Association - AI Changing the Landscape of Corporate Governance 2019, Taiwan Corporate Governance Association - Compliance with Personal Data Protection Act, Trade Secret Act, and Anti-Corruption Law 2020, Taiwan Corporate Governance Association - Best Practices and the Development Trend of Corporate Governance and Corporate Social Responsibility 2020, Taiwan Corporate Governance Association </div>

Year of Directorship	4 Year
Position in others listed Company	-
Position in Non-Listed Company	<ol style="list-style-type: none"> 1. Chairman of the Board of Directors / Chairman of the Executive Board of Directors, Bangkok Grand Pacific Lease Public Company Limited 2. Chairman, Chailease Auto Rental Co., Ltd. 3. Chairman, Apex Credit Solutions Inc.
Nature of relationships between director/management	None
Changes of shares held as at December 31, 2021, compared with those of 2020	None

Mr. Tang, Lai-Wang	Director/ Managing Director (The director who authorized to sign)
Age	Appointed as director on April 19, 2019
Highest Education	59 years
Experience	Master of Business Administration, Chung Yuan Christian University, Taiwan
2019 - Present	Director/ Managing Director, Asia Sermkij Leasing Public Company Limited
2020 - Present	Director/ Managing Director, SK Insurance Broker Company Limited
2019 - Present	Managing Director, Bangkok Grand Pacific Lease Public Company Limited
2019 - Present	Director, Anywhere 2 Go Company Limited
2015 - Present	Director, Bangkok Grand Pacific Lease Public Company Limited
2015 - 2019	Managing Director, Chailease Berjaya Credit Sdn. Bhd (Malaysia)
2012 - 2015	Executive Vice President, Chailease Finance Co., Ltd
2006 - 2012	Managing Director, Chailease International Leasing Co., Ltd (Vietnam)
2000 - 2006	Deputy Managing Director, Asia Sermkij Leasing Public Company Limited
2000 - 2006	Deputy Managing Director, Bangkok Grand Pacific Lease Public Company Limited
Director program	Director Certification Program No. 48/2004,
	Thai Institute of Directors Association
Year of Directorship	3 years
Position in others listed Company	None
Position in Non-Listed Company	1. Director/ Managing Director, Bangkok Grand Pacific Lease
	Public Company Limited
	2. Director/ Managing Director, SK Insurance Broker Company Limited
	3. Director, Anywhere 2 Go Company Limited
Nature of relationships between director/management	None
Changes of shares held as at	
December 31, 2021, compared	Increase 85,842 shares from RO subscriphom (Outstanding at 240,453
with those of 2020	shares or equivalent to 0.05% of the total shares)

Mr. Shen, Ying-Hui	
Director	
(The director who authorized to sign)	
	Appointed as director on June 28, 2018
Age	57 years
Highest Education	Master of Business Administration, National Central University, Taiwan
Experience	
2018 - Jan 2022	Director, Asia Sermkij Leasing Public Company Limited
2020 - Jan 2022	Director, SK Insurance Broker Company Limited
2019 - Jan 2022	Acting General Manager, Bangkok Grand Pacific Lease Public Company Limited
2018 - Jan 2022	Director, Bangkok Grand Pacific Lease Public Company Limited
2018	Deputy General Manager, Asia Sermkij Leasing Public Company Limited
2016	Chief Operating Officer, Asia Sermkij Leasing Public Company Limited
2013 - Jan 2022	Executive Vice Present, Chailease Finance Co., Ltd.
2006 - 2016	Executive Director, Asia Sermkij Leasing Public Company Limited
2006 - 2013	Executive Director, Bangkok Grand Pacific Lease Public Company Limited
2006 - 2013	Senior Assistant General Manager, Bangkok Grand Pacific Lease Public Company Limited
2006 - 2013	Senior Vice President, Chailease Finance Co., Ltd.
Director program	- Director Accreditation Program No. 57/2006, Thai Institute of Directors Association - Director Certification Program No. 132/2010, Thai Institute of Directors Association
Year of Directorship	4 years
Position in others listed Company	None
Position in Non-Listed Company	None
Nature of relationships between director/management	None
Changes of shares held as at December 31, 2021, compared with those of 2020	None

Remark : According to the resolution of BOD No. 1/2022 held on January 19, 2022, it had acknowledged the resignation of a director, Mr. Shen, Ying-Hui effective from January 19, 2022

Mr. Liao, Ying-Chih	
Director	
(The director who authorized to sign)	
Age	Appointed as director on February 26, 2008 58 years
Highest Education	Ph.D. Candidate, Harvard University, U.S.A.
Experience	
2016 - Present	Director, Chailease Engine Lease Finance Corp.
2015 - Present	Director, Chailease International Company (UK) Limited.
2015 - Present	Director, CL Capital Management Company Limited.
2015 - Present	Director, CLJ Investment Partners Company Limited.
2015 - Present	Director, Chailease Berjaya Credit Sdn. Bhd.
2012 - Present	Chief Strategy Officer, Chailease Holding Co., Ltd.
2011 - Present	Director, Asia Sermkij Leasing Public Company Limited
Director program	Compliance with Personal Data Protection Act, Trade Secret Act. and Anti-Corruption Law 2020, Taiwan Corporate Governance Association
Year of Directorship	14 years
Position in others listed Company	None
Position in Non-Listed Company	1. Director, Chailease Engine Lease Finance Corp. 2. Director, Chailease International Company (UK) Limited. 3. Director, CL Capital Management Company Limited. 4. Director, CLJ Investment Partners Company Limited. 5. Director, Chailease Berjaya Credit Sdn. Bhd. 6. Chief Strategy Officer, Chailease Holding Co., Ltd.
Nature of relationships between director/management	None
Changes of shares held as at December 31, 2021, compared with those of 2020	None

Mr. Chen, Fong-Long	
Director	
(The director who authorized to sign)	
Age	Appointed as director on May 3, 1999 66 years
Highest Education	Master of Science in Management, Massachusetts Institute of Technology (MIT), U.S.A.
Experience	
2019 - Present	Director, Chailease Commercial Factoring Corporation
2019 - Present	Chairman, Chung Chen Energy Integration Co., Ltd.
2018 - Present	Director, Chailease International Company (Hong Kong) Limited
2016 - Present	Chairman, Innovation Energy Integration Co., Ltd.
2015 - Present	Director, Chailease International Company (UK) Limited
2015 - Present	Director, CL Capital Management Company Limited
2015 - Present	Director, CLJ Investment Partners Company Limited
2015 - Present	Chairman, Chailease Energy Integration Co., Ltd.
2014 - Present	Chairman, Chailease Finance (B.V.I.) Co., Ltd.
2014 - Present	Director, My Leasing (B.V.I.) Corp.
2014 - Present	Director, Chailease International Financial Services Co., Ltd.
2013 - Present	Director, Chailease International (B.V.I.) Corp.
2013 - Present	Director, Golden Bridge (B.V.I.) Corp.
2013 - Present	Director, My Leasing (Mauritius) Corp.
2013 - Present	Chairman, Chailease Cloud Service Co., Ltd.
2012 - Present	Chairman, Jirong Real Estate Co., Ltd.
2012 - Present	Chairman, Chailease Finance International Corp.
2011 - Present	Chairman, Fina Finance and Trading Co., Ltd.
2011 - Present	Chairman, Chailease Specialty Finance Co., Ltd.
2011 - Present	Chairman and President, Chailease Holding Co., Ltd.
2008 - Present	Chairman, Chailease International Corp.
2007 - Present	Chairman, Chailease Finance Co., Ltd.
2007 - Present	Director, Grand Pacific Holdings Corp.
2007 - Present	Chairman, Chailease International Finance Co. Ltd.
1999 - Present	Director, Asia Sermkij Leasing Public Company Limited
1999 - Present	Director, Bangkok Grand Pacific Lease Public Company Limited
Director program	<ul style="list-style-type: none"> - Personal Information Protection Act 2012, Taiwan Corporate Governance Association - Reinforcing CG blueprint and sophisticating CSR vision statement 2014, Taiwan Corporate Governance Association - Corporate Governance and Planning/Managing Shareholders Meeting 2015, Taiwan Corporate Governance Association - Enterprise Fraud Risk Deduction and Prevention 2016, Taiwan Corporate Governance Association - Introduction and Impact of CFC, PEM and CRS 2017, Taiwan Corporate Governance Association

	<ul style="list-style-type: none"> - Common Financial Scandals, Fraud Cases and Mechanisms in Prevention 2018, Taiwan Corporate Governance Association - Obligations & Liabilities of Directors in M&A Deals 2018, Taiwan Corporate Governance Association - Anti-Money Laundering regulations and the role of Leasing industry 2019, Taiwan Corporate Governance Association - AI Changing the Landscape of Corporate Governance 2019, Taiwan Corporate Governance Association - Compliance with Personal Data Protection Act, Trade Secret Act, and Anti-Corruption Law 2020, Taiwan Corporate Governance Association - Best Practices and the Development Trend of Corporate Governance and Corporate Social Responsibility 2020, Taiwan Corporate Governance Association
Year of Directorship	23 years
Position in others listed Company	None
Position in Non-Listed Company	<ol style="list-style-type: none"> 1. Director, Bangkok GrandPacific Lease Public Company Limited 2. Director, Chailease Commercial Factoring Corporation 3. Chairman, Chung Chen Energy Integration Co., Ltd. 4. Director, Chailease International Company (Hong Kong) Limited 5. Chairman, Innovation Energy Integration Co., Ltd. 6. Director, Chailease International Company (UK) Limited 7. Director, CL Capital Management Company Limited 8. Director, CLJ Investment Partners Company Limited 9. Chairman, Chailease Energy Integration Co., Ltd. 10. Chairman, Chailease Finance (B.V.I.) Co., Ltd. 11. Director, My Leasing (B.V.I.) Corp. 12. Director, Chailease International Financial Services Co., Ltd. 13. Director, Chailease International (B.V.I.) Corp. 14. Director, Golden Bridge (B.V.I.) Corp. 15. Director, My Leasing (Mauritius) Corp. 16. Chairman, Chailease Cloud Service Co., Ltd. 17. Chairman, Jirong Real Estate Co., Ltd. 18. Chairman, Chailease Finance International Corp. 19. Chairman, Fina Finance and Trading Co., Ltd. 20. Chairman, Chailease Specialty Finance Co., Ltd. 21. Chairman and President, Chailease Holding Co., Ltd. 22. Chairman, Chailease International Corp. 23. Chairman, Chailease Finance Co., Ltd. 24. Director, Grand Pacific Holdings Corp. 25. Chairman, Chailease International Finance Co. Ltd.
Nature of relationships between director/management	None
Changes of shares held as at December 31, 2021, compared with those of 2020	Remain unchanged (Outstanding at 236,028 share or equivalent to 0.07% of the total shares)

Mr. Chen, Jui-Hsin	Director
	(The director who authorized to sign)
	Appointed as director on November 9, 2020
Age	49 years
Highest Education	Master of Science in Business Administration, Bournemouth University, England
Experience	
2021 - Present	President, Chailease Resources Technology Co., Ltd.
2020 - Present	Director, Asia Sermkij Leasing Public Company Limited
2020 - Present	Director, Bangkok GrandPacific Lease Public Company Limited
2020 - Present	Director, Chailease Capital (Thailand) Co., Ltd.
2020 - Present	Chief Operating Officer, JLK Holding Company Limited
2019 - Present	Senior Executive Vice President, Chailease Finance Co., Ltd.
2016 - 2019	Executive Vice President, Chailease Energy Co., Ltd.
2015 - 2016	Senior Vice President, Chailease Finance Co., Ltd.
Director program/ other training	Obligations and Responsibilities of Companies, Directors and Supervisors under the Securities and Exchange Act 2020, Taiwan Corporate Governance Association
Year of Directorship	1 year
Position in others listed Company	-
Position in Non-Listed Company	1. President, Chailease Resources Technology Co., Ltd. 2. Director, Bangkok GrandPacific Lease Public Company Limited 3. Director, Chailease Capital (Thailand) Co., Ltd. 4. Chief Operating Officer, JLK Holding Company Limited 5. Senior Executive Vice President, Chailease Finance Co., Ltd.
Nature of relationships between director/management	None
Changes of shares held as at December 31, 2021, compared with those of 2020	None

Mr. Tientavee Saraton	Director
	Appointed as director on June 18, 1987
Age	73 years
Highest Education	Master of Science in Management, Arthur D. Little Management Education Institute, U.S.A.
Experience	
1987 - Present	Director, Asia Sermkij Leasing Public Company Limited
1999 - Present	Director, Bangkok Grand Pacific Lease Public Company Limited
1992 - 2015	Executive Director, Asia Sermkij Leasing Public Company Limited
1999 - 2015	Executive Director, Bangkok Grand Pacific Lease Public Company Limited
2005 - 2009	Vice Chairman, Thai Hire Purchase Association
2006 - 2008	Deputy Managing Director, Asia Sermkij Leasing Public Company Limited
1987 - 2006	General Manager, Asia Sermkij Leasing Public Company Limited
Director program	- Director Accreditation Program No. 22/2004, Thai Institute of Directors Association - Director Certification Program No. 48/2004, Thai Institute of Directors Association
Year of Directorship	34 years
Position in others listed Company	None
Position in Non-Listed Company	Director, Bangkok Grand Pacific Lease Public Company Limited
Nature of relationships between director/management	None
Changes of shares held as at December 31, 2021, compared with those of 2020	None

Mrs. Patima Chavalit	Independent Director
Age	Appointed as director on July 29, 1993 62 years
Highest Education	Bachelor of Accounting Theory, Chulalongkorn University
Experience	
2020 - Present	Advisor, Office of the President, Bangkok Bank Public Company Limited
2013 - Present	Independent Director, Asia Sermkij Leasing Public Company Limited
2008 - 2019	Senior Vice President, Human Resource Division, Bangkok Bank Public Company Limited
1993 - Present	Director, Asia Sermkij Leasing Public Company Limited
1999 - Present	Director, Bangkok Grand Pacific Lease Public Company Limited
Director program	Director Certification Program No. 48/2004, Thai Institute of Directors Association
Year of Directorship	28 years
Position in others listed Company	Advisor, Office of the President, Bangkok Bank Public Company Limited
Position in Non-Listed Company	Director, Bangkok Grand Pacific Lease Public Company Limited
Nature of relationships between director/management	None
Changes of shares held as at December 31, 2021, compared with those of 2020	Increased 82,314 shares from RO subscription (Outstanding at 246,942 shares or equivalent to 0.05% of the total shares)

Mr. Pradit Sawattananond	Chairman of the Audit Committee/ Independent Director
Age	Appointed as director on June 18, 2004
Highest Education	73 years Master of Business Administration, Central State University, Oklahoma, U.S.A.
Experience	<p>2004 - Present Chairman of the Audit Committee/ Independent Director, Asia Sermkij Leasing Public Company Limited</p> <p>2000 - Present Audit Committee Member / Independent Director, KGI Securities Public Company Limited</p> <p>2018 - Present Member of the Audit Committee/ Independent Director/ Member of Corporate Governance Committee, LH Financial Group Public Company Limited</p> <p>2018 - Present Chairman of the Audit Committee/ Independent Director/ Chairman of Corporate Governance Committee/ Member of Nomination and Remuneration Committee/ Member of Risk Oversight Committee, Land and House Bank Public Company Limited</p> <p>2015 - Nov. 2020 Chairman of the Audit Committee/ Independent Director, Nusasiri Public Company Limited</p> <p>2004 - Dec. 2019 Audit Committee Member/ Independent Director, Thai Film Industries Public Company Limited</p> <p>Director program</p> <ul style="list-style-type: none"> - Director Certification Program No. 3/2000, Thai Institute of Directors Association - Audit Committee Program No. 3/2004, Thai Institute of Directors Association - Chief Financial Officer Certification Program No. 1/2004, The Institute of Certified Accountants and Auditor of Thailand - Improving the Quality of Financial Reporting No.4/2006, Thai Institute of Directors Association - Monitoring the Quality of Financial Reporting No.5/2007, Thai Institute of Directors Association - Monitoring the Internal Audit Function No. 5/2008, Thai Institute of Directors Association - Monitoring the System of Internal Control and Risk Management No. 2/2008, Thai Institute of Directors Association - Role of the Compensation Committee No. 6/2008, Thai Institute of Directors Association - Advance Audit Committee Program No. 13/2013, Thai Institute of Directors Association - How to Develop a Risk Management Plan (HRP) No. 4/2013, Thai Institute of Directors Association - Corporate Governance for Capital Market Intermediaries No. 1/2014, Thai Institute of Directors Association
Year of Directorship	17 years

Position in others listed Company

1.Member of the Audit Committee/ Independent Director/
Member of Corporate Governance Committee,
LH Financial Group Public Company Limited

2.Audit Committee Member/ Independent Director,
KGI Securities Public Company Limited

Position in Non-Listed Company

Chairman of the Audit Committee/ Independent Director/
Chairman of Corporate Governance Committee/
Member of Nomination and Remuneration Committee/
Member of Risk Oversight Committee,
Land and House Bank Public Company Limited

**Nature of relationships between
director/management**

Elder Brother of Mr. Anant Svattananon

**Changes of shares held as at
December 31, 2021, compared
with those of 2020**

Decreased 54,100 shares (Outstanding at 37,700 shares or
equivalent to 0.01% of the total shares)

Mr. Anant Svattananon	Member of the Audit Committee/ Independent Director
Age	Appointed as director on June 18, 2004
Highest Education	70 years
Experience	Commerce Course, The Institute of Foreign Languages Business Development & Management Course
2004 - Present	Member of the Audit Committee/ Independent Director,
1998 - Present	Asia Sermkij Leasing Public Company Limited
1998 - Present	Executive Vice Chairman, Shanghai Kinghill Co., Ltd. Pudong P.R.O.C.
Director program	Managing Director, Star of Andaman Co., Ltd.
Year of Directorship	Director Accreditation Program No. 38/2005,
Position in others listed Company	Thai Institute of Directors Association
Position in Non-Listed Company	17 years
Nature of relationships between director/management	None
Changes of shares held as at December 31, 2021, compared with those of 2020	1. Executive Vice Chairman, Shanghai Kinghill Co., Ltd. Pudong P.R.O.C.
	2. Managing Director, Star of Andaman Co., Ltd.
	Younger brother of Mr. Pradit Sawattananond
	Increased 40,000 shares from RO subscription (Outstanding at
	116,500 shares or equivalent to 0.02% of the total shares)

Dr. Supriya Kuandachakupt	Member of the Audit Committee/ Independent Director
Age	Appointed as director on June 2, 2006
Highest Education	68 years
Experience	Doctor of Economics, University of Hawaii, U.S.A.
2006 - Present	Member of the Audit Committee/ Independent Director, Asia Sermkij Leasing Public Company Limited
2021 - Present	Chairman of Risk Oversight Committee/ Member of Nomination and Remuneration Committee, Land and House Bank Public Company Limited
2017 - Present	Member of the Audit Committee/ Independent Director/ Member of Corporate Governance Committee/ Member of Nomination and Remuneration Committee, LH Financial Group Public Company Limited
2017 - Present	Member of the Audit Committee/ Independent Director/ Member of Corporate Governance Committee, Land and House Bank Public Company Limited
2018 - 2021	Member of Risk Oversight Committee, LH Financial Group Public Company Limited
2017 - 2018	Member of Nomination and Remuneration Committee, Land and House Bank Public Company Limited
2013 - 2018	Special Senior Fellow, Faculty of Economics, Kasetsart University
1986 - 2018	Associate Professor, Department of Economics, Faculty of Economics, Kasetsart University
2012 - 2013	Chairman of Board of Operation Director, Entrepreneurial Economics Bachelor of Administration (EEBA) International Program, Kasetsart University
2007 - 2013	Chairman of the Business Economics, Faculty of Economics, Kasetsart University
2010 - 2012	Member of Board of Directors, The Government Lottery Office
Director program	<ul style="list-style-type: none"> - Director Accreditation Program No. 56/2006, Thai Institute of Directors Association - Director Certification Program No. 97/2007, Thai Institute of Directors Association - Financial Statements for Directors No. 10/2010, Thai Institute of Directors Association - Diploma of Corporate Governance for Directors and Senior Executives of State Enterprises and Public Organizations (PDI 7), Public Director Institute, King Prajadhipok's Institute - Audit Committee Effectiveness Program Year 2012, Thai Institute of Directors Association - How to Develop a Risk Management Plan (HRP) No. 4/2013, Thai Institute of Directors Association - Diploma of Administrative Justice for Senior Executives No. 5/2014, College of Administrative Justice, the Administrative Court

	<ul style="list-style-type: none"> - Corporate Governance for Capital Market Intermediaries No.7/2015, Thai Institute of Directors Association - Chartered Director Class No. 9/2015, Thai Institute of Directors Association - Advanced Audit Committee Program Class No. 31/2018, Thai Institute of Directors Association - Information Security Awareness Training 2021, Land and House Bank Public Company Limited - Risk Management Program for Corporate Leaders (RCL) 2022, Thai Institute of Directors Association
Year of Directorship	15 years
Position in others listed Company	Member of the Audit Committee/ Independent Director/ Member of Corporate Governance Committee/ Member of Nomination and Remuneration Committee, LH Financial Group Public Company Limited
Position in Non-Listed Company	Chairman of Risk Oversight Committee/ Member of Nomination and Remuneration Committee/ Member of the Audit Committee/ Independent Director/ Member of Corporate Governance Committee, Land and House Bank Public Company Limited
Nature of relationships between director/management	None
Changes of shares held as at December 31, 2021, compared with those of 2020	None

Mr. Kasem Akanesuwan	Member of the Audit Committee/ Independent Director
Age	Appointed as director on March 24, 2009
Highest Education	74 years
Experience	Master of Science in Accounting, Roosevelt University, U.S.A.
2009 - Present	Member of the Audit Committee/ Independent Director, Asia Sermkij Leasing Public Company Limited
2000 - 2016	Director, BNH Medical Center Co., Ltd.
2013 - 2015	Vice President-Internal Audit and Compliance Department, Bangkok Airways Public Company Limited
1997 - 2012	Assistant Vice President-Finance Department, Bangkok Airways Public Company Limited
Director program	Director Accreditation Program No. 79/2009, Thai Institute of Directors Association Director Certification Program No. 127/2010, Thai Institute of Directors Association How to Develop a Risk Management Plan (HRP) No. 4/2013, Thai Institute of Directors Association
Year of Directorship	13 years
Position in others listed Company	None
Position in Non-Listed Company	None
Nature of relationships between director/management	None
Changes of shares held as at December 31, 2021, compared with those of 2020	None

Mr. Anurit Wongudom	Chief Marketing Officer
Age	63 years
Highest Education	Master Degree in Management Mahidol University
Experience	
2022	Acting General Manager, Asia Sermkij Leasing Public Company Limited
2019 - 2021	Chief Marketing Officer, Asia Sermkij Leasing Public Company Limited
2018 - 2019	First Senior Executive Vice President, Asia Sermkij Leasing Public Company Limited
2015 - 2017	Senior Executive Vice President, Asia Sermkij Leasing Public Company Limited
2010 - 2015	Deputy General Manager (Marketing), Asia Sermkij Leasing Public Company Limited
Director program	None
Nature of relationships between director/management	None
Changes of shares held as at December 31, 2021, compared with those of 2020	None

Remark : Mr. Anurit was appointed to be Acting General Manager starting from January 1, 2022

Mr. Danai Lapaviwat	Chief Financial Officer/ Company Secretary/ Secretary to the Board of Directors
Age	58 years
Highest Education	Master of Business Administration (Finance), San Diego State University, U.S.A.
Experience	
2013 - Present	Secretary to the Board of Directors, Bangkok Grand Pacific Lease Public Company Limited
2012 - Present	Company Secretary, Asia Sermkij Leasing Public Company Limited
2004 - Present	Secretary to the Board of Directors, Asia Sermkij Leasing Public Company Limited
2003 - Present	Chief Financial Officer, Asia Sermkij Leasing Public Company Limited
2003 - Present	Chief Financial Officer, Bangkok Grand Pacific Lease Public Company Limited
Director program	<ul style="list-style-type: none"> - Director Certification Program No. 48/2004, Thai Institute of Directors Association - Company Secretary Program (CSP) 50/2013, Thai Institute of Directors Association - Improving the quality of financial reports of Thai listed companies 2021, Thai Listed Companies Association - Economic update for CFO 2021, Thai Listed Companies Association - How to Manage the Company's Finance & Accounting and Communicate with Stakeholders during COVID-19 Crisis 2021, Thai Listed Companies Association - How finance leaders are adapting within the new norma 2021, Thai Listed Companies Association - ESG related Financial Innovation 2021, Thai Listed Companies Association - Improving the quality of financial reports of Thai listed companies 2021, Thai Listed Companies Association
Nature of relationships between director/management	None
Changes of shares held as at December 31, 2021, compared with those of 2020	Increased 84,948 shares from RO subscription (Outstanding at 237,948 shares or equivalent to 0.05% of the total shares)

Mr. Sarayuth Chaisawadi		Chief Information Officer/ Acting Chief Administrative Officer
Age	58 years	
Highest Education	Master of Business Administration, Chulalongkorn University	
Experience		
2004 - Present	Acting Chief Administrative Officer, Asia Sermkij Leasing Public Company Limited	
2002 - Present	Chief Information Officer, Asia Sermkij Leasing Public Company Limited	
2002 - Present	Chief Information Officer/ Acting Chief Administrative Officer, Bangkok Grand Pacific Lease Public Company Limited	
Director program	Director Certification Program No. 48/2004, Thai Institute of Directors Association	
Nature of relationships between director/management	None	
Changes of shares held as at December 31, 2020, compared with those of 2019	Increased 42,075 shares from RO subscription (Outstanding at 126,225 shares or equivalent to 0.02% of the total shares)	

Mr. Pattrapol Kangwalsakul		Chief Legal Officer
Age	61 years	
Highest Education	Master of Business Administration (International Business), Charles Sturt University	
Experience		
2019 - Present	Chief Legal Officer, Asia Sermkij Leasing Public Company Limited	
2018 - 2019	Senior Executive Vice President, Asia Sermkij Leasing Public Company Limited	
2015 - 2017	First Executive Vice President, Asia Sermkij Leasing Public Company Limited	
2006 - 2015	Deputy General Manager (Credit Control), Asia Sermkij Leasing Public Company Limited	
Director program	None	
Nature of relationships between director/management	None	
Changes of shares held as at December 31, 2021, compared with those of 2020	None	

Mr. Kitisak Leelaharat	Chief Credit Officer
Age	64 years
Highest Education	Master of Business Administration, Thammasat University
Experience	
2019 - Present	Chief Credit Officer, Asia Sermkij Leasing Public Company Limited
2017 - 2019	Chief Marketing Officer/ Chief Operating Officer, Bangkok Grand Pacific Lease Public Company Limited
2015 - 2017	Senior Executive Vice President, Bangkok Grand Pacific Lease Public Company Limited
2006 - 2015	Deputy General Manager (Marketing), Bangkok Grand Pacific Lease Public Company Limited
Director program	None
Nature of relationships between director/management	None
Changes of shares held as at December 31, 2021, compared with those of 2020	None

Details of the person assigned to take direct responsibility for accounting oversight

Ms. Jintana Vivatanavanon		Senior Vice President, Accounting Department
Age		49 years
Highest Education		Master of Business Administration (MBA), Management Huachiew Chalermprakiet University (year 2002)
Experience		
2018 - Present		Senior Vice President, Accounting Department, Asia Sermkij Leasing Public Company Limited
2012 - 2018		Accounting Department Toyota Leasing (Thailand) Co.,Ltd
2010 - 2012		Accounting & Finance Department, Suzuki Leasing International (Thailand) Co.,Ltd
Training		<ul style="list-style-type: none"> - Transformative Accounting 2021 by Dharmniti Seminar and Training - Corporate Wealth Management 2021 by Dharmniti Seminar and Training - TFRS9 : Financial instrument - Hedge accounting 2021 by - Thai Hire-Purchase Association - Updates new collection debt law 2021 by Thai Hire-Purchase Association - The impact of New TFRS (Thai Financial Report Standard) <Analysis point of view> 2020 by NYC management Co.,Ltd - e-Withholding tax and National e-Payment 2020 by NYC management Co.,Ltd - TFRS9 : Financial instrument - Hedge accounting 2020 by EY Corporate services Limited - Dividend payment 2019 by Dharmniti Seminar and Training - TFRS 19 Employee Benefits 2019 by ACTUARIALBIZ (ABS)
Nature of relationships between director/management		None
Changes of shares held as at December 31, 2021, compared with those of 2020		None

Shareholding of Directors and Management

Name		Ordinary Share (Shares)				Change
		As at Year Ended 2021		As at Year Ended 2020		
		Direct	Indirect	Direct	Indirect	
Directors						
1.	Mr. Yang, Tze-Ting	-	-	-	-	-
2.	Mr. Tang, Lai-Wang	240,453	-	154,611	-	85,842
3.	Mr. Shen, Ying-Hui	-	-	-	-	-
4.	Mr. Liao, Ying-Chih	-	-	-	-	-
5.	Mr. Chen, Fong-Long	236,028	-	236,028	-	-
6.	Mr. Chen, Jui-Hsin	-	-	-	-	-
7.	Mr. Tientavee Saratan	-	-	-	-	-
8.	Mrs. Patima Chavalit	246,942	-	164,628	-	82,314
9.	Mr. Pradit Sawattananond	37,700	-	91,800	-	-54,100
10.	Mr. Anant Svattananon	116,500	-	76,500	-	40,000
11.	Dr. Supriya Kuandachakupt	-	-	-	-	-
12.	Mr. Kasem Akanesuwan	-	-	-	-	-
Management						
1.	Dr. Amnuay Viravan	1,074,952	-	2,079,168	-	-1,004,216
2.	Mr. Anurit Wongudom	-	-	-	-	-
3.	Mr. Danai Lapaviwat	237,948	-	153,000	-	84,948
4.	Mr. Sarayuth Chaisawadi	126,225	-	84,150	-	42,075
5.	Mr. Pattrapol Kangwalsakul	-	-	-	-	-
6.	Mr. Kitisak Leelaharat	-	-	-	-	-

**Information of Directors and executives in the Company, subsidiaries and related companies
as of December 31, 2021**

Name of Directors and Managements	The Subsidiaries			Related Companies			
	The Company	BGPL	SKIB	CHAILEASE FINANCE CO., LTD.	CHAILEASE INTERNATIONAL COMPANY (MALAYSIA) LIMITED	Chailease Capital (Thailand) Co., Ltd.	Chailease Holding Co., Ltd.
1. Mr. Yang, Tze-Ting	X ///	X ///	-	-	-	-	-
2. Mr. Tang, Lai-Wang	// / I	// / I	/ I	-	-	-	-
3. Mr. Shen, Ying-Hui	// /	// / I	/ I	I	-	-	-
4. Mr. Liao, Ying-Chih	/	/	-	-	-	-	I
5. Mr. Chen, Fong-Long	/	/	-	X	-	-	X
6. Mr. Chen, Jui-Hsin	/	/	-	I	-	/	-
7. Mr. Tientavee Saraton	/	/	-	-	-	-	-
8. Mrs. Patima Chavalit	/	/	-	-	-	-	-
9. Mr. Pradit Sawattananond	/	-	-	-	-	-	-
10. Mr. Anant Svattananon	/	-	-	-	-	-	-
11. Dr. Supriya Kuandachakupt	/	-	-	-	-	-	-
12. Mr. Kasem Akanesuwan	/	-	-	-	-	-	-
13. Dr. Amnuay Viravan	IV	IV	-	-	-	-	-
14. Mr. Anurit Wongudom	I	-	-	-	-	-	-
15. Mr. Danai Lapaviwat	I	I	-	-	-	-	-
16. Mr. Sarayuth Chaisawadi	I	I	-	-	-	-	-
17. Mr. Pattrapol Kangwalsakul	I	I	-	-	-	-	-
18. Mr. Kitisak Leelaharat	I	I	-	-	-	-	-

Remark : IV : Honorary Chairman

/// : Chairman of the Executive Board of Directors

/ : Director

X : Chairman of the Board of Directors

// : Executive Directors

I : Management

The duties and responsibilities of the Company's secretary :

1. Preparing and keeping the following documents:

- 1) A register of directors
- 2) A notice calling director meeting, a minute of the board of directors and an annual report of the company
- 3) A notice calling shareholder meeting and a minute of shareholders' meeting;

2. Keeping a report on interest filed by a director or an executive;

3. Performing any other acts as specified in the notification of the Capital Market Supervisory Board.

The detail of the Company's Secretary is follow part of shareholding and management and shareholding structure and clause of board of directors and managements' profiles.

Attachment 2

Details of the Directors of Subsidiaries

Details of the directors of subsidiaries as of December 31, 2021

Bangkok Grand Pacific Lease Public Company Limited

Name	Honorary Chairman	Chairman of the Board of Directors / Chairman of the Executive Board of Directors	Executive Directors	Directors
1. Mr. Yang, Tze-Ting		x		x
2. Mr. Tang, Lai-Wang			x	x
3. Mr. Shen, Ying-Hui			x	x
4. Mr. Chen, Fong-Long				x
5. Mr. Chen, Jui-Hsin				x
6. Mr. Tientavee Saraton				x
7. Mrs. Patima Chavalit				x
8. Dr. Amnuay Viravan	x			

SK Insurance Broker Company Limited

Name	Directors
1. Mr. Tang, Lai-Wang	x
2. Mr. Shen, Ying-Hui	x

Attachment 3

Details of the Heads of the Internal Audit and Compliance Units

Details of the Heads of the Internal Audit and Compliance Units as of December 31, 2021 are as follow;

1. Heads of the Internal Audit

1) The persons assigned to be the Head of the Internal Audit

Name : Mr. Kaweewat Chouthong
Position : Vice President, Internal Audit Department

2) Education

- Master's degree in Finance and Banking Faculty of Business Administration Ramkhamhaeng University
- Bachelor's degree in Finance and Banking Faculty of Business Administration Ramkhamhaeng University

3) Experience

Period	Position	Company
2016 - Present	Vice President, Internal Audit Department	Asia Sermkij Leasing Public Company Limited
2012 - 2016	Manager, Internal Audit Department	Suzuki House Co., Ltd.
2004 - 2555	Senior Section Manager, Internal Audit Department	Sin Industry Public Company Limited

Training

- Risk Based Audit by the Association of Internal Auditors of Thailand
- Better Understanding: Governance, Control and Risk Management by the Association of Internal Auditors of Thailand
- IT Audit, by the Federation of Accounting Professions
- Analysis of hire purchase business loans organized by the Thai Hire Purchase Association
- Enterprise Risk Management by the Association of Internal Auditors of Thailand
- Annual Seminar from the Association of Internal Auditors of Thailand

2. Head of compliance unit

1) The persons assigned to be the Head of the Compliance Unit

Name : Mr. Sarnyapong Pattharanitthapongsa
Position : First Vice President Compliance Department

2) Education

- Master's degree in Financial Management, The Australian National University.
- Bachelor's degree in Economics Khon Kaen University

3) Experience

Period	Position	Company
2020 - 2021	First Vice President, Compliance Department	Asia Sermkij Leasing Public Company Limited
2016 - 2020	First Vice President	Asia Sermkij Leasing Public Company Limited
2555 - 2559	Assistant to Assistant of General Manager	Bangkok Grand Pacific Lease Public Company Limited

Training

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Attachment 4

Assets Used in Business Undertaking

As of December 31, 2021, the Company and its subsidiaries had land, plant and equipment as follows:

	Book value (THB million)	Ownership type	Obligation
1. - Land with 2 blocks of 4-storey commercial building. Number 6,8 Sukhumvit Road, Tha Pradu, Mueang, Rayong.	0.43	Owner	None
- Land with 2 blocks of 4-storey commercial building. Number 199/193-4, Moo 3, Nadi, Mueang Samut Sakhon, Samut Sakhon.	7.23	Owner	None
- Land with 3 blocks of a 3 and a half storey commercial buildings. Number 9/7-9, Moo 5, Ban Khlong, Mueang Phitsanulok, Phitsanulok	2.31	Owner	None
- Land with 2 blocks of 3 and a half storey commercial buildings. Number 12/9-10, Moo 2, Nadi, Mueang Udon Thani, Udon Thani.	9.05	Owner	None
- Land with 2 blocks of 3-storey commercial buildings. Number 478/4-5, Moo 5, Rim Kok, Mueang Chiang Rai, Chiang Rai	7.11	Owner	None
- Land with a 3-storey commercial building. Number 108/7 Highway-Lampang-Ngao Road, Phrabat, Mueang Lampang, Lampang	3.76	Owner	None
- Land with 2 blocks of 3-storey commercial buildings. Number 161/7-8, Moo 5, Old Town, Mueang Khon Kaen, Khon Kaen	6.29	Owner	None
- Land with 2 blocks of 3-storey commercial buildings. Number 1444/23-24 Village Moo 13, Johor, Mueang Nakhon Ratchasima, Nakhon Ratchasima	5.56	Owner	None
- Land with a 3-storey commercial building. Number 111/4 Phithaksantirat Rd. Sibunruang, Mueang Mukdahan, Mukdahan	3.36	Owner	None
- Land with a 2-storey commercial buildings. Number 354/78 Suwannasorn Rd., Sa Kaeo, Mueang Sa Kaeo, Sa Kaeo	2.77	Owner	None
- Land with 2 blocks of 3 and a half storey commercial buildings. Number 941/18-19 Chayangkun Road, Nai Mueang, Mueang Ubon Ratchathani, Ubon Ratchathani	10.25	Owner	None
- Land with 2 blocks of 3-storey commercial buildings. Number 65/30-31, Moo 9, Pak Phraek, Mueang Kanchanaburi, Kanchanaburi	7.63	Owner	None
- Land with 2 blocks of 4-storey commercial building. Number 105/10-11, Moo 9, Wat Sai, Mueang Nakhon Sawan, Nakhon Sawan	8.49	Owner	None
- Land with 3.5-storey commercial building. Number 161/60, Moo 4, Nong Pa Khrang, Mueang Chiang Mai, Chiang Mai.	12.47	Owner	None

	Book value (THB million)	Ownership type	Obligation
- Land with 2 blocks of 3-storey commercial building. Number 88/41-42, Moo 5, Kanchanawithi Road, Bang Kung, Mueang Surat Thani, Surat Thani	7.76	Owner	None
- Land with 3-storey commercial building. Number 379/15, Moo 3, Nong Kham, Si Racha, Chonburi	5.68	Owner	None
- Land with 3-storey commercial building. Number 299/14 Moo 2, Sanambin-Lopburiramet Road, Khuan Lang, Hat Yai, Songkhla	6.64	Owner	None
2. Vehicles	15.76	Owner	None
3. Furnishings and office supplies	35.13	Owner	None
4. Intangible assets	10.96	Owner	None
Total	168.64		

Source : Consolidated financial statements of Asia Sermkij Leasing Public Company Limited for the Year 2021 audited by certified public accountant.

In addition, the Company and its subsidiaries have entered into important contracts in business operations as follows:

- 1) Lease Agreement, office decoration and service agreement for the Company's office located on the 24th floor of Sathorn City Tower, 175 South Sathorn Road, Thungmahamek, Sathorn, Bangkok.
Contract party : Sathorn City Tower Asset Management Fund by Bualuang Asset Management Company Limited (lessor) and the Company (lessee)
Space : 1,568 Square meter
Period : From May 1, 2021 - April 30, 2024
Rental fee : May 1, 2021 - April 30, 2022 : 1,176,000.00 THB/month
May 1, 2022 - April 30, 2023 : 1,191,680.00 THB/month
May 1, 2023 - April 30, 2024 : 1,207,360.00 THB/month

- 2) Lease Agreement, office decoration and service agreement for the Company's office located on the 25th floor of Sathorn City Tower, 175 South Sathorn Road, Thungmahamek, Sathorn, Bangkok
Contract party : Sathorn City Tower Asset Management Fund by Bualuang Asset Management Company Limited (lessor) and the Company (lessee)
Space : 1,218.94 Square meter
Period : November 1, 2019 - October 31, 2022
Rental fee : November 1, 2019 - October 31, 2020 : 877,636.80 THB/month
November 1, 2020 - October 31, 2021 : 895,920.90 THB/month
November 1, 2021 - October 31, 2022 : 914,205.00 THB/month

- 3) Lease Agreement, office decoration and service agreement for the Company's office located on the 9th floor of Panjapoom Tower 1, No. 127 South Sathorn Road, Thungmahamek, Sathorn, Bangkok.
 Contract party : Panjamit Holding Company Limited (lessor) and Company (lessee)
 Space : 570 Square meter
 Period : November 1, 2019 - October 31, 2022
 Rental fee : Fix 285,000.00 THB/month

- 4) Lease Agreement, office decoration and service agreement for the Subsidiary's office located on the 10/1th floor of Sathorn City Tower, 175 South Sathorn Road, Thungmahamek, Sathorn, Bangkok
 Contract party : Sathorn City Tower Asset Management Fund by Bualuang Asset Management Company Limited (lessor) and the Subsidiary (Bangkok Grand Pacific Lease Public Company Limited) (lessee)
 Space : 488.71 Square meter
 Period : May 1, 2021 - April 30, 2024
 Rental fee : May 1, 2021 - April 30, 2022 : 366,532.50 THB/month
 May 1, 2022 - April 30, 2023 : 371,419.60 THB/month
 May 1, 2023 - April 30, 2024 : 376,306.70 THB/month

- 5) Lease Agreement, office decoration and service agreement for the Subsidiary's office located on the 25th floor of Sathorn City Tower, 175 South Sathorn Road, Thungmahamek, Sathorn, Bangkok
 Contract party : Sathorn City Tower Asset Management Fund by Bualuang Asset Management Company Limited (lessor) and the Subsidiary (SK Insurance Broker Company Limited) (lessee)
 Space : 151.30 Square meter
 Period : November 1, 2019 - October 31, 2022
 Rental fee : November 1, 2019 - October 31, 2020 : 108,936.00 THB/month
 November 1, 2020 - October 31, 2021 : 111,205.50 THB/month
 November 1, 2021 - October 31, 2022 : 113,475.00 THB/month

Supervision of subsidiaries and associated companies

- 1) The appointment, dismissal, and performance review of the Company legal representative, who is appointed to Subsidiaries due to stake holding, shall be approved by the Company. The Company representative includes company promoter, authorized representative, director, supervisor and others.
- 2) To protect the Company's rights and interests, the company representative appointed by Company shall exercise authorities, fulfill duties, and observe the Company's instruction under the relevant laws and ordinances, articles of Incorporation, contract, ect.
- 3) Subsidiaries shall pursue approval from the Company for matters regulated by the rule of "Subsidiaries' matters reserved for Holding Company".
- 4) Subsidiaries shall hold business review meeting (the Meeting) regularly and invite persons designated by the Company to attend the meeting. Minutes of the Meeting shall be submitted to Corporate Secretary for the Company's review.
- 5) Subsidiaries shall accept regular audits from the Company. The Company can also appoint an auditor to conduct extra audits on Subsidiaries at any time, whenever necessary.
- 6) Cohere with the rule of "Guideline of Managing Subsidiaries Performance Reports", Subsidiaries shall submit relevant reports and statements to the Company regularly or upon request.
- 7) The policies and procedures of Subsidiaries shall comply with the rule of "Guideline of Company Policies and Procedures Management" stipulated by the Company and shall be maintained and updated regularly.
- 8) When the continuity of business or the investment reason of Subsidiaries is vanished, the company-dissolving proposal or stake-selling project shall be submitted to Corporate Planning Department and subject to the approval of Board of Directors.

Attachment 5

Corporate Governance Policy

Anti-Corruption Policy

Asia Sermkij Leasing Public Company Limited (“The Company”) and its subsidiary have the guidelines on doing the business with code of conduct according to the good corporate governance, and adhere to the social responsibility and all stakeholders. The Company has prepared an anti-corruption policy to define the responsibilities, practical guidelines, preventions and anti-corruption leading to the development of the sustainable organization. It has disclosed information to the public on the anti-corruption measures via the company’s website www.ask.co.th and its e-Policy, which is the internal communication system of the Company.

Objectives

1. To show the intention and determination of the Company in all forms of anti-corruption.
2. To designate the guidelines for directors, management, including employees to acknowledge and practice in anti-corruption.

Scope

This policy is applicable with all the employees, which covers from directors, management and employees, regardless of the regular or temporary employees (collectively called “Employees”) of Asia Sermkij Leasing Public Company Limited and its subsidiary.

Definitions

“Corruption” means the abuse of authority to give, demand or receive the undue benefit for the interest of self, family or acquaintance except it is the case that is allowed by the law, rule, notice, regulation, custom and tradition or business practice so can be made. “Political Contributions” mean giving assets, rights or other benefits in any forms as help, support or other interests to a political party, politician or person related to politics, including giving to political activity, regardless of directly or indirectly.

Duties and Responsibilities

1. Board of Directors has a duty and responsibility to determine the policy and oversee the establishment of the anti-corruption system with suitability and efficiency to ensure that the management prioritizes the Company’s anti-corruption and promotes anti-corruption practice to become an organizational culture on the good corporate governance.
2. Audit committee has a duty and responsibility to review the Company’s internal audit and risk management system to comply with the suitable anti-corruption guidelines, including may agree to assign an authority or hire a consultant to investigate corruption independently.
3. Management has a duty and responsibility to promote and support the anti-corruption policy by communicating with employees and reviewing on suitability of the system and measures to be consistent with a changing business.
4. Internal audit department has a duty and responsibility to examine, review the operations to ensure that the Company has the suitable and sufficient control system to prevent the corruption risk, and also report to audit committee in case of unusual situation.

5. Head of Department has a duty and responsibility to determine the control system as well as promoting and supporting the anti-corruption policy in the responsible department to ensure that there is an efficient practice to prevent or mitigate the corruption risk.
6. Employees have a duty and responsibility to comply with the anti-corruption policy. If there is a doubt or encounter with the violation of this policy, employees shall notify superiors for acknowledgement or the channel specified in this policy immediately.

Practical Guidelines

The directors, the management and all the employees of the Company and its subsidiary have to comply with the anti-corruption policy and the Company's code of conduct by not participating in all forms of corruption, regardless of directly or indirectly. The Company prioritizes the prevention of corruption and exploit of undue benefit for themselves or others as follows:

1. Giving or receiving a Gift or Entertainment

- 1.1 The employees are prohibited to demand, offer, receive, or give a gift, entertainment or other benefits in form of money or other kind from/to the business participants as a bribe except receiving or giving a gift according to festive occasions or traditional norm which may not affect the recipient's business decision-making.
- 1.2 In case that an employee has received a gift according to festive occasion or traditional norm exceeding the normal value from business participants, he/she shall report to the hierarchical superior.

2. Political Contributions, Charity Donation and Sponsorship

2.1 Political Contributions

- 2.1.1 The Company has the policy to maintain neutrality in politics by not taking any actions which show loyalty towards any particular parties as the following employee practices:
 - (1) The employees should exercise their rights as good citizen in accordance with the constitution law and other relevant laws.
 - (2) The employees have personal rights to attend political activity during non working hours, but shall not claim as the Company's employees or participation on behalf of the Company.
 - (3) The employees are prohibited to attend any activity that may cause misunderstanding that the Company has involved or given Political Contributions or showed loyalty towards any particular parties.
 - (4) The employees are prohibited to use any assets, equipment or tools of the Company for a Political Contributions.

2.2 Giving a Charity Donation

- 2.2.1 Giving a charity donation shall be made on behalf of the Company to any reliable organization with the objective to benefit the society.
- 2.2.2 Giving a charity donation must be proceeded with evidence and transparency through verification and approval procedure according to the Company's policy and legal.
- 2.2.3 The evidence for charity donation must be kept for later audit.

2.3 Sponsorship

- 2.3.1 Giving sponsorship, regardless of money, object or asset to any activity or project to promote business or good image of the Company's and its subsidiary, shall be proceeded with transparency through verification and approval procedure according to the Company's policy and legal.
- 2.3.2 Giving sponsorship must be proceeded with evidence and stored evidence for inspection later.

3. Control of Corruption

- 3.1 The Company provides appropriate segregation of duty, in order to prevent one individual to be responsible from the beginning to the end of process with proper job assignment authorized by the hierarchy.
- 3.2 The Company provides appropriate job rotation to the employees who continue one position for long time to avoid corruption risk.
- 3.3 The Company ensures that all the employees understand the Company's code of conduct and providing with training of the anti-corruption policy and practical guidelines, including other training related to the anti-corruption, if necessary.
- 3.4 The Company prepares a whistle blowing procedure to report suspect information of corruption or action that breaches the policy with accuracy, convenience, and safe for the employees and outsiders.
- 3.5 The Company encourages employees to report corruption allegation in good faith, not for personal gain which may lead to disciplinary action.

4. Complaint and Measures on Protection of Evidence and Complainant

- 4.1 In case there is doubt or encountering an offence that may fall into the violation of this policy, the employee has to report to the superior promptly, or report via the channel according to the "whistle blowing policy."
- 4.2 The Company shall give fairness and protection to the employee who reports suspect information of corruption by using the protection measures for the complainant, or giving cooperation on the report of the corruption as specified in the policy on whistle blowing.
- 4.3 When receiving a suspected report of corruption, the Company shall immediately prevent evidence from theft, change or destruction by moving the evidence to a safe place, limiting the right to access the evidence-storing place, etc. To terminate the security guarding, the evidence shall be kept with sufficient security until the internal audit concludes the result.
- 4.4 All participants shall keep the details and the results of the investigation confidential, and be prohibited from disclosing the information to unauthorized persons.

5. Human Resources (HR)

- 5.1 The Company has designated the anti-corruption policy as part of the human resources (HR) management covering the process on recruitment, training, performance evaluation, compensation and promotion, which reflect the Company's intention towards the anti- corruption.
- 5.2 The Company has assured that there will be none of its employees be demoted, punished or given a negative result to those who refuse corruption, although it may cause the Company to lose the business opportunity.

6. Violation of the Policy

- 6.1 The Company shall punish the employee who violates this policy, in which the punishment shall comply with the rules on the discipline of the Company and/or the relevant law.

7. Assessment of the Risk from Corruption

- 7.1 The Company has provided the preventive and control measures for the corruption risk to comply with business ethic and good corporate governance.
- 7.2 The Company has an independent internal audit department to assess the corruption risk and report directly to the audit committee.

8. Monitoring and Reviewing of the Anti-Corruption Policy

8.1 The company shall review the compliance with anti-corruption policy periodically.

8.2 The company shall review the anti-corruption policy, practical guidelines and other policies to be consistent with the change of business, rules, regulations and legal requirements.

9. In case there is a doubt on the anti-corruption policy, the employees shall contact for advice from the superior or the human resources (HR)

Attachment 6

Report of the Audit Committee



AUDIT COMMITTEE'S REPORT

To Shareholders,

The Audit Committee of Asia Sermkij Leasing Public Company Limited consists of four independent and non-executive directors whose qualifications are appropriate and in compliance with the regulations stipulated by the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. In the year 2021, the attendance record of each member of the Audit Committee is as follows:

Name	Position	Attendance Record / Total Meeting
1. Mr.Pradit Sawattananond	Chairman of the Audit Committee	4/4
2. Mr.Anant Svattananon	Audit Committee Member	4/4
3. Dr.Supriya Kuandachakupt	Audit Committee Member	4/4
4. Mr.Kasem Akanesuwan	Audit Committee Member	4/4

Whereby First Vice President of Internal Audit Department serves as the Secretary of the Audit Committee.

During the year 2021, the Audit Committee held 4 meetings with the Company's management, the internal auditors and the external auditors for discussion of the related agenda, including one non-management meeting with the external auditors in order to enhance good corporate governance and transparency of the Company's financial statements.

The Audit Committee completely performed duties as designated by the Board of Directors and specified in the Audit Committee Charter in accordance with the terms and the best practices for Audit Committees of the Stock Exchange of Thailand. The Audit Committee has conducted the activities on the following key topics:

1. Financial Statements

Review of the consolidated quarterly and annual financial statements with the external auditors and the related management by considering the accounting information, compliance with accounting standards and regulatory requirements and internal control in the preparation process of the financial statements. The review concluded that the financial statements were prepared in accordance with the generally accepted accounting principles and the disclosure of information was adequate, accurate, reliable, and timely.

2. Internal Control System

Review of the internal control system with the internal auditors and the external auditors to assess its sufficiency and effectiveness with the aim to prevent all possible risks. The Audit Committee reviewed the internal control assessment for the year 2021 with the Assessment Form of Sufficiency of Internal Control System prescribed by the Securities and Exchange Commission (SEC). The review concluded that there were no significant flaws from the operation and the Company's internal control system was sufficient, effective and in compliance with the SEC's requirements.

บริษัท เอเชียเซิร์มกิจลีสซิ่ง จำกัด (มหาชน)

ชั้น 24 อาคารสารคดีพัฒนาเวอร์ 175 ถนนสาทรใต้ แขวงทุ่งมหาเมฆ เขตสาทร กรุงเทพฯ 10120

โทร: 0-2679-6226, 0-2679-6262

โทรสาร: 02-679-6241-3

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3. Regulatory Compliance

Review of the Company's operations to ensure that they were in compliance with the Securities and Exchange Acts and the Stock Exchange of Thailand's regulations and laws relating to the Company's business. The review concluded that the Company's operations were in compliance with the relevant laws and regulations.

4. Nomination of External Auditor

Consideration of the selection, nomination, and remuneration of the Company's external auditors in order to propose to the Board of Directors for approval in the Shareholders' meeting including non – audit services of the office related to the Company's external auditors. With regard to the past performance, independence, and the appropriate remuneration, the Audit Committee nominated EY Office Company Limited as the Company's external auditors for the year 2022. The Audit Committee concluded that the external auditors performed their duties professionally and independently. In addition, the external auditors have no relations with the Company and its subsidiary.

5. Connected Transactions

Review of the connected transactions or those which may cause conflict of interest, including the reasoning, transparency and completeness of the Company's disclosure of such information, to ensure that they were in compliance with the laws and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission. The review concluded that they were consistent with the normal business practices, all the required regulations, reasoning and the best interest of the Company.

6. Internal Audit

Approval of the internal audit plan for the year 2022 with emphasis on a risk-based audit approach for each business function, review of the internal audit activities, resources and manpower, and suggest and follow-up the improvement of audit items from the Internal Audit Department. The management concerned was invited to explain the result of the corrective action. The Audit Committee concluded that the internal audit practices were independent, appropriate, effective and contributive to the Company's good internal control, risk management, and corporate governance.

7. Risk Management

Review and evaluation of the Company's risk management process as well as giving recommendations on the improvement of the efficiency and effectiveness of the Company's risk management system according to the Company's risk management policy.

8. Major Shareholder's Audit

Acknowledgment of the annual audit report prepared by the internal auditors of Chailease Group, the Company's major shareholder, and followed-up of their suggestions on the improvement of the significant issues on a quarterly basis.

9. Self Assessment

Conduct of the self assessment on the audit committee in accordance with the guidelines of the Stock Exchange of Thailand. The Audit Committee had the opinion that its practices were in compliance with such guidelines with the effective enhancement of the Company's good corporate governance.

บริษัท เอเชียเสริมกิจสีซิ่ง จำกัด (มหาชน)

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10. Anti - Corruption

Consideration and review of the Company's Self-Evaluation Tool for Countering Bribery as required by the Institute of Directors (IOD) in order to send to CAC Committee for the Re-Certification process.

In addition, the Company has obtained the Re- Certification of membership from CAC Committee for 3 years since September 30, 2020.

In conclusion, the Audit Committee performed its duties with prudence and independence, and provided straightforward comments based on transparency and good governance. The Audit Committee concluded that the Company's financial statements were prepared in accordance with generally accepted accounting principles with adequate disclosure. The connected transactions, which may cause conflict of interest, were reasonable and consistent with the normal business practices. The overall internal control, internal audit, and risk management systems were adequate and effective. Furthermore, the Company's endeavor to conduct the operations transparently and ethically in compliance with the relevant laws and regulations and the principles of good corporate governance will create the confidence to the shareholders, investors and all parties concerned.



(Mr. Pradit Sawattananond)

Chairman of the Audit Committee



Service with Passion

*Modesty leads to Harmony
Honesty builds Creditability*



Asia Sermkij Leasing Public Company Limited

24th Fl., Sathorn City Tower, 175 South Sathorn Rd.,
Tungmahamek, Sathorn, Bangkok 10120

Tel :66(66) 2679-6226, (66) 2679-6262 Fax : (66) 2679-6241-3

Website : www.ask.co.th