



Saksiam Leasing Public Company Limited

Drive to
sustainable growth



Annual Report 2021
Form 56-1 One Report



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Message from the Chairman

I am honored and pleased to inform that the loan portfolio of Saksiam Leasing Public Company Limited has grown this year, resulting in a growth in revenue. In addition, due to a good management over the non-performing loan, the profits increased from the previous year.

2021 is another year of confronting with the epidemic of COVID-19 which cause various effects to the way of life and business operations. The government has established the measures to control the epidemic including various remedy measures. The people also have to adopt a new lifestyle (New Normal). In spite of the epidemic and various risk factors in business operations, the staff and the management department dedicated to work until the operating result is good and gain profits. I would like to take this opportunity to thank all departments for this outcome.

At the end of 2021, we established a subsidiary, Saksiam Maker Drone Co., Ltd., which operates a fully integrated agricultural drone business including the production, distribution, maintenance, training session for drone controllers, and provide spraying services. We hold 70 percent of shares and expect to start providing service from the first quarter of 2022.

The Company determined to develop a sustainable growth and was selected and listed in Thailand Sustainability Investment (THSI) or Sustainable Stocks of 2021 list.

On behalf of the Board of Directors, I would like to express my gratitude to all shareholders, business alliances, partners, communities, and all stakeholders, who always trust in us. We promise to operate business with honesty, earnestness, determination to lead Saksiam Leasing Public Company Limited to achieve business goals. Please keep taking a good care of yourselves to handle with the COVID-19 epidemic, for ourselves and society.

Mr. Suphot Singhasaneh

Chairman of the Board of Directors



Business Operations and Operating Results

Group Structure and Business Operation

Policies and overall business operation

Saksiam Leasing Public Company Limited (the “Company”) provides services on personal loan under supervision that has a vehicle registration as collateral, personal loan under supervision having no vehicle registration as collateral, and other loan to retail customers publicly, with the trade name “Saksiam Leasing”. The group of loans can be divided into three group: (1) personal loan under supervision that has a vehicle registration as collateral i.e. loan that has vehicle registration as collateral and loan that has vehicle registration as collateral with specific conditions for farmers; (2) personal loan under supervision having no vehicle registration as collateral; and (3) other loans including nano finance business, hire purchase loan and non-life insurance business.

The Company was incorporated for more than 25 years by providing services through branches the total amount of 720 branches covering 40 provinces in Northern, Northeastern, Central, and Western region to provide accessible fund to the local people for vocational purpose or other purposes. On December 31, 2021, the Company has executives and employees in total of 1,930 people.

Vision, Missions, Objectives or Strategy of the Company’s Business Operation

Vision

To be a financial service provider serving local customers through branches across the Northern, Central and Northeastern regions, that is trusted and recognized for quality of employees, service standards and fairness.

Missions

1. To raise and use capital from shareholders and creditors to provide loans to the public with responsibility and the ability to control the quality of debtors at all times.
2. To conduct business in accordance with the applicable laws and in strict compliance with the regulations of the regulatory agency.
3. To improve and develop the work system, work process, employees' knowledge and skills together with the introduction of modern technology to increase work efficiency and enhance competitiveness.
4. To manage the organization based on good corporate governance principles and provide fair services to customers.

Objectives

1. Expanding the business of providing services of personal loan under supervision and other loans to the local people throughout Northern, Northeastern, Central, and Western region. In this regard, the Company plans to expand its branches to around 1,119 branches by 2023.
2. Establishing a constant growth in operating results by increase the loan portfolio to THB 12,000 million by 2023.
3. Developing the quality of lending service and becoming a well-known lending service to the people by being the first lending service that the people trust, consider, and choose to use and becoming competitive in this business.
4. Developing the human resources to be excellent in services providing in compliance with the Market Conduct.

Significant changes and developments

The Company was former named Saksiam Panich Leasing Company Limited being established on January 9, 1995, with a registered capital of THB 1,000,000, with its head office at No. 49/47 Chetsada Bodin Road, Tha It Sub-district, Muang Uttaradit District, Uttaradit Province, having its core objective to provide personal loan that has a vehicle registration as collateral to retail customers. On June 20, 2016, the Company converted to a public limited company and changed its name to Saksiam Leasing Public Company Limited.

The Company obtained a license to operate personal loan under supervision business from the Ministry of Finance in 2005, and obtained a license to operate nano finance under supervision business from the Ministry of Finance in 2017. Then, the Company received a permission to operate personal loan under supervision business that has a vehicle registration as collateral from the Bank of Thailand ("BOT") in 2019. Presently, the Company has registered and paid-up capital in the amount of THB 2,096,000,000, the significant changes is detailed as follows;

Year	Description
1995	<ul style="list-style-type: none"> Incorporation of "Saksiam Panich Leasing Company Limited" with initial registered capital in the amount of THB 1,000,000, and then expanded its branches to Lampang Province.
1996	<ul style="list-style-type: none"> Increased its registered capital to THB 2,140,000, and expanded its branches to Sukhothai Province and Nan Province.
1997 - 1998	<ul style="list-style-type: none"> Increased its registered capital to THB 12,920,000, and expanded its branches to Phitsanulok Province and Phetchaboon Province.
2003	<ul style="list-style-type: none"> Increased its registered capital to THB 20,000,000.
2005	<ul style="list-style-type: none"> Increased its registered capital to THB 50,000,000 to be satisfy requirements for obtaining a license to operate the personal loan under supervision business from the Ministry of Finance, and obtained such license on October 21, 2005. Started providing loan that has vehicle registration as collateral with specific conditions to farmers (Farmer Loan)
2011 - 2012	<ul style="list-style-type: none"> Increased its registered capital to THB 200,000,000, and expanded its branches to Phichit Province, Lopburi Province, Chiangrai Province, Phayao Province, and Phrae Province.
2013 - 2014	<ul style="list-style-type: none"> Increased its registered capital to THB 350,000,000, and expanded its branches to Loey Province, and Kamphaeng Phet Province.

Year	Description
2015	<ul style="list-style-type: none"> Increased its registered capital to THB 500,000,000, and expanded its branches to Lampoon Province
2016	<ul style="list-style-type: none"> Converted to a public limited company and changed its name to Saksiam Leasing Public Company Limited on June 20, 2016. Increased its registered capital to THB 1,000,000,000, and expanded its branches to Khon Kaen Province, Chaiyaphum Province, Nong Bua Lam Phu Province, and Nakhon Sawan Province.
2017	<ul style="list-style-type: none"> Increased 79 more of its branches and expanded its branches to Kalasin Province, Chai Nat Province, Chiangmai Province, Maha Sarakham Province, and Uthai Thani Province.
2018	<ul style="list-style-type: none"> Increased its registered capital to THB 1,250,000,000. Increased its registered capital to THB 1,400,000,000. Increased 101 more of its branches and expanded its branches to Tak Province, Sakon Nakhon Province, Sing Buri Province, Suphan Buri Province, and Ang Thong Province.
2019	<ul style="list-style-type: none"> Increased its registered capital to THB 1,550,000,000 in order to offer newly issued ordinary shares to Bualuang Ventures Company Limited ("Bualuang Ventures") in the amount of 150,000,000 shares. Increased its registered capital to THB 2,096,000,000 and offered (1) the newly issued ordinary shares in the amount not exceeding 54.6 million shares to directors, executives, and/or employees of the Company pursuant to the offering of newly issued ordinary shares to directors, executives, and/or employees of the Company project and (2) the newly issued ordinary shares in the amount of not exceeding 491.4 million shares to the public including the patronage of the Company by initial public offering transaction (IPO). For the remaining newly issued ordinary shares that had not been subscribed by the directors, executives, and/or employees of the Company under such project in (1), such remaining shares would be offered to the public instead. Increased 68 more of its branches and expanded its branches to Kanchanaburi Province, Nakhon Phanom Province, and Saraburi Province.
2020	<ul style="list-style-type: none"> The Company carried on the Initial Public Offering (IPO) by offering total 546,000,000 shares at a price of THB 3.70 per share, and the Company registered its paid-up capital to THB 2,096,000,000 (2,096,000,000 ordinary shares at a par value of THB 1) with the Department of Business Development, Ministry of Commerce on December 1, 2020. In addition, the Stock Exchange of Thailand listed the Company's shares as securities to be traded on December 8, 2020. Increased 78 more of its branches and expanded its branches to Yasothon Province, Nakhon Ratchasima Province, Buriram Province, Roi Et Province, Nakhon Nayok Province, and Mae Hong Son Province. As of December 31, 2020, the Company has a total of 519 branches in 38 provinces.
2021	<ul style="list-style-type: none"> Increased 201 more branches and expanded branches into Nakhon Pathom and Phra Nakhon Si Ayutthaya, thus as of December 31, 2021, the Company had a total of 720 branches in 40 provinces. On December 16, 2021, the Board of Directors' meeting resolved to approve the establishment of a subsidiary of the Company "Saksiam Maker Drone Company Limited" with a registered capital of THB 50 million, divided into 5,000,000 ordinary shares, with a par value of 10 THB per share, to operate the business of selling and providing comprehensive services related to drone whereby the Company holds 70% of the shares. The Company was assessed by the Thai Institute of Directors Association (IOD) on corporate governance of Thai listed companies of the year 2021 and achieved "very good" rating. The Company passed the sustainability assessment criteria and was selected to be included in the Thailand Sustainability Investment (THSI) list or the list of "Sustainability Stocks" organized by the Stock Exchange of Thailand. This is an important first step of the Company's sustainable development.

Use of IPO Proceeds

As described in “Commitment of Use of IPO Proceeds given in the Registration Statement for Securities Offering”

Commitment of Use of IPO Proceeds given in the Registration Statement for Securities Offering

The net total proceeds from the initial public offering after deducting underwriting fees and other relating expenses is approximately THB 1,955 million. The Company has objectives of use of proceeds as follows;

Use of Proceeds	Amount (THB Million)	Approximate Timeframe	Details / Progress of use of proceeds / Reason and measurement if the proceeds was not used in accordance with the objectives
1. Expansion of lending business and working capital	1,555	2564	1,555
2. Partial repayment of loan from financial institutions	300	2563 - 2564	300
3. Investment in the information technology system to improve loan providing service system	100	2564 - 2565	24.1

The foregoing estimates are in accordance with the Company's current business plan and are the best estimates of the expected allocation of net proceeds from the initial public offering. The actual expenditure plan may vary from such estimates described above. In addition, the Company may need to rearrange the net proceeds or use the net proceeds on others objectives apart from these estimates.

Information of the Company

Name of the company (Thai)	:	บริษัท ศักดิ์สยามลิสซิ่ง จำกัด (มหาชน)
Name of the company (English)	:	Saksiam Leasing Public Company Limited
Type of business	:	Providing services of personal loan under supervision other loans and non-life insurance business.
Address of the head office	:	49/47 Chetsada Bodin Road, Tha It Sub-district, Muang Uttaradit District, Uttaradit Province 53000
Company registration number	:	0107559000290
Website/Homepage	:	www.saksiam.com
Telephone	:	0 5544 4495
Facsimile	:	0 5544 0371
Registered capital as of December 31, 2021	:	THB 2,096,000,000
Paid-up capital as of December 31, 2021	:	THB 2,096,000,000
Par value per share:	:	THB 1

Business Operation

Revenue Structure

The Company's revenue structure is divided by type of business as described in the financial statements for the fiscal year ended December 31, 2019, 2020, and 2021. The details are as follows:

Type of business	For the fiscal year ended on December 31,					
	2019		2020		2021	
	THB Million	%	THB Million	%	THB Million	%
1. Personal loans revenue under supervision with vehicle registration as collateral	1,386.0	86.4	1,359.2	84.2	1,444.6	78.2
1.1 Loan that has a vehicle registration as collateral	940.4	58.6	948.4	58.8	936.3	50.7
1.2 Loan that has a vehicle registration as collateral for agriculture terms	445.6	27.8	410.8	25.5	508.3	27.5
2. Personal loan revenue under supervision that no vehicle registration loan as collateral	146.5	9.1	58.7	3.6	56.2	3.0
3. Revenue from nano finance loan	66.8	4.2	172.1	10.7	268.4	14.5
4. Revenue from hire purchase loan	0.8	0.1	18.8	1.2	70.0	3.8
Total revenue from credit services	1,600.2	99.7	1,608.8	99.7	1,839.2	99.5
Other income ^{1/}	4.4	0.3	4.9	0.3	8.4	0.5
Total	1,604.6	100.0	1,613.7	100.0	1,847.6	100.0

Remark: ^{1/} Other Income including rental income, interest from bank deposit, gain on asset disposal and non-life insurance business, etc.

The Company's core revenue are from credit services which comprises of interest income, fee and service income, including contract preparation fee and contract closing fee, loan service fees and non-life insurance business, etc. In 2019 – 2021, the Company's revenue was from personal loans revenue under supervision with vehicle registration as collateral approximately 78.2% – 86.4%, and from personal loan revenue under supervision that no vehicle registration loan as collateral approximately 3.0% – 9.1%. In addition, the Company had revenue from nano finance loan approximately 4.2% – 14.5%, and from hire purchase loan approximately 0.1% – 3.8%. The details of business operations of each type of loan are as described in Clause Product information.

Product

(1) Product or Service and Business Innovation Development

The Company provides services on personal loan under supervision, which the Company was approved by the Ministry of Finance. The Company comply with criteria, procedure, and condition stipulated and supervised by the Bank of Thailand ("BOT"). The business of personal loan under supervision having no vehicle registration as collateral has been under supervision of BOT since 2005 and later on February 1, 2019, BOT assign a loan that has a vehicle registration as collateral is the loan under supervision of BOT as well. The Company's lending business can be divided into three groups as follows:

1. Personal loan under supervision with vehicle registration as collateral

Personal loan under supervision that has a vehicle registration as collateral business or vehicle title loan is a service of providing loan to general retail customer, who use vehicle registration as collateral. The customer will transfer the vehicle registration in advance as collateral for repayment of loan, while the customer still possesses and may utilize the vehicle as the owner of the vehicle.

The vehicle registration used as collateral for loan request must be in accordance with the Land Traffic Act B.E. 2522, (1979) which covers different type of vehicles including motorcycle, personal car, car for commercial use, motor truck, and car for agricultural use, etc.

As for vehicle title loan, BOT stipulated that the rate of interest, penalty, service fees, or fees altogether must not exceed 28% per annum in an effective rate for contracts which commenced from February 1, 2019 to July 31, 2020 and must not exceed 24% per annum for contracts which commenced from August 1, 2020. Other than revenue as aforementioned, the Company may also collect actual and reasonable expenses but such collected expenses shall be in accordance with the list stipulated by BOT.

In this regard, based on the loan applicant's occupation and installment terms, the Company divide vehicle title loan business into 2 categories as follows:

1.1 Loan that has a vehicle registration as collateral

Loan that has a vehicle registration as collateral is a vehicle title loan provided for general retail customer who has ownership of the car for a period of time not less than the Company's specified period. Regarding consideration of the amount of loan, the Company will consider based on the value of collateral, affordability, background examination of the customer and the guarantor (if any), and collateral examination.

From 2019 – 2021, the Company's revenue derived from loan that has a vehicle registration as collateral are approximately 58.6%, 58.5%, and 50.7% of the total revenue respectively.

1.2 Loan that has a vehicle registration as collateral for agriculture terms

Loan that has a vehicle registration as collateral for agriculture terms is a loan provided for customer who is a farmer. The customer will pay the installment which comprises of principal amount and interest at the due date specified in the contract, which the period of the contract is not exceeding 4 months, or the customer will pay the installment in form of monthly interest, and will pay the principal amount at the due date specified in the contract, which the period of the contract is not exceeding 12 months for being inconsistent with agricultural occupation. Regarding consideration of the amount of loan, the Company will consider based on the value of collateral, affordability, background examination of the customer and the guarantor (if any), and collateral examination including, agricultural occupation certification documents issued by the government sector for instance, farmbook, and examination of land, farm land, place of work, etc.

From 2019 – 2021, the Company's revenue derived from loan that has a vehicle registration as collateral with specific conditions for farmers were approximately 27.8%, 25.5%, and 27.5% of the total revenue respectively.

In this regard, to ensure that the loan applicant is the real owner of the vehicle, the customer who applies for a loan must submit the original vehicle registration certificate to the Company as collateral without having to register the transfer of ownership, but must sign a memorandum of agreement for the transfer of ownership to acknowledge the agreement. In the event that the customer defaults on repaying the debt to the Company, either partially or wholly, the customer agrees to transfer the ownership and deliver the vehicle to the Company in order to sell and pay off the debt, as well as to sign the vehicle transfer application form, and the power of attorney in the form prescribed by the Department of Land Transport, however, the customer still owns the vehicle and is able use it.

The vehicle registration certificate used as collateral for a loan application must be in accordance with The Land Traffic Act B.E. 2522, which covers various types of vehicles, including motorcycle, personal vehicle, commercial vehicle, truck, and agricultural vehicle, etc.

Types of vehicles used as collateral

Vehicle Type	Illustration		
Personal Vehicle 	Personal Vehicle 	Pickup Truck 	
Motorcycle 			
Truck 	4-Wheel Truck 	6-Wheel Truck 	10-Wheel Truck 
Vehicle used for agriculture 	Tractor / big tractor 	Thailand car 	Combine Harvester 
Other types of vehicles such as commercial vehicle 	Van 	Transportation Vehicle 	

As of December 31, 2021, the Company has the amount of loan receivables from loan that has a vehicle registration as collateral in the amount of THB 7,287.5 million, representing 83.9% of the total account receivables of the Company. Loan receivables is divided by type of collateral. The details are as follows:

Loan receivables divided by type of collateral	At the end of 2019		At the end of 2020		At the end of 2021	
	THB Million	%	THB Million	%	THB Million	%
Pickup truck	2,630.2	45.4	2,573.1	45.9	3,364.8	46.2
Motorcycle	1,491.2	25.7	1,363.6	24.3	1,721.7	23.6
Car for agricultural use	813.7	14.0	807.3	14.4	1,007.5	13.8
Personal car	608.2	10.5	605.0	10.8	854.4	11.7
Motor truck	209.9	3.6	203.6	3.6	265.8	3.6
Other vehicles	45.6	0.8	49.4	0.9	73.3	1.0
Total	5,798.8	100.0	5,602.0	100.0	7,287.5	100.0

2. Personal loan under supervision that no vehicle registration loan as collateral

Personal loan under supervision that no vehicle registration as collateral or personal loan is a multipurpose loan for natural person with fixed income. Regarding consideration of the amount of the loan, the Company will consider based on the average monthly income. The customer who has income or cash flow in deposit account less than THB 30,000 per month will receive the loan in the amount of not exceeding 1.5 times, and the customer who has the average monthly income more than THB 30,000 per month will receive the loan in the amount of not exceeding 5 times. The Company will not provide personal loan to the customer who has loan with 3 other service provider or financial institution, and the Company has a policy of providing no more than 1 personal loan per one customer.

As for personal loan, BOT specified that the rate of interest, penalty, service fees, or fees altogether must not exceed 28% per annum in an effective rate for contracts which commenced from February 1, 2019 to July 31, 2020, and must not exceed 25% per annum for contracts which commenced from August 1, 2020. Other than revenue as aforementioned, the Company may also collect actual and reasonable expenses but such collected expenses shall be in accordance with the list stipulated by BOT.

From 2019 – 2021, the Company's revenue derived from personal loan under supervision having no vehicle registration as collateral were approximately 9.1%, 3.6%, and 3.0% of the total revenue respectively.

3. Nano finance loan

Nano finance loan under supervision is a loan provided to the customer who is a natural person for the purpose of occupation. Although there is no documents certifying the customer's income or the customer has no asset to use as collateral, the Company will consider from certainty of the occupation and legibility of income from such occupation. In this regard, the Company will inspect the place of work and evaluate the income or occupation certification documents issued by the government sector to be used as supportive documents for loan application. The Company has a policy of providing no more than 1 personal loan per THB 100,000 Period of time Maximum 48 months.

As for nano finance business, BOT specified that the rate of interest, penalty, service fees, or fees altogether must not exceed 36% per annum for contracts which commenced from January 23, 2015, and most not exceeding 33% per annum for contracts which commenced from August 1, 2020. The Company started the nano finance business since January 1, 2019.

From 2019 – 2021, the Company's revenue derived from nano finance business were approximately 4.2% , 10.7% and 14.5% of the total revenue respectively.

4. Hire purchase loan

Hire purchase loan is a loan provided for natural person who needs to hire purchase new motorcycles, or for the customer who already own a vehicle and needs a loan in the form of sale and lease back. The customer who agrees to enter into a hire purchase contract must transfer the ownership of the vehicle to the Company, while the customer still possesses and can use the vehicle. The ownership of the car will be transferred to the customer upon completion of the installment payment under the relevant contract. The Company has a policy of Credit line Maximum THB 350,000. Period of time maximum 72 months

The Company has provided such loans since January 1, 2019, and the Company's revenue derived from hire purchase loan business were approximately 3.8% of the total revenue in the year 2021.

Number of loan contracts

From December 31, 2019 – 2021, the Company has loan contracts in total number of 238,351 contracts, 235,306 contracts, and 283,745 contracts respectively, representing an average growth rate of 9.11% of the total contracts. The number of loan contracts with vehicle registration as collateral agriculture conditions, personal loans under supervised that no vehicle registered loans as collateral for nano finance loans and hire purchase loans accounted for approximately 44.9, 13.2, 7.2 and 29.9 percent of the total contract, respectively, with details as follows:

Amount of loan contracts	At the end of 2019		At the end of 2020		At the end of 2021	
	Contract	%	Contract	%	Contract	%
Loan that has a vehicle registration as collateral	128,438	53.9	127,699	54.3	127,409	44.9
Loan that has a vehicle registration as collateral for agriculture terms	34,010	14.3	28,971	12.3	38,933	13.7
Personal loan under supervision that no vehicle registration loan as collateral	27,476	11.5	16,940	7.2	20,535	7.2
Nano finance loan	48,372	20.3	58,076	24.7	84,786	29.9
Hire purchase loan	55	0.0	3,620	1.5	12,082	4.3
Total	238,351	100.0	235,306	100.0	283,745	100.0

Characteristic	Personal loan under supervision that has a vehicle registration as collateral		Personal loan under supervision that no vehicle registration loan as collateral	Nano finance	Other loan
	Loan that has a vehicle registration as collateral	Loan that has a vehicle registration as collateral for agriculture terms			Hire purchase loan
Supervised organization	BOT	BOT	BOT	BOT	Office of the Consumer Protection Board (OCPB)
Credit line	Maximum THB 300,000	Maximum THB 300,000	1.5 - 5 times of income, with maximum THB 100,000	Maximum THB 100,000	Maximum THB 350,000
Interest rate and fees	Maximum 24% per annum 1/	Maximum 24% per annum 1/	Maximum 25% per annum 2/	Maximum 33% per annum 3/	No maximum interest rate and fees required
Type of installment	Monthly	<ul style="list-style-type: none"> Monthly (repayment of interest) Installment at the due date specified in the contract 	Monthly	Monthly	Monthly
Period of time	Maximum 72 months	1 installment for a period of 4 months or for a period of 12 months	Maximum 48 months	Maximum 48 months	Maximum 72 months
Type of customer	General customer	Farmer	General customer with income certification document	General customer without income certification document	General customer

Characteristic	Personal loan under supervision that has a vehicle registration as collateral		Personal loan under supervision that no vehicle registration loan as collateral	Nano finance	Other loan
	Loan that has a vehicle registration as collateral	Loan that has a vehicle registration as collateral for agriculture terms			Hire purchase loan
Collateral	Vehicle registration	Vehicle registration	None	None	New motorcycle Used car
Type of vehicle	<ul style="list-style-type: none"> Motorcycle Personal car Pickup truck Van Motor truck Car for agricultural use 	<ul style="list-style-type: none"> Motorcycle Personal car Pickup truck Van Motor truck Car for agricultural use 	None	None	New motorcycle Used car including, <ul style="list-style-type: none"> Personal car Pickup truck Van

Remarks: ^{1/} Maximum rate of interest and fees in total must not exceed 28% per annum for contracts commenced from February 1, 2019 to July 31, 2020 and must not exceed 24% per annum for contracts commenced from August 1, 2020.

^{2/} Maximum rate of interest and fees in total must not exceed 28% per annum for contracts commenced from February 1, 2019 to July 31, 2020 and must not exceed 25% per annum for contracts commenced from August 1, 2020.

^{3/} Maximum rate of interest and fees in total must not exceed 36% per annum for contracts commenced from August 24, 2017 to July 31, 2020 and must not exceed 33% per annum for contracts commenced from August 1, 2020.

In this regard, the Company has the policy of providing every type of loan no more than 3 contracts per one customer, or the total amount of loan not exceeding THB 400,000.

Net loan receivables

The Company has net loan receivables at the end of the year 2019 – 2021 as follows:

5. Non-life insurance business

The Company operates insurance broker business with a non-life insurance broker license obtained under the Non-Life Insurance Act B.E. 2535 from the Office of Insurance Commission (OIC) and started to provide services to customers in 2021.

Our non-life insurance broker business offers products such as Compulsory Third Party Insurance, Personal Accident Insurance, Burglary Insurance, Unnamed Passenger Insurance and Voluntary Motor Insurance to provide convenience to customers.

Terms and conditions for each type of loan

Amount of loan provided	Year 2019		Year 2020		Year 2021	
	THB Million	%	THB Million	%	THB Million	%
Amount of loan provided						
• Loan with vehicle registration as collateral	6,101.2	44.1	3,512.3	35.3	4,497.6	31.2
• Loan that has a vehicle registration as collateral for agriculture terms	6,414.5	46.4	5,227.8	52.6	7,459.3	51.7
• Personal loan under supervision that no vehicle registration loan as collateral	544.9	3.9	236.6	2.4	398.6	2.8
• Nano finance loan	761.5	5.5	800.9	8.1	1,673.1	11.6
• Hire purchase loan	14.8	0.1	159.6	1.6	389.3	2.7
Total amount of loan provided	13,836.9	100.0	9,937.2	100	14,417.9	100
Receivables carry forward	5,636.3		6,825.4		6,568.3	
Total receivables	19,473.3		16,762.6		20,986.2	
Less repayment amount/ foreclosure of collateral/ refinancing	(12,647.9)		(10,194.3)		(12,092.9)	
Net receivables from deferred income plus accrued income carry forward	6,825.4		6,568.3		8,893.3	
Less allowance for doubtful accounts	(188.0)		(162.3)		(207.8)	
Net loan receivables	6,637.4		6,406.0		8,685.5	

Debtors classified by occupation of the customer as of December 31, 2021.

Occupation	Value (THB Million)	Ratio (%)
1. Farmer	5,105.7	58.8
2. Trading and personal business	1,814.4	20.9
3. Daily employee	1,183.5	13.6
4. Permanent employee and official	551.8	6.4
5. Other occupations	30.2	0.3
Total	8,685.5	100.0

The Company has criteria for setting aside allowance for doubtful accounts and expected credit loss as per details in Intangible Assets, page 20 Section Management Discussion and Analysis - bad debt and doubtful accounts.

From 2019 – 2021, the Company classified debtor for each type of loan by age of receivables. However, since

January 1, 2020, the Company implemented Thai Financial Reporting Standards No. 9 Re: Financial Instrument (TFRS9) for the first time which resulting in the Company to change the classification of debt from classify by age of receivables to alteration in credit quality, which has divided into 3 stages. As of December 31, 2021, the debtor classification is shown as follows, (Staging):

- **Stage 1 (Performing)** : Group of receivables which credit risk does not significantly increase or receivables is not due yet, or overdue for less than 1 month.
- **Stage 2 (Under-performing)** : Group of receivables which credit risk significantly increase or overdue for more than 1 – 3 months same as former criteria.
- **Stage 3 (Non-performing)** : Group of receivables with credit impairment losses or debtor who is overdue for more than 3 months, same as former criteria.

The Company's classification of debtor has details as follows;

Age of receivables of loan under supervision

Age Classification	At the end of 2019		At the end of 2020		At the end of 2021	
	THB Million	%	THB Million	%	THB Million	%
Current or overdue not over than 1 month	6,187.8	90.9	6,003.6	93.6	8,009.0	94.7
Overdue more than 1 month to 3 months	526.3	7.7	269.0	4.2	266.7	3.2
Overdue more than 3 month to 6 months	85.7	1.3	77.5	1.2	84.0	1.0
Overdue more than 6 month to 12 months	8.2	0.1	34.0	0.5	34.1	0.4
Overdue more than 12 months	2.8	0.0	30.8	0.5	65.0	0.7
Total loan receivables net from deferred interest and accrued interest	6,810.9	100.0	6,414.8	100.0	8,458.9	100.0
Less : Allowance for doubtful accounts	(187.6)	(2.8)	(159.4)	(2.5)	(195.8)	(2.3)
Plus : Accrued fees	-		-		-	
Less : Deferred fees	-		-		-	
Total loan receivables, net	6,623.3		6,255.5		8,263.1	

Age Classification (under TFRS9)	Loan receivables, net from accrued interest income	As of December 31, 2021	
		THB Million	%
Stage 1 (Performing)	Account receivables that is not due yet, or overdue for less than 1 month	8,009.0	94.7
Stage 2 (Under-performing)	Account receivables overdue for more than 1 - 3 months	266.7	3.2
Stage 3 (Non-performing)	Account receivables overdue for more than 3 months	183.2	2.1
Total loan receivables, net from deferred interest and accrued interest		8,458.9	100.0
Less : Allowance for expected credit loss		(195.8)	(2.3)
Total net receivables		8,263.1	

Age of hire purchase receivables

Age Classification	At the end of 2019		At the end of 2020		At the end of 2021	
	THB Million	%	THB Million	%	THB Million	%
Current or overdue not over than 1 month	14.2	98.4	148.7	96.9	411.5	94.7
Overdue more than 1 month to 3 months	-	-	3.7	2.4	15.2	3.5
Overdue more than 3 month to 6 months	0.2	1.6	0.3	0.2	3.9	0.9
Overdue more than 6 month to 12 months	-	-	0.4	0.3	2.4	0.5
Overdue more than 12 months	-	-	0.3	0.2	1.4	0.3
Total loan receivables net from deferred interest and accrued interest	14.5	100.0	153.4	100.0	186.7	100.0
Less: allowance for doubtful accounts	(0.4)	(0.1)	(3.0)	(0.5)	(12.0)	(2.8)
Plus : Accrued fees	-		-		-	
Less: Deferred fees	-		-		-	
Total receivables net	14.1		150.5		422.4	

Age Classification (under TFRS9)	Loan receivables, net from accrued interest income	As of December 31, 2020		As of December 31, 2021	
		THB Million	%	THB Million	%
Stage 1 (Performing)	Account receivables that is not due yet, or overdue for less than 1 month	148.7	96.9	411.5	94.7
Stage 2 (Under-performing)	Account receivables overdue for more than 1 - 3 months	3.7	2.4	15.2	3.5
Stage 3 (Non-performing)	Account receivables overdue for more than 3 months	1.0	0.7	7.7	1.8
Total loan receivables net from deferred interest and accrued interest		153.4	100.0	434.4	100.0
Less: Allowance for expected credit loss		(3.0)	(0.5)	(12.0)	(2.8)
Total net receivables net		150.5		422.4	

Foreclosed assets

Foreclosed Asset Type	At the end of 2019	At the end of 2020	At the end of 2021
Car			
Amount of interim foreclosure of collateral (car)	333	532	339
Amount of remaining collateral at the end of period (car)	42	34	31
Motorcycle			
Amount of interim foreclosure of collateral (motorcycle)	770	848	594
Amount of remaining collateral at the end of period (motorcycle)	79	27	31
Total			
Amount of interim foreclosure of collateral (car and motorcycle)	1,103	1,380	933
Amount of remaining collateral at the end of period (car and motorcycle)	121	61	62

(2) Market and Competition**2.1 Marketing of key products and services****1) Various loan products and quick service with concise loan policy strategy**

The Company provides various type of loan in order to meet customer's need. Main loan products consist of vehicle title loan, personal loan, nano finance, and hire purchase loan. Such loan products themselves provide conditions to support different financial appetite of the customers, is uncomplicated and have no other odds and ends service fees. A sales sheet of each type of product contains installment repayment table which clearly separates the principal amount, interest, and fees including method of calculation of interest and fees that is easy to understand.

The Company provides a loan in cash and transfers to the customer's bank account which the customer can choose the service upon their requests.

The Company has a concise process of providing loan, emphasizes on examination of information prior to loan approval. The Company will take a field survey to prove existence of customer, guarantor, and collateral, and will keep track of loan which is due. Those actions for loan approval process are one of the monthly key performance indicators of employees.

2) Price strategy

The Company operates service business consisting personal loan under the supervision of the BOT and other loans, the interest rates and fees of which must be in accordance with the law. The Company will determine appropriate interest rates which allow the Company to compete with other operators without a policy that focuses on price competition and use the interest rates and fees for the same types of loans at all branches.

The Company has a policy for determining the interest rates and fees which reflect the risks of each type of loan and collateral in order to provide customers with appropriate interest rates and fees based on the type of loan and collateral. As for other expenses, the Company does not determine any other service fees or penalties such as fees for executing contracts or terminating contracts, penalties for late payment, etc.

3) Service with transparency, fairness, and uncomplicated condition strategy

The Company establishes condition of lending services by emphasizing on interest and fees calculation which is transparent, fair, and uncomplicated. In the process of providing loan, the customer will receive explanation regarding the condition, interest and fees calculation method, and installment repayment table from the staff. When the customer comes to pay the installment, the customer will receive the receipt from the staff showing the details of the principal amount, interest, relevant fees, and the remaining principal amount. Almost every loan products of the Company (except hire purchase loan) calculate the interest in an effective rate pursuant to the remaining principal amount and amount of days which the customer utilizes the loan. There is no penalty for delay repayment of installment. When the customer closes the contract, the customer will receive the vehicle registration back immediately. Therefore, the customer will not lack the benefit of using the vehicle registration for other purpose.

4) Service during the sale and after sale with care for creating customer's satisfaction strategy

The Company's employees provide services with full attention to the needs of the customers who work in the local area. The employees are friendly, polite, and respectful to the customers as well as providing services with accuracy, transparency and fairness to build trust with the customers. As a result, most customers continuously use the Company's services and willingly recommend the Company to new customers.

The Company has been in the business of providing loans with vehicle registration as collateral and personal loans under supervision for more than 25 years, enabling the Company to have experienced executives and employees with knowledge and expertise in credit and debt management. Furthermore, the executives and the employees also greatly understand local language, culture, traditions, occupation and the needs of customers, etc., which are different in each area, enabling the executives and the employees to fit in with the local people which causing the customers to have confidence in using the service and be part of the local community.

5) Distribution channel strategy

The Company has a policy of opening new branches every year in order to expand the service area more broadly and for the customers to be able to contact and use the service conveniently. In 2021, 201 branches were opened.

Our branch locations are close to communities, clearly visible, near markets or banks, easily accessible, having accessible to parking spaces, open on Monday - Friday from 8:00 - 16:30 hrs. Our branch employees will promote the Company's loan services to customers monthly. In addition, when considering setting up a new branch, the Company takes into account the appropriateness by assessing the number and density of population in the area, occupation, competition, location in community area and bank's services, etc.

2.2 Marketing policy in the past year

To improve products, conditions, methods of giving loan, credit limit, interest rates, fees, documents and processes of work to be convenient, fast, not complicated in order to be able to compete with other operators by providing satisfactory service to customers will recommend the business to others, creating recognition of "Saksiam Loan" as a loan service provider with good service, standards and fairness. To develop the use of media for public relations, promotions, and proactive marketing in all areas by clearly identifying target markets, as well as to have representatives and use appropriate public relations materials.

2.3 Overview of comparison with the competitors' analysis

Car title loan market has a continuous growth rate because it is a secured loan that uses vehicle registration book as collateral and has a good rate of return. As there are still many low-income population, an estimated 18-20 million people, who need access to funds, more business operators are becoming interested in the car title loan business.

Generally, business operators in leasing business can be divided into 2 main groups according to the characteristics of the target customers.

- 1) The business operators that focus on A to B - level customers which are a group of customers who has regular income such as company employees, government officials or state enterprise officers, are mostly commercial banks or their affiliated companies such as Krungsri Auto, TISCO Bank, Kiatnakin Bank, Thanachart Bank (car in exchange for cash), Kasikorn Bank, Siam Commercial Bank, and Krung Thai Leasing. The business operators in this group have the advantage of low financial costs with a large network of branches which can be used as a channel for carrying out public relations campaigns and for installment repayment, and have a strong capital base. However, these business operators still conduct credit analysis mainly based on financial documents with a focus on customers with good financial history.
- 2) The business operators that focus on B- level customers and lower who live in the province such as small business operators, factory workers, general employees and farmers. These low-income customers generally have limited access to and options for credit, the cause of which may be attributed to their unfamiliarity with banking transactions, the feeling of uncertainty about whether to get a loan approval or the perception that dealing with banks is difficult and time-consuming. The business operators in this group are Ngern Tid Lor Public Company Limited, Muangthai Capital Public Company Limited, Srisawad Corporation Public Company Limited, Heng Leasing and Capital Public Company Limited. This group of business operators will consider the loan credit limit based on the database of local customers, the verification of customer data by local staff who have familiarity with the community, together with financial documents. In addition, they also provide loan and collateral services such as cars, motorcycles, agricultural vehicles, etc. These business operators primarily focus on expanding branches in community areas to build relationships with the communities and community leaders, as well as organizing activities with the communities, undertaking public relations campaigns to strengthen their own brands, and creating a good customer experience. When comparing to competitors in the group, it is found that the Company's share of loan receivables is ranked no. 5 among the business operators in the same business.

2.4 Characteristics of customers and relationships

Building good relationship with customers is one of the marketing strategies that helps create value for the Company by focusing on providing impressive service such as using local language to communicate which contributes to a sense of familiarity and customer satisfaction. The Company also develops and improves loan products to suit the needs of customers, as well as participates in community activities continuously in order to create a good experience for customers until they become loyal customers and likely to recommend the business to others.

2.5 Information disclosure and Transparency

The Company gives precedence to opinions, either positive opinions or opinions on matters requiring improvement because it gives the Company an opportunity to improve products or services to meet the needs of customers. Therefore, the speed of solving problems for customers is important for building a good relationship with customers. The Company is aware of how much the business will grow or whether it is already a leader in the market. If the Company does not attach importance to maintaining good relationship with customers, the Company will not be able to operate the business in the long term. Therefore, the Company conducted a customer satisfaction survey in 2021, which found that customers were satisfied with the service higher than 70% of the respondents.

2.6 Target customers

The Company has a policy of providing loans to general retail customers who have their own collateral and a stable career, such as farmers, traders, factory workers, general workers, government officials, state enterprise officers, etc., as well as those without their own collateral but having a stable career, a clear source of income, and financial

evidence for reference, provided that the customers and/or the guarantors must have occupational photos, additional supporting documents, an identification card, a copy of house registration, a copy of proof of salary for loan approval.

2.7 Competition condition in the market

In 2021, the car title loan is a loan granted under loan agreement using vehicle registration book as a collateral while the loan applicant still able to possess and use the vehicle as usual. In the COVID-19 pandemic situation, people are in need of cash to spend in daily life and cash flow for their business. During the past COVID-19 outbreak situation, there were concerns that the outstanding Non-Performing Loan (NPL) may have increased as people have been severely affected financially. However, the rate of outstanding amount of Non-Performing Loan (NPL) of car title loans has continued to decline when comparing to the same period of last year. This shows that this type of business is remains strong and has great potential to support the need of cash flow for helping businesses and consumption during the ongoing COVID-19 situation. In addition, the government has prescribed the measures to help alleviate the difficulties experienced by people, such as reducing installment repayment, suspending installment repayment or consolidating loan debt. As a result, the loan service business was not much affected.

2.8 Industry trends and future competition condition in the market

» Competition by offering different loan products

Nowadays, since there is very high competition in the market, we have differentiated ourselves by introducing new loan products or improve the existing loan products to suit different occupational groups as well as seeking new businesses to increase products and services to meet the diverse needs of customers. On December 16, 2021, the Company established a subsidiary of the company "Saksiam Maker Drone Company Limited" with a registered capital of THB 50 million, divided into 5,000,000 ordinary shares, with a par value of THB 10 per share, to operate the business of selling and providing comprehensive services related to drone which are new products offered to customers, in which the Company holds 70% of the shares.

» Information technology system development

The Company is currently developing information technology system together with the introduction of modern technology to respond to the use of system by the operators, to reduce redundancy, to offer convenience and speed, to increase work efficiency, and to continuously improve competitiveness.

» Increase payment channels for installment repayment

The Company gives precedence to the convenience of customers. Therefore, the Company has increased payment channels for installment repayment so that the customers will not have to make trips to our branches. Installment repayment can be made through various channels that the Company has provided such as bank counters, internet banking, and ATMs. The Company also plans to increase another payment channel via counter service to cover more areas.

» Digital marketing and Social media strategy

In addition to undertaking marketing activities through digital media to build trust and credibility for the brand, the Company also uses an application system to manage customer relationship (SAK CRM) to support the services offered to customers including non-customers (Lead) and customers of the Company (Customer) in order to analyze the information and plan for proactive marketing in the future. In this regard, the Company found that communication through online media not only helps communication for sales, but also serves as an effective communication channel between the Company and the customers which is used for other purposes as well, such as for reporting fraud clues, receiving complaints, suggestions or comments. Such media include the Company's website,

Facebook, LINE and other media which are used for delivering and receiving communications for maximum results and benefits.

(3) Procurement of product and service

The Company procures fund through loan from domestic financial institution, and from shareholder's equity. Regarding loan from financial institution, the Company procure both short term and long term loan and use port of receivables as business security as well as some of directors provide personal guarantee as per details in Loan agreements with the financial institutions. In 2019, the Company increase the registered capital by issuing 150 million ordinary shares to Bualuang Ventures Company Limited and in 2020, the Company carried on the Initial Public Offering (IPO) for the total of 546 million shares, the IPO proceeds will be used for branch offices expansion and loan portfolio expansion. As of December 31, 2021, the Company has loan from financial institution representing 45.6%, and shareholder's equity representing 54.4% of the total fund. The details of sources of fund are as follows:

Source of fund	For the year ended December 31,					
	2019		2020		2021	
	THB Million	%	THB Million	%	THB Million	%
Loan from financial institution						
Short term loan	3,332.9	48.4	2,865.5	34.4	3,047.3	33.8
Long term loan	772.6	11.2	963.8	11.6	1,061.6	11.8
Total loan from financial institution	4,105.5	59.7	3,829.3	46.0	4,108.9	45.6
Total shareholder's equity	2,775.6	40.3	4,508.1	54.0	4,906.6	54.4
Total source of fund	6,881.1	100.0	8,337.4	100.0	9,015.5	100.0

Most of the Company's loan from financial institution are short term loan representing 33.8% of the total source of fund or 74.2% of the total loan from financial institution, which correlates and suits with the Company's business in providing loan service. The Company can repay the loan from financial institution immediately, if the amount fund is more than the need of loan providing. In this regard, the Company started to repay the long term loan since 2018 to correlate with the growth of customer base of loan with collateral with longer average of installments.

In light of procurement of the future source of fund, the Company has the policy for procurement of the future source of fund to correlate with objective to use the amount of fund by considering appropriateness of repayment period, and debt to equity ratio. Moreover, after completion of IPO transaction, the Company will gain shareholder's equity which resulted in decrease of debt to equity ratio. In addition, by being a company which its shares are listed in the Security Exchange of Thailand, the Company will have better capability in procuring source of fund, both for loan from financial institution and for offering of bond or equity instrument to ensure future growth of business.

(4) Asset used in business operation

4.1 Main fixed asset

As of December 31, 2021, the Company has main fixed asset used in business operation with details as follows:

List of Asset	Type of Possession	Net book value (THB)	Encumbrance
1. Land	Ownership	712,600	- None -
2. Office building	Ownership	16,828,249	- None -
3. Office building improvement	Ownership	31,553,487	- None -
4. Office supply and appliance	Ownership	31,490,109	- None -

List of Asset	Type of Possession	Net book value (THB)	Encumbrance
5. Technology device (computer)	Ownership	28,057,247	- None -
6. Vehicle i.e. car and motorcycle	Ownership	16,611,053	- None -
	Hire purchase	40,112,953	- None -
7. Asset under construction	Ownership	768,000	- None -
Total		166,133,698	

The Company's list of fixed asset as shown above can be classified by type of asset as follows:

4.1.1 Land and office building

Characteristic and location	Type of Possession	Net book value (THB)	Encumbrance
1. Head office building ¹ 3-storey commercial building, total usable area 3,947.68 square meter Located on 49/47 Chetsada Bodin Road, Tha It Sub-district, Muang Uttaradit District, Uttaradit Province	Ownership	15,647,992	- None -
2. Land and office building Lublue branch office 3-storey commercial building, total usable area 540 square meter Located on 163 In Jai Mi Road, Sriphanomat Sub-district, Laplue District, Uttaradit Province	Ownership	1,245,980	- None -
3. Land and office building Fai Luang branch office 2 units of 2 and a half-storey commercial building, total usable area 240 square meter Located on 111-112 Moo 6, Fai Luang Sub-district, Laplue District, Uttaradit Province	Ownership	248,856	- None -
4. Land and office building Sawankhalok branch office 2 units of 3-storey commercial building, total usable area 384 square meter Located on 4/7, 4/8 Sawankhalok-Srinakorn Road, Mueang Sawankhalok Sub-district, Sawankhalok District, Sukhothai Province	Ownership	275,146	- None -
5. Land and office building Wang Si Sup branch office 2 units of 2 and a half-storey commercial building, total usable area 240 square meter Located on 143/2, 143/3 Moo 1, Ngio Ngam Sub-district, Muang Uttaradit District, Uttaradit Province	Ownership	122,875	- None -
Total		17,540,849	

Remark: ^{/1} The Company entered into land lease agreement to construct 2 head office buildings.

4.1.2 Vehicle

Characteristic and location	Type of Possession	Net book value (THB)	Encumbrance
1. Head office car and branch office car in total amount of 178 cars	Ownership	12,922,492	- None -
	Hire purchase	40,112,953	- None -
2. Head office motorcycle and branch office motorcycle in total amount of 425 motorcycles	Ownership	3,688,562	- None -
	Hire purchase	-	- None -
Total		56,724,007	

4.2 Intangible asset

As of December 31, 2021, the Company has intangible asset i.e. computer software, and developing intangible asset at net book value pursuant to the Company's financial statements in the amount of THB 50,033,703 or representing 0.53% of net book value in the consolidated asset financial statements.

4.3 Relevant license required for the business operation

Relevant license required for the business operation has details as follows;

License	Licensor	Type	Significant condition
Letter of approval to operate the business of personal loan under supervision issued on October 21, 2005.	Ministry of finance	Business operator who is not a commercial bank and credit foncier company under financial institution business law or financial institution established under specific law.	<p>The operator may be considered to suspend the operation and the approval may be revoked in the following event:</p> <ol style="list-style-type: none"> 1. Do not comply or violate the Ministry of Finance Notification Re: Business Subject to Approval According to Section 5 of the Revolutionary Council Decree No. 58 (Personal Loan Under Supervision) or notification issued to proceed under the law, or order of the BOT to remedy the negligence and violation, or financial position, or the operation to be in compliance within the specified period of time. 2. Endangered the financial economy system or the public, economically or socially. 3. Do not conduct business transaction as approved for 2 years consecutively. 4. Have financial position or operation which may seriously damage the public interest (including violation of basic rights of the people to receive fair financial service). 5. Having court order of receivership, being a bankrupt person, or having been a dishonest bankrupt person.

License	Licensor	Type	Significant condition
Letter of approval to operate the business of nano finance under supervision issued on August 24, 2017.	Ministry of finance	Business operator who is not a commercial bank and credit foncier company under financial institution business law or financial institution established under specific law.	If the business operator violates, neglects, or does not comply with any of the operation's requirement, or the financial position or the operation of the business operator may seriously damage the public interest. The BOT may order to remedy such violation, negligence, or to fix the financial position or the operation to be in compliance within the specified period of time. If it has not been remedied within the specified period of time, the business operator's operation may be temporary suspended in whole or in part, or the approval may be revoked.
Notification letter to operate the business of personal loan under supervision that has a vehicle registration as collateral dated April 17, 2019.	Bank of Thailand	Business operator who is not a commercial bank and credit foncier company under financial institution business law or financial institution established under specific law.	<ol style="list-style-type: none"> 1. The business operator who operate the business of personal loan that has a vehicle registration as collateral prior to the implementation of the Notification of the Bank of Thailand No. SorNorSor. 2/2562 Re: Regulations, Procedures and Conditions for Undertaking Business of Personal Loan under Supervision for Non-Bank Operator must notify and deliver relevant documents to the BOT within 60 days from the enforcement date of the Notification. 2. The business operator may be considered to suspend the operation and the approval may be revoked (details as per item 1. Letter of approval to operate the business of personal loan under supervision)

4.4 Summary of significant contracts relevant to the Company's asset

Summary of the Company's contracts categorized by type of contract has details as follows;

4.4.1 Land and office building lease agreement

a) Land and office building lease agreement

The Company rent land and office buildings from Mrs. Jintana Boonsalee, director and major shareholder of the Company in the total amount of 5 agreements, in the total area of 4 rai 52.8 square wah, divided into 4 buildings i.e. Building 1 – 4 and documents storage. The details of which are as follows:

Characteristic of the Lease Agreement	Land lease agreement		Land and Building Lease Agreement	Building Lease Agreement
Lease objective	To be used as head office and document storage	To be used as parking space	To be used as head office and parking space	To be used as head office

Characteristic of the Lease Agreement	Land lease agreement			Land and Building Lease Agreement	Building Lease Agreement
Building	Building 2	Building 3 documents storage	Parking space	Building 4, parking space and storage for car pending for sale	Building 1
Land title deed No.	Land title deed No. 84937	Land title deed No. 84888	Land title deed No. 84908	Land title deed No. 6952-6954	-
Area	2 ngan 90.5 square wah	2 ngan 96.1 square wah	2 ngan 82.2 square wah	1 rai 98 square wah	2 ngan 86 square wah
Start date	November 1, 2019				December 1, 2019
End date	October 31, 2029		October 31, 2022		
Period of agreement	10 years		3 years		2 years 11 months
Rental rate	The lessee will pay remuneration to the lessor in an agreed rate and at the agreed period of time				
Renewal of agreement	Renewable 1 time for a period of 5 years	Renewable 1 time for a period of 15 years	Renewed lease term: 3 years for each renewal		
Significant conditions	If the lessee rents the land for a period of 15 years from November 1, 2019, the lessee agrees to let the lessor buy the building which the lessee has the ownership at the price agreed in the agreement.	If the lessee rents the land for a period of 25 years from November 1, 2019, the lessee agrees to let the lessor buy the building which the lessee has the ownership at the price agreed in the agreement.	-None-		

b) Branch office lease agreements

Parties of the agreement	The lessors: (1) Mrs. Jintana Boonsalee in the amount of 36 branches ¹² (2) Mr. Phoonsak Boonsalee in the amount of 1 branch (3) Mr. Siwaphong Boonsalee in the amount of 1 branch (4) Third party in the amount of 679 branches
Lease objective	To be used as branch office in the amount of 717 branches located in 40 provinces.
Lease premise	Commercial building to operate the business of the lessee.
Date of the agreement	Date, month, year in accordance with each agreement of each lessor.
Lease term	Average lease term: 1 — 3 years.
Rental rate	The lessee will pay remuneration to the lessor in an agreed rate and at the agreed period of time.
Renewal of agreement	Average renewed lease term: 1 -3 years for each renewal.
Security rental deposit	Security rental deposit provided in some agreement.
Significant details of the agreement	<ol style="list-style-type: none"> 1. The lessee agrees to only operate the lessee's business, and will not sublease the lease premise to the third party. 2. During the lease term, if the lessor wishes to mortgage or perform any registration of the lease premise which establish encumbrances, or eviction, or establish servitude property on the land and/or under other contracts with the third party, which will deteriorate the lessee's benefit of using the lease premise during the lease term, the lessor must inform and receive a written consent from the lessee at least 1 month prior to such actions. 3. If the lessor wishes to sell, dispose, transfer the lease premise in any event, the lessor must inform the lessee in advance not less than 1 month regarding price, and conditions of such transaction in order to let the lessee have the right to receive the transfer of ownership in the lease premise before the third party. In addition, the lessee has the right to request for extension, not exceeding 1 month, to procure money to purchase such lease premise. If the lessee refuse to receive the transfer or cannot purchase the lease premise, the lessor agrees to let the lessee have such right for another period of not exceeding 1 month, from the date the lessor is informed that the lessee cannot receive the transfer of the lease premise. Transfer of ownership of the lease premise to the third party shall not include the lessee's property. If any damages arise, the lessor agrees to be liable for all damages incurred to the lessee. 4. The lessee has the right to terminate the agreement prior to the expiration of the lease term by providing written notification to the lessor 1 month in advance. 5. The lessor has no right to terminate the agreement prior to the expiration of the lease term, except for the lessee's event of default. If the lessor terminates the agreement prior to the expiration of the lease term and there is no default of the lessee, the lessor agrees to compensate all damages incurred to the lessee. 6. In the event of compensation, the parties agree to charge the interest at 15% per annum from the date of such breach of agreement.

Remark: ¹² Uttaradit branch office is located at the head office: 1st floor, Building 1 which is a part of the Building 1 lease agreement pursuant to Clause a) Land and head office lease agreement

4.4.2 Insurance agreements

4.4.2.1 Accidental Damage (Property) Insurance

	Head office building and branch office building, total 6 buildings
Insurer company	Bangkok Insurance Public Company Limited
Insured	Saksiam Leasing Public Company Limited
Type of insurance policy	Accidental Damage (Property) Insurance
Beneficiary	Saksiam Leasing Public Company Limited
Coverage	Cover losses or damages to the insured property from any accidents cause by fire, lightning, explosion, aircraft, water disaster, slash or crash of vehicle, smoke, flood, storm, hail, earthquake, volcano explosion or undercurrent or tsunami, strike, riot, or action with bad intent, natural burn or erupt or explosion, and other accident which unexpected based on external factor, or other cause which is not indicated in the exception in the policy of property insurance (GIA FORM). However, the coverage is under the conditions of coverage and exception in the policy of property insurance.
Insured property	Head office building and branch office building (Wang Si Sup branch, Lublae branch, Fai Luang branch, Sawankhalok branch, and Nam Pat branch.) Cover building (excluding foundation), including any structure, improvement of the building, name plate of the building with furniture, decoration fixtures, including instruments and supply, telecommunication system, communication system, utilities, fire extinguishing system, elevator system, office supply, and property under care of the insured as the property receiver and other property relevant to the business of the insured.
Sum insured	THB 80 million
Period of insurance	September 16, 2020 — September 16, 2021.

4.4.2.2 Third Party Liability Insurance

	Headquarter
Insurer company	Bangkok Insurance Public Company Limited
Insured	Insured Saksiam Leasing Public Company Limited
Type of insurance policy	Third Party Liability Insurance
Beneficiary	Third Party
Coverage	Cover losses or damages to third party where the insured is liable under the relevant law as a consequence of or as a result of an accident from business operation related to the insured business within the scope of risk exposure during the period of insurance in the area specified in the policy for the following occurrences: 1. loss of life, organ, injury, illness or health of a third party ; and 2. loss or damage to property of a third party.
Insured property	Headquarter
Sum insured	THB 5 million

	Headquarter
Period of insurance	September 16, 2021 — September 16, 2022

4.4.2.3 Fire insurance

	Branch office building(s)			
Insurer company	Southeast Insurance Public Company Limited		Dhipaya Insurance Public Company Limited	Viriyah Insurance Public Company Limited
Insured	Saksiam Leasing Public Company Limited			
Type of insurance policy	Fire Insurance			
Beneficiary	Third party (the lessor(s))			
Coverage	Cover loss or damage arise, or consequent damage from these causes being covered under this policy: fire, lightning, aircraft, flood, smoke, vehicle, and storm. However, the coverage is under the conditions of coverage and exception in the insurance policy.	Cover loss or damage of the insured property from fire, lightning, and gas explosion.	Cover fire hazard. However, the coverage is under the conditions of coverage and exception in the insurance policy.	Cover building (excluding foundation). and properties in the building for storm, flood, hail, earthquake. However, the coverage is under the conditions of coverage according to the insurance amount in the insurance policy

	Branch office building(s)			
Insured property	Branch office building (Ban Rai Uthai Thani branch) covering building (excluding foundation).	1) Branch office building (Na noi branch) covering building (excluding foundation). 2) Branch office building (Nong Chang branch) covering building (excluding foundation). 3) Branch office building (Chiangrai branch) covering building (excluding foundation).	Branch office building (Nam Pat branch) covering building (excluding foundation).	1) Branch office building (Lan Krabue branch) Covering building (excluding foundation) including additions of the building, properties in the building, and other electronic device. The coverage also extends to damages to property due to storm, hail, and earthquake. 2) Branch office building (Nuay Na Muen branch) Covering building (excluding foundation), furniture, garnishes as well as other appliances. The coverage also extends to damages to electronic device 3) Branch office building (Nuay Lum Paya branch) Covering building (excluding foundation) including additions of the building, properties in the building/office appliances 4) Branch office building (Nuay Baan Paen branch) Covering building (excluding foundation), properties in the building and other electronic device.
Sum Insured	THB 5 million	1) THB 1 million 2) THB 1.2 million 3) THB 1.5 million	THB 1.19 million	1) THB 2.2 million 2) THB 1.2 million 3) THB 0.6 million 4) THB 1.1 million

	Branch office building(s)			
Period of insurance	July 19, 2019 - July 19, 2022.	5) September 13, 2019 - September 13, 2022 6) June 30, 2020 - June 30, 2023 7) October 19, 2020 - October 19, 2023	July 1, 2021 - July 1, 2022.	1) October 1, 2021 - October 1, 2024 2) January 26, 2021 - January 26, 2024 3) December 1, 2021 - December 1, 2024 4) December 1, 2022 - December 1, 2025

4.4.3 Loan agreements with the financial institutions

As of December 31, 2021, the Company has loan agreements with 3 financial institutions to be used as working capital. The Company completely complies with conditions of each and every agreement with details as follows:

The 1st financial institution

Credit type	Overdraft (OD)
Date of the agreement	June 30, 2011
Credit limit	THB 20,000,000
Interest rate	Floating interest rate
Guarantee	Personal guarantee by Mr. Phoonsak Boonsalee and Mrs. Jintana Boonsalee.
Significant conditions	- None -

Credit type	Sale of promissory note
Date of the agreement	July 12, 2013 — May 16, 2019
Credit limit	THB 3,410,000,000
Guarantee	<ul style="list-style-type: none"> Personal guarantee by Mr. Phoonsak Boonsalee, Mrs. Jintana Boonsalee, and Mr. Siwaphong Boonsalee. Assignment of right over fixed deposit account of director and major shareholder of the Company. Bond pledge by director and major shareholder of the Company as collateral. Assignment of right to repayment of debt of the Company as business security.
Significant conditions	<ul style="list-style-type: none"> The Company shall maintain debt to equity ratio (D/E Ratio) of not exceeding 3 times, and in case of including the director's loan. The Company shall maintain NPL ratio of not exceeding 3.00%*.

The 2nd financial institution

Credit type	Sale of promissory note
Date of the agreement	July 25, 2019
Credit limit	THB 1,350,000,000
Interest rate	Floating interest rate

Guarantee	<ul style="list-style-type: none"> Personal guarantee by Mr. Phoonsak Boonsalee, Mrs. Jintana Boonsalee, and Mr. Siwaphong Boonsalee. Assignment of right over fixed deposit account of director and major shareholder of the Company. Assignment of right to receive the repayment of debt without specifying debtor of the Company as a business collateral.
Significant condition	<ul style="list-style-type: none"> The Company shall maintain the remaining principal amount under the loan contract for debtor who has remaining loan repayment of not exceeding 3 installments consecutively to loan debt ratio (Good Portfolio/Interest-Bearing Debt) not less than 1.40 times. The Company must submit report to the financial institution quarterly. The Company shall maintain Delinquency Ratio of not exceeding 5% of the total receivables The Company shall maintain debt to equity ratio (D/E Ratio) of not exceeding 2.5 times The Company shall maintain non-performing loan ratio (overdue for more than 3 months) (NPL Ratio) not exceeding 3% of the total receivables. The Company must submit report to the bank quarterly*.

The 3rd financial institution

Credit type	Long term loan
Date of the agreement	August 24, 2020.
Credit limit	THB 627,000,000
Interest rate	Fixed interest rate
Guarantee	<ul style="list-style-type: none"> Personal guarantee by Mr. Phoonsak Boonsalee, Mrs. Jintana Boonsalee, and Mr. Siwaphong Boonsalee. Claims over debtors of the receivables or accounts receivable, both those existing on the date of the agreement and those that will continually exist in the future, as business security.
Significant conditions	<ul style="list-style-type: none"> The Company shall maintain debt to equity ratio (D/E Ratio) of not exceeding 2 to 1 times. The Company shall maintain the remaining principal amount under the loan contract for debtor who has remaining loan repayment of not exceeding 3 installments consecutively to loan debt ratio (Good Portfolio/Interest-Bearing Debt) not less than 1.40 times. The Company shall maintain the shareholding percentage of the Boonsalee family, whether directly or indirectly, at all time in total of not less than 65% of total registered capital, and of total number of shares entitled to voting rights. The Company shall maintain non-performing loan ratio (overdue for more than 3 months) (NPL Ratio) not exceeding 5% of the total receivables.

The 4th financial institution

Credit type	Long term loan
Date of the agreement	September 15, 2021.
Credit limit	THB 300,000,000
Interest rate	Floating interest rate

Guarantee	<ul style="list-style-type: none"> • Personal guarantee by Mr. Phoonsak Boonsalee, Mrs. Jintana Boonsalee, and Mr.Siwaphong Boonsalee. • Claims over debtors of the receivables or accounts receivable, both those existing on the date of the agreement and those that will continually exist in the future, as business security.
Significant conditions	<ul style="list-style-type: none"> • The Company shall maintain debt to equity ratio (D/E Ratio) of not exceeding 2 times. • The Company shall maintain the remaining principal amount under the loan contract for debtor who has remaining loan repayment of not exceeding 3 installments consecutively to loan debt ratio (Good Portfolio/Interest-Bearing Debt) not less than 1.40 times. • The Company shall maintain the shareholding percentage of the Boonsalee family, whether directly or indirectly, at all time in total of not less than 65% of total registered capital, and of total number of shares entitled to voting rights. • The Company shall maintain non-performing loan ratio (overdue for more than 3 months) (NPL Ratio) not exceeding 5% of the total receivables.

(5) Undelivered work

- None -

Shareholding Structure

Shareholding structure of the Company

As of December 31, 2021, the Company has investment in a subsidiary company in which the Company directly holds 70% of the shares of the Company, namely Saksiam Maker Drone Company Limited which operates the business of selling and providing comprehensive services related to drone.

The shareholding structure is as follows:



Company's name	Saksiam Maker Drone Company Limited
Address	164/5, Moo 6, Tambon Tha Sao, Amphoe Muang Uttharadit, Uttharadit
Nature of business	selling and providing comprehensive services related to drone.
Registered capital (Million THB)	50
Paid up registered capital (Million THB)	50
Total number of shares issued	5,000,000
Number of shares held	3,500,000
Shareholding ration	70
Type of share	ordinary

Relationship with business of the Company's major shareholders

Saksiam Maker Drone Company Limited as of December 31, 2021

No.	Name	Amount of shares held (share)	Percentage
1	Mr. Papangkorn Chokthaweechaicharoen	900,000	18.00
2	Mr. Sathit Rodrin	600,000	12.00

Relationship with business group of major shareholders

None

Shareholders

(1) List of major shareholders

(a) List of 10 major shareholders as of December 30, 2021.

No.	Name	Number of shares held (share)	Percentage
1	Mrs. Jintana Boonsalee ¹	502,400,000	23.97
2	Mr. Phoosak Boonsalee ²	501,000,000	23.90
3	Miss Sansanee Boonsalee	202,520,000	9.66
4	Mr. Siwaphong Boonsalee ³	202,500,000	9.66
	All shareholding by Boonsalee Family	1,408,420,000	67.19
5	Bualuang Ventures Company Limited	150,000,000	7.16
6	Thai NVDR Company Limited	26,997,628	1.29
7	Mr. Nopachai Nopasuwanwong	25,461,500	1.22
8	Mr. Aiyawatt Srivaddhanaprabha	17,100,000	0.82
9	Mr. Sataporn Ngarmruengpong	12,374,500	0.59
10	Mr. Pornchai Lertmanokul	11,614,000	0.55
	Minority shareholders	444,032,372	21.18
Total		2,096,000,000	100.00

Remarks 1. Mrs. Jintana Boonsalee holding positions as Director of the Company and Vice Managing Director (Business Sector Management)

2. Mr. Phoosak Boonsalee holding positions as Director of the Company

3. Mr. Siwaphong Boonsalee holding positions as Director of the Company and Managing Director and Chief Executive Officer

(b) Major shareholder who has an influence over policy-making or the operation of the Company significantly by an appointment of their representative to be the Company's director is Bualuang Ventures Company Limited.

(2) Operating business through holding shares in other companies

The Company has investment in a subsidiary company in which the Company directly holds 70% of the shares of the Company, namely Saksiam Maker Drone Company Limited which operates the business of selling and providing comprehensive services related to drone.

(3) Agreements between major shareholders

- None -

Registered capital and paid-up capital

As of December 31, 2021, the Company has registered capital in the amount of THB 2,096,000,000 and paid-up capital in the amount of THB 2,096,000,000 divided into 2,096,000,000 ordinary shares with a par value of THB 1 per share.

Preference shares - None -

Other shares with rights or conditions differ from ordinary shares

- None -

Shares or convertible securities of the Company as an underlying securities in offering of investment unit of mutual fund for foreign investor (Thai Trust Fund)

- None -

Non-Voting Depository Receipt (NVDR)

As at December 30, 2021, the Company's 26,997,628 ordinary shares were used as underlying securities for the issuance of NVDR. The NVDR is not under the Company's control. Investors may check the number of NVDR from the Stock Exchange of Thailand's website at www.set.or.th/nvdr.

The result of having the Company's ordinary shares used as underlying securities for the issuance of NVDR is that the NVDR holders shall not be entitled to vote at any shareholders' meeting of the Company unless the vote for the matter considering delisting, as such, if the numbers of ordinary shares used as underlying securities for the issuance of NVDR is high, the shares of the Company entitled to voting rights and the other shareholders' voting rights shall increase.

Offering of other securities

- None -

Dividend Policy

The Company has a dividend payment policy at the rate of not less than 40% of the net profit after deducted by the corporate income tax and legal reserves of each of such year. Such dividend payment rate may be changed from the determined rate depending on the operational results, financial position, cash flow, necessity for investment, working capital, additional investment, business expansion, conditions and limitations as stipulated in the loan agreements as well as other appropriateness in relation to management of the Company as the Board of Directors and/or the shareholders deemed appropriate. The dividend paid shall not exceed the retained earnings as appearing on the Company's financial statements and shall be paid in accordance with relevant law. After the Board of Directors resolve to approve the annual dividend payment, the Board of Directors shall propose to the shareholders' meeting for approval, except for the interim dividend payment which the Board of Directors are authorized to approve and report to the shareholders on the next shareholders' meeting.

	2020	2021
Earnings per Share Ratio	0.35	0.29
Dividend per Share Ratio	0.108	0.116
Dividend Payout Ratio (%)	40.29 %	40.02 %

Risk Management

The Company recognizes that the risk management is a key principle in managing the Company's business operations under the supervision of the Bank of Thailand which will help the Company to plan for its long-term business operations, create the readiness for the Company to adapt to changes which may occur in the future and help build investor confidence. In doing so, the Company has established a systematic approach for the risk management by the international operating framework standard (COSO ERM) and a comprehensive risk assessments for all aspects, including social or environmental aspects. Such risk assessments include the assessment of the likelihood of occurrence of and impact of the major risk to determine the risk level, key risk indicator and appropriate risk management plan. There are also a continuous monitoring and evaluating of the Company's risk management result for maintenance of risk at acceptable level (Risk Appetite) and ensuring the effectiveness of the risk management guidelines. By doing so, the Company has analyzed the key risk factors that may affect its operations and objectives achievement which include emerging risk factors (Emerging Risk) which derives from the analysis of significant potential changes that can affect the Company at its organizational level. The Company continuously considers those risks into account in determining the management methods, as well as, discloses those risks through the Company's Risk Management Department which reports directly to the Managing Director and responsible for collecting and monitoring the risks, including preparing risk management reports at the organizational level which will be proposed at the meetings of the Risk Management Committee and the Board of Directors for consideration on a quarterly basis. Such Risk Management Department is further responsible for providing knowledge and understanding relating to risks to various departments within the Company to enhance the effectiveness of the risk management process of the Company to an international standard level.

The Risk Management Committee, Executive Committee, and Senior Executives play important roles in the determination of the risk management policies at the organizational level, reviewing the appropriateness of the policies, risk management processes and formulation of the risk management strategies, supervising and monitoring the Company's risks to ensure that the risk is maintained at an acceptable level (Risk Appetite) for compliance with the Company's risk management policies. In addition, there are policies that foster a culture of risk management throughout the organization to raise awareness of the importance of risk management for the executives and employees at all levels, and encourage participation in risk management to cover operations at the operational level. In doing so, the Company regularly provides training and disseminates knowledge relating to the risks and risk management methods to the employees and executives at all levels, including the directors, and delegates the Risk Management Department as the operator responsible for promoting risk consideration at each time a decision to proceed in all matters is made, and encouraging the executives to act as the role models for the employees.

In addition to the abovementioned risk management, the Company has the business continuity plan (BCP) which covers important risks to deal with various circumstances that may occur, such as, natural disasters, epidemics, fires, floods, etc., to prevent disruption in business operations and to ensure the continuity of business operations. By doing so, the Company has in place plans to restore affected systems within a period of time that will least impact the operations of the Company.

The Company has systematic risk management with a risk management process consisting of an analysis of various risk factors which may affect business operations, identification of significant risk factors, determination of the severity of the impact of potential risks and the assessment of the likelihood of the occurrence of risks. The process of which analyzes and assesses the risk level of those risk factors, and determines the key risk indicator (KRI) and the level of risk acceptable to the Company (Risk Appetite) in order to monitor and maintain the risks at an acceptable level, and report the risks to those involved for acknowledgment so that the risks are managed in a timely manner. The Company has also given considerations to the potential or emerging risks that may affect the business operations (Emerging Risks) in the past quarter as the situation changes so to identify additional risk factors, analyze, and assess and manage such risks. In addition, information relating to risks in the reports from various departments, such as, information from the findings of the audit office, Internal Control Department, and the Compliance Department which have not been

amended to reflect the aforementioned findings, including reports from the department that prepare the Incident Report which reports various events that occur within the Company, have been used to consider such information together with the risk information in the risk management report. This is to ensure that the risk information as detailed in the risk management report covers various risks which may occur in the organization, including risk information gathered by various departments for consistent information management. In doing so, the risk management report will be proposed to the meeting of the Risk Management Committee to analyze, monitor the progress of risk management and assess the effectiveness of risk management by comparing the risk level of each risk factor in each quarter in order to monitor the progress of risk management and maintain the risk in each risk factor at an acceptable level. Accordingly, the risk management report prepared after the meeting of the Risk Management Committee will be stipulated in the agenda and proposed to the meeting of the Board of Directors for consideration in each quarter. Furthermore, the Company also has the risk policy and management plan to monitor the progress of the risk management.

Risk Policy and Risk Management

The Company realizes the value of risk management and determines to implement the organization's risk management as a standardized work system and operate in a concrete manner with a continuous monitoring of risk management progress. As a result, such management creates confidence to the stakeholders that the Company's business operations and other operations in the organization are in accordance with the objectives set by the organization and that there is a management system for important risk to ensure that the risks are maintained at a level that does not cause any significant impact to the organization or cause the least impact to the Company.

To achieve those objectives in the organization's strategy, the Company has established policies on the risk management as follows:

1. to have an integrated risk management across the organization through a systematic and continuous management under the risk management process as part of the Company's normal operations;
2. to ensure that the risk management is the responsibility of all departments within the organization;
3. to have the monitoring, evaluation, review and improvement of risk management on a regular basis;
4. to utilize the information technology to optimize processing, monitoring and reporting; and
5. to ensure that the risk management policies are under the supervision of the Risk Management Committee.

In this regard, the risk management policies have been approved by the Board of Directors' Meeting No. 2/2016 which was held on 20 September 2016 with a plan to monitor, evaluate, review and improve the risk management policies on an annual basis.

Risk Factors relating to the Business Operations of the Company

Risks relating to the Business Operations of the Company

Significant Risk Factors relating to Business Operations	Risk Management Method	Completion Period	Responsible Party
Strategic Risk - 1 Item			
1. The Company's growth did not meet the targeted goal	The Company has issued measures to increase sales by introducing a special incentive program to motivate its employees to be more active in generating more sales, including strategic plans to determine the direction of business operations to achieve the set objectives and targeted goals. This is done so by analyzing the strengths, weaknesses, opportunities and threats in order to apply such analysis results to the planning through the continuous monitoring and evaluating of the operating results in accordance with the strategy to adjust the strategy to the changing circumstances as appropriate, including to look for new business opportunity.	31 December 2021	1. All branch employees
Operational Risk - 14 Items			
2. Credit review and screening of non-performing loans	The Company has established a prudent process to verify customers' information to provide the credit analysis staffs with an accurate and sufficient information for the assessment of the customers' ability to repay the debts in all credit approval considerations. This is done so by assessing the effectiveness of the credit approval from the non-performing loans indicators to continuously maintain such loans at an acceptable level in order to use the assessment results for improvement of the credit approval process to become more effective.	Completed	1. All credit analysts
2. Monitoring and collection processes of non-performing loans	The Company has monitored and collected debts from customers in a manner which is consistent with the Market Conduct. This is done so by notifying customers in writing of the outstanding balances, as well as, monitoring the results of the debt collection on a monthly basis, and the Company has improved the process of writing off debts to be more accurate from vertical to horizontal process.	Completed	1. Senior Executives. 2. Legal Department. 3. Information Department

Significant Risk Factors relating to Business Operations	Risk Management Method	Completion Period	Responsible Party
4. Short of key executives in running business where such key executives retire, resign, sick or decease.	The Company has required that successors are arranged for all important work positions, and is in the process of preparing a plan to determine the main qualifications of the Managing Director.	Completed	1. Senior Executives. 2. Employees at Supervisor Level.
5. Discontinuity in business operation (IT Operations).	The Company is in the process of preparing plan (Business Continuity Plan : BCP) to cope with the crisis that may arise from various disasters by being able to restore important systems in a timely manner in various situations, such as, natural disasters, fires, terrorism, riots, epidemics, communicable diseases, etc.	In Progress	1. Risk Management Committee.
6. Credit documents are invalid, damaged, lost, destroyed or falsified.	The Company has established and communicated measures relating to document storage for both the documents in used in the present and documents that must be stored as required by laws for all employees to acknowledge in order for them to strictly implement the measures, and the Company has continuously monitored the results of document inspection on a monthly basis. The Company has increased penalties where invalid credit documents are detected, and required that contract documents are scanned and stored in the system and backed-up (Backup) outside of the Company (Offsite Backup) for cases where the documents are lost or destroyed.	Completed	1. Senior Executives.
7. Risk of theft and hijacking	The Company has established projects to install CCTV for all branches to prevent force majeure and to obtain evidence for prosecution of the offender, and to install wrought iron to prevent theft and store cash that has not been deposited in the bank in a vault. A key and a code will be required to open and close such vault, of which, the head of department and credit analyst staff are assigned to open and close vault at the same time.	To Be Completed within 2021	1. Senior Executives. 2. Risk Management Department. 3. All branch employees.

Significant Risk Factors relating to Business Operations	Risk Management Method	Completion Period	Responsible Party
8. Dangers in workplace and transportation of employees, including occupational health and work environment.	<p>The Company has emphasized on the check-up of vehicles and the exercising of caution when driving. The Company further established a project to install GPS and cameras for recording while driving in all vehicles of the Company to control the driving speed to reduce the risk of employees getting into accidents resulting in absenteeism or to avoid having to lose a personnel. There is a proper management and control of work environment which provide a standard health care and safety for employees, whereby, goals to develop safety and to reduce accidents are set. In addition, the Company collects statistics on the occurrence of accidents, injuries, and casualties, including the absenteeism of employees.</p> <p>The Company has organized training for employees to raise awareness and for them to be able to cope with such risks, including to provide good health care education and nutrition, good working environment, such as, to provide adequate lighting, right temperature, as well as, to have dust level within the specified criteria, and to have a clean and not overly crowded work environment. The Company assessed and measured its organizing and provision against the standard on an annual basis to achieve work efficiency and to be able to establish the bonding connections of the employees toward the organization.</p>	Completed	<ol style="list-style-type: none"> 1. Senior Executives. 2. Building and Location Department. 3. All branch employees.
9. High turnover rate of employees.	<p>The Company has continuously improved the staff recruitment process in order to attract personnel with the knowledge, abilities and personality suitable for the position (JQ corresponds to JD) by stipulating such process in the applicant's qualifications for information for recruitment process for the committee to consider recruiting employees that match the job vacancies. In doing so, such process helps reduce the turnover rate of employees who has to be responsible for jobs which are not preferred or suitable or as expected. The selection and interview processes of recruitment process are also reviewed and adjusted in order to obtain suitable personnel for the position. In addition, the Company has improved the employee satisfaction assessment criteria in order to use the feedbacks to improve the returns/benefits and employee welfare to be consistent with the market wage rate and employee satisfaction.</p>	Completed	<ol style="list-style-type: none"> 1. Senior Executives. 2. Human Resource Department. 3. All branch employees.

Significant Risk Factors relating to Business Operations	Risk Management Method	Completion Period	Responsible Party
10. Loss from the sale of seized vehicles.	The Company has established a strict pricing appraisal process for securities used as collateral, including a project to introduce the seized vehicles to vehicle auction market to help reducing the number of seized cars in hand and the loss.	Completed	1. Senior Executives. 2. All branch employees.
11. Inefficient management of non-performing loans.	The Company has established duties and responsibilities of debt level management, and required that branch employees are responsible for management of good debt - level 3, debt acceleration department is responsible for management of debt level 4 and above. The Company also has established a project to hire an outsource company to manage the non-performing loans and to monitor the management result of such debt level at the meeting on a monthly basis.	Completed	1. Senior Executives. 2. Debt Acceleration Department. 3. Outsource Company.
12. Debt restructuring in accordance with the measures to help customers who are affected by economic condition and the spread of the COVID-19 virus, may affect the Company's business operations.	The Company has continuously managed through communications and monitoring of the debt restructuring results at the meeting at executives level. In doing so, the Company considers the number of customers requested assistance measures and assistance method, including the impact on the liquidity and revenue of the Company.	Completed	1. Senior Executives.
13. Risk relating to concentrated debts or provision of credits to customers having single source of income.	The Company verifies of information of the customers concentration group prior to entering into a contract by using an updated credit application form to obtain information of the customers with concentration characteristic. Such information includes whether the customers have the same house registration address, the same source of income, etc. The Company has measures to control the number of credit contracts of those customers with the same source of income and continuously monitor the matters at executives meeting. In addition, the Company has established a percentage rate indicator for debt collection of concentrated debts, including an automated work system control in order to have sufficient and appropriate control to reduce the risks which may occur in the approval of each type of credit even further.	Completed	1. Senior Executives.

Significant Risk Factors relating to Business Operations	Risk Management Method	Completion Period	Responsible Party
14. Change of customers' behavior.	The Company has conducted a customer satisfaction survey to collect opinions of the customers who are satisfied and dissatisfied for product development and service improvement to meet more needs of the customers, as well as, to encourage more customers' engagement in order to build good relationship with the customers.	Completed	1. Risk Management Department.
15. The use of technology in the service falls behind to the changes of competitors.	The Company has developed an internal work system and customer service system in order to increase the convenience in using the services by the customers. In doing so, the Company has continuously considered using information technology in its business operations to increase the convenience and safety for the customers and employees, as well as, to increase the competitiveness and work efficiency for the Company.	In Progress	1. Information Department.
Financial Risk - 3 Items			
16. Financial Risk - 3 Items	The Company's Finance Department has always managed its borrowing costs to obtain sources of funds with low interest rate, and is always exploring other sources of funds with lower interest rate, as well as, setting the percentage rate indicator of the financial costs to total revenue to maintain the financial costs at the level acceptable to the organization.	Completed	1. Finance Department.
17. Lack of financial liquidity.	The Company has prepared a statement of received and paid cash flows on a monthly basis to reveal the financial liquidity status, as well as, monitored actions that may affect the Company's liquidity through measures to help debtors, debt collections that did not meet goals, lending, etc., in order to maintain the liquidity at an appropriate level.	Completed	1. Finance Department.
18. Volatility of interest rate.	The Company's Finance Department has always assessed the trend of interest rates in order to select a financial institution or source of funds with low interest rates or low capital costs, and has put in place the management to control the level of average interest rate at an appropriate level.	Completed	1. Finance Department.

Significant Risk Factors relating to Business Operations	Risk Management Method	Completion Period	Responsible Party
Compliance Risk - 2 Items			
19. Non-compliance with the conditions of contracts with third parties or external entities.	The Company has put in place a contract management process by delegating the main responsible party and related departments to hold meetings to extract and clearly summarize the material conditions of the contracts. The Company further requires that such departments be responsible for each condition to allow them to understand the conditions to correctly comply with the conditions under the contracts. For instance, Accounting and Finance Department must understand the conditions of payments or receiving of payments under the contracts, Debt Collection Department must proceed with debt collection according to the conditions as specified under the contracts, i.e. the amount and time to be collected, etc. The Company further requires that various departments have a register book of the signed contracts to monitor the term of the contracts, to manage and store the contracts both at the departments and legal department.	Completed	<ol style="list-style-type: none"> 1. Accounting Department. 2. Finance Department. 3. Relevant department as specified in the contract.
20. Non-compliance with the provisions of laws, rules and regulations of government and regulatory authorities.	The Company has established a process for compliance with legal requirements by delegating a department or party to be responsible for gathering and updating the laws or provisions relating to the Company's businesses. In doing so, the Company has hired external legal advisors and delegated its Legal Department to study the details of all related laws and regulations, as well as, to summarize and monitor the recent promulgated laws, to communicate with the executives and employees for acknowledgment, understanding and proper implementation.	Completed	<ol style="list-style-type: none"> 1. Legal Department 2. External Legal Advisor

Significant Risk Factors relating to Business Operations	Risk Management Method	Completion Period	Responsible Party
Disaster Risk - 2 Items			
21. Impacts of climate change, global warming and environment.	<p>The Company is prepared to cope with the impacts of climate change which is defined as one of the disaster response plans (Scenario) that may occur in the BCP plan. The Company further participates in reduction of greenhouse gas emissions which is the cause of global warming by publicizing through the Company's media to promote knowledge and understanding of environmental protection for employees' and customers' acknowledge. The Company monitors the news of situations which may occur from the climate change that may affect the Company's businesses in order to be able to cope with the situation in a timely manner. The Company also has a project to reduce greenhouse gas emission for compliance with the government policies with a plan to set quantitative goals, including proceeds with measuring and result comparisons of results obtained before and after the implementation of the projects. The Company will disclose the information regarding greenhouse gas emissions in the annual report, such as:</p> <ul style="list-style-type: none"> - a project to check the deterioration from the use of the cars, motorcycles, machines, and various electrical appliances to reduce the use of cars, motorcycles, machines to reduce greenhouse gas emissions. - a project to reduce the consumption of electricity, water, and waste by recording the information on the decrease in consumption volume of energy and waste on a monthly basis. <p>Moreover, the Company educates the customers and communities on how to participate in reducing air pollution in their way of living and daily life, such as, burning of the fields, use of deteriorated electrical appliances, use of cars, motorcycles and machineries with carbon dioxide emissions, to reduce greenhouse gas emissions.</p> <p>The Company has established a sustainability management (ESG) to reduce consumption of electricity, water supply, waste emissions, fuel and consumables, whereby, a summary of the operating results of the project compared on a quarterly and annual basis are prepared to realize the air pollution impact.</p> <p>The Company is in the process of participating in the carbon footprint project in 2022 of the Greenhouse Gas Management Organization. (Public Organization), as well as, as a plan to educate and provide understanding for the communities on reduction of greenhouse gas emissions and reduction of energy consumption which will reduce the impact on climate change which may affect cultivation and agriculture.</p>	Completed	<ol style="list-style-type: none"> 1. Marketing Department. 2. Risk Management Department. 3. Human Resource Department.

Significant Risk Factors relating to Business Operations	Risk Management Method	Completion Period	Responsible Party
22. Risk from epidemics and air pollution.	The Company has announced several notifications, orders, and memorandums to all employees from time to time to always highlight on the risk of the spread and infection of COVID-19 virus so to protect ourselves and the customers from COVID-19 virus. The Company has established plans for cases where a person is found to be infected by COVID-19 virus in the Company both at the head office and the branch to prevent the spread of COVID-19 virus and work disruption. The Company has modified its methods and added preventive measures when visiting customers, and procured two completed doses of vaccination against COVID-19 (Sinopharm) for all its employees. In addition, the Company has conducted assessment of new risks that may arise (Emerging Risk) after the spread of the COVID-19, which has become the New Normal, and may affect businesses, such as, the customers have used and become more familiar with new technologies, job changes during the COVID-19 pandemic, etc., whereby the Company is aware of such risks and has managed to mitigate the impact of the Emerging Risks, such as, accelerating the development of service channels by using technologies to help increase the variety of channels to provide services and conveniences to the customers, and to increase competitiveness, etc.	Completed	1. Marketing Department. 2. Risk Management Department. 3. Human Resource Department.
. Reputational Risk - 1 Item			
23. Being discredited from social media	The Company has established responsibilities for the responsible party to supervise and closely monitor the news and customers' opinion on social media in order to avoid negative news against the Company. The responsibilities include to provide advice, solve problems and respond to customer inquiries on social media, as well as, monitor the facts to analyze the cause of the problems to solve the problems and to prevent any reoccurrence of such problems, of which, will reduce the Company's reputational risk.	Completed	1. Marketing Department.

Significant Risk Factors relating to Business Operations	Risk Management Method	Completion Period	Responsible Party
Information Risk - 3 Items			
24. Risk of customers' personal data and trade secrets being disclosed.	The Company has adopted more use of information technologies to its business operations to increase work efficiency which poses an increased risk to personal data security whether in terms of reputational risk, credibility risk, or financial risk which may result in loss of revenue and loss of business opportunities. The Company, therefore, has delegated a party to be responsible for overseeing the security of information technology. The Company further establishes information security policy (IT Security Policy) by preventing access to information (Access Control) both to personal data (Data Privacy) and trade secret data, and planning the hierarchy of data confidentiality to have a proper data management according to the confidentiality hierarchy. This is done by prescribing rights to access the data as necessary to perform the responsibilities only, of which, such rights are reviewed on an annual basis to ensure that the rights to access the data is up to date. The Company further stipulates practices for collecting data by notifying the customers in advance the scope of use of customer data, data backup, data destruction as well as obtaining consent from the data subject for the use data within the specified scope for compliance with the requirements under the Personal Data Protection Act (PDPA). In addition, the Company also has measures to periodically test the security system, including trainings for employees to be aware of and understand the use of personal data, the risks and impacts on the Company caused by an improper breach of customer data.	Completed	1. Information Department
25. Cybersecurity remains incomplete and ineffective.	The Company has established policies focusing on cybersecurity, such as, determining different types of threats in order to specify prevention/detection and coping methods to cover the risks from various types of threats that may arise. The Company further has devices in place to prevent external intruders and prepares a penetration testing plan ready for the penetration testing in order to use the test results to improve security protection.	Completed	1. Information Department

Significant Risk Factors relating to Business Operations	Risk Management Method	Completion Period	Responsible Party
26. Risk of data leakage, destruction, alteration by unauthorized persons.	The Company has established an information security policy (IT Security Policy) as a practice guideline to reduce the risk of information leakage, destruction, alteration by unauthorized persons through the Company's system administrators. The Company further requires that the rights to access important systems are reviewed on an annual basis, the intruder alert system is developed and access to data from log files is reviewed regularly, and develops the system management tools (Document Management Tools: DMT).	Completed	1. Information Department
Fraud Risk - 1 Item			
27. Frauds committed by the employees.	<p>The Company has a rotation policy (Rotation Policy) for supervisors and branch employees for important and risky work processes such that to avoid such supervisors and branch employees becoming too familiar with the trade partners and to promote transparency.</p> <p>The Company has a channel through the Company's website which corruptions can be reported to the Company according to the Whistle Blower Policy where the whistle blower is protected. There is also a process to support whistleblowing for monitoring of facts, analysis of cause of incident and reviewing of prevention or finding of fraud method to prevent the reoccurrence of such incidents. The Company has established appropriate penalties and enforced such penalties without any discriminations. In addition, the Company is a member of an anti-corruption network and is required to comply with the requirements of Thai Private Sector Collective Action Against Corruption (CAC).</p> <p>Moreover, the Company requires that the internal control system of the main work system is continuously reviewed to better improve the control system and to be in line with changing situations. This is done so through the assessment of the appropriateness and adequacy and effectiveness of the internal control system by an internal auditor who is an independent appraiser who will review the completeness and correctness of the compliance of the internal control system set by the Company's Internal Control Department.</p>	Completed	1. Senior Executives. 2. Internal Control Department. 3. Internal Audit Department. 4. Risk Management Department.

Significant Risk Factors relating to Business Operations	Risk Management Method	Completion Period	Responsible Party
Social and environmental risks — 2 Items			
28. Human rights violations.	<p>The Company has declared policies and practice guidelines on human rights, including plans to establish a comprehensive human rights due diligence process (Human Rights Due Diligence) to ensure that the Company's business operations causes no human rights violation. There are fair treatment practice guidelines for employees or labors, such as, for labor of the employees, the employees are to be freed from forced labor, whereby, a fair termination process which is in line with labor laws is in place. The Company further has assessed risks relating to human rights in and its impact to both in the organization and in the supply chain, such as, the rights of customers, trade partners, alliances, communities and the environments. In addition, the Company plans to encourage employees to participate in conducting consultation on the welfares, benefits or changes in regulations affecting employees to create better understanding and cooperation from the employees.</p>	Completed	<ol style="list-style-type: none"> 1. Legal Department. 2. Human Resource Department.

Significant Risk Factors relating to Business Operations	Risk Management Method	Completion Period	Responsible Party
29. Trade partners fail to comply with the contracts and operate their businesses without ethics.	The Company has announced policies on treatment of stakeholders through the specifications of policies and practice guidelines to different groups of stakeholders in the Code of Conduct, including policies and practice guidelines on treatment of trade partners according to the honest trade competition framework by adhering to the strict compliance with the contracts, conducts, and commitments provided to such relevant trade partners. The Company further makes available of channels for internal and external stakeholders to be able to report violation cases or seen acts of violation of laws, regulations or Code of Conduct with the process or mechanism to monitor the non-compliance with the Code of Conduct, including the Whistle Blower Policy in order for the employees and third parties to be able to file complaints of any suspected behavior or non-compliance with the Code of Conduct. In doing so, the Company provides security for the whistleblowers and complaints management process in order to investigate facts from the received information. Investigation will be further conducted if the facts reveal to be true and penalties will be considered and carried out with fairness in accordance with the set penalties. The Company requires that the cause of the incident is analyzed in order to fix and prevent reoccurrence of such incident, as well as, report the results from the monitoring of the Code of Conduct compliance to the Board of Directors. In addition, in order to ensure that the trade partners operate their businesses in compliance with the Code of Conduct, the Company plans to disclose the Supplier Code of Conduct and monitor the implementation of such code as well.	Completed	1. Procurement Department

Risk relating to investments made by securities holders

Investments made by securities holders may be exposed to risks of the disclosed information being insufficient for securities holders to make investment decisions. The Company, therefore, must disclose information with transparency, completeness, accuracy, and on time for the securities holders to make investment decisions in order to reduce risks to the securities holders' investment. Thus, the investors should note that the Company's business is subject to various factors, some factors of which are beyond the Company's control. The investors are advised to thoroughly study the risks and considerations as appeared in this documents before making any investments. The risks and considerations relating to the investments as specified herein may not suggest all problems or obstacles that the Company is currently confronting or that the Company may confront in the future.

However, there may be other risk factors, whether or not known to the Company, which may significantly affect the Company in the future or the Company's share value. In addition, this document contains forward-looking statements (Forward-looking Statements), risk management and has determined risks that may occur in the future together with the management guidelines relating to various risks and uncertainties. The actual results may be materially different from the stated estimations. Such estimations are based on a number of factors, including the various risks as appeared in this document.

The investors are advised to study the information provided in this document in conjunction with the Forward-looking Statements. The Company reserves the rights in relation to the Forward-looking Statements contained herein.

Driving Business for Sustainability

Policy and Sustainability Management Goals

The Company is determined to operate its businesses on the good corporate governance basis with the ultimate goal to promote the sustainability of the Company. The Company, therefore, has established a working group to assess the sustainability of the listed companies to regulate the Company's operations for compliance with the 3 dimensions of sustainability requirements, and a sub-working group to be responsible for the review of each matter for compliance with the policies, procedures, and projects implementation methods which are expected to impede the targeted goals to effectively manage various obstacles. The Company further arranges meeting plans to periodically monitor the progress of the operations.

With the determination in operating its businesses for more than 25 years and the goal of providing micro finance services to the local residents, the Company has established branches across the northern, central and northeastern regions to provide the local residents with access to the source of funds for uses in their careers or other purposes, and is recognized and trusted by the public for the quality of its employees and fair servicing.

The Company understands the importance of driving business for sustainability. The Company, therefore, aims to expand the business of providing personal loan services under the supervision and other credit services to the local residents in the northern, central and northeastern regions. The Company plans to expand approximately 600 branches and to create continuous growth in its operating results by increasing the credit portfolio size to THB 12,000 million by 2023, including to concurrently develop personnel to excel in providing fair credit services so to be recognized, trusted and selected by the public as their top choice in the competitive lending business.

Moreover, the Company is determined to create sustainability for the Company and stakeholders both within the organization and outside of the organization to ensure that the Company is fully aware of the risk factors occurred and may occur in the future which will affect the Company and the stakeholders of the organization. The Company, therefore, has analyzed all affected risks and identified significant risk factors by categorizing the risks into work line level and organizational levels which has become a risk management culture to all activities that the Company currently operates or plans to operate in the future. The Company has appointed a risk working group at the work line level and the Risk Management Committee to effectively manage the risks in a timely manner, to propose reports to the Risk Management Committee, and to propose risk reports from the meeting of the Risk Management Committee as one of the agendas of the Board of Directors' meetings on a quarterly basis, as well as, to communicate to the departments related to such risks to manage risks in a timely manner.

Stakeholders Impact Management in the Business Value Chain

Business Value Chain of the Company and the Participation by Stakeholders

Business Value Chain of the Company

Business Value Chain of the Company

Saksiam Leasing Public Company Limited (the “Company”) operates in the business of providing personal loan under the supervision with vehicle registration as collateral and other loans under “Saksiam Loan” as trade name for retail customers who are the public in general. The loan products can be divided into 3 groups, consisting of (1) personal loan under supervision with vehicle registration as collateral, such as, loans with car registrations as collaterals and loans with car registrations as collateral for agriculture terms, (2) personal loan under supervision which is not loan with vehicle registration as collateral, and (3) other loans, such as, nano finance loans and hire purchase loans.

The Company has been in the business for more than 25 years, having in total of 720 branches in 40 provinces across the north, central, northeast and the western regions, 1,930 employees to provide credit services to customers, and proactive marketing approach to continue to build relationships with the customers to create impression and connection resulting in repeat customers using the services. This reflects the Company’s value chain which is a circular value chain (Circular Value Chain) that can be categorized into the main and secondary activities as follows:

Main activities

1) Financing The Company can be financed from financial institutions and through the issuance of ordinary shares for sale to the general public. The proceeds from which is used in the Company’s business operations. Financings from financial institutions are governed through loan agreements entered into by the parties, whereby, the Company is required to repay the loans to the financial institutions with the principals and interests. The shareholders are entitled to cast their votes at the Company’s meetings and receive returns in the form of dividends.

2) The Company’s loan products The Company has continuously executed, developed, and improved its loan products, in accordance with the occupations of target groups and the potential of debt repayments of the actual debtors. which consist of 4 loan products as follows:

1. loans with vehicle registrations as collaterals;
2. hire purchase loans;
3. personal loans under the supervision; and
4. retail loans for occupations under supervision (nano finance)

3) Marketing and public relations for customers The Company has conducted marketing and public relations for customers through the methods as follows:

1. advertising and publicizing loan products on the Company’s website;
2. placing billboards of loan products in the areas of the target customer groups;
3. assigning employees to conduct proactive marketing closely in the area of service to publicize the Company’s loan products to the customers for the customer to become aware of such products and use of credit services or to recommend services of the Company to other person in such area;
4. using of vehicles with broadcasting equipment for announcements, advertisements, and public relations of loan products in the areas of the target customer groups; and

5. sending invitations to prime customers who have used credit services with the Company with special privileges as incentives for such prime customers to use the credit services again.

4) Credit analysis Credit analyst staffs performing credit analysis must strictly, accurately and completely comply with the requirements to have accurate and sufficient customer information in order to assess the ability of customers to pay debts in all credit approval considerations. Whereby, the effectiveness of credit approvals from NPL indicators is continuously assessed to maintain at a level acceptable to the organization in order to use the results to improve the credit approval process to be more effective.

5) Debt collection and debt management The Company has employees who are responsible for strict compliance of debt collection and debt management as follows:

1. when the debt becomes due and payable, the employee will call the debtor to inform him/her to repay the debts at the office or repay via bank account system in the Company's name only. A notice notifying the outstanding debts will also be sent to the customers to prevent default in payment by the debtors in the event that the debtors may forget the payment date or overdue payment. Once the debtors have made payment through one of the Company's channels, the debtor will receive a receipt as evidence of payment of installments;

2. when a debtor defaults on payment, the employee is responsible for contacting debtor to ensure that the debtor understands his/her condition by using compromise principle to negotiate a solution so that the debtor can pay the debt;

3. when the negotiations with the debtor cannot reach a solution, the Company is required to confiscate the debtor's collateral (in case the debtor has properties as collateral with the Company), sell the properties by auction in the car auction market and inevitably proceed with legal proceedings.

Secondary activities

Accounting Department and Finance Department

To be responsible for operating matters relating to the financings with the financing policy frameworks in order to obtain the source of funds with low loan interest rates and continuously exploring other sources of funds for lower loan interest rates. The departments are also responsible for supervising and managing the debt repayments to the financial institutions within the specified period of time, preparing financial reports and operating results and disclosing important information of the Company with accuracy, completeness, transparency, and credibility to consistently inform the stakeholders of the Company's operating results through channels accessible by all groups of stakeholders.

Information Department

This department is responsible for developing the operating system to meet the Company's policy and to be completed on time, checking and supervising all working systems to be functional all the time, reviewing and monitoring information in every system to be accurate so that the accounting information are complete, accurate and timely, and checking and assigning rights to information access in every system to meet the requirements and the Company's policy as well as supporting the work of computer equipment to be sufficient and available for use in all parts of the Company.

Debt collection department

The Company has established regulations on debt management and receiving payment method from customers which are in line with the Market Conduct principle for the employees to strictly comply with the requirements and rules on debt collection and debt management processes in order to be more standardized and effective in operations. The Company has improved the debt settlement process to be more accurate from vertical to horizontal process.

The Company has assigned duties and responsibilities to employees to manage debts at each stage of debts as follows:

1. branch employees are responsible for the management of good debt – Stage 3; and
2. Debt Acceleration Department is responsible for the management of debt Stage 4 and above,

and the Company has established projects to hire external company to manage the NPL and monitor the management results of debt stage in management meeting on a monthly basis.

Supply Department

This department is responsible for controlling the supply work to be in accordance with the procurement regulations as well as conducting price comparison from at least two sellers/contractors, inspecting the supply and procurement, totalizing the assets of the Company, preparing an annual property control list, an annual median price announcement, evaluating supplier quality once a year and exploring new vendors as well as taking into account social and environmental issues. This department also support newly opened branch including work related to taxes and the Company's vehicle insurance.

Human Resource Department

This department is responsible for supporting the recruitment of qualified employees in accordance with the manpower quota specified by the Company, possessing qualifications that meet the needs of the Company, in the number being sufficient as request by the Company. This department also develop, provide training to educate employees to work effectively and being progressive as well as provide appropriate welfare and compensation, assessment of the employees' satisfaction regularly in order to motivate and build morale for employees to be loyal to the Company, to work with accuracy and happy and to stay with the Company in a long run and sustainably.

Legal Officer

The legal officer is responsible for documents, juristic acts, contracts of the Company preparation of documents required to prosecute the defaulted debtors, and checking the correctness of the document, and responsible for updating the laws related to business operations to analyze, assess, and improve the internal operating process to be in accordance with the laws.

Legal Department

This department is responsible for litigation lawsuits, preparing post-litigation repayment and settlement information and file a new lawsuit, as well as providing a summary of post-litigation proceedings.

Participation by Stakeholders

The Company has categorized group of stakeholders according to their relevance in the operations and the Company's value chain as stated in the Notification No. 298/2564, re: "Treatment Policy for Stakeholders" to analyze the risks and the direct and indirect impacts on all groups of stakeholders in a complete and clear manner. The Company, therefore, has established policy frameworks and practice guidelines for 13 different groups of stakeholders, namely (1) shareholders, (2) employees, (3) customers, (4) trade partners, (5) business partners, (6) joint-venture partners, (7) sources of funds/creditors, (8) regulators, (9) communities, (10) government authorities, (11) mass media, (12) civil societies, academics, thought leaders, (13) competitors, (14) Board of Directors, as a business principle to create value for the organization and its stakeholders along with driving sustainable business.

In this regard, the Company's value chain management and participation by stakeholders adhere to the guidelines for fair service to customers (Market Conduct), good corporate governance, and adequate, appropriate, and efficient risk management. The Company has a secure security information for management of the Company's chain value and participation by stakeholders based on sustainability principles and by aiming for sustainable results in order to create value and meet the needs of all groups of stakeholders.

The Company has categorized the stakeholders into 2 groups, namely, individuals or authorities directly or indirectly involve in the Company's business operations as stated in the Notification No. 298/2564, re: "Treatment Policy for Stakeholders" as follows:

Internal Stake-holders	Communication Channels	Expectations of Stakeholders	Guidelines for Meeting Expectations	Methods for Participation by Stakeholders	Remarks
1. Shareholders, joint-venture partners, board of directors.	<ul style="list-style-type: none"> General meeting and extraordinary general meeting of shareholders. Board of Directors' meeting. Disclosure of information to the shareholders via the Stock Exchange of Thailand. Inquiries channels via websites. Meeting and providing information to the shareholders, investors both individually and as a group. 	<ul style="list-style-type: none"> Gaining investment returns, such as dividends, share price, and consistent and sustainable growth. Operating business with transparency and ethic in accordance with the good corporate governance. Having potential in business growth. Treating stakeholders with fair treatment. Having good operating results with consistent growth. 	<ul style="list-style-type: none"> Disclosing complete and accurate information on time to the shareholders to sufficiently make investment decisions. Having participation in regulating the good corporate governance. Creating good operating results in order to achieve the targeted goals. Holding shareholders' meeting to allow the shareholders to participate in sharing their opinions. Continuously operating businesses in accordance with the good corporate governance principles with honesty, caution, without conflict of interest to maximize the benefits and to add value to shareholders in the long run. Respecting the rights of shareholders, and treating all shareholders with fairness and equity without any violation or depriving the rights of shareholders. Focusing on expansion of business of credit services by expanding branches to increase the loan portfolios to continuously grow, and improving loans for better standards under the regulations of the Bank of Thailand. 	<ul style="list-style-type: none"> Providing all shareholders with opportunities to attend the shareholders' meetings, including to propose agendas and name of the directors for the general meeting of shareholders within the reasonable period of time in advance. Providing cares to the minority shareholders and receiving complaints or recommendations from shareholders through easy to access channels as provided by the Company to take such received complaints into consideration. 	<ul style="list-style-type: none"> Processes to arrive at the expectations of stakeholders, such as organizing meetings and seminars, opinion survey are conducted through interview questionnaire.

Internal Stake-holders	Communication Channels	Expectations of Stakeholders	Guidelines for Meeting Expectations	Methods for Participation by Stakeholders	Remarks
2. Employees	<ul style="list-style-type: none"> Satisfaction surveys of all employee levels. Providing a channels for receiving of opinions and suggestions. Organizing activities to build relationships with the employees. 	<ul style="list-style-type: none"> Receiving compensations, benefits and welfares which are fair and suitable with the works. Having career stability. Having clear career growth planning. Having care for the safety, occupational health and good work environment and equipment to facilitate work. Having a continuous development of knowledge, abilities and skills. Having happiness at work. 	<ul style="list-style-type: none"> Establishing personnel policies that meet the needs of employees. Regularly conducting survey on compensation and in the market to ensure that compensation and benefits are appropriate. Conducting satisfaction survey of the employees to improve personnel policy. Preparing road maps to career path progression. Treating employees with fairness according to human rights principles. Taking into account of the needs of the employees with the aim for good relationship between the employees and the organization, such as, reviewing compensations, benefits, and welfares on an annual basis. Providing performance management that is fair and linked to returns. Organizing trainings in accordance with the necessity in the line of work and all levels of work thoroughly, adequately and continuously as appropriate to the duties and responsibilities to provide opportunities for advancement in the employee's line of work on an annual basis. Creating awareness of morality for all employees. 	<ul style="list-style-type: none"> Conducting employee satisfaction survey on an annual basis in order to use the survey results to improve, modify, develop to meet the business characteristics and the needs of the employees to have good morale at work. Having representatives of the Employee Welfare Committee to participate in giving opinions on the improvement of regulations, welfare, etc. that affect the employees. Allowing the employees to participate in project proposals or suggestions that will help improve work processes or add value or reduce expenses for the organization, whereby, the Company provides awards for projects that benefit the Company. 	

Internal Stake-holders	Communication Channels	Expectations of Stakeholders	Guidelines for Meeting Expecta-tions	Methods for Participation by Stakeholders	Remarks
			<ul style="list-style-type: none"> Supporting employees at all levels to learn and develop creative thinking skills and encourage the invention of new products or services or extending from the existing products for better products, including improving work processes to create innovations in business, society and the environment to create competitive potential and added value to the Company and stakeholders. Appointing the Safety, Occupational Health and Work Environment Committee to perform surveillance and provide assistance in terms of working conditions and the well-being of the employees closely and have meetings to monitor on detected problems on a monthly basis. Providing channels to communicate important information to employees for education and understanding of business operations and operating results in various businesses of the Company. 		

Internal Stake-holders	Communication Channels	Expectations of Stakeholders	Guidelines for Meeting Expectations	Methods for Participation by Stakeholders	Remarks
3. Customers	<ul style="list-style-type: none"> Visiting customers to build relationships. Conducting regular survey on customer satisfaction and needs. Conducting public relations for customers to receive the products and services. Providing channels for the customers to express their opinions, suggestions and complaints. Organizing training, seminars to provide financial knowledge and advice to the customers. 	<ul style="list-style-type: none"> Having diversity and quality products or services that can meet the needs of the customers. Having easy access to services and products including providing financial advice. Being ready to and actively respond to the need of the customers. Having excellent service quality both before and after the sale of credit. Having personalized service experiences. Having personal data and customer privacy protected. Being organization which is transparent, ethical and free from corruptions to be trusted by the customers. 	<ul style="list-style-type: none"> Training employees to provide impressive services to the customers. Delivering products that meet the customers' needs and behaviors that may change over time. Serving customers with sincerity and honesty. Expanding accesses to products and services which are convenient and suitable for the lifestyle of the customers. Regulating the fair service to the customers according to Market Conduct principles. Continuously creating innovation and research and development in order to obtain standardized credit products and services with quality and meet the needs of customers beyond expectations and choose to use the services of Saksiam as their top choice. 	<ul style="list-style-type: none"> Conducting customer satisfaction survey on an annual basis to use the survey results to improve, modify, develop products and services to meet the needs of the customers. Receiving suggestions and complaints from the customers. Building good relationship with the customers by organizing meetings with the customers to provide financial knowledge and advice as well as product information. 	

Internal Stake-holders	Communication Channels	Expectations of Stakeholders	Guidelines for Meeting Expectations	Methods for Participation by Stakeholders	Remarks
4. Source of funds/creditors.	<ul style="list-style-type: none"> Providing channels for receiving of suggestions and complaints. 	<ul style="list-style-type: none"> Having debt payments being made on time and in accordance with the conditions. Disclosing complete and correct information. Having fair treatment in accordance with the conditions as agreed with the creditors, including regularly repay loan in accordance with the repayment schedule. 	<ul style="list-style-type: none"> Having debt repayment plan for both the principals and interests on time and in accordance with the conditions. Communication correct information. Treating creditors with fairness and appropriateness in accordance with the conditions as specified in the contract with the creditors. Having policy frameworks for source of funds with low interest rates and continuously exploring other sources with lower interest rate. 	<ul style="list-style-type: none"> Organizing activities to strengthen relationships in various forms including creating knowledge and mutual understanding. Receiving complaints and suggestions. 	

Internal Stake-holders	Communication Channels	Expectations of Stakeholders	Guidelines for Meeting Expectations	Methods for Participation by Stakeholders	Remarks
5. Communities, civil societies, academics, thought leaders.	<ul style="list-style-type: none"> Organizing activities to meet people in society. Conducting surveys to receive opinions, suggestions and complaints from the communities. 	<ul style="list-style-type: none"> Promoting and developing economic growth and prosperity to the communities. Assisting in reduction, stopping issues or impact on the environment. Supporting activities and providing assistance to the societies, such as, providing educations in order to pursue on a job. Providing financial knowledge. Providing products and services that meet the needs and the way of life of the people in that societies. Supporting important communities, social and media activities by providing appropriate knowledge and understanding of finance and credit products to their occupations. 	<ul style="list-style-type: none"> Educating, promoting, supporting and increasing skills for the communities in occupations, preserving resources and environment, including reducing air pollution and pollution to the consumers. Supporting budgets for CSR activities for societies and communities. Involving in supporting the communities and societies in critical situations, such as floods, the Covid-19, and jointly supporting and promoting private and government activities throughout the year 2021, for example: <ul style="list-style-type: none"> Saksiam hand in hand project. Promoting increase in income for the communities by supporting various occupations, especially supporting the using local well-known resources (OTOP). 	<ul style="list-style-type: none"> Exploring the needs or concerns of communities and societies to develop communities and societies for better quality of life and living in a good environment by sustainably solving social problems through business processes. This is done so by analyzing problems or needs of communities/societies and the expected outcomes that communities will receive from the development, and using the results of the analysis to develop into operational strategies. Listening to and exchanging ideas. Conducting activities with the communities by allowing employees to participate to create a good relationship with the communities, such as, participating in the Kathin merit making with the temples in the communities. Supporting public benefits to communities and societies, such as, tree planting development project to improve the landscape to be livable, supplying drinking water during various festivals. 	

Internal Stake-holders	Communication Channels	Expectations of Stakeholders	Guidelines for Meeting Expectations	Methods for Participation by Stakeholders	Remarks
				<ul style="list-style-type: none"> • Providing knowledge, understanding and financial advice to the communities and societies to use in their careers and earn money. 	
6. Trade partners and business partners.	<ul style="list-style-type: none"> • Holding trade partners meeting on an annual basis. • Providing channels to receive opinions, recommendations, and complaints from the trade partners. • Regularly conducting satisfaction survey of trade partners. • Visiting trade partners to receive opinions and inspecting the laboring. 	<ul style="list-style-type: none"> • Trading with fairness and ethic in business operation. • Having fair and transparent procurement process. • Providing attractive and appropriate incentive for performance. • Creating value added and sustainable cooperation. • Paying wages and compensation on time. 	<ul style="list-style-type: none"> • Establishing the criteria for the selection of trade partners by considering social, environmental and governance factors in the selection process, as well as, operations that do not affect the environment, no violation of human rights, such as, no illegal labor or forced labor, etc. Trade partner operates business that does not have problems with greenhouse gas emissions in the amount that will cause global warming problems or cause harmful dust to the communities and societies. • Educating trade partners in various fields to develop trade partners. • Assessing compliance with the Supplier Code of Conduct and legal requirements. • Strictly complying with the contract, Code of Conduct and commitment in accordance with the policy and practice guidelines of trade partners and business partners. 	<ul style="list-style-type: none"> • Meeting with trade partners. • Receiving complaints and suggestions. • Organizing activities to strengthen relationships with trade partners, such as, holding seminars. 	

Internal Stake-holders	Communication Channels	Expectations of Stakeholders	Guidelines for Meeting Expectations	Methods for Participation by Stakeholders	Remarks
7. Government authorities.	<ul style="list-style-type: none"> Having regular communication between government authorities and the Company. 	<ul style="list-style-type: none"> Complying with the laws, rules and regulations. Preventing corruption. 	<ul style="list-style-type: none"> Complying with the laws, rules and regulations, and regularly monitoring on the changes of new laws by the Company's Legal Department for compliance in a timely manner. Establishing clear anti-corruption policies and procedures for all employees to understand and strictly implement such policies and procedures. 	<ul style="list-style-type: none"> Arranging employees or executives to attend trainings in related courses in order to obtain current information and to create accurate knowledge and understanding, as well as, to able to ask questions on issues that still have doubts or are unclear in order to be able to perform properly according to the requirements or rules that must be followed. 	
8. Regulators (the Bank of Thailand, the Stock Exchange of Thailand).	<ul style="list-style-type: none"> Holding seminars or meetings organized by the regulators to educate or notify the new or amendment to the provisions. Meeting during the inspection conducted by the regulators, whereby, opinions are exchanged and the correct knowledge and understanding are provided. 	<ul style="list-style-type: none"> Correctly and fully complying with the provisions of the regulators. Completely, correctly, and timely complying with the laws, rules, and regulations. 	<ul style="list-style-type: none"> Establishing procedures for compliance with the requirements of the organization by: <ul style="list-style-type: none"> - delegating a party to be responsible for collecting and modifying the requirements for completeness and to be up to date. - understanding requirements to correctly comply with the requirements. - Periodically assessing the validity of compliance. Complying with the laws, rules and regulations, and regularly monitoring the changes of new laws by the Company's Legal Department for the Company to be able to comply in a timely manner. 	<ul style="list-style-type: none"> Arranging employees or executives to attend trainings in related courses in order to obtain current information and to create accurate knowledge and understanding, as well as, to be able to ask questions on issues that still have doubts or are unclear in order to be able to perform properly according to the requirements or rules that must be followed. 	

Internal Stake-holders	Communication Channels	Expectations of Stakeholders	Guidelines for Meeting Expectations	Methods for Participation by Stakeholders	Remarks
9. Competitors.	<ul style="list-style-type: none"> Holding meetings or visiting to exchange opinions. 	<ul style="list-style-type: none"> Conducting business and competing with fairness according to the framework of honest trade competition without resorting to malicious means against the competitors. Conducting competitions under the relevant laws in an ethical, transparent manner without taking advantages of the competitors by unlawful means. Not seeking confidential information by using dishonest or inappropriate means. Not performing any act which infringes the intellectual property of the competitors. Not damaging the reputation of competitors by making malicious accusations without truthful information. 	<ul style="list-style-type: none"> Establishing fair competitive conditions. Operating business with a policy to treat competitors fairly in accordance with the framework of honest trade competition by adhering to the fair business operations under the framework of laws and ethics. 	<ul style="list-style-type: none"> Organizing activities to promote relationship with the competitors, such as, holding seminars, receiving and exchanging business opinions. 	

Sustainability Management in Environmental Dimensions

Environmental Policies and Practices Guidelines

The Company focuses on the importance of social responsibilities by nurturing the conscious of all directors, executives, and employees to focus on the importance of environment and protecting the environment. This is done so by taking into account of the safety, occupational health, and controlling the use of office equipment, and reducing the use of equipment that causes environmental pollution. The Company provides the practice guidelines which are in line with the laws, regulations and environmental regulations in relation to the Company's business operations to reduce the negative impacts on the environment in issues such as issues relating to water, electricity, waste and management to reduce greenhouse gas problems as follows:

- to focus on compliance with the laws and regulations relating to the environment;
- to prevent, control, and reduce waste pollution caused by various activities within the organization by choosing and using environmentally friendly materials and equipment, and to manage greenhouse gas;
- to focus on the effective management of water, electricity, and fuel resources;
- to promote knowledge and create awareness among personnel to be aware of the impact of the consumption of energy and resources on the environment;
- to invest in environmentally friendly projects, to use of renewable energy, to emphasize on the developments by using information technology in management to reduce the use of the wasteful resources;
- to promote the concept of innovation management and provision of financial services with responsibility, to enhance economic benefits society and environment to be diverse and to completely and effectively respond to all groups of service users; and
- to publicize, communicate and disseminate to persons in and outside of the organization to become aware of environmental problems, to create awareness of and acknowledge the Company's determination to operate the business with care for the environment.

Environmental Performance

The Company is aware of the conservation of energy and the environment and focuses on reducing the number of greenhouse gases caused by burnings. The Company has installed a GPS system in the Company's vehicles to check the location and control the speed of the Company's vehicles in use. The Company has systems to check the condition of vehicles according to the cycle to extend the service life of the vehicle engines, clear plans for performing the works by taking into account the effective use of fuel, and sustainability management promotion projects, as follows:

Sustainability Management Project on Energy Conservation

Type of fees	Total amount for the year 2020 (THB)	Total amount for the year 2021 (THB)	Increased/Decreased by (%)
Car fuel	76,864.20 average/vehicle/annum	92,899.69 average/vehicle/annum	Increased by 20.86 %
Motorcycle fuel	4,875.85 average/vehicle/annum	5,264.31 average/vehicle/annum	Increased by 7.97 %

Type of fees	Total amount for the year 2020 (THB)	Total amount for the year 2021 (THB)	Increased/Decreased by (%)
Electricity bill	33,964.90 average/ branch/annum	26,281.22 average/ branch/annum	Decreased by 22.62 %
Water bill	6,014.55 average/ branch/annum	4,070.87 average/ branch/annum	Decreased by 32.32 %
Paper cost	282.18 average/ branch/annum	308.34 average/ branch/annum	Increased by 9.27 %
Waste management	5,915.55 average/ branch/annum	4,956.63 average/ branch/annum	Decreased by 16.21 %

The Company's car fuel cost tends to increase, partly due to the reason that the expansion of branches to cover the providing of customer services. Therefore, the purchase of cars has increased according to the number of branches expanded resulting in increased consumption of car fuel.

The Company has invested in green projects, used renewable energy by installing solar roof on the roof of the headquarters building to convert solar energy into electric energy to reduce global warming problems and to conserve energy and the environment, which is considered as part of solving the country's energy problems. In 2021, the Company generated 83,898 kilowatts of electricity.

The Company has publicized, communicated and disseminated with the individuals in and outside of the organization to become aware of environmental problems, to create awareness and acknowledge the Company's commitment to operate business with care for the environment.



The Company further focuses on the procurement and the method of evaluating trade partners for purchasing of products which are environmentally friendly and with green label. Such label is issued to the products which have been assessed and verified that they have met the environmental standards in accordance with the requirements announced by the Green Label Policy and Management Committee. In addition, the Company continuously improves the policies for selecting trade partners and the criteria for evaluating the trade partners.

Sustainability Management in Social Dimension

Social Policies and Practice Guidelines

The Company operates its business with social and environmental responsibilities and with respect for human rights. There are practice guidelines that are in line with the laws and are supervised by the Legal Department to ensure that all departments of the organization operate in accordance with the objectives, main goals, and strategic plans of the Company as guidelines for all parts of the organization to achieve the objectives and main goals with sustainability as the principle by establishing the Code of Conducts to cover the matters as follows:

- (1) to be responsible to staffs and employees by complying with the laws and related standards, treating them with fairness, respecting their human rights, treating employees equally without any discrimination, such as, determination of compensations and benefits with fairness, providing welfare at least at the minimum legal requirement or greater than as appropriate, providing healthcare and safety at work, providing training to educate, develop potential and promote progress, as well as, giving the employees the opportunity to develop their skills in other fields;
- (2) to be responsible to customers by complying with the laws and related standards and taking into account of health, safety, fairness, retention of customer data with a secure system to store customer data, having strict measures to protect the privacy of customers focusing on aftersales service standards, monitoring customer satisfaction to improve the products and services, including advertising and promoting the sale to be conducted with responsibility without causing any misunderstanding or taking advantage of customers' misunderstanding;
- (3) to be responsible to trade partners by having fair procurement process and fair contract or agreement, assisting in providing education, developing potential and enhancing productivity, providing standardized services, explaining and taking care of trade partners to respect human rights, treating its own workers with fairness, being responsible to society and environment, including monitoring and evaluating the trade partners to develop sustainable business operations;
- (4) to be responsible to communities by applying knowledge and business experiences to the development of projects that can create tangible benefits to the communities, and by monitoring and measuring the long-term success of the projects;
- (5) to be responsible to the environment by preventing, reducing, managing, and ensuring that the Company will not create or cause negative impacts to the environment, which includes the using of material, consumption of energy, water and renewable energy, emission and managing of waste from business operation, greenhouse gas emissions, etc.;
- (6) to compete with fairness by operating the business openly with transparency without causing any unfair competitive advantages; and
- (7) to resist against corruption by complying with the related laws and standards, and by requiring the Company to have and announce anti-corruption policies to the public, whereby the Company may consider joining the anti-corruption network and encouraging other companies and trade partners to have and announce anti-corruption policies and join the network as well.

Social Performance

1. Employee and workers

The Company treats its employees and workers by taking into account of their human rights, such as fair employment and compensation. The Company offers the training and development system for employees and has established Safety, Occupational Health and Work Environment Management Committee to deal with related matters. The Company has no record of labor disputes with employees. In 2021, the Company has important employee operations as follows:

Number of employees

Details	Number of employees (persons)	
	Male	Female
Full-time employees	1,495	435
Disabled employees (Outsourcing services)	-	-

Statistics on the diversity of employees

The ratio of female employees to the total number of employees is 22.84 percent.

The ratio of female employees to the number of employees (in the head office) 44.81 percent.

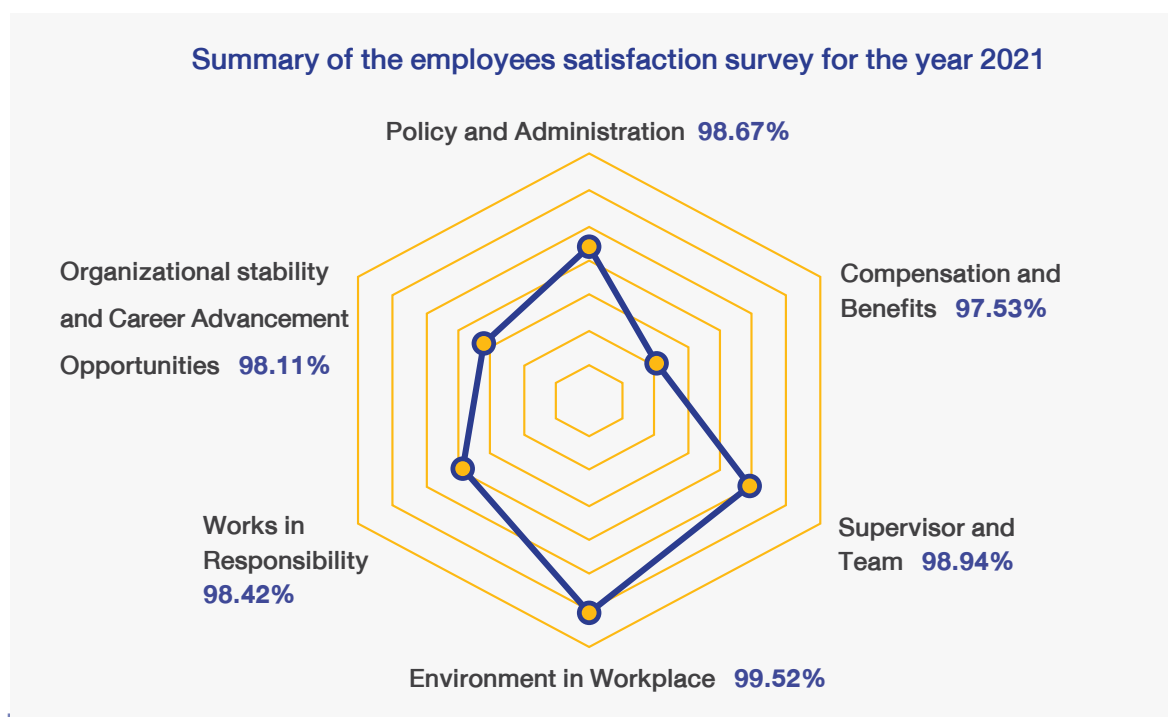
The ratio of female executives at all levels to the number of employees 3.83 percent.

The ratio of female executives in the executives committee 27.27 percent.

The ratio of return on investment per human capital 2.56

Employee satisfaction assessment results

The assessment results of the level of satisfaction of employees for the year 2021 is at 98.5%, which is highly satisfactory from the goal of 80%. The Company has assessed the satisfaction of employees in each aspect as follows:



The Company has received an award for having an outstanding establishment in labor relations and welfare for the year 2021, national level, year no. 1.

Employee training

In 2021, the Company has organized 69 training courses for employees to increase their skills and work potential, with a total of 7.79 hours of training per person per year from a target of 5 hours per person per year.

Safety, occupational health and work environment

The Company has a Safety, Occupational Health and Work Environment Committee which focuses on driving operations of safety, occupational health and work environment to prevent dangers, accidents and occupational diseases.

In the situation of the Covid-19 virus epidemic, the Company procures vaccines and vaccinations to all employees in the organization, including the provisions of "Found, Paid, Done" COVID-19 insurance for employees if found to be infected with the Covid-19 virus.

Other welfares

- Provident fund;
- Accident insurance (in all cases of decease) with an insured amount of THB 1,000,000;
- Financial assistance in the case of a decrease of an employee or a member of the employee's family (father, mother, husband/wife with registered legal marriage, child);
- Helping Friends for Saksiam Club;
- Assistance to alleviate suffering from natural disasters;
- Annual special bonus; and
- Accommodation for employees working in the business sector (for male only).

Injury rate from work operations



Cases of accidents occur during the work operations are mainly due to the driving of vehicle, in particular, the riding of motorcycles. In 2021, no employees have been lost from the work operations.

Succession

The Board of Directors has prepared a succession plan for the Chairman of Executive Board, Managing Director, Senior Executives and positions in the mainline of work based on skills, knowledge, performance results, and the readiness of each individual.

Receiving of complaints and recommendation from employees

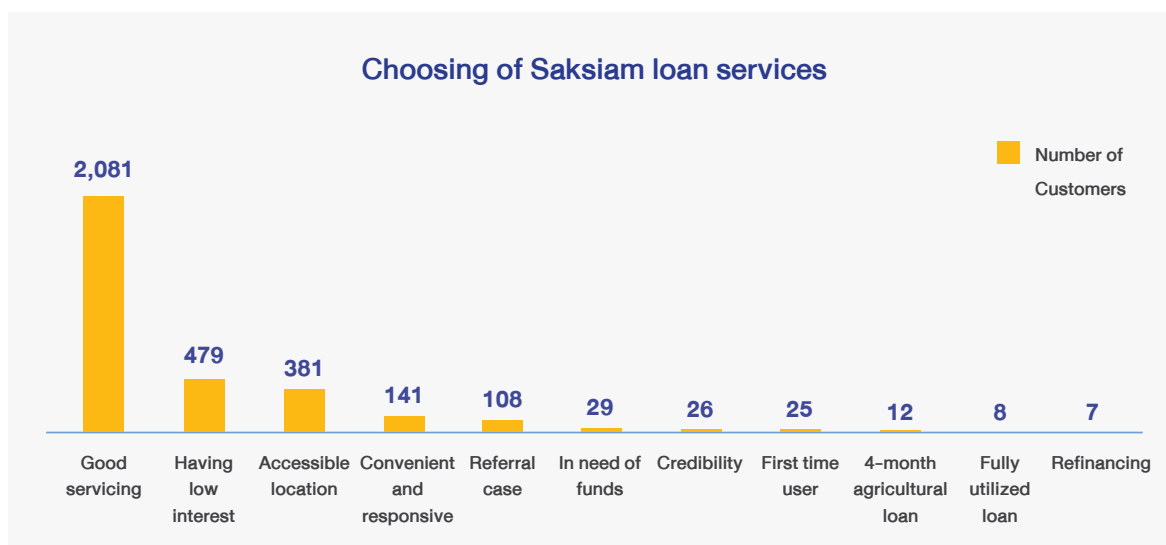
The Company has specified channels for whistleblowers to report or receiving of complaints in the corporate governance policy, which the employees can use as a channel for filing complaints or filing for suggestions, unfair treatment, human rights violation, non-compliance with the Code of Conduct, offense, behaviors that may affect corruption, misconduct by the personnel, including the lack of internal control system to protect the whistleblowers. In 2021, there were no complaints.

Termination of employees

The Company has correctly specified procedures for termination of employees, and the employees are treated with fairness and with respect for their human rights. The Company strictly complies with the guidelines of labor laws. In 2021, the Company has terminated the employments of 2 employees.

2. Customers

The Company develops and improves services in accordance with the local culture by focusing on the use of the same language to build the relationship, and modifies conditions of the credit terms to be in line with the ability to repay debts by choosing the conditions that are suitable for the career and income. By doing so, to emphasize on the providing of impressive and friendly services to promote word of mouth marketing and to respond to customer satisfaction with responsibility, honesty, transparency, accountability and ethics. In 2021, the Company has no disputes with the customers or service users.



According to the customer satisfaction survey for the year 2021 on the choosing of Saksiam loan services and from the 3,297 persons who participated in the survey, the majority has provided their opinions that the employees provide good service, the loan services have low interest, and Saksiam office is easily accessible. The assessment result of the satisfaction is at 72% from the target satisfaction at not less than 70%.

3. Communities and societies

The Company operates its businesses with social and environmental responsibilities by focusing on the reduction of environmental impact and avoiding any operations which may cause negative impacts to the quality of life of the communities. In 2021, no complaints from the communities on societies and the environment were reported. In addition, the Company has participated in assisting the communities and societies during the times of crisis, such as floods, the Covid-19 Virus, and jointly supported and promoted private and government activities. Throughout 2021, there are activities that promote social benefits, such as:

- Saksiam “hand in hand” project, which is a project that the Company will join to donate items, support funds, build and development communities, including to repair buildings, facilities in schools or temples, etc.
- Kathin merit and unity project, where the Company is a host to support the Kathin unity merit project on various occasions join to build a chapel.
- Project to supply drinking water during various festivals. The Company has organized the projects to supply drinking water for people in the area during various festivals.

Saksiam Hand in Hand Project, Year No. 11

Ban Mae Tha Phae School

Ban Kaeng Subdistrict, Si Satchanalai District, Sukhothai Province, Saturday, June 26, 2021



4. Public health

(4) Public health

The Company's employees have always supported the project "Saksiam unitedly donate blood" to the Red Cross Society. Each year the project is led by Mr. Siwaphong Boonsali, the Managing Director and many employees, who will donate blood to the Thai Red Cross Society, which has been conducted consecutively every year. However, due to the epidemic situation of Covid-19 virus, employees who are ready to donate can donate blood directly at the hospital.

5. Religious and culture

The temple is still regarded as the center of the minds of the people in the community. Therefore, the Company has continuously join as the host of the Kathin ceremony of the temple by organizing the rotation in different provinces with a purpose to preserve cultural traditions and moreover is to build good relationships and be part of the communities and societies.

6. Economic

The Company's growth of the number of branches to increase access to funding for the people and the Company's branch expansion strategy have been carried out in accordance with the business operation strategy. This is done so by focusing on the growth of the number of loan receivables through branch expansion, resulting in customers and people being able to access to the services of the Company easier and more convenient and the overall economy at the foundation level having more flexible capital conditions and reduction in informal debts.

Management Discussion and Analysis : MD&A

Operations and Financial Position Analysis

Overall Operational Results and Financial Position in the Past and Significant Changes

The Company is engaged in the business of providing personal loan under supervision that has a vehicle registration as collateral, personal loan under supervision having no vehicle registration as collateral, nano finance business and other loans for general retail customers. On December 31, 2021, the Company has the loan portfolio in amount of THB 8,685.5 million. The business of providing personal loan under supervision that has a vehicle registration as collateral comprises of loan that has a vehicle registration as collateral and loan that has a vehicle registration as collateral with specific conditions for farmers are the Company's principal financial service which has the loan portfolio in the amount of THB 6,865.1 million or 79.0% of the Company's overall loan portfolio. The business of providing personal loan under supervision having no vehicle registration as collateral has the loan portfolio in the amount of THB 255.3 million or 2.9% of the Company's overall loan portfolio. Moreover, the Company has expanded its business into other types of loan business beginning on January 1, 2019 which comprises of nano finance business and hire purchase loan which, as of December 31, 2021, have the loan portfolio in the amount of THB 1,142.7 million and THB 422.4 million respectively or 13.2% and 4.9% of the Company's overall loan portfolio.

Currently, providing the service of personal loan under supervision that has a vehicle registration as collateral, personal loan under supervision having no vehicle registration as collateral and nano finance business are under supervision of the BOT in accordance with the notifications of the BOT and other relevant notifications.

The personal loan under supervision having no vehicle registration as collateral is under supervision of the BOT since 2005. On February 1, 2019, the Bank of Thailand determined that the personal loan under supervision that has a vehicle registration as collateral is one of the personal loans under supervision. As a result, during 2019, the Company amended the contract form and structure of interest rate and other fees, including other conditions of the personal loan under supervision that has a vehicle registration as collateral i.e. loan that has a vehicle registration as collateral and loan that has a vehicle registration as collateral with specific conditions for farmers to be in compliance with the notifications of the BOT and other relevant notifications. The Company started using such new contract form and interest rate and fees since May 1, 2019, with new customers as well as inviting existing customers to close their outstanding contract and renew with such new contract form and interest rate and fees. The Company had expenses due to contract renewal for existing customers for the business operation to be in accordance with the rules, conditions and requirements of relevant authorities. The Company recorded such expenses as a loss from the closing of a certain number of contracts which is a non-recurring expense. The Company has completed all amendment to existing contracts with existing customers on October 31, 2019.

In addition, the Company has expanded its lending business by providing nano finance and hire purchase loans since January 1, 2019, the Company received a nano finance business license on August 24, 2017 and began to provide services in full after having planned the criteria for determination of loan to be granted and prepared the information technology system for concise business operation.

From the Company's operating results that has been growing continuously, Bualuang Ventures Company Limited has seen the potential of the Company's business growth and decided to enter into a joint investment with the Company in 2019. The Extraordinary General Meeting of Shareholders No. 2/2019 held on May 24, 2019 resolved to approve the increase of the Company registered capital in the amount of 150,000,000 shares with par value THB 1 in order to offer such newly issued ordinary shares to Bualuang Ventures Company Limited, resulted in the Company's registered capital being raised from THB 1,400 million to THB 1,550 million. In 2020, the Company completed an initial public offering of 546 million shares at a price of THB 3.70 per share, as a result, the Company's paid-up capital increased from THB 1,550 million to THB 2,096 million, and the Stock Exchange of Thailand accepted the Company's share to be listed securities and started trading on December 8, 2020.

The Company aims to drive loan business for society by providing a source of funds for various occupations especially in the agricultural sector where the Company determines to support farmers to be able to afford the agricultural technology and drive them to become Smart Farmer in order to raise the quality of life of the working class towards sustainability. The Company invested in 3,500,000 ordinary shares of Saksiam Maker Drone Co., Ltd. at a par value of THB 10 per share, totaling THB 35,000,000, representing 70% of all shares of such subsidiary which has a registered capital of THB 50,000,000. The Company made full payment for the shares on December 27, 2021. The purpose of the establishment of such subsidiary is to operate the drone business of production and distribution for agriculture with comprehensive after-sales service as well as to establish a standardized flight skills training center. The Company has ability to support the loan for society in all dimensions for Thai farmers to have access to the financial sources through a network of branches which covering the Northern region, Northeastern region, Western region and Central region. It is expected that the service will be available within the first quarter of 2022.

Relief Measures of the Company in accordance with the BOT's Notifications regarding Support Provided for Borrowers Affected by Situation that Impact Thai Economy and COVID-19 Pandemic.

The BOT has announced notifications to assist small and medium-sized enterprises affected by economic condition, trade war, drought including the COVID-19 pandemic pursuant to the BOT's notification regarding Guidelines for Financial Assistance to Borrower Affected by Thailand's Economic Condition (Thai Economy Assistance Measure) and the BOT's notification regarding Financial Assistance to Borrower Affected by the COVID-19 Pandemic (COVID-19 Assistance Measure) 2 phases. The measures aims to assist small and medium-sized enterprises to maintain their cash flow for expenses necessary living and working and to procure appropriate repayment in the ongoing situations.

To be in accordance with the BOT's notification, the Company issued various policies in order to assist the customers having significant details as follow:

- **Thai Economy Assistance Measure for the customer who applies for assistance (enforced since May 5, 2020)**
 - » reduction in loan installments and extension of loan repayment period.
- **COVID-19 Assistance Measure Phase 1 for the customer who applies for assistance (enforced since April 1, 2020)**
 - » 30% reduction in loan installments for 6 months for personal loan under supervision that has a vehicle registration as collateral and having no vehicle registration as collateral.
 - » suspension of principal repayment for 3 months for nano finance
 - » suspension of principal repayment for 6 months for hire purchase loan
- **COVID-19 Assistance Measure Phase 2 for the customer who applies for assistance (enforced since July 1, 2020)**
 - » 30% reduction in loan installments and not less than 22% per annum reduction in interest rate and fees for personal loan under supervision that has a vehicle registration as collateral and having no vehicle registration as collateral.
 - » suspension of principal repayment for 3 months for nano finance
 - » suspension of installments (principal and interest) for 3 months or reduction in loan installments by extension of loan repayment period for hire purchase loan

- **COVID-19 Assistance Measure Phase 3 for the customer who applies for assistance (enforced since May 17, 2021)**
 - » 30% reduction in loan installments and not less than 22% per annum reduction in interest rate and fees for personal loan under supervision that has a vehicle registration as collateral and having no vehicle registration as collateral.
 - » suspension of installments (principal and interest) for 3 months or reduction in loan installments by extension of loan repayment period for hire purchase loan

Accounting Guidelines of the Company according to Relief Measures under the BOT's Notifications regarding Relief Measure of the Enterprise that Provide Support for Borrowers Affected by Situation that Impact Thai Economy and COVID-19 Pandemic.

In order to comply with the abovementioned measures for assisting the borrowers, the Federation of Accounting Professions issued accounting relief measures for service providers who provide assistance to the borrowers under the BOT's measures. The Company adheres to accounting relief measure regarding age classification having significant details as follow:

- **Accounting relief under Thai Economy Assistance Measure**
 - » Providing assistance to Non non-performing loans (Non-NPL) receivables. The Company can classify such receivables to be Stage 1 receivable after debt restructuring and this will not be considered as a troubled debt restructuring (TDR). As of December 31, 2021, the Company has a debtor who has applied for this relief measure for 0.8% of all debtors or equivalent to the outstanding principal amount of THB 73.4 million.
 - » Providing assistance to non-performing loans (NPL) receivables. The Company can classify such receivables to be Stage 1 receivable if such debtors are able to repay the amount under restructuring agreements for 3 months or 3 installments consecutively. As of December 31, 2021, the Company has a debtor who has applied for this relief measure for 0.1% of all debtors or equivalent to the outstanding principal amount of THB 15.1 million.
- **Accounting relief under COVID-19 Assistance Measure**
 - » The Company remains age classification as the same before the borrowers applied for COVID-19 assistance measure. As of December 31, 2021, the Company has a debtor who has applied for this relief measure for 0.2% of all debtors or equivalent to the outstanding principal amount of THB 1.6 million.

However, the age classification according to the above accounting relief does not materially affect the aging level of the Company as well as an allowance for expected credit losses because the number of borrowers who applied for such relief measures were insignificant. In addition, such accounting relief measures does not affect interest and fees income recognized by the Company because the Company still recognize its income by effective rate method throughout the contract period until the maturity date.

Operations Analysis

Income

The Company had a continuous growth in income. During the year 2019 – 2021, the Company had total income of THB 1604.6 million, THB 1,613.7 million and THB 1,847.6 million, respectively, or representing 0.5% growth in 2020 and 14.5% growth in 2021. The income can be classified by type according to the following table:

Income	2019		2020		2021	
	THB Million	%	THB Million	%	THB Million	%
Income from loan	1,575.2	98.2	1,607.0	99.6	1,834.4	99.2
Income from fee and services	25.0	1.5	1.8	0.1	4.7	0.3
Total income from interest and fees	1,600.2	99.7	1,608.8	99.7	1,839.2	99.5
Others	4.4	0.3	4.9	0.3	8.4	0.5
Total income	1,604.6	100.0	1,613.7	100.0	1,847.6	100.0

During the years 2019 - 2021, the Company's total income had been increasing continuously due to the expansion of the loan portfolio from the amount of THB 6,637.4 million at the end of 2019 to the amount of THB 8,658.5 million at the end of 2021 or equivalent to the compound annual growth rate (CAGR) of 14.2% as a result of loan expansion from existing customer base and new customer base by opening more 201 branches in 2021, therefore, the Company has 720 branches in total, covering total 40 provinces in Northern, Northeastern, Central, and Western region. In this regard, although the average interest rate and fees of the Company decreased from 23.4% in 2019 to 20.7% in 2021 as a result of the interest rate and fees restructuring on certain types of loan to comply with various industries and relevant regulations.

The Company has a policy to consider loan approval to customers with conservatism in order to maintain liquidity of cash flow due to the uncertainty of the COVID-19 situation since March 2020. However, the Company's income in 2021 still grew by 14.3% compared to the previous year.

The Company's total income consists of income from interest and fees and other income.

1) Income from interest and fees

Interest and fee income is the main income of the Company. In 2019 – 2021, the Company had interest and fee income in the amount of THB 1,600.2 million, THB 1,608.8 million, and THB 1,839.2 million, respectively, being equivalent to 99.5% of total income.

In this regard, the Company has policy for recognizing interest and fee income for loans in effective rate throughout the contract period until the maturity date. The Company will cease to recognize such income when the customer has overdue payment for more than 90 days or 3 installments consecutively or there is uncertain repayment. For the year 2020, after the Company implemented Thai Financial Reporting Standards 9 (TFRS9), the Company was able to continue recognizing interest and fee income from the customer that has overdue payment for more than 90 days or 3 installments consecutively based on effective rate from net book value method after deduction of expected credit loss.

In addition, according to TFRS 9, the Company has to re-classify transaction. The Company combined interest and service income and disclose such combined amount as a part of interest income in profit and loss statements. Therefore, interest and service income for the year 2019-2021 were disclosed altogether as interest income and for other fees that does not calculated based on effective rate method, they were still disclosed as income from interest and services.

1.1) income from loan interest

The Company collect fixed rate interest calculated on the remaining principal over the term of the contract depending on the type of loan granted to the customer, type and age of collateral and customer loan service history. In the year 2019 - 2021, the Company had interest income from loan amounting to THB 1,575.2 million, THB 1,607.0 million and THB 1,834.4 million, respectively, representing 98.2% - 99.6% of total income.

However, the growth of income from loan interest continued. This is mainly due to business expansion by opening up 68 branches in 2019, 78 branches in 2020 and 201 branches in 2021. As of December 31, 2019, there were 238,351 loan contracts having an average amount of receivables per contract approximately THB 27,847 per contract, as at December 31, 2020, due to the unstable situation of the pandemic, the number of contract does not decrease much by having 235,306 loan contracts having an average amount of receivables per contract approximately THB 27,224 per contract. As at December 31, 2021 the number of contract was increased to 283,745 loan contracts having an average amount of receivables per contract approximately THB 30,610 per contract.

1.2) income from fees and services

In 2019 - 2021, the Company had fees and services income from granting of loans amounting to THB 25 million, THB 1.8 million and THB 4.7 million, respectively, representing approximately 0.1% - 1.5% of total income. This includes fees for executing a contract and closing the contract, repayment extension fee, loan service fee, fees from providing business of personal loan under supervision that is not a loan with vehicle registration as collateral and nano finance, and debt collection fees, etc.

In addition, from May 1, 2019, the Company has started using a new form of loan contract as well as determined the new structure of fees rate to be collected in the effective rate calculated based on outstanding principal. For personal loan that has a vehicle registration as collateral, the maximum rate of interest and fees altogether must not exceed 28% per annum and for nano finance loan, must not exceed 36% (the rate before amendment in 2020) which is in accordance with the BOT's notifications and other relevant notification. After completely renew all existing loan contracts on October 31, 2019, the Company stopped collecting old fees rate except for the fees that is in accordance with the BOT's notifications such as debt collection fee which is an actual cost incurred on case by case basis and being excluded from the maximum rate of interest and fees as stipulated in the BOT's notifications.

In 2019 - 2020, the Company had fees and services income of THB 25.0 million and THB 1.8 million, respectively. The decrease of fees and services income was the result of a change in the fee structure of the former contract form and new contract form which started using from May 1, 2019.

Interests and fees income of the Company can be classified according to the type of loans as follows:

Interest and Fees Income (Type of business)	2019		2020		2021	
	THB Million	%	THB Million	%	THB Million	%
1. Personal loans revenue under supervision with vehicle registration as collateral	1,386.0	86.6	1,359.2	84.5	1,444.6	78.5
1.1) Loan that has a vehicle registration as collateral	940.4	58.8	948.4	58.9	936.3	50.9
1.2) Loan that has a vehicle registration as collateral for agriculture terms	445.6	27.8	410.8	25.5	508.3	27.6
2. Personal loan revenue under supervision that no vehicle registration loan as collateral	146.5	9.2	58.7	3.6	56.2	3.1
3. Revenue from nano finance loan	66.8	4.2	172.1	10.7	268.4	14.6
4. Revenue from hire purchase loan	0.8	0.1	18.8	1.2	70.0	3.8
Total income derived from interests and fees	1,600.2	100.0	1,608.8	100.0	1,839.2	100.0

Income from interest and fees of loan that has a vehicle registration as collateral

representing 50.9% of income from interest and fees in the year 2021. The Company had generated interest and fees income from vehicle title loans in the year 2019 - 2021 in the amount of THB 940.4 million, THB 948.4 million, and THB 936.3 million, respectively, with a growth rate of 0.8% in 2020 and decrease rate at 1.2% in 2021. The growth of interest and fees income was mainly due to the expansion of the business in 2020 by opening more branches to cover service provision in important areas such as populated community areas. In addition, the increasing number of branches had facilitated the customers to be more convenient to bring their vehicles to inspect for loan application that increased accessibility to the potential customers for vehicle title loan. Even though the Company faced with uncertainty of COVID-19 pandemic in the first half of the 2020 and implemented a policy to consider loan approval by taken into account conservatism in order to maintain cash flow liquidity, the income from interest and fees continued to grow due to recurring income from the old contracts with the acceleration of lending to customers in the third quarter of 2020. At the same time, interest and fee income from loan that has a vehicle registration as collateral in 2021 grow lesser than in 2020 due to a restructuring of interest rates and fees to align with relevant industries and regulations.

Income from interest and fees of loan that has a vehicle registration as collateral with specific conditions for farmers

Loan that has a vehicle registration as collateral with specific conditions for farmers is the second type of loan that generates income for the Company the most after loan that has a vehicle registration as collateral, representing 27.6% of interest and fees income in the year 2021. In the year 2019-2021, the Company had generated interest and fees income from that has a vehicle registration as collateral with specific conditions for farmers in the amount of THB 445.6 million, THB 410.8 million, and THB 508.3 million, respectively. In 2020, the growth rate was reduced by 7.8%. Decrease of interest and fees income was due to delay of loan approval due to uncertainty of the COVID-19 as well as drought in the late 2019 which were the main causes of decrease of interest and fees income of the Company from loan that has a vehicle registration as collateral with specific conditions for farmers and in line with a decrease in receivables in loan that has a vehicle registration as collateral with specific conditions for farmer. While in 2021, the growth rate is 23.7%. Income from interest and fees of loan that has a vehicle registration as collateral with specific conditions for farmers had been increased during 2019-2021 due to business expansion by opening more branches. In addition, the Company provides loan that has a vehicle registration as collateral with specific conditions for farmers in various forms such as the Company's addition of new type of loan that has a vehicle registration as collateral with specific conditions for farmers which the customers can choose to repay interest in monthly installment which is different from the previous type where the customer could only repay both principal and interest amount when due as specified in contract. To add more options, the customer can choose type of loan that is suitable with them and this method will encourage more customers to use loan services of the Company.

Income from interest and fees of personal loan under supervision having no vehicle registration as collateral

The Company had generated interest and fees income from personal loan under supervision having no vehicle registration as collateral in the year 2019 - 2021 in the amount of THB 146.5 million, THB 58.7 million and THB 56.2 million, respectively, showing the reducing rate of 59.9% in 2020 and 4.2% in 2021 due to the change in marketing policy of the Company.

The proportion of income from personal loan under supervision having no vehicle registration as collateral has changed during 2019 - 2021 from 9.2% of interest and fees income in 2019 and to 3.6% in 2020 and 3.1% in 2021, being in line with the Company's loan receivables portfolio structure of which a proportion of personal loan under supervision having no vehicle registration as collateral decreased to 59.9% at the end of 2020 and 4.3% at the end of 2021. During 2019 - 2021, income from interest and fees of personal loan under supervision having no vehicle registration as collateral had been decreasing due to marketing policy of the Company to promote personal loan under supervision having no vehicle registration as collateral by introducing this type of loan to the customer who already had a vehicle title loan or vehicle title loan with specific conditions for farmers and had a good repayment history. The offered loan credit limit was not high and such customer had already passed the repayment ability consideration together with a loan credit limit having collateral, which is the main service.

Income from interest and fees of nano finance and hire purchase of loan.

The Company was granted letter of approval to operate the business of nano finance under supervision on August 24, 2017. The Company has planned to determine the criteria for considering this new type of loan and prepare the information technology system in order to operate the business in a concise manner and began to provide a full scope of services from January 1, 2019 onward for an expansion of the Company's business to be various and be able to satisfy the customers' different needs.

In 2019 - 2021, the Company had interest and fees income from nano finance in the amount of THB 66.8, THB 172.1 million and THB 268.4 million, representing 4.2%, 10.7%, and 14.6% of interest and fees income, respectively. The growth of interest and fees income from nano finance is because of the fact that the customers who were granted personal loan under supervision having no vehicle registration changed their mind to apply for nano finance instead in order to be in line with their occupations. The Company offers nano finance as an option to the customers. The nano finance is a loan for occupation for the customer who has no income proof documents or no assets as collateral e.g. market vendors and stalls, small entrepreneurs such as grocery stores, restaurants, and farmers. The growth of interest and fees income from nano finance is inconsistent with the structure of the receivable's portfolio with the proportion of nano finance loans increased continuously. As of December 31, 2021, the amount was THB 1,142.7 million, representing 13.2% of the total credit portfolio.

For the income from loan interest and fees under hire purchase loan, the Company provides hire purchase loan service since January 1, 2019. In the year 2019, the Company earned income from loan interest and fees under the hire purchase loan in the amount of THB 0.8 million, in 2020 in the amount of THB 18.8 million, in 2021 in the amount of THB 70.0 million or 0.1%, 1.2%, and 3.8% of the income from loan interest and fees respectively.

	Year 2019		Year 2020		Year 2021	
	THB Million	Percent	THB Million	Percent	THB Million	Percent
Loan that has a vehicle registration as collateral						
New loan credit limits during the year	6,101.2	44.1	3,512.3	35.3	4,497.6	31.2
Net Loan Receivables	3,729.9	56.2	3,539.4	55.3	4,103.4	47.2
Total remaining amount of contracts	128,438	53.9	127,699	54.3	127,409	44.9
Loan that has a vehicle registration as collateral for agriculture terms						
New loan credit limits during the year	6,414.5	46.4	5,227.8	52.6	7,459.3	51.7
Net Loan Receivables	2,054.8	31.0	1,912.1	29.8	2,761.8	31.8
Total remaining amount of contracts	34,010	14.3	28,971	12.3	38,933	13.7
Personal loan under supervision that no vehicle registration loan as collateral						
New loan credit limits during the year	544.9	3.9	236.6	2.4	398.6	2.8
Net Loan Receivables	267.7	4.0	179.0	2.8	255.3	2.9
Total remaining amount of contracts	27,476	11.5	16,940	7.2	20,535	7.2
Nano Finance Loan						
New loan credit limits during the year	761.5	5.5	800.9	8.1	1,673.1	11.6
Net Loan Receivables	570.9	8.6	625.0	9.8	1,142.7	13.2
Total remaining amount of contracts	48,372	20.3	58,076	24.7	84,786	29.9

	Year 2019		Year 2020		Year 2021	
	THB Million	Percent	THB Million	Percent	THB Million	Percent
Hire Purchase Loan						
New loan credit limits during the year	14.8	0.1	159.6	1.6	389.3	2.7
Net Loan Receivables	14.1	0.2	150.5	2.3	422.4	4.9
Total remaining amount of contracts	55	0.0	3,620	1.5	12,082	4.3
Total						
Total amount of the new loan credit Limits	13,836.9	100.0	9,937.2	100.0	14,417.9	100.0
Total amount of the net loan receivable	6,637.4	100.0	6,406.0	100.0	8,685.5	100.0
Total remaining amount of contracts	238,351	100.0	235,306	100.0	283,745	100.0

Interest income and fee from loan continues to grow during the year 2019 – 2021. The Interest income and fee from loan in 2020 and 2021 are at 0.5% and 14.3% respectively. The main reason was the expanding of the business to have 441 branches at the year ended 2019, 519 branches at the year ended 2020 and 720 branches at the year ended 2021. The Company earns interest income and fees amounted to THB 1,839.2 million, an increase of THB 230.4 million from the previous year, which is an increase of 14.3 percent.

The expansion of branches had increased the amount of new loan credit limit during the year and loan portfolio continuously. During the year 2019 – 2021, the Company has new loan credit limit in the amount of THB 13,836.9 million, THB 9,937.2 million and THB 14,417.9 million respectively. In other words, the new loan credit limit of the Company increased by 28.2% in the year 2020 and 45.1% in the year 2021. The amount of loan receivable as of the year ended 2019 – 2021 are THB 6,637.4 million, THB 6,406.0 million and THB 8,685.5 million respectively. this represents a growth rate of 3.4% in 2020, and 35.6% in 2021, with the company having new loans with vehicle registration as collateral for agriculture terms have the highest proportion of about 46.4 – 52.6 percent of total new loans. Nevertheless, since the term loan of the personal loan under supervision that has a vehicle registration as collateral with specific conditions for agriculture term is short (i.e. approximately 4 months to be in accordance with planting and harvesting period of agricultural products), therefore the ratio of personal loan portfolio under supervision that has a vehicle registration as collateral with specific conditions for farmers are 29.8% – 31.8% of the total loan receivables of the Company. The personal loan under supervision that has a vehicle registration as collateral has the second highest number of the new loan credit limit, approximately 31.2% - 44.1% of the total new loan credit limit. The highest loan portfolio are 47.2% - 56.2% of the total loan receivables.

As of December 31, 2021, the loan portfolio of the Company are THB 8,685.5 million with 283,745 remaining loan contracts. The highest ratio of personal loan under supervision that has a vehicle registration as collateral are 47.2% of the total loan receivables of the Company. Personal loan that has a vehicle registration as collateral with specific conditions for farmers is 31.8% of the total loan receivables, personal loans under supervision that are not vehicle registered loans is 2.9% of total loan receivables, and the nano finance loan and hire purchase loan are 18.1% of the total loan receivables. In this regard, the Company offers nano finance loan as an additional credit line to the existing customers, with an aim to meet with the higher demand of the customers regarding the use of loan services.

The Company recognized the income in form of the effective rate, resulting in the different numbers of income, interest and fees of the loan in each period. In this regard, the Company will recognize the income in the first year of term loan more than the following year, which is descending. The details of the income from loan interest and fees under the loan contract each year are as follows;

Income recognition from loan interest and fees under loan contract each year

Interest income and fees	Year 2019		Year 2020		Year 2021	
	Number of Contract (s)	(THB Million)	Number of Contract (s)	(THB Million)	Number of Contract (s)	(THB Million)
Arising from the loan contract in the year 2011	-	-	-	-	-	-
Arising from the loan contract in the year 2012	-	-	-	-	-	-
Arising from the loan contract in the year 2013	2	0.0	-	-	-	-
Arising from the loan contract in the year 2014	11	0.0	-	-	-	-
Arising from the loan contract in the year 2015	253	0.6	-	-	-	-
Arising from the loan contract in the year 2016	2,615	8.2	6	0.0	2	0.0
Arising from the loan contract in the year 2017	22,481	73.8	298	0.3	48	0.1
Arising from the loan contract in the year 2018	177,053	437.2	6,415	7.4	949	1.2
Arising from the loan contract in the year 2019	397,392	1,080.3	231,632	805.7	49,071	186.7
Arising from the loan contract in the year 2020	-	-	281,772	795.3	185,237	528.7
Arising from the loan contract in the year 2021	-	-	-	-	373,022	1,122.5
Total interest income and fees	599,807	1,600.2	520,123	1,608.8	608,329	1,839.2

2) Other income

Other income consists of key items which are interest income from bank deposits and bad debts returned from each type of loan, etc. In the years 2019 - 2021, the Company had other income in the amount of THB 4.4 million, THB 4.9 million and THB 8.4 million, respectively.

Operating Expenses

Operating Expenses (Unit : THB Million)	2019	2020	2021
Selling expenses	16.5	13.6	23.2
Administrative expenses	720.3	774.1	898.8
Loss on closing contracts	162.2	-	-
Expected credit loss	-	(5.7)	63.5
Bad debts and doubtful accounts	115.2	-	-
Financial costs	158.9	131.4	103.7
Total operating expenses	1,173.1	913.4	1,089.2
Ratio to total revenue	73.1	56.6	59.0
Ratio to total revenue if excluding loss from contract closing	63.0	56.6	59.0

In the years 2019 – 2021, the Company has a total operating expenses in the amount of THB 1,173.1 million, THB 913.4 million and THB 1,089.2 million respectively. The operating expenses increased by THB 411.1 million. In the year 2019, the operating expenses increased by 53.9% compared to total income. The operating expenses were in the amount of 73.1%, 56.6% and 59.0% of total income in years 2019 – 2021, respectively. In addition, the operating expenses increased due to an increase in administrative expenses, in line with the Company's total income growth in the year 2019 - 2021.

For the year 2020, the Company had total operating expenses amounting to THB 913.4 million, decreased by THB 259.7 million compared to the operating results of the previous year. In 2020, the expenses of the Company were reduced because of the slowdown in the opening of branches of the Company and the lending and expenses control for maintaining operating cash flow from the uncertainty in the COVID-19 situation.

For the year 2021, the Company had a total operating expenses amounting to THB 1,089.2 million, which increased by THB 175.8 million or 19.2% compared to 2020. The increase in expense in 2021 was mainly due to the expanding of new branches from 519 branches at the end of 2020 to 720 branches at the end of 2021. The proportion of operating expenses to total revenue increased from 56.6% to 59.0%, which is close to the proportion of operating expenses to total revenues during the years 2019 – 2021.

The operating expenses consist of selling expenses, administrative expenses, and loss on closing contracts bad debts and doubtful accounts and financial costs having the details as follow:

Selling expenses

Selling expenses are the Company's marketing costs, which consist of advertising costs, premium costs and marketing costs for new customer's introduction, etc. The changes in selling expenses are in line with the Company's marketing policy to support the Company's revenue growth. In 2019 – 2021, the service expenses of the Company were amounting to THB 16.5 million, THB 13.6 million and THB 23.2 million respectively, representing 1.4% – 2.1% of total operating expenses.

Administrative Expenses

Administrative Expenses	2019		2020		2021	
	THB Million	Percent	THB Million	Percent	THB Million	Percent
Personnel expenses	479.2	66.5	512.1	66.1	594.4	66.1
Taxes and duties	66.8	9.3	63.7	8.2	70.8	7.9
Operating lease expenses	52.7	7.3	2.8	0.4	4.2	0.5
Utilities expenses	28.2	3.9	30.0	3.9	36.9	4.1
Depreciation and amortization expenses	37.8	5.2	102.5	13.2	116.3	12.9
Other expenses	55.6	7.7	63.0	8.1	76.1	8.5
Total administration expenses	720.3	100.0	774.1	100.0	898.7	100.0
Ratio to total revenue	44.9		48.0		48.6	

Administration expenses are the main operating expenses of the Company, representing 61.4% – 84.7% of the total operating expenses, or representing 44.9% – 48.6% per total revenue. In the years 2019 – 2021, the significant administration expenses consist of employee expenses such as salary, position allowance, bonus, performance remuneration and other employee benefits, representing 66.1% – 66.5% of total administrative expenses, tax such as special business tax at 3.3% of the interest and fees paid by the customers, building and land rental expenses for use as the Company's head office and branches. The Company entered into several building lease agreements for the branches office to carry on lending business provided that such lease agreements has an average period of 1 – 3 years and able to extend the lease term for an average of 1 – 3 years at a time, utilities expenses and depreciation and amortization expenses.

In the years 2019 – 2021, the Company had administrative expenses equal to THB 720.3 million, THB 774.1 million, and THB 898.7 million, respectively. The administrative cost increased by THB 53.8 million, representing 7.4 percent in 2020 and by THB 124.6 million in 2021, representing 16.1%. The administrative expenses continued to increase during 2019-2021, which were in line with the expansion of the Company's branches from 519 branches at the end of 2020 to 720 branches at the end of 2021, resulting in increase of operating expenses of the branches such as rental expenses, utility expenses, and employee expenses from hiring permanent employees at the branches. As a result, the number of employees of the Company increased from 1,596 persons at the end of 2020 to 1,930 persons at the end of 2021.

Loss from contract closing

Since May 1, 2019, the Company has changed the form of loan contracts to comply with the regulations of the BOT and has invited existing loan customers to close the existing contract and renewed contract. The Company has had expenses due to the change of contract for existing loan customers to incentivize operations to be in accordance with the criteria and conditions and requirements of the relevant agencies. The contract closing expense is a non-recurring expense and in 2019, the Company recorded a loss from the contract closing of THB 162.2 million. In this regard, the Company completely changed the existing loan contract in 2019 to a new form of loan contract on October 31, 2019.

Bad debts and doubtful accounts

In 2019 – 2021, the Company had bad debts and doubtful accounts and expected credit losses amounting to THB 115.2 million, THB (5.7) million and THB 63.5 million respectively.

As of December 31, 2019, the Company has considered to set up the allowance for doubtful accounts to be higher than the criteria to set the allowance for doubtful accounts prescribed by the BOT, in which the Company used the conservative basis to comply with Thai Financial Reporting Standards No.9 (TFRS9). As of December 31, 2019, the Company set the allowance for doubtful accounts at the amount of THB 188.0 million, following the criteria to set the allowance for doubtful accounts prescribed by the BOT.

From January 1, 2020 onwards, the Company applied the TFRS9 for the first time. Therefore, the Company has to consider and realize the expected credit loss (ECL) on the loan receivables and the hire purchase receivables by using the General Approach to evaluate the ECL. There are 3 levels of the change in credit quality under the General Approach, in which different level will prescribe different evaluations of ECL and realization of interest. The General Approach is different from the allowance method. Furthermore, the changes in the impairment of credit will be displayed as the "expected credit loss" instead of "bad debts and doubtful accounts" in the statement of the comprehensive income.

As of December 31, 2020 and 2021, the Company disclosed the expected credit loss or the allowance for doubtful accounts in the amount of THB 162.3 million and THB 207.8 million respectively, which consists of the provision for bad debts according to the ECL Model and Management Overlay with the proportion of the non-performing loan accounted for 2.2% and 2.2% of the total loan credit respectively.

The Company believes that the allowance for doubtful accounts or the expected credit loss is appropriate and sufficient since 84.0% of the Company's credit portfolio is secured. Therefore, if the borrower is unable to pay the debt under the contract, the Company can confiscate the collateral from the borrower and sell the collateral to repay the outstanding debt even though the collateral may deteriorate, which may result in the decrease of the value of the collateral. Nevertheless, the Company has considered that the allowance for doubtful accounts or the expected credit loss is sufficient and appropriate for the Company's business operations.

In 2019-2021, the Company write-off bad debts in the amount of THB 36.2 million, THB 28.2 million, and THB 35.2 million respectively, representing 0.5%, 0.4%, and 0.4% of loan receivables balance at the end of the year 2019-2021 respectively. The Company has the policy of write-off accounts receivable and realize bad debts as an expense when the Company had requested for payment of debt accordingly and as suitability to such situation, with clear evidence of request for payment of debt and does not receive any payment.

(For further details please consider Part 2.4.16, Loan Receivables, Page 19)

Financial cost

The Company had financial cost in 2019-2021 in the amount of THB 158.9 million, THB 131.4 million, and THB 103.7 million respectively, decreasing in 17.3% in 2020 and 21.1% in 2021. Decrease of financial cost is due to the initial public offering of ordinary shares, including receiving a soft loan for Non-Bank entrepreneurs which affected by COVID-19 from the Government Savings Bank. As a result, the Company has interest-bearing debt in 2019 – 2021 in the amount of THB 4,132.2 million, THB 4,071.8 million and THB 4,354.1 million, respectively.

In 2021, the Company had financial cost in the amount of THB 103.7 million, comprises of financial cost from loan from financial institution THB 95.1 million, and financial cost of debt under lease agreement according to Thai Financial Reporting Standards No.16 (TFRS 16) in the amount of THB 8.6 million. The Company's total financial cost decreasing from the same period of the former year which was THB 27.7 million representing reduction rate of 21.1% which correlated with lower rate of interest paid.

Profitability

Interest margin

Unit: percentage	Year 2019	Year 2020	Year 2021
Interest rate and fees received	26.3	24.7	24.4
Rate of interest paid	4.1	3.2	2.5
Interest margin	22.2	21.5	21.9

Interest rate and receiving fees of the Company were equal to 26.3%, 24.7%, and 24.4% in 2019-2021 respectively. The interest income rate of the Company has decreased due to the interest rate restructuring and fees for certain types of loans to comply with the industry and relevant regulations.

The rate of the interest paid of the Company is equal to 4.1%, 3.2%, and 2.5% in 2019-2021 respectively. The interest expense rate changes according to the conditions of the market in each period because the interest rate under the loan from the financial institution is a floating interest rate. However, if calculating the rate of interest paid without taking into account TFRS16, the interest expense rate will be equal to 2.4%.

During 2019-2021, the Company will have the interest margin equal to 22.2%, 21.5%, and 21.8% respectively if the interest margin is calculated without taking into account TFRS16.

The interest margin will have a tendency to be considered based on interest rate, receiving fee, and rate of interest paid. Interest rate and receiving fees of the Company will be according to the notifications of the BOT and relevant notifications – in which nowadays has prescribed interest rate and fees received of personal loan under supervision that has a vehicle registration as collateral and personal loan under supervision that having no vehicle registration as collateral not exceeding 24% and 25% per year respectively, as well as nano finance loan not exceeding 33% per year. Moreover, competition from competitors might affect interest rate and fees received. The rate of interest paid of the Company depends on the conditions of the market and the economy as well as the collateral used to obtain loan from financial institution. Furthermore, the rate of interest paid of the Company tends to decrease from other factors, which includes obtaining credit limit from Government Saving Bank's soft loan project for non-bank operators being affected by the COVID-19 pandemic as well as registering the ordinary shares of the Company in the Stock Exchange of Thailand, increasing the opportunity to access to capital or bond issuance that has financial cost less than the current rate of interest paid – such as corporate bond.

Net Profit

From the above operating results, the Company's net profit continued to grow provided that in 2019-2021, the Company had a net profit in the amount of THB 345.9 million, THB 561.9 million, and THB 607.5 million respectively, representing the growth rate equivalent to 62.4% in 2020 and 8.1% in 2021.

For the year 2019, the Company's net profit amounted to THB 345.9 million, representing 21.6% net profit margin. The net profit in 2019 is due to the loss from contract closing of THB 162.2 million, which is a non-recurring expense incurred from changing the loan contract to comply with the BOT's regulations and setting up a special allowance for doubtful accounts calculated net profit after adjustment of extraordinary item (Normalized Profit) that is a loss from the contract closing which resulted in the net profit of the Company be THB 476.0 million. In addition, the Company has a 14.1% return on equity in the year 2019, if calculating the net profit after adjusting the special item (Normalized Profit), the return on equity in 2019 will increase to 19.4%, which is close to return on equity for the past 3 years. The Company has a 15.4% return on equity in 2020 and 12.9% return on equity in 2021.

The Company has a policy to pay dividends at the rate of not less than 40% of the net profit after corporate income tax and the allocation of legal reserves from the separate financial statements, however, the Company may consider paying dividends differ from the policy set forth depending on the operating results, financial liquidity and the need of working capital for business management and the expansion of the Company's business as well as economic conditions.

Analysis of Financial Positions

Assets

The Company had assets as of December 31, 2019 - 2021 in the amount of THB 7,157.6 million, THB 8,777.8 million, and THB 9,529.5 million respectively. The most significant asset of the Company is loan receivables amounting to THB 6,637.4 million, THB 6,406.0 million, and THB 8,685.5 million at the end of 2019 - 2021, respectively, representing 92.7%, 73.0% and 91.1% of total assets respectively, followed by cash and cash equivalent and land, building and plant, and right of use asstes, etc.

As of December 31, 2019-2021, the Company had total current assets of THB 4,573.2 million, THB 6,123.9 million, and THB 5,867.1 million respectively, representing 63.9%, 69.8%, and 61.6% to total assets. The significant current assets is loan receivables due within one year amounting to THB 4,302.6 million THB 4,206.9 million, and THB 5,529.5 million representing 94.1%, 68.7%, and 94.2% of assets respectively.

The Company had non-current assets totaling THB 2,584.4 million, THB 2,653.9 million, and THB 3,662.4 million as of December 31, 2019-2021, respectively, representing 36.1%, 30.2%, and 38.4% of total assets. The significant non-current asset is net loan receivables due more than one year, amounting to THB 2,334.8 million, THB 2,199.1 million, and THB 3,155.9 million as of December 31, 2019-2021, respectively, representing 90.3%, 82.9%, and 86.2% of total non-current assets, respectively.

The Company's total assets were classified as follows:

Loan Receivables

The Company had loan receivables of THB 6,637.4 million, THB 6,406.0 million, and THB 8,685.5 million as of December 31, 2019-2021, respectively, representing the decrease in growth rate of 3.5% in 2020 and increased by 35.6% in 2021. As of December 31, 2021, the Company's loan receivables were divided into loan receivables due within 1 year, which amounted to THB 4,302.6 million, THB 4,206.9 million and THB 5,529.6 million, respectively, representing 64.8%, 65.7%, and 63.6% of total loan receivables, and loan receivables due more than 1 year, which amounted to THB 2,334.8 million, THB 2,199.1 million, and THB 3,155.9 million respectively, representing 35.2%, 34.3%, and 36.4% of total loan receivables. The loan receivables in the years 2019-2021, had been growing in line with the expansion of branches and the number of loan credit customers increased while the number of loan receivables was decreasing. This was mainly due to the policy in considering credit approval on the conservative basis to customers in order to maintain liquidity of cash flow due to the uncertainty of the COVID-19 situation in the first half of 2020. However, by the end of 2021, after the situation of the COVID-19 pandemic in Thailand has eased, the Company was able to visit the area in the community for marketing as well as the customers can contact for services normally, the loan receivables increased in 2021.

However, the portion of loan receivable that is due more than 1 year increased due to the Company's growth in loans with collateral which resulting in credit to the customer increased and longer repayment period. The average repayment period is around 12-36 instalments.

Net Loan Receivable	At the end of 2019		At the end of 2020		At the end of 2021	
	THB Million	Percent	THB Million	Percent	THB Million	Percent
Current portion due within 1 year	4,302.6	64.8	4,206.9	65.7	5,529.6	63.6
Portion due later than 1 year	2,334.8	35.2	2,199.1	34.3	3,155.9	36.4
Total	6,637.4	100.0	6,406.0	100.0	8,685.5	100.0

Receivables structure classified by collateral

Net Loan Receivable	At the end of 2019		At the end of 2020		At the end of 2021	
	THB Million	Percent	THB Million	Percent	THB Million	Percent
Pickup truck	2,630.2	39.6	2,573.1	40.2	3,364.8	38.7
Motorcycle	1,491.2	22.5	1,363.6	21.3	1,721.7	19.8
Car for agricultural use	813.7	12.3	807.3	12.6	1,007.5	11.6
Passenger car	608.2	9.2	605.0	9.4	854.4	9.8
Truck car	209.9	3.2	203.6	3.2	265.8	3.1
Other vehicles	45.6	0.7	49.4	0.8	73.3	0.8
No collateral	838.6	12.6	804.0	12.6	1,397.9	16.1
Total	6,637.4	100.0	6,406.0	100	8,685.5	100

If considering receivables classified by collaterals, it is shown that as of December 31, 2019-2021, the Company has collateral receivables in the proportion of 87.3%, 87.4%, and 83.9% of total loan receivables, respectively. As of December 31, 2021, the Company has the receivable having pick-up as collateral in the highest rate of 38.7% of total loan receivables with an average loan term of 15 – 21 instalments, followed by the receivable having motorcycle as collateral in the rate of 19.8% of total loan receivables with an average loan term of 15 – 17 instalments. In light of the receivable having car for agricultural use as collateral which is the third largest proportion equal to 11.6% of total loan receivables with an average loan term of 7 – 10 installments. The Company has unsecured loan receivables, namely personal loan under supervision having no vehicle registration as collateral and nano finance loan in the total proportion of 16.1% of total loan receivables with an average loan term of 18 – 20 instalments.

If considering average loan term categorized by type of loan, the Company has approximately 12 – 36 months for vehicle title loan, approximately 4 months for vehicle title loan with specific conditions for farmers, approximately 18 – 20 months for personal loan under supervision having no vehicle registration as collateral and nano finance loan, and approximately 38 – 54 months for hire purchase loan.

An overview of the receivable aging for the years 2019-2021 were as shown in the following table:

Age Classification	At the end of 2019		At the end of 2020		At the end of 2021	
	THB Million	%	THB Million	%	THB Million	%
Current or overdue not over than 1 month	6,202.1	90.9	6,152.2	93.6	8,420.5	94.7
Overdue for more than 1 — 3 months	526.3	7.7	272.7	4.1	281.9	3.2
Overdue for more than 3 — 6 months	85.9	1.3	77.8	1.2	88.0	1.0
Overdue for more than 6 — 12 months	8.2	0.1	34.4	0.5	36.4	0.4
Overdue for more than 12 months	2.8	0.0	31.1	0.4	66.4	0.7
Total loan receivables net from deferred interest and accrued interest income	6,825.4	100.0	6,568.3	100.0	8,893.3	100.0
Less : allowance for doubtful accounts	(188.0)	(2.8)	(162.3)	(2.5)	(207.8)	(2.3)
Plus : Accrued fees	-	-	-	-	-	-
Less: Deferred fees	-	-	-	-	-	-
รวม Total loan receivables, net	6,637.4		6,406.0		8,685.5	

For the years 2019-2021, when considering the information in the receivable aging table above, it is shown that most of the receivables of the Company are not yet reached due payment and their outstanding receivables is not more than 1 month, which representing 90.9%, 93.6%, and 94.7% of total loan receivables as of December 31, 2019-2021, respectively, showing that most of the Company's credit receivables is a quality receivable and the Company has a good debt tracking ability. In addition, the Company has receivables outstanding for more than 3 months or Non-Performing Loans (NPL) at 2.1% in the same period, which is in a low level being resulted from a strict credit review policy, including an efficient debt control and tracking system.

In this regard, since January 1, 2020, the Company implemented Thai Financial Reporting Standards No. 9 Re: Financial Instrument (TFRS9) for the first time which resulting in the Company to change the classification of debt from classify by age of receivables to alteration in credit quality which has 3 stages (Staging):

- Stage 1 (Performing) : Group of receivables which credit risk does not significantly increase or receivables is not due yet, or overdue for less than 1 month, totaling THB 6152.3 million.
- Stage 2 (Under-performing) : Group of receivables which credit risk significantly increase or overdue for more than 1 – 3 months same as former criteria, totaling THB 272.7 million.
- Stage 3 (Non-performing) : Group of receivables with credit impairment losses or debtor who is overdue for more than 3 months, same as former criteria, totaling THB 134.2 million.

As of December 31, 2020, the Company had Stage 1 receivables or receivables that have not yet been due and overdue for not more than 1 month at the rate of 93.6% of net loan receivables from deferred interest and accrued interest, and had Non-Performing Loan (NPL) in the proportion of 2.2%. The increase of Non-Performing Loans was as a consequence of the COVID-19 outbreaks since late first quarter of 2020 until the second quarter of 2020, which affects livelihoods of people including the operations of the Company and customers of the Company such as the customers cannot travel to pay installments as well as the management of debt collection of the Company that there were obstacles from closure of the route across the province. As a result, Non-Performing Loans (NPL) increased as of June 30, 2020, however, in the fourth quarter of 2020 after the COVID-19 epidemic in Thailand has eased, the customers can travel to pay their installments as usual and the management of debt collection of the Company can be proceeded normally. Nevertheless, this has not yet resulted in a decrease in the Non-Performing Loans (NPL) as of December 31, 2020 compared with as of December 31, 2019.

As of December 31, 2021, the Company had Stage 1 receivables or receivables that have not yet been due and overdue for not more than 1 month at the rate of 94.7% of net loan receivables from deferred interest and accrued interest, and had Non-Performing Loan (NPL) in the proportion of 2.1%. The increase of Non-Performing Loans was as a consequence of the COVID-19 outbreaks, which affects livelihoods of people such as lock-down measure, closing of shops and suspend economic activities. As a result, Non-Performing Loans (NPL) increased as of December 31, 2021 compared to as of December 31, 2020. The Company, however, in the fourth quarter of 2020 after the COVID-19 epidemic in Thailand has eased, the customers can travel to pay their installments as usual and the management of debt collection of the Company can be proceeded normally. Nevertheless, this has not yet resulted in a decrease in the Non-Performing Loans (NPL) as of December 31, 2020 compared with as of December 31, 2019. The Company set the allowance for doubtful accounts as of December 31, 2019-2021 at the amount of THB 188.0 million, THB 162.3 million and THB 207.8 million respectively, representing 1.9%, 2.8% and 2.2% of loan receivables before deducting allowance for doubtful accounts, which is in line with increased Non-Performing Loans (NPL).

Cash and Cash Equivalent

Cash and cash equivalents of the Company at the end of 2019-2021 amounted to THB 252.6 million, THB 306.6 million and THB 307.4 million respectively, representing 3.5%, 3.5%, and 3.2% of total assets respectively.

Foreclosed Asset

The Company's non-performing asset at the end of 2019-2021 amounted to THB 5.6 million, THB 3.8 million and THB 3.2 million respectively, representing 0.08%, 0.04% and 0.03% of total assets respectively. As of December 31, 2021, the Company's non-performing asset consist of 31 motorcycles worth THB 0.7 million and 31 cars, total value THB 2.5 million, being increased when compared with non-performing asset at the end of 2020 having 27 motorcycles worth THB 0.4 million and 34 cars total value THB 3.4 million.

The increase of non-performing asset in the years 2019-2021 is in line with the expansion of the debtor with collateral portfolio at the end of 2019. The Company had loan receivables with collateral in the amount of THB 5,798.8 million or 87.4% of total receivables. As of the end of 2020, the Company had loan receivables with collateral in the amount of THB 5,601.9 million, representing 87.4% of total receivables. As of the end of 2021, the Company had loan receivables with collateral in the amount of THB 7,287.5 million, representing 83.9% of total receivables.

As of December 31, 2021, the Company had non-performing asset amounting to THB 3.2 million or 0.03% of total assets with 31 motorcycles worth THB 0.7 million and 31 cars total value THB 2.5 million which decreased from non-performing asset at the end of 2020.

Property, Plant and Equipment

The Company had property, plant and equipment as of the end of 2019-2021 in the amount of THB 165.8 million, THB 109.4 million, and THB 126.0 million. The proportion of total assets was 2.3%, 1.2%, and 1.3% respectively. The number of property, plant and equipment of the Company has increased due to the investment in appliances and office equipment to support the expansion of branches, renovation of branches and extension of the head office of the Company. This is because most of the Company's operating branches are in the form of lease premise therefore, most of the Company's assets are appliances and office equipment and vehicles.

Right-of-use-assets

The Company's right-of-use assets at the end of 2020 - 2021 is THB 262.3 million, and THB 263.7 million respectively, or 3.0% and 2.8% of total assets respectively. The increase is due to additional lease agreements and the term renewal of existing lease agreements while the depreciation is depreciated over the period of the lease agreement.

From January 1, 2020, the Company has adopted Thai Financial Reporting Standard No. 16 Lease Agreement (TFRS16) for the first time, resulting in the Company to recognize the lease agreements as a right-of-use assets for high-value leases having lease term for more than 12 months. The amount of the lease liability is recognized from the initial value measurement deducted by Deferred Interest Expense. The right-of-use assets are depreciated over the term of the lease on a straight-line method while the Company recognize lease agreement liabilities at the present value of the payment that has to be made over the lease term, discounted with incremental borrowing rate. The book value of the lease liability will decrease when the rent is paid. The rent will be allocated as a debt settlement and financial cost being recognized in profit or loss over the lease term at a fixed interest rate calculated based on the outstanding lease liability.

For rent paid under short-term agreements and low value leases, they are recognized as expenses on a straight-line basis. The short-term lease is a lease with a term of less than or equal to 12 months and low-value assets e.g. photocopier, etc.

Record of right-of-use assets and liabilities under the lease agreements can be summarized as follows:

(Unit: THB Million)	As of December 31, 2019	As of December 31, 2020	As of December 31, 2021
Assets			
Property, plant and equipment	165.8	109.4	126.0
• vehicle	63.6	15.9	16.6
• Other fixed assets	102.2	93.5	109.4
Right-of-use-assets	-	262.3	263.7
• Vehicle under financial Lease	-	49.5	40.1
• Leasehold property	-	212.8	223.6
Liabilities			
Lease liabilities ^{1/}	26.7	242.5	245.2
• Vehicle under financial Lease	26.7	27.7	17.7
• Leasehold property	-	214.8	227.5

Note: ^{1/} The original lease liability was recorded as finance lease liability before January 1 2020, period to the first implementation of TFRS 16.

Liabilities

The Company had total liabilities as of December 31, 2019-2021 in the amount of THB 4,382.0 million, THB 4,269.6 million and THB 4,623.0 million, respectively. The main liabilities of the Company are short-term loans and long-term loans from financial institutions being approximate 88.9% - 94.7% of total liabilities. Therefore, the increase in total liabilities in 2019-2021 and 2021 is mainly due to an increase in borrowing from such financial institutions. Credit limit and outstanding debt balance of borrowings from financial institutions as of December 31, 2021 appears as follows:

Type of loan from financial institution (Unit: THB Million)	As of December 31, 2021		
	Credit loan limit	Outstanding debt	Outstanding balance that has not been drawn
Short-term loan	3,430.0	3,047.3	382.7
• Bank Overdraft	20.0	-	20.0
• Promissory note	3,410.0	3,047.3	362.7
Long-term loans	2,098.0	1,061.6	1,036.4
Total loan from financial institution	5,528.0	4,108.9	1,419.1

Short-Term Loans from the financial institutions

The Company has short-term loans from financial institutions as of December 31, 2019-2021 in the amount of THB 3,332.9 million, THB 2,865.5 million, and THB 3,047.3 million, respectively, which representing 76.1%, 67.1%, and 65.9% of total liabilities respectively, with an decrease of 7.9% in 2020 and the increase of 6.3% in 2021, respectively. While short-term loans as of December 31, 2021 decreased due to the repayment of loans to financial institutions because the Company has excess liquidity from the policy in considering credit approval on the conservative basis to customers being used from the beginning of the first quarter of 2020 until the end of the second quarter of 2020 in order to maintain the liquidity of the cash flow under the uncertainty of the COVID-19 situation and during the fourth quarter in 2020, the COVID-19 situation has eased as well as the Company's gain by capital increase shares selling to the public under initial public offering transaction (IPO). Therefore, the Company has repaid some of the short-term loans to financial institutions in order to reduce the interest burden. The short-term loans as of December 31, 2021 increased due to additional loan that the Company received for the propose of fund for expand the number of loan contracts to the customer.

Long-Term Loans from the financial institutions

Long-term loans from financial institutions	At the end of 2019	At the end of 2020	At the end of 2021
	(THB Million)	(THB Million)	(THB Million)
Current portion due within 1 year	464.7	371.0	610.0
Portion due later than 1 year	307.9	592.8	451.6
Total long-term loans from financial institution	772.6	963.8	1,061.6

The Company has long-term loans from financial institutions as of December 31, 2019-2021 in the amount of THB 772.6 million, THB 963.8 million, and THB 1,061.6 million, respectively. The mentioned long-term loans were one of the funds used for expanding the number of loan agreements to the Company's customers, the same as applies to short-term loans from financial institutions.

Shareholder Equity

The Company has shareholder equity as of December 31, 2019-2021 in the amount of THB 2,775.6 million, THB 4,508.1 million, and THB 4,906.6 million respectively. The increase in the shareholder equity was resulted from the continually increase in the Company's profit from the operating result which made an increase in the retain earning. Additionally, the Company has increased its paid-up registered capital to expand its business in 2019 in the amount of THB 150 million. The Extraordinary General Meeting of Shareholders No.2/2019 held on May 24, 2019 resolved to approve the increase in the registered capital in the amount of THB 150 million by issuing 150 million new ordinary shares with the par value of THB 1 per share by offering to Bualuang Ventures Company Limited. As a result, Bualuang Ventures Company Limited held 9.68% of the Company's paid-up capital after the capital increase.

In 2020, the Company increased its registered capital from THB 1,550,000,000 to THB 2,096,000,000, representing 546 million newly issued ordinary shares with a par value of THB 1 according to the resolution of the Extraordinary General Meeting of Shareholders No. 3/2019 in order to support the process to list the Company's shares on the Stock Exchange of Thailand.

As of December 31, 2021, the Company has a shareholder equity in the amount of THB 4,906.6 million which increased from the end of 2020 as the net profit of the Company of 2021 is THB 609.8 million and the non-controlling interests increased from the establishment of subsidiaries amounting to THB 15.0 million, while the dividend payment from net profit in 2020 is THB 226.4 million.

The analysis of liquidity and the source of fund of the Company

Cash Flow

Cash Flow (Unit: THB Million)	2019	2020	2021
Net cash received (Used in) from operating activities	(717.0)	865.7	(1,526.3)
Net cash received (Used in) from investing activities	(46.7)	(1,626.7)	1,537.2
Net cash received (Used in) from financing activities	801.6	815.0	(10.2)
Net increase (decrease) in cash and cash equivalents	37.8	54.0	0.8

In 2019, the net cash flows were used in the operating activities in the amount of THB 717.0 million, having main causes from the increase in the number of the loan debtors in the amount of THB 1,200.0 million, meanwhile, there was cash interest inflow in the amount of THB 1,020.2 million and cash inflow fees and services in the amount of THB 489.0 million. The cash flows used in the investment activities were in the amount of THB 46.7 million were from the purchase of the office equipment and headquarter building renovation in the amount of THB 42.9 million and intangible assets in the amount of THB 4.1 million, having the main causes from the branches expansion. The cash flows used in the financing activities were in the amount of THB 801.6 million consisting of the main transactions i.e. cash inflow from the short-term loans from the financial institutions in the amount of THB 1,560.0 million and cash inflow from the long-term loans from the financial institutions in the amount of THB 952.0 million and repayment of the short-term loans and long-term loans to the financial institutions in the amount of THB 1,315.1 million and THB 680.7 million respectively. Additionally, the Company has increase its registered capital according to the resolution of the Extraordinary General Meeting of Shareholders No.2/2019 held on May 24, 2019, which resolved to approved the increase in the registered capital to make an offer through private placement under the notification of the Capital Market Supervisory Board by issuing 150 million new ordinary shares with the par value of THB 1 per share. In 2019, the Company has made dividend payments in the total amount of THB 342.0 million, which were the dividend payment in the amount of THB 42 million according to the resolution of 2019 Annual General Meeting of Shareholders held on April 19, 2019 and the interim dividend payment in the amount of THB 300 million according to the resolution of the Board of Directors Meeting No.8/2019 held on November 12, 2019, the mentioned dividend payments resulted in the increase in the cash and the transaction comparable to the cash of the Company in the amount of THB 37.8 million.

In 2020, the Company has the net cash flows from the operations in the amount of THB 865.7 million which was significantly caused by the policy of consideration credit approval on the conservative basis to customers to maintain the liquidity of the cash flows due to uncertainty of COVID-19 situation. As a result, the Company has the cash inflow from debtors decreased in the amount of THB 115.3 million and the cash interest inflow in the amount of THB 1,624.6 million. The cash flows used in the investment activities were in the amount of THB 1,626.7 million were from the purchase of the office equipment and branch's building renovation in the amount of THB 21.4 million and intangible assets in the amount of THB 5.8 million, having the main causes from the branches expansion. The cash flows used in the financing activities were in the amount of THB 815.0 million consisting of the main transactions i.e. cash inflow from the short-term loans from the financial institutions in the amount of THB 1,431.0 million and cash inflow from the long-term loans from the financial institutions in the amount of THB 1,294.6 million and repayment of the short-term loans and long-term loans to the financial institutions in the amount of THB 1,898.4 million and THB 1,104.1 million respectively. In 2020, the Company has made dividend payments in the total amount of THB 792.2 million, which were the dividend payment for the year 2019 in the amount of THB 42 million according to the resolution of 2019 Annual General Meeting of Shareholders held on April 21, 2020 and the interim dividend payment in the amount of THB 750.2 million according to the resolution of the Board of Directors Meeting No.5/2020 held on August 11, 2020, the mentioned dividend payments resulted in the increase in the cash and the transaction comparable to the cash of the Company in the amount of THB 54.0 million.

In 2021, the Company had net cash flows used in operating activities of THB 1,526.3 million, mainly due to an increase in loan receivables of THB 2,269.0 million, while cash interest inflow is in the amount of THB 1,727.6 million. The cash flow from investment activities is in the amount of THB 1,537.2 million which mainly due to the cash received from the sale of financial assets in the amount of THB 1,600.4 million. While the Company invested in branch expansion by purchasing appliances and office equipment, renovation of branch buildings and the head office buildings in the amount of THB 41.7 million. Intangible assets is in the amount of THB 21.6 million. Cash flows used in financing activities is in the amount of THB 10.2 million, the main items consisted of cash received from short-term loans from the financial institutions in the amount of THB 1,701.0 million, cash received from long-term loans from the financial institutions in the amount of THB 1,118.0 million. While short-term and long-term loans from financial institutions were repaid in the amount of THB 1,519.2 million and THB 1,020.2 million, respectively. In 2021, the Company paid dividends totaling THB 226.4 million, a dividend payment is according to the resolution of the Company's Annual General Meeting of Shareholders 2021 which held on April 21, 2021 resulted in the increase in the cash and the transaction comparable to the cash of the Company in the amount of THB 0.8 million.

Sources of Fund

As of the end of 2019-2021, the Company has details of loans from financial institutions and shareholders' equity as follows:

Source of fund	2019		2020		2021	
	THB Million	%	THB Million	%	THB Million	%
Loan from financial institution						
Short term loan	3,332.9	48.4	2,865.5	34.4	3,047.3	33.8
Long term loan	772.6	11.2	963.8	11.6	1,061.6	11.8
Total loan from financial institution	4,105.5	59.7	3,829.3	46.0	4,108.9	45.6
Total shareholder's equity	2,775.6	40.3	4,508.1	54.0	4,906.6	54.4
Total source of fund	6,881.1	100.0	8,337.4	100.0	9,015.5	100.0

The Company's main source of funds derived from loans from financial institutions which is in proportion of 46.0% - 59.7%. Most of the borrowings are in short-term loans in the form of promissory notes. The principal repayment is due within 12 months from the date of loan withdrawal which the Company has been using long-term loans since 2018 to conform the growth of the Company's collateral loans portfolio with the longer average repayment periods.

In this regard, The Company's short-term sources of funds such as short-term loans from financial institutions which is accounted for 33.8% of the total source of fund. As of December 31, 2021, the proportion of the Company's short-term loans provided that most of which are vehicle title loans with specific conditions for farmers conditions in the proportion of 51.7% of total loan credit amount in 2021.

The suitability of the capital structure

The Company has a debt to equity ratio of 1.6 times, 0.9 times and 0.9 times as of December 31, 2019-2021, respectively. This demonstrates the strong capital structure of the Company. The decrease in debt to equity ratio during 2019-2021 were mainly due to borrowings from financial institutions in order to expand the Company's loan credit portfolio provided that the Company mainly applied for the short-term loan and started to apply for a long-term loan in 2018 as well as the Company has received the paid-up registered capital in the amount of THB 150 million from Bualuang Ventures Company Limited in May 2019. As a result, the debt to equity ratio was 1.6 times at the end of 2019. In 2020, the debt to equity ratio has decreased to 0.9 times due to the initial public offering of shares of which the Company gained payment from the increased paid-up capital of THB 546 million in December 2020. In 2021, the debt to equity ratio is 0.9 times due to the Company borrowed more loans from financial institutions to expand the Company's credit portfolio while the shareholders' equity of the Company increased at a similar rate.

Major factors and influences that may impact future operations or financial status.

1. Changes in government policies and laws

The Company's main business are personal loan under supervision and nano finance under supervision. The businesses must be under the regulations of the BOT, if there is a change in the policy in the future including a reduction in the ceiling interest rates and fees that the Company will receive or limitation on the customer's loan credit limit. This may cause the Company to have lower income and profit.

2. . Changes in economic conditions

The economic condition of the country affects the ability to earn income and the ability to pay debts of the people. In the economic slowdown, the Company may increase overdue borrowers and bad debts, which will result in decrease of the Company's operating result. In this regard, the Company therefore take into account selection of customer and debt management by stipulating the criteria for loan credit granting consideration such as allowing customers to do questionnaires for loan credit granting consideration and verifying the identity and information provided by the applicant, etc. However, the Company's executives has considered the overall economic situation and taken into account loan credit granting consideration in order to ensure that the approved loan credits can generate income, not bad debt that may affect the operation of the Company in the future.

3. The effects of the COVID-19 pandemic

In the past year and in the midst of the epidemic of COVID-19 in Thailand and around the world, the government has released strict control measures where some of those measures and orders cause the suspension of economic activities, which resulted in the economic slowdown in Thailand and affected occupation of the people which leads to a large number of customers default on their debt. However, the BOT and the Federation of Accounting Professions issued guidelines on the temporary relief measures for businesses that provide assistance to debtors affected by COVID-19 crisis to have the businesses that provide assistance to debtors has temporary relives in considering classification of receivables and reserve in relation to debt restructuring which will encourage the businesses to provide help to the debtors continuously. This will benefit the debtor in current economic situation from January 1, 2022 to December 31, 2023.

General Information and other Significant Information

General Information

Saksiam Leasing Public Company Limited

Name of the company	บริษัท ศักดิ์สยามลิสซิ่ง จำกัด (มหาชน)
Name of the company (English)	SAKSIAH LEASING PUBLIC COMPANY LIMITED
Type of business	Providing services of personal loan under supervision and other loans
Company registration number	0107559000290
Address of the head office	49/47 Chetsada Bodin Road, Tha It Sub-district, Muang Uttaradit District, Uttaradit Province 53000
Telephone	0 5544 4495
Facsimile	0 5544 0371
Website/Homepage	www.saksiam.com
Registered capital as of December 31, 2021	THB 2,096,000,000
Paid-up capital as of December 31, 2021	THB 2,096,000,000

Securities Registrar

Name of the company	Thailand Securities Depository Co., Ltd.
Address of the head office	93 Ratchadaphisek Road, Din Daeng Sub-district, Din Daeng District, Bangkok 10400
Telephone	0 2009 9000
Facsimile	0 2009 9991

Auditor

Name of the company	PricewaterhouseCoopers ABAS Ltd.
Address of the head office	179/74-80, 15 th Floor Bangkok City Tower, South Sathorn Road, Thung Maha Mek Sub-district, Sathorn District, Bangkok 10120
Telephone	0 2844 1000
Facsimile	0 2286 5050

Internal Audit

Name of the company	Dharmniti Internal Audit Co., Ltd.
Address of the head office	178 Soi Permsap (Pracha Chuen 20), Pracha Chuen Road, Bangsue Sub-district, Bangsue District, Bangkok 10800
Telephone	0 2596 0500
Facsimile	0 2596 0539

Legal Advisor

Name of the company	Kudun and Partners Company Limited
Address of the head office	127, Gaysorn Tower, 23 rd Floor, Units C&F, Ratchadamri Road, Lumphini Sub-district, Pathum Wan District, Bangkok 10330
Telephone	0 2838 1750
Facsimile	0 2838 1795

Financial Advisor

Name of the company	Thanachart Securities Public Company Limited
Address of the head office	444, MBK Tower Building, 18 th 19 th and 20 th Floor, Phaya thai Road, Wang Mai Sub-district, Pathum Wan District, Bangkok 10330
Telephone	0 2217 8888
Facsimile	0 2217 8501

Company Secretary

Name	Mrs. Tippamas Lamcharoen
Address of the head office	49/47 Chetsada Bodin Road, Tha It Sub-district, Muang Uttaradit District, Uttaradit Province 53000
Telephone	0 5544 4495
Facsimile	0 5544 0371

Head of Internal Audit

Name	Mr. Kittisak Pannaraj
Address of the head office	49/47 Chetsada Bodin Road, Tha It Sub-district, Muang Uttaradit District, Uttaradit Province 53000
Telephone	0 5544 4495
Facsimile	0 5544 0371

Additional Information

Information that could have a Significant Impact on Investment Decision

- None -

Foreign Shareholders Limitation

- None -

Legal Disputes

As of December 31, 2021, the Company is not the party of any legal disputes as follows;

- (1) As of December 31, 2021, there is no legal dispute cases which may have a materially adverse effect on the Company's or the Company's subsidiaries asset in the amount over 5% of shareholder equity;
- (2) Legal disputes which significantly impact the business operation of the Company or the Company's subsidiaries, but such impact cannot be estimated in number; and
- (3) Legal disputes which do not arise from nature of business operation of the Company's or the Company's subsidiaries.

Secondary Market

- None -

Frequently Contacted Financial institutions

- None -

Corporate Governance

Policy Corporate Governance

Overall of the policy and the principle of Corporate Governance

The Board of Directors has approved the good corporate governance policy which is a significant element that enables the Company to grow sustainably. This policy is used as a strict guideline for business operations and practices for all directors, executives and employees of the organization for performing their duties in order to promote business efficiency, transparency and accountability in the Company. In this connection, the Board of Directors plays an important role in supervising and scrutinizing the work related to corporate governance, including monitoring, reviewing and improving the policy to be appropriate and consistent with changeable circumstances by adhering to Corporate Governance Code or CG code issued by the Securities and Exchange Commission and the Stock Exchange of Thailand in order to achieve the following results:

1. The organization has sustainable growth
2. Transparency, ethics, integrity, efficiency, fairness, transparency, including increasing competitive advantage to create value for the organization are promoted.
3. Having a Code of Conduct which requires personnel at all levels to acknowledge and put into practice, and having mechanisms for effective monitoring of compliance such as a whistleblowing channel.
4. Having a clear direction for business operations by determining vision, mission, strategy, main objectives, goals, risk appetite, and budget.
5. Having clear lines of responsibility and accountability including management of authority.
6. Having in place monitoring arrangements to monitor the Company's operating results and performance in different areas and having strategies regularly reviewed and adjusted in order to achieve the determined goals.
7. The Company's performance meets the expectations of stakeholders, being able to build confidence for shareholders and all stakeholders including the society and environment.
8. Having effective performance management and being able to accomplish work and achieve objectives and goals. Having method for determination of fair compensation based on duties, responsibilities and performance.
9. Having reliable financial reports and disclosure of important information accurately, adequately, in time and in accordance with relevant regulations and standards.
10. Having effective risk management throughout the organization which is fostered to become an organizational culture in order for the Company to deliberately consider and manage operational risks and make decisions on various matters.
11. Having communication on risk information and control with the relevant departments and parties in a timely manner in order for them to be aware of the risk and handle it promptly.
12. Having corporate resilience
13. Having coordination on operational information including risk information among directors, auditors, Head of Internal Audit Department, and the Management, with an appropriate frequency.

14. Having clear roles, duties, and responsibilities of the Board of Directors and the Management by having a clear separation of duties between management and supervision in order to create a system of check and balances, and to strengthen the performance of the Board of Directors to be more effective. There are 8 principles of good corporate governance as follows:

Principle 1	Recognition to the role and responsibility of the Board of Directors as a leader of the organization to build the sustainable business
Principle 2	Determination of the objectives and main purposes of the business in order to be sustainable
Principle 3	Encouragement of the efficiency of the Board of Directors
Principle 4	Nomination and Development of the senior executives and human resources
Principle 5	Conducting business with responsibility
Principle 6	Maintenance of the risk management system and internal control system
Principle 7	Maintenance of the financial creditability and disclosure of information
Principle 8	Encouragement of the participation and communication with the shareholders

Policy and the principle in relation to the Board of Directors

The Board of Directors has the policy of corporate governance which includes the significant principles starting from the structure of roles, responsibilities and duties of the Board of Director to the transparency in the management of the executives to be examinable in accordance with the principle of Good Corporate Governance Code for listed companies 2017 of the Securities and Exchange Commission to ensure that every transaction of the Company has conducted with righteousness and recognition to the interest of the shareholders and any interested persons.

1) The nomination and the consideration of the remuneration of the directors and the executives

The Company recognizes the nomination and the consideration of the remuneration of the directors and the sub-committees and the executives of the Company which is suitable for their duties and responsibilities including recognizing the Company's progress to its achievement to be in line with the performance of the Company and the details of other companies with the similar size or industry. The Board of Directors, therefore, appointed the Nomination and Remuneration Committee to be responsible for determining the policy, rule, or method to nominate and consider the remuneration or other benefits to the directors, the sub-committees and the executives including the structure of remuneration prior to proposing to the Board of Directors and the meeting of the shareholders for further approval.

The determination of the remuneration will consider from the overall performance of the Company, the performance and responsibility and the assessment to performance of each person and the details comparing from the payment of the remuneration in the same or relevant business or industry of the Company.

In this regard, the payment of the remuneration of the directors and the sub-committees must be approved by the meeting of the shareholders. With respect to the remuneration of the executives, it must comply with the principle and policy of the executive officer specified by the Board of Directors in page 87 which will consider from duties and responsibilities including the performance of each executive and the performance of the Company. The directors, the sub-committees and the senior executives will receive the remuneration at the rate appropriate to his duties and responsibilities according to the resolution of the meeting of the shareholders.

2) The independence of the Directors and the definition of the Independent Directors

The Independent Directors must have the qualification specified by the Company and be in line with the Notification of the Capital Market Supervisory Board and must provide the benefits to the shareholders equally, without any conflict of interest. Moreover, the Independent Directors must be independent to attend and give the opinion in the meeting of the Board of Directors. Thus, the Independent Directors must be qualified as follows:

- (1) Holding share not more than 1% of all voting shares of the Company, the Company's subsidiary, the associated company, the majority shareholder, the controlling person of the Company. In this case, the number of shares held by the related person of each Independent Director shall also be included;
- (2) Neither being nor used to be a director who participated in operating business, employee, advisor with monthly-salary or any controlling person of the Company, the Company' subsidiary, the associated company, unless vacant from such position not less than 2 years prior to taking the position;
- (3) Neither being the relatives by birthright nor legal registration as a father, mother, spouse, sibling and offspring including the spouse of the executives, the majority shareholder, the controlling person or any person who nominated to be the executive or controlling person of the Company or the Company' subsidiaries;
- (4) Neither having, nor used to have any business relationship with the Company, the Company' subsidiary, the associated company, the majority shareholder, the controlling person of the Company in the manner that may hinder the making of a decision in free will, and neither be, nor used to be a key shareholder or controlling person of the person who has a business relationship with the Company, the Company's subsidiary, the associated company, the majority shareholders, the controlling person of the Company, unless vacant from such position not less than 2 years prior to taking the position;
- (5) Neither being, nor used to be the auditor of the Company, the Company's subsidiaries, the associated companies, the majority shareholder, the controlling person of the Company and not being the key shareholder, the controlling person or the partner in the audit firm which the auditor of the Company, the Company's subsidiary, the associated company, the majority shareholders, the controlling person of the Company is employed, unless vacant from such status not less than 2 years prior to taking the position;
- (6) Neither being, nor used to be the professional service provider, which includes the legal or financial service provider who received the service fee exceeding THB 2 Million per annum, from the Company, the Company's subsidiary, the associated company, the majority shareholder, the controlling person of the Company and not being the key shareholder, the controlling person or the partner in the firm of such service provider, unless vacant from such status not less than 2 years prior to taking the position
- (7) Not being the director who is appointed to be the representative of the Company, the majority shareholder or the shareholder who relating to the majority shareholder;
- (8) Neither conduct any business with the same nature which significantly competing with the Company, the Company's subsidiary nor being a key partner in the partnership or the director participating in managing business, employee, officer, advisor with monthly-salary or holding share more than 1% of all voting shares of other companies which operating business with the same nature which significantly competing with the Company; and
- (9) Having no other matters which could not give opinion independently in relation to the operation of the Company.

3) The Development of the directors and the executive of the Company

The Board of Directors has the policy to encourage and facilitate the training and the knowledge sharing to the directors and all relevant parties who involved in the Corporate Governance system of the Company i.e. the directors, the Audit Committee and the executives in order to improve and develop the performance efficiently and continuously, the directors are required to pass the director training courses namely, Director Accreditation Program (DAP) and/or Director Certification Program (DCP) from Thai Institute of Directors Association: IOD.

Policy and the guideline in relation to the shareholders and the interested person

1) The equitable treatment of the shareholders

The Company recognizes the importance of the disclosure of information to be correct and complete. Thus, the Board of Directors will be responsible for providing the financial report and the disclosure of key information to be correct, sufficient and punctual in compliance with the rules, standards and relevant practices. Such disclosure includes the financial statement, Registration Statement for Securities Offering/ the annual report (Form 56-1 One Report) which reflects the financial status and the operating performance, and will encourage the Company to provide the explanation and the analysis of the Management (Management Discussion and Analysis or MD&A) to support that disclosure of financial statement in every quarter.

In addition to the disclosure of information above, the Board of Directors will supervise and assess the financial status of the Company. In the event that there is any signal indicating the difficulty in liquidity or the ability to pay the debt, or in the event that the Company experiences or likely to experience the financial crisis, the Board of Directors, together with the management team, will address the issue immediately. The Board of Directors will consider diligently to ensure that the Company has the solution to solve or any mechanism to tackle the financial issue.

Last but not least, the Board of Director will supervise the management team that there is a sector or any person who is responsible for the investor relations in order to communicate with the shareholders and the interested person appropriately and punctually, such as investors or analyst in the proper media such as via the channel of the Stock Exchange of Thailand or website of the Company. The Company will ensure that the shareholders are treated with equality and the shareholders can enjoy their basic rights as the shareholders, for example, the right to purchase or transfer shares, the right to receive profits of the Company, the right to receive sufficient relevant information, the right to freely attend the meeting and casting the vote to appoint or dismiss the directors, to consider the directors' remuneration, the appointment of the auditor, the payment of dividend, the capital increase and the issuance of the new shares, including the right to question the Board of Directors regarding the minutes of the Board of Directors or any agenda proposed to the meeting for consideration and approval, and the right to propose agenda of the meeting in advance and the nomination of the candidates to be elected as the director and participating in making decision in the important matters of the Company.

Further to the above, the Board of Directors will arrange the meeting of shareholders to be in good order, transparent, effective and friendly to the shareholder to exercise their rights and disclose the resolution of the meeting, and prepare the minutes of the meeting to be correct and complete.

2) The usage of internal information and the prevention of the conflict of interest

In order that the directors, the executives and the employees of the Company have the principle in conducting duties with integrity, not seeking for self-interest and/or related person, the Company, therefore, specifies the policy and principle relating to the conflict of interest to protect the best benefit of the Company and the shareholders. There are 2 relevant polices, namely, the related transactions and the other circumstances which may cause the conflict of interest, detailed as follows:

2.1 Connected Transaction

The Company will consider the suitability of every connected transaction including the determination of value and condition of the connected transaction as if it is conducted with an outsider on the arm's length basis. Once the

Company has conducted the connected transaction, in case that it is the transaction specified in the Notification of the Board of Directors of the Stock Exchange of Thailand and the Securities and Exchange Commission of Thailand (SEC Office) in the disclosure of information and the practices of the listed company in the connected transaction, the Board of Directors will ensure that any of such connected transaction is strictly complied with the regulations, conditions and the methods provided in such notification, including disclosure such transaction in the annual report and the Registration Statement for Securities Offering (Form 56-1) for the transparency of conducting the related transaction and end the conflict of interest issue.

2.2 The other circumstances which may cause the conflict of interest

The Company has policies to prevent the conflict of interest issues which may arise from other circumstances other than the related transactions, as follows:

2.2.1 General Investment

The Company will not allow any person in the Company who are the shareholders or receivers of the benefits of competing company or traders/seller, which the Company conducting the business with, to participate in making decision on the matter relating to such business relationship, unless approved by the Chairman of the Executive Committee. With respect to the purchasing shares of the listed company in the Stock Exchange of Thailand, or investing in the mutual fund or investment unit, it will not be considered as the conflict of interest, unless such action causes a negative impact on the operation of the Company.

2.2.2 Gifts Acceptance

Any person in any level should not accept gifts, transportation ticket, sport ticket, vacation proposal or any personal proposal which may lead to the decision engaging the Company or losing the Company's profit or not receiving its best benefit.

2.3 Being a spokesman for academic seminar, public service or any position

Any person at any level of the Company may seek for an approval of the managing director to accept the proposal in academic institute, public service to be spokesman or any positions such as director, advisor which will expand his vision and gain experience which must not harm the duties owned to the Company.

The Company has the policy and the guideline for the directors, the executives and the employees of the Company for the usage of internal information of the Company for self-interest or others, as follows:

1. The directors, the executives and employees will not trade the security of the Company by using the confidential and/or internal information and/or conduct any legal transaction which may cause the damages to the Company either directly or indirectly;
2. The directors, the executives and employees who receive internal information of the Company must not use such information prior to such information disclosed to the public;
3. Employees who know or possess inside information are prohibited from trading the Company's securities by themselves, their spouse or minor children, either directly or indirectly (e.g. nominee through private funds) during a period of 30 days prior to the disclosure of any quarterly and annual financial statements, and any other periods which the Company may specify from time to time. The Company Secretary shall announce the blackout period in advance.
4. In special circumstances, a person designated by the Company may sell the Company's securities during the blackout period if such person suffers serious financial hardship or is required to comply with legal requirements or subject to a court order. In this case, the designated person must submit a written request, specifying the reasons for selling the securities, to the following persons for approval:

(1) The Chairman of the Board of Directors (in case the seller is a director)

(2) The Chairman of the Executive Committee (in case the seller is an executive or employee)

5. Directors, executives and employees are prohibited from unlawfully using information in the computer system for their own or someone else's' benefits.
6. Employees who neglect to comply with the rules set forth above will be deemed to have committed a disciplinary offense according to the Company's regulations as appropriate.

In this regard, in 2021, the Company did not find any cases where the directors, executives and employees traded the securities by using inside information or traded during the blackout period.

Change in Shareholding of the Company by the Directors and Executives in 2021

No.	Name	Position	Number of shares as of December 31, 2021	Number of shares as of December 31, 2020	Number of shares changed increase/ (decrease)	Percentage of shareholding in the company
1	Mr. Suphot Singhasaneh	Chairman of the Board of Director/ Chairman of the Audit Committee/ Independent director	2,000,000	2,000,000	-	0.095
	Spouse and minor children		-	-	-	-
2	Mr. Phoonsak Boonsalee	Director / Member of the Nominating and Remuneration Committee	501,000,000	501,000,000	-	23.903
	Spouse and minor children		502,400,000	501,000,000	1,400,000	23.969
3	Mr. Phoonsak Boonsalee	Director / Executive Director	502,400,000	501,000,000	1,400,000	23.969
	Spouse and minor children		501,000,000	501,000,000	-	23.903
4	Mr. Siwaphong Boonsalee	Director / Member of Risk Management Committee / Chairman of the Executive Director / Managing Director	202,500,000	202,500,000	-	9.661
	Spouse and minor children		-	-	-	-
5	Mrs. Sopida Suksai	Director / Executive Director / Deputy Managing Director (General Administration)	1,000,000	1,000,000	-	0.047
	Spouse and minor children		-	-	-	-

No.	Name	Position	Number of shares as of December 31, 2021	Number of shares as of December 31, 2020	Number of shares changed increase/ (decrease)	Percentage of shareholding in the company
6	Mrs. Renu Wilasri	Director / Executive Director / Deputy Managing Director (Finance and Account Management)	1,000,000	1,000,000	-	0.047
	Spouse and minor children		-	-	-	-
7	Mr. Chawalit Phanpha	Director / Member of the Risk Management Committee / Executive Director/ Assistant Managing Director (Business Division)	1,000,000	1,000,000	-	0.047
	Spouse and minor children		80,000	80,000	-	0.004
8	Mr. Yanchai Tantiratapong	Director	250,000	1,000,000	(750,000)	0.012
	Spouse and minor children		-	-	-	-
9	Mrs. Nantana Sangkavichitr	Director / Chairman of the Risk Management Committee / Member of the audit committee	1,000,000	1,000,000	-	0.047
	Spouse and minor children		-	-	-	-
10	Miss Somboon Supasiripinyo	Director / Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee	1,000,000	1,000,000	-	0.047
	Spouse and minor children		-	-	-	-
11	Mrs. Woranutchanan Phongsurang	Director / Member of the Nomination and Remuneration Committee	580,000	1,000,000	(420,000)	0.028
	Spouse and minor children		-	-	-	-

No.	Name	Position	Number of shares as of December 31, 2021	Number of shares as of December 31, 2020	Number of shares changed increase/ (decrease)	Percentage of shareholding in the company
12	Mr.Nutthaphon Phumsiroj	Executive Director / Assistant Managing Director (Legal Division)	500,000	500,000	-	0.024
	Spouse and minor children		-	-	-	-
13	Mr.Khamnaung Singkhan	Executive Director / Assistant Managing Director (Manager, Region 1)	547,000	547,000	-	0.026
	Spouse and minor children		-	-	-	-
14	Mr.Surasak Kamtanet	Executive Director / Assistant Managing Director (Manager, Region 2)	300,000	350,000	(50,000)	0.014
	Spouse and minor children		-	-	-	-
15	Mr.Prachak Chandum	Executive Director / Assistant Managing Director (Manager, Region 3)	550,000	550,000	-	0.026
	Spouse and minor children		-	-	-	-
16	Mr.Chawalit Kasemcholatan	Executive Director / Assistant Managing Director (Manager, Region 4)	1,052,000	500,000	552,000	0.050
	Spouse and minor children		-	-	-	-
17	Mr.Wathip Panpa	Executive Director / Assistant Managing Director (Manager, Region 5)	500,000	500,000	-	0.024
	Spouse and minor children		130,000	130,000	-	0.006
18	Mr.Paramet Inma	Executive Director / Assistant Managing Director (Debt Management Division)	500,000	500,000	-	0.024
	Spouse and minor children		60,000	60,000	-	0.003

No.	Name	Position	Number of shares as of December 31, 2021	Number of shares as of December 31, 2020	Number of shares changed increase/ (decrease)	Percentage of shareholding in the company
19	Mr. Chutichai Pruetchai	Accounting Manager	-	-	-	-
	Spouse and minor children		-	-	-	-

3) Anti-Corruption

The Company recognizes the importance of conducting business with integrity to uphold the responsibilities for society and all interested persons with the good governance, business ethics and compliance with the laws. Therefore, the Company determines the anti-corruption policy, and provides the guideline, approved by the Board of Directors, in writing for not taking, paying, or conducting the business with any individuals or legal entities who involving in corruption. The Company has communicated and promoted such policy to educate the importance of the anti-corruption policy to the directors, the executives and the employees of the Company to participate in complying with this guideline in conducting business.

Business Ethics

The Company recognizes the importance of conducting business in good governance. The Board of Directors have the enthusiasm to comply with the good corporate governance, business ethics and anti-corruption policy including any relevant laws and regulations to maintain the transparency, fair and recognition to the benefits of the interested persons in order to build the sustainable business and trust to the shareholders, investors and any interested persons. Therefore, the Company has specified the business ethics as the guideline to the moral practices to the directors, the executives, and the employees to lead the sustainable organization with good governance and without any corruption.

Vision

To be a financial service provider serving local customers through branches across the Northern, Central and Northeastern regions, that is trusted and recognized for the quality of employees, service standards and fairness.

Missions

1. To raise and use capital from shareholders and creditors to provide loans to the public with responsibility and the ability to control the quality of debtors at all times.
2. To conduct business in accordance with the applicable laws and in strict compliance with the regulations of the regulatory agency.
3. To improve and develop the work system, work process, employees' knowledge and skills together with the introduction of modern technology to increase work efficiency and enhance competitiveness.
4. To manage the organization based on good corporate governance principles and provide fair services to customers.

Objectives

1. To achieve steady growth in the number of customers, loan receivables, income from issuing loans, and operating results, with at least 600 more branches. To increase loan receivables to THB 12,000 million by 2023 with consistently increasing revenue and net profit every year.
2. To ensure profitability, growth in the number of customers, and loan receivables of all branch locations and to always control debt quality in a good level.
3. To be recognized and trusted by local people as a loan service provider with transparency and fairness, and to become the customers' first choice.
4. To gain trust of investors and financial institutions to continuously provide capital support for fostering business growth.
5. To ensure that the Company's employees receive reasonable remuneration and have a good quality of life.

Core Value and Corporate Culture

Core Value

Core Value means the direction to guide the organization's behavior and the expectation of people, determining to adopt such direction because of its value. Therefore, the Company has announced their Core Value that

"We will uphold the integrity and morality to maintain the pride and the dignity of human being."

Corporate Culture

Corporate Culture is the culture which the people in the organization has conduct similarly until it becomes the distinctive character of the Company. It is the combination between philosophy, attitude, core value, policy, objective and purpose from the actions of the people directing in the same way constantly. There are 7 consciousness, detailed as follows:

1. Having Principle
2. Behaving in comply with the Organizational Behavior
3. Being diligent, enduring and determining to achieve goal
4. Having awareness in managing time
5. Being determining in Corporate Governance
6. Having Corporate Social Responsibility
7. Having self-development (Knowledge Management)

In this regard, the details and other information in relation to the business ethics appeared in the Attachment 5.

The significant changes and the development of the policy, guideline and the corporate governance system in the previous year.

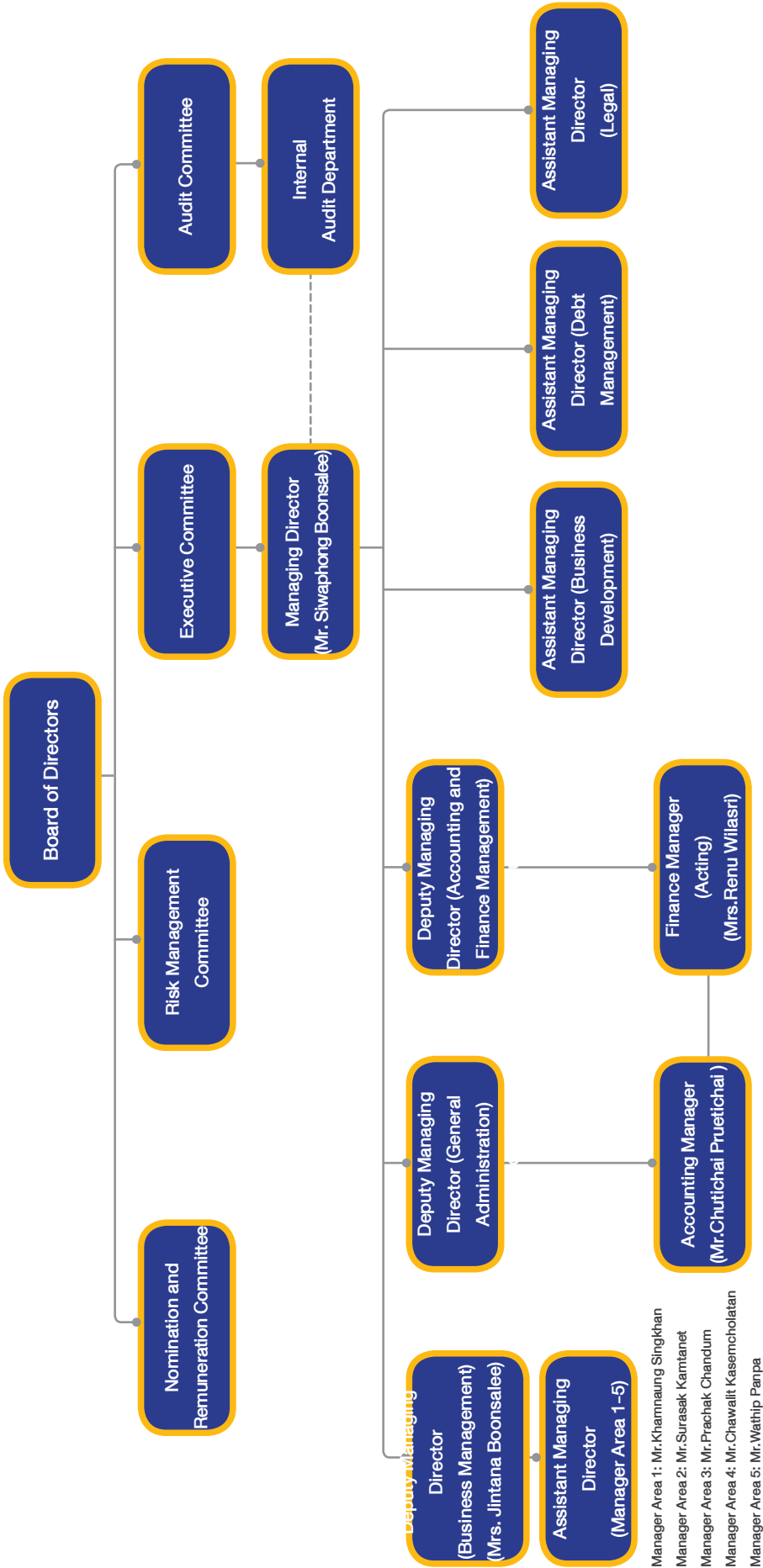
The details of the significant changes and the development regarding the reviewing of the practical policy

The Company reviewed the guideline regarding the corporate governance on 21 October 2021, policy and the charter of the directors including any significant principle on 11 November 2021 and 16 December 2021, the Company has considered that there is no changes in the previous year. In this regards, the Company has adopted all principles provided in the principle of Good Corporate Governance Code for listed companies 2017.

Management structure and key information relating to the Board of Committees the Board of Sub-Directors, the Executives, the Employees and others

Management structure of Corporate Governance of Saksiam Leasing Public Company Limited

As at December 31, 2021, the management structure of the Company composes of the Board of Directors and the 4 sub-committees namely, Executive Committee, Audit Committee, Nomination and Remuneration Committee and Risk Management Committee including the board of executives and the significant department who plays the key role in the corporate governance of the Company, as follows:



Manager Area 1: Mr. Khamnaung Singkhan
Manager Area 2: Mr. Surasak Kamtanet
Manager Area 3: Mr. Prachak Chandum
Manager Area 4: Mr. Chawalit Kasemcholan
Manager Area 5: Mr. Wathip Pampa

Details of the Board of Directors and the Controlling persons of the Company

the composition of the Board of Directors

As of 31 December 2021, the Board of Directors consists of 11 persons, detailed as follows:

Name	Position
1. Mr. Suphot Singhasaneh	Chairman of the Board of Directors and Independent Director
2. Mr. Phoosak Boonsalee	Director
3. Mrs. Jintana Boonsalee	Director
4. Mr. Siwaphong Boonsalee	Director
5. Mrs. Sopida Suksai	Director
6. Mrs. Renu Wilasri	Director
7. Mr. Chawalit Phanpha	Director
8. Mr.Yanchai Tantiratapong	Director
9. Mrs.Nantana Sangkavichitr	Independent Director
10. Miss Somboon Supasiripinyo	Independent Director
11. Mrs.Woranutchanan Phongsurang	Independent Director

In addition, the meeting of the Board of Directors No. 1/2016 which held on July 29, 2016 resolved that Mrs. Tippamas Lamcharoen was appointed to be the Company Secretary.

In this regard, the details and related information in relation to the Board of Directors and the Controlling Persons of the Company appeared in Attachment 1.1.

With respect to the structure of the Board of Directors of the Company, the Company adheres to the principle of Good Corporate Governance in order to establish the management structure which is transparent, balanced and examinable. The ratio and the details of the Board of Director's structure, are as follows:

The ratio and the details of the board of director's structure	
The Board of Directors who is the executives	54.55%
The Board of Directors who is the non-executives	45.45%
The Board of Directors who is the independent directors	36.36%
Is the chairman of the Board of Directors is the independent director	Yes
Is the chairman of the Board of Directors is the different person with the Managing Director	Yes
How many female in The Board of Directors	54.55%

The Company has Independent Directors totaling 4 persons at the ratio of 36.36%, or 1 out of 3 of the all directors, and the Company has the Audit Committee totaling 3 persons being Independent Directors. The Audit Committee is the sophisticated and experienced person to conduct due diligence on the reliability of the financial statement and other duties as the Audit Committee. Details of the Audit Committee appeared in page 80.

The Company has Independent Directors totaling 4 persons at the ratio of 36.36%, or 1 out of 3 of the all directors, and the Company has the Audit Committee totaling 3 persons being Independent Directors. The Audit Committee is the sophisticated and experienced person to conduct due diligence on the reliability of the financial statement and other duties as the Audit Committee. Details of the Audit Committee appeared in page 80.

Furthermore, the Board of Directors and the Management has authorized each other evidently.

The Directors with Signing Authority

Any director of group 1 directors signs together with any directors of group 2 directors, totaling 2 directors jointly sign with the Company's seal affixed.

In this regard, the group 1 directors consist of

- | | |
|----------------------------|--------------------|
| 1) Mr. Phoonsak Boonsalee | Director |
| 2) Mrs. Jintana Boonsalee | Director |
| 3) Mr. Siwaphong Boonsalee | Managing Director. |

And the group 2 directors consists of

- | | |
|-------------------------|--|
| 1) Mrs. Sopida Suksai | Deputy Managing Director (General Administration) |
| 2) Mr. Chawalit Phanpha | Assistant Managing Director (Business Development) |

The role of the Board of Directors and Managing Director

In addition to the responsibilities stipulated in the Articles of Association of the Company, the Board of Directors resolved that charter of the Board of Directors of the Company is approved. With the objectives that the directors of the Company will understand their roles, duties and responsibilities to the shareholder and the Company could conduct the business efficiently, the meeting of the Board of Directors No. 6/2019 held on August 9, 2019 resolved to approve the charter of the Board of Directors of the Company in order to set the scope of duties and responsibilities of the Board of Directors. The detail of the scope and responsibilities of the Board of Directors in accordance with the Article of Association and the Charter are as follows:

- (1) Performing duties and managing the Company to be in compliance with the laws, objectives and Article of Association of the Company including the resolution of the shareholders with honesty and care to protect the best interest of the Company and have the accountability to all shareholders;
- (2) Determining the policies and visions for the operation of the Company including monitoring and supervision to ensure that the Management performs in accordance with the policies and regulations of the Company efficiently and effectively under the good corporate governance to maximize economic value and shareholders' wealth;
- (3) Regulating and supervising the management to comply with the interested persons with ethics and equity;
- (4) Each director has the responsibility to report his interest or his related person which involved in the management of the business of the Company or the Company's subsidiary which must be examinable in order to uphold the transparency of the operation;
- (5) Determining vision, policies, objectives, strategies, operation plans, and annual financial budget of the business operation of the Company to review the concordance with the changes of any factors that may affect the business, manage the Management and allocate the significant resources in order to conform with the determined policies efficiently;
- (6) Monitoring and supervising the report regarding the progress of the determined operation to be in accordance with the goals, indications and strategies under the budget approved by the Board of Directors of the Company, including the policies of improvement and enhancement the ability to compete;

- (7) Determining the principle of the good corporate governance, code of ethics and conduct of the employees such as the equitable treatment of shareholders, anti-corruption, anti-money laundry, the prevention and management of conflict of interest, the usage of internal data, the maintenance of confidentiality and the acknowledgment of complaints by reviewing the management policy, code of ethics and conduct of the employees annually;
- (8) Determining the internal control system to be adequate and appropriate and following up the efficiency of such system to be in accordance with the recognized standard by disclose the adequacy of the internal control system and the audit report in the annual report;
- (9) Determining the policies of risk management and the scope of the decency of risk management, including following up the efficiency of the risk management regularly by disclose the adequacy of the risk management system in the annual report;
- (10) Determining the conflict of interest diligently with a clear perspective and best interest of the Company and shareholders by excluding the interested person from such decision;
- (11) Considering and approving the performance and the annual operation of the Company, and comparing with the plan and the financial budget of the upcoming year;
- (12) Considering and approving any transactions or any actions having significant effect to the financial status, debt, the performance of business and reputation of the company, including following up the sufficiency of financial liquidity and the ability to settle the debt;
- (13) Determining the policies relating to the management of information technology and the security of information technology system to be in accordance with the recognized standard, reviewing and improving such system to properly be in line with the information technology;
- (14) Supporting and enhancing the implementation of innovation and apply such innovation and technology to increase the value of the business, and supervise the management of the information technology system to conform to the need of the Company;
- (15) Supervising the operation of the Company to have financial stability in order to conduct the business continuously;
- (16) Providing the accounting system, financial report and reliable audit, supervising the disclosure of the financial statement including the annual report and Annual Registration Statement (Form 56-1) which is correct, complete, duly on time and reflected to the performance and financial status in accordance with the accounting standard by laws relating to the accounting, including disclose the key information in accordance with the relevant rules and regulations;
- (17) Determining the policies relating to the disclosure of the confidential information to prevent the leakage of information, the maintenance of confidentiality and information which may affect the price of the security;
- (18) Determining the rules and recruitment process of the senior executives with clear and transparent, setting the remuneration, and assessing the performance annually, and following up the process of recruitment the replacement or successor of the senior executive (Succession Plan) annually;
- (19) Appointing and determining the responsibility of the sub-committees namely Audit Committee, Nomination and Remuneration Committee, Risk Management Committee and Executive Committee to perform efficiently for the best interest of shareholders;
- (20) In the event that the Company has not appointed the sub-committees as specified in the management structure, the Board of Directors may assign the duty of the sub-committees to the Executive Committee or any qualified person, and following up the performance and providing the report of such performance to the Board of Directors or shareholders;
- (21) Appointing the President, the Managing Director, the company secretary, including approving the authorization to be given to the President, the Managing Director and amend such authorization as deem appropriated;
- (22) Providing a proper method to communicate with the shareholders and the interested person, and ensuring that the shareholders will participate in making decision on the significant matters of the Company;

- (23) Providing the clear instructions for any person or any interested person who would like to complain on the website or report directly to the Company by setting up the channel for report through the Board of Directors, Executive Committee and Audit Committee, and instruct investigation on such complaint as per the process indicated by the Company and report to the Board of Directors;
- (24) Considering and approving and/or considering and opining to propose to the meeting of the shareholder to consider conducting the key transaction of the Company and the related transaction as required by regulations, conditions and the relevant laws, and/or Article of Association of the Company, and/or resolution of the shareholders.
- (25) Having an authorization, duty and responsibility as required in the relevant laws and regulations, Article of Association of the Company and the resolution of the shareholders.

Determining the policies and visions for the operation of the Company including monitoring and supervision to ensure that the Management performs in accordance with the policies and regulations of the Company efficiently and effectively under the good corporate governance to maximize economic value and shareholders' wealth;

- 1.1 Providing business plans and business strategies to conduct the business of the Company in order to seek for an approval from the Executive Committee;
- 1.2 Managing the business of the Company as per the business plans and business strategies approved by the Executive Committee;
- 1.3 Managing human resources, finance, financial transaction with financial institution, general administration, sale and purchase and the land registration, operating the project approved by the Board of Directors or the Executive Committee and any matters for benefits of the operation of the Company as specified in the operational manual and scope of the authorization approved by the Board of Directors;
- 1.4 Making decision on key matters of the Company, determining the objectives, plans and policies of the Company including the controlling of the management of any field;
- 1.5 Being the authorized person to command, contact, instruct, and sign the legal transaction, instruction documents or any notification letter as specified in the operational manual;
- 1.6 Being the authorized person to sign on the hire agreement, appointment, transfer any person as deemed appropriate, including, setting up the scope of duties and the suitable remuneration, and considering the termination of employees as deem appropriated for the level of each employee as specified in the operational manual;
- 1.7 Acting on behalf of the Company in communicating with other parties;
- 1.8 Being the authorized person to set the commercial conditions for the benefits of the Company;
- 1.9 Considering the investment in new business or the shutting down the business and propose to the Executive Committee and/or the Board of Directors;
- 1.10 Preparing and proposing the operational report of the Company on the significant matter to the Board of Directors and the Executive Committee regularly, and preparing the report in any matters as the Board of Directors or the Executive Committee requires;
- 1.11 Sub-authorizing and/or authorizing any person to act on his behalf on specific matters within the scope provided in the regulations, provisions or orders that the Board of Directors and/or the Executive Committee authorized; and
- 1.12 Conducting any other duties as authorized by the Board of Directors and/or the Executive Committee.

In this regard, the authorization of duties and responsibilities of the managing director shall not include the authorization and/or the sub-authorization in any transaction that he or the sub-attorney or the interested person who may have conflicts (defined in the Notification of the Capital Market Supervisory Board) of interest in any way that contradicts to the Company. The transactions must be proposed to the meeting of the Board of Directors and/or the meeting of the shareholder (in any case) to consider the approval of such transaction as specified in the article of association of the Company or relevant laws.

Details of the Sub-committees

Sub-committees

The Board of Directors appointed 4 sub-committees, namely Executive Committee, Audit Committee, Nomination, Remuneration Committee and Risk Management Committee to conduct the specific matters as assigned by the Board of Directors, in order to operate the business efficiently and in accordance with the principle of good corporate governance. In this regard, the Board of Directors has prepared the charter of the sub-committees to establish the composition and the responsibility of the sub-committees for the purpose that the Sub-committees will understand and conduct their roles, duties and responsibilities to the shareholders and the Company effectively and transparently. The scope of their duties are as follows:

- The scope of duties of Executive Committee, approved by the meeting of the Board of the Directors No. 6/2019 held on August 9, 2019
- The scope of duties of Audit Committee, approved by the meeting of the Board of the Directors No. 6/2019 held on August 9, 2019
- The scope of duties of Nomination and Remuneration Committee, approved by the meeting of the Board of the Directors No. 6/2019 held on August 9, 2019
- The scope of duties of Risk Management Committee, approved by the meeting of the Board of the Directors No. 6/2019 held on August 9, 2019
- The scope of duties of the managing directors, approved by the meeting of the Board of the Directors No. 6/2019 held on August 9, 2019.

(A) Audit Committee

As of December 31, 2021, the Audit Committee consists of totaling 3 persons, as appointed by the meeting of Board of Directors No. 2/2019 held on February 14, 2019, detailed as follows

Name	Position
1. Mr. Suphot Singhasaneh	Chairman of Audit Committee, Independent Director
2. Mrs. Nantana Sangkavichitr	Audit Committee, Independent Director
3. Miss Somboon Supasiripinyo	Audit Committee, Independent Director

In this regard, the Audit Committee is sophisticated and sufficiently experienced to conduct the reliable audit of the financial statement of the Company.

The meeting of the Board of Directors No. 2/2019 which held on February 14, 2019 appointed Mr. Kittisak Pannaraj as the secretary of Audit Committee.

The scope and responsibility of the Audit Committee, detailed as follows:

- 2.1 Reviewing the Company's financial report to ensure the accuracy and reliability as well as adequate disclosure by coordinating with external auditors and executives responsible for the quarter and annual financial report;
- 2.2 Reviewing the Company's internal control system and the internal audit to ensure appropriateness and efficiency including the independence of the internal audit department. The Audit Committee may approve the appointment, relocation or termination the head of the internal audit department or any related department which is responsible for internal audit, and may suggest the reviewing or examining any items deemed necessary and important and recommend the ways to improve the internal control system to the Board of Directors, by jointly conducted with external auditors and internal audit manager;

- 2.3 Reviewing the Company's compliance with the Securities and Exchange Act, or any regulations of the Stock Exchange of Thailand, and other policies, rules, regulations and laws related to the Company's business;
- 2.4 Selecting and nominating an independent person to perform as a Company's auditor, and proposing remuneration of the auditors to the Board of Directors as well as attending the meeting with the auditor without the Management at least once a year;
- 2.5 Reviewing the internal audit plan of the Company in accordance with generally accepted auditing standards;
- 2.6 Considering related transactions or transactions with potential conflicts of interest to ensure compliance with the laws and regulations of the Stock Exchange of Thailand and ensuring that such transactions are correct and complete for the best interest of the Company. Disclosure of information must be done accurately and fully;
- 2.7 Ensuring that an appropriate and efficient risk management system is in place;
- 2.8 Reporting the Audit Committee's performance to the Board of Directors at least four times a year;
- 2.9 Preparing the Audit Committee's corporate governance report and publishing it in the annual report. Such report must be signed by the Chairman of the Audit Committee and contain at least the following information;
 - 2.9.1 Opinion on the accuracy, completeness, and reliability of the financial report;
 - 2.9.2 Opinion on the adequacy of the Company's internal audit system;
 - 2.9.3 Opinion on the compliance with Securities and Exchange Act, regulations of the Stock Exchange of Thailand, or laws related to the Company's business;
 - 2.9.4 Opinion on the suitability of the auditor;
 - 2.9.5 Opinion on related transactions and transactions with potential conflicts of interest;
 - 2.9.6 Number of the Audit Committee's meetings and number of meetings attended by each member of the Audit Committee;
 - 2.9.7 Opinion or overview observation obtained by the Audit Committee from its performance in accordance with the charter; and
 - 2.9.8 Any other matter that shareholders and general investors should know within the scope of duties and responsibilities assigned by the Board of Directors
- 2.10 Providing opinions on appointment, dismissal, and evaluation of internal audit's officers;
- 2.11 The Audit Committee is entitled to invite the Management, the executive, or employees to attend the meeting to discuss issues or give opinions or documents as deemed necessary;
- 2.12 The Audit Committee is entitled to hire a consultant or outsider under the Company's regulations to provide opinions or advices as necessary;
- 2.13 The Audit Committee must conduct a self-assessment and report the assessment results as well as problems that may cause the Audit Committee to be unable to achieve its objectives to the Board of Directors every year;
- 2.14 Revising and improving the charter of the Audit Committee; and
- 2.15 Performing any other task assigned by the Board of Directors within the scope of duties and responsibilities of the Audit Committee.

(B) Executive Committee

As at 31 December 2021, the Executive Committee consists of totaling 12 persons, as follows:

Name	Position
1. Mr. Siwaphong Boonsalee	President of the Executive Committee
2. Mrs. Jintana Boonsalee	Executive Committee
3. Mrs. Sopida Suksai	Executive Committee
4. Mrs. Renu Wilasri	Executive Committee
5. Mr. Chawalit Phanpha	Executive Committee
6. Mr. Surasak Kamtanet	Executive Committee
7. Mr. Prachak Chandum	Executive Committee
8. Mr. Chawalit Kasemcholatan	Executive Committee
9. Mr. Wathip Panpa	Executive Committee
10. Mr. Khamnaung Singkhan	Executive Committee
11. Mr. Paramet Inma	Executive Committee
12. Mr. Nutthaphon Phumsiroj	Executive Committee

Remark:

- Assistant Professor Dr. Phoosak Boonsalee resigned as the Chairman of the Executive Committee on March 1, 2021 and the Board of Directors Meeting No. 1/2021 held on February 23, 2021 resolved to appoint Mr. Siwaphong Boonsalee as the Chairman of the Executive Committee. In this regard, Mr. Siwaphong Boonsalee serves as the Chairman of Executive Committee and Managing Director.
- Mrs. Jintana Boonsalee resigned as Deputy Managing Director (Business Division), but still holds the position of Executive Director.

The scope and responsibility of the Executive Committee, detailed as follows:

- Regulating the management of the Company to be compliance with policies designated by the Board of Directors, laws, regulations of the Company, including the Stock Exchange of Thailand with the duty of loyalty, duty of care, accountability and ethics;
- formulating the Company's business plan, annual budget plan, and investment plan to propose for an approval from the Board of Directors and regulate the budget approved by the Board of the Company;
- regulating and managing the investment of the Company efficiently for the best interest of the shareholders;
- considering an approval of any expenses as authorized in the operational manual;
- considering the conducting of any agreements to bind the Company as authorized in the operational manual;
- Being responsible for providing any essential information of the Company for making the Board of Director's decision;
- Considering the investment in the new business or the shutting down the business to propose to the Board of the Directors;
- Regulating and supervising the procedures of the operators to report any circumstances or any unusual or illegal actions to the Executive Committee immediately. Also, if such event has any significant effect to the Company, the Executive Committee must report to the Board of Directors to address such issues within the reasonable time;

- 2.9 Conducting any transactions to support the aforementioned transactions or any opinions or any assignment from the Board of Directors;
- 2.10 Proposing to the meeting of the Board of Directors in any matters which resolved and/or approved from the Executive Committee in the next meeting of the shareholders;
- 2.11 Supervising and following up the management of the Company to be in line with the policies, strategies plan and annual budget that the Board of Directors approved, and reporting to the Board of Directors regularly;
- 2.12 Analyzing that matter which the chairman of the Executive Committee proposed in order to consider whether such matter should be approved;
- 2.13 Recruiting, appointing, dismissing or relocating the senior officer ranked Deputy Managing Director or equivalent to such position, and determine the salary, remuneration or any other benefits to such person;
- 2.14 assigning or recommending the managing director to consider or conduct any matters as the Executive Committee consider appropriated;
- 2.15 appointing the working to consider any matters the Executive Committee consider appropriated;
- 2.16 considering any matters, or conduct any duties as assigned by the Board of Directors; and
- 2.17 Supervising and following up the operation of the Risk Management Committee.

In this regard, the authorization of the Executive Committee or any sub-authorization to any person who the Executive Committee consider appropriated shall not include the authorization or the sub-authorization in any transaction that he or any interested person who may have conflicts of interest or benefits in any ways that contradict to the Company or the Company's subsidiaries. The transactions must be proposed to the meeting of the Board of the Directors and/or the meeting of the shareholder (in any case) to consider the approval of such transaction as specified in the Article of Association of the Company or relevant laws.

(C) The Nomination and Remuneration Committee

As of December 31, 2021, the Nomination and Remuneration Committee consists of totaling 3 persons, as follows:

Name	Position
1. Miss Somboon Supasiripinyo	Chairman of Nomination and Remuneration Committee, Independent Director
2. Mr. Phoosak Boonsalee	Nomination and Remuneration Committee
3. Mrs. Woranuchanan Phongsurang	Nomination and Remuneration Committee and Independent Director

The scope and responsibility of Nomination and Remuneration Committee, detailed as follows:

1. The nomination of the directors of the Company:
 - 1.1 determining the procedures to recruit the candidate, who is suitable with the nature and operation of the Company, to take a position of director by specifying the qualification and expertise in each area; and

- 1.2 nominating the director of the Company once there is the agenda to nominate the director of the Company for the Board of Directors' consideration. The nomination of the directors may consider the previous director to maintain in the position or the candidate nominated by the shareholders or the usage of the external agency to recruit or the consideration of the person from the office of the occupational committee or the person who the Board of Directors consider appropriated;

In this regard, the nomination of the director of the Company, the Nomination and Remuneration Committee will consider at least one expertise for the position such as finance, business management, marketing, human resources, legal, management including the ability to assist the operation of the Company to be more precisely, the ability to make up a reasonable decision, and the ability to provide critical thinking. Also, the Nomination and Remuneration Committee will consider the leadership, the high level of professional expertise and integrity, along with the suitable personality.

- 1.3 considering the list of candidates and select the candidate whose qualification is in accordance with the eligible qualification;
- 1.4 reviewing whether the nominated candidate is qualified by laws or regulations of relevant officials;
- 1.5 recruiting the person who has the qualification conforming to the specified criteria, in order to ensure that such person will be willing to take a position of the director of the Company in case of the appointment by the shareholders;
- 1.6 nominating the candidate with suitable qualification to the Board of Directors and enlist in the candidate's name in the notice to convene the meeting of the shareholders in order to have the meeting of the shareholder consider the appointment of the director of the Company;
- 1.7 recruiting the senior manager as assigned by the Board of Directors;
- 1.8 supervising the Board of Directors and the sub-committees to have the size and the composition that suitable to the organization and the adaptation to the environment. Thus, the Board of Directors and the Board of the Sub-Directors must comprise of the person who has knowledgeable, capable, experienced and skillful any areas which necessary to conduct the business;
- 1.9 disclosing the policy and details of the nomination process in the annual report of the Company;
- 1.10 reviewing, summarizing the succession plan and the continuity of management for the senior manager annually, and report to the Board of Directors; and
- 1.11 conducting any transaction assigned by the Board of Directors or by the determined policies from the Board of Directors.

2. The consideration of the remuneration

- 2.1 considering the criteria for the remuneration of the Board of Directors and the senior manager by reviewing the current criteria comparing to the details of the remuneration of the other companies which is in the same industry, and revise the proper criteria;
- 2.2 Reviewing any payment of the remuneration i.e. the regular remuneration, the operational remuneration, the meeting allowance by considering from the procedures used by the companies in the same industry, performance and size of the Company, the responsibility and the experience of the directors and the senior executives;

- 2.3 Considering the criteria to assess the performance of the senior executive as assigned by the Board of Directors;
- 2.4 Determining the annual remuneration of the Board of Directors and the senior executive as specified in the approved plan and propose to the Board of Directors to approve. In respect of the directors of the Company, the Board of Directors must propose to the meeting of the shareholders;
- 2.5 Considering the condition in case that the Company will offer the newly issued security to the directors of the Company or the employees in order to motivate the directors and employees to perform their duties for the best benefits of the shareholder in the long-term and sustain the employees with quality;
- 2.6 In conducting the duties, the Nomination and Remuneration Committee may hire an outsider expert to consult and attend the meeting of the Nomination and Remuneration Committee, and to consider the remuneration within the approval from the Board of Directors or any person assigned by the Board of Directors; and
- 2.7 Conducting any transaction assigned by the Board of Directors or by the determined policies from the Board of Directors.

(D) Risk Management Committee

As of December 31, 2021, the Risk Management Committee consists of totaling 3 persons, as appointed by the meeting of the Board of Director No. 2/2019 held on 14 February 2019, detailed as follows:

Name	Position
1. Mrs. Nantana Sangkavichitr	Chairman of Risk Management Committee, Independent Director
2. Mr.Siwaphong Boonsalee	Risk Management Committee
3. Mr.Chawalit Phanpha	Risk Management Committee

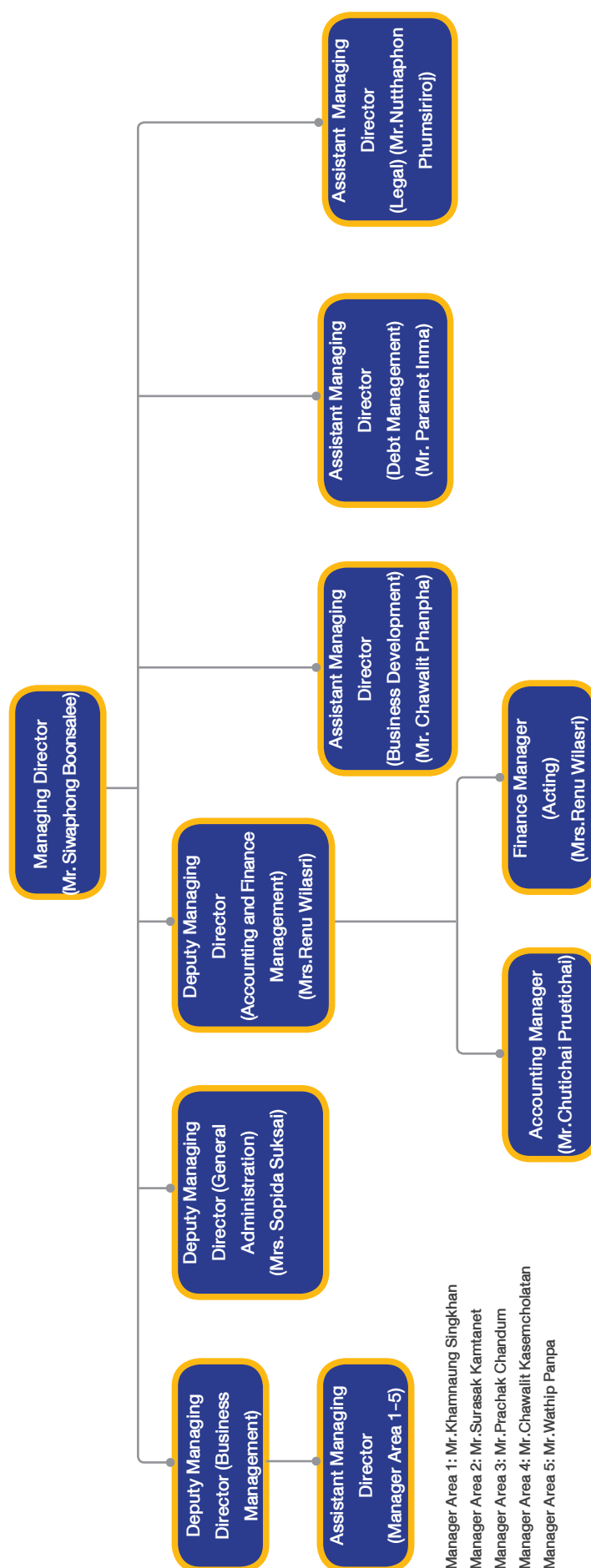
The scope and responsibility of Risk Management Committee, detailed as follows:

1. Determining and reviewing the risk management framework throughout the organization, suggest the risk management plan relating to the business's operation to be in line with the strategies, business plans, and surrounded situation;
2. Supervising, encouraging and developing the risk management in every aspect of the organization, promote the risk management culture throughout the organization;
3. 3. Assessing and analyzing the potential risk in any aspect to be in line with the current situation systematically and continuously to ensure that such assessment covers all steps of business operation, introduce the solution to prevent or lessen the risk to be on the acceptable level.
4. Considering the result of the assessment report prepared by the Management, opine the potential risk that may arise, provide the measures in controlling, lessening and developing the risk management system to be more efficiently.
5. Reporting the results of the potential risk management to the Board of Directors. In case that there is important factor or situation that may significantly affects the Company, immediately notify the Board of Directors; and
6. Performing any other task as assigned by the Board of Directors.

Details of the executive

The Executive

(1) Management structure



(2) The details of the Executive Committee

As of December 31, 2021, the Company has the executive totaling 13 persons, as follows:

Name	Position
1. Mr. Siwaphong Boonsalee	Managing Director
2. Mrs. Sopida Suksai	Deputy Managing Director (General Administration)
3. Mrs. Renu Wilasri	Deputy Managing Director (Accounting and Finance Management)
4. Mr. Khamnaung Singkhan	Assistant Managing Director (Manager Area 1)
5. Mr. Surasak Kamtanet	Assistant Managing Director (Manager Area 2)
6. Mr. Prachak Chandum	Assistant Managing Director (Manager Area 3)
7. Mr. Chawalit Kasemcholan	Assistant Managing Director (Manager Area 4)
8. Mr. Wathip Panpa	Assistant Managing Director (Manager Area 5)
9. Mr. Chawalit Phanpha	Assistant Managing Director (Business Development)
10. Mr. Paramet Inma	Assistant to Managing Director (Debt Management)
11. Mr. Nutthaphon Phumsirroj	Assistant to Managing Director (Legal)
12. Mr. Chutichai Pruetichai	Accounting Manager

Remarks: ^{1/}the definition of the executives of the Notification of the Securities and Exchange Commission at Gor Jor. 17/2551 re: the definition of the notification in relation to the issuance and offering of the security (as amended)

The policy in relation to the remuneration of the Executive Committee and the executives

The Company has determined the remuneration of the Executive Committee and the executives by considering the responsibilities in driving the organization to its achievement in accordance with the performance and the details of the other companies which has the same size or in the same industry by setting the indicator and the standard value for the management in each year.

Type of the remuneration of the executives, detailed as follows:

1. **Fixed remuneration**, which is salary, position allowance, performance fee, which is the regular compensation by using the performance assessment system.

2. **Variable remuneration**, variable by the performance, which is bonus, contribution, allowance assessed by the performance for achieving the goal.

The remuneration of the Executive Committee and the executives

The Company shall pay the remuneration to the Executive Committee and the executives by considering the responsibilities and the suitability of the business industry at the same level.

(1) Monetary compensation

type	2020		2021	
	Total (persons)	Remuneration (THB Million)	Total (persons)	Remuneration (THB Million)
Salary	14	12.0	12	8.5
Bonus	14	3.3	12	2.8
Other remuneration	14	1.9	12	5.2
Total	14	17.2	12	16.5

(2) Other remuneration

The Company has provided the provident fund under the management of BBL Asset Management Company Limited. In this regard, the Company shall contribute at the rate of 5% of the salary to the provident fund. In 2021, the Company has contributed to the provident fund for the executives totaling 10 persons, in the total amount of THB 237,028.

Details of the Employees

Number of employees

As of December 31, 2021, the Company has total employees in the amount of 1,930 persons which could be grouped by work field as follows:

Work Field	Number of Employee (Person(s))	
	As of December 31, 2020	As of December 31, 2021
1. Management Department	14	12
2. Branch Department	535	746
3. Credit Analysis	603	665
4. Debt Collection Department	40	46
5. Accounting Department	44	53
6. Finance Department	263	287
7. Information Technology Department	10	16
8. Legal Department	6	11
9. Administration Department	7	6
10. Human Resource Department	14	19
11. Marketing Department	13	17
12. Internal Audit Department	26	28
13. Procurement Department	4	4
14. Building Department	17	18
15. Risk Management Department	-	2
Total	1,596	1,930

In 2021, the Company has the total number of resigned employees in the amount of 170 persons or equivalent to 9.57 percent of total employees. Most employees who resigned have work experience with the Company for less than 1 year, equivalent to 58.82 percent of total resigned employees.

In this regard, there is no significant change to the number of employees in the last 3 years.

Employee Remuneration

The Company determines the payment of remuneration of employees by taking into account job position, work experience, achievement of work, by having an evaluation system for determining work target, planning, progress tracking, development and individual performance review to ensure human resource management is administered in the same direction, accurately and fairly and to incentivize those working employees.

1. Monetary Remuneration

In 2019 and 2021, the Company has paid monetary remuneration to the employees with details as follows:

Type of Remuneration	Remuneration (THB Million)	
	2020	2021
1. Salary	372.4	441.6
2. Bonus	59.9	61.2
3. Other Remunerations ^{1/}	55.9	63.5
รวม	488.2	566.33

Remarks: ^{1/} Other remunerations namely provident fund contribution, social security fund contribution, allowance, post-employment benefits, other employee welfare, meeting attendance fee, pioneering cost, human resource development cost, accommodation and traveling expense, petrol cost, lodging rental, and group accident insurance.

2. Provident Fund

The Company has established the provident fund in accordance with the Provident Fund Act B.E. 2530 (1987) managed by BBL Asset Management Company Limited for encouraging and incentivizing employees to work with the Company in a long run. The Company and the employees shall make a voluntary contribution to provident fund on monthly basis at the rate of 3% - 5% of salary.

As of December 31, 2021, the total number of the Company's employees joining the provident fund is 1,513 persons, equivalent to 78.39 of the total employees.

3. Employee Welfare

The Company has arranged for employee welfare pursuant to the laws and also arranged for additional welfare and certain benefits such as:

- 3.1 Accident insurance in case of decease or permanent disability
- 3.2 Funeral expenses payment in case of the decease of employee or family member
- 3.3 Subvention for property damage incurred by accident
- 3.4 Subvention for the employee's suffering from natural disaster or accident etc
- 3.5 "Found, Paid, Done" COVID-19 insurance for employees (for employees whose employment commenced before September 2021)
- 3.6 Free accommodation for male employees and rental subsidy for female employees who are assigned to work at locations away from home.
- 3.7 Employer-provided-vehicles for employees who travel to work at branch locations away from their domicile, free of charge.

4. Labour Dispute

The Company does not have any labour dispute which may affect its business operation.

Human Resource Development Policy

The Company has a policy with respect to human resource development and quality of life enhancement, as follows:

1. Encouraging an employee to comply with business and work ethics
2. Enhancing employee's potential by constantly provide development of knowledge, skill and attitude towards work to build confidence and ensure of the good result
3. Arranging for methods of employee's competency and performance evaluation in a fairness manner and in line with their work role and to apply such method to evaluate the employee for allocation of appropriate remuneration
4. Reviewing employee's income annually and arranging for appropriate employee welfare
5. Evaluating employee's satisfaction to the work annually
6. Planning in relation to appropriate and sufficient manpower for the work and recruiting employee who has suitable qualification
7. Supporting employees to maintain and participate in organizational and social culture.

To ensure that human resource management functions operate effectively with transparency, in alignment with the effective management policy and in accordance with the principles of good corporate governance, as well as encouraging the employees to develop skills and capacity in order to improve work efficiency and support employees' career growth for the sustainability of the Company, the Company has established human resource management policy in 9 areas as follows:

1. Labor and human rights

The Company has a clear policy on respect for human rights within the organization and promotion of basic human rights by respecting the laws, culture, traditions, values and cultural differences in treating employees and those affected by the Company's business operations, including avoiding involvement in human rights violations by focusing on systematic human resource management, equal treatment of employees, taking care of communities and society, business partners, as well as the supply chain on the basis of fairness, safety and quality of life improvement.

2. Employment and staffing

The Company has a policy of managing workforce structure to suit the organizational structure by developing the process of recruiting and selecting qualified personnel with knowledge and capacity suitable for the position and in line with the Company's values, including ensuring effective and non-discriminatory recruitment and selection process in which equal opportunities are provided to people of all genders, ages, races, religions, education, sexual orientation, skin color and status, women, people with disabilities or other disadvantaged groups. The Company also ensures that the use of child and illegal labor is prohibited; that employees, job applicants and related persons are treated fairly; and that the recruitment and hiring process is transparent and fair.

3. Performance Management

The Company has a policy of ensuring effective and fair performance management by which key performance indicators (KPI) are set to include goals of the Company and goals of departments that are clear and consistent. In addition to assessing employees' performance based on indicators, the Company also takes into consideration the performance consistency, behavioral indicators, competency which are in alignment with the Company's values.

4. Compensation and welfare

The Company gives priority to reasonable, competitive and fair remuneration and welfare. The determination of remuneration and welfare must be carried out without discrimination and not taking advantage of female workers, the disabled, and other disadvantaged people. Pay increase shall be based on performance of each employee. The Company has conducted surveys and compared compensation and benefits against others in the same industry, and also taken into account the minimum wage rate required by law, and current cost of living to determine a reasonable and competitive wage structure. The Company has also improved welfare to suit the needs of employees which created long-term stability and incentive for employees. The Company has established a committee consisting of representatives of the employer and the employees in the workplace to comply with the requirements of labor law, as well as providing opportunities for the employees to make comments, discuss, and give suggestions that are beneficial to planning employee welfare, through the channels specified by the Company and shared to the employees.

5. Development of employees' knowledge, abilities, and career growth

The Company focuses on improving work efficiency, developing capacity, knowledge, ability and professional expertise of the employees. The Company develops annual training plan in accordance with the necessity of the nature of the work by taking into account the employees' performance and the Company's annual training development plan, to provide employees with equal opportunities for career growth in order to support the Company's continuous and sustainable growth.

6. Employee satisfaction survey

To foster employee engagement, employee satisfaction and engagement surveys are conducted on a regular basis. The Company has set clear goals for the survey results and uses the survey results to analyze, design and improve the human resource management structure policy, including various welfare benefits to meet the needs of employees while ensuring that employees are constantly informed of the progress. The Company also continuously follows up improvements made based on employees' feedback and project implementation.

7. Work Safety

The Company gives priority to safety at work, occupational health, and environment and recognizes the importance of prevention and correction of activities that may affect safety in order to comply with the requirements of the relevant laws. The Company has put in place inspection, monitoring, evaluation, and operational review so that employees are able to prevent and correct activities that may affect safety, occupational health and environment, and has also constantly improved work process.

8. Handling employee complaints and suggestions

The Company has established channels for whistleblowing, filing complaints, reporting and follow-up as specified in the corporate governance policy, through which the employees can file complaints, give suggestions, or report unfair treatment, human rights violation, non-compliance with the code of conduct, illegal activity, potential fraud, personnel misconduct, and internal control deficiency, with mechanisms to protect the whistleblowers.

9. Termination of employment

Termination of employment by the Company shall be carried out according to the prescribed procedure with fair treatment and respect for human rights. It shall be in strict compliance with labor law, relevant regulations and work rules.

Training and Personnel Development

In 2021, during the COVID-19 pandemic situation, most of internal and external trainings were shifted to online trainings. The Company has organized training sessions and sent 1,436 employees to trainings conducted by external agencies, with 69 training courses completed in total, for a duration of 17,520.50 hours, with an average of 12.20 hours/person/year. The details of training sessions in 2021 are as follows:

No.	Training Session	Training Hours (Hr.)	Number of trainees (person)	Total number of hours
1	New employee orientation	4.00	506	2,024.00
2	Knowledge and Understanding of Organization and Position for probationary employees	10.00	341	3,410.00
3	Personnel Design Thinking Development Program for Management Innovation	6.30	50	325.00
4	Personnel Development for Promotion to Supervisor (Rising Star)	12.30	479	5,987.50
5	Knowledge and Understanding of Inspection Conducted by District Managers and Branch Managers, and Techniques and Methods for Fraud Detection	2.00	161	322.00
6	Digital Soft Skills	6.00	2	12.00
7	Digital Soft Skills Showcase : Lead Organization in Digital Age	6.00	1	6.00
8	Recruitment	2.00	3	6.00
9	FC Share & Learn	3.00	2	6.00
10	"Interesting Banknotes" of the year 2021	2.00	262	524.00
11	Ruk Hua Jai Program	4.00	40	160.00
12	Effective Approach to Finding New Customers (for employees who use tablet computers)	2.00	371	742.00
13	Use of SAK-PAYMENT System for new units launched in 2021	2.00	424	848.00
14	Setting Up Receipt Printers	1.00	817	817.00
15	Download License Program	3.00	1	3.00
16	Web Service Check Card Status Online	3.00	1	3.00
17	Smart Card Offline System	3.00	1	3.00
18	AWS S3 Amazon	8.00	1	8.00
19	IT Compliance	3.00	1	3.00
20	Ransomware Readiness using Machine Learning and Cloud Security Delivery Services	4.00	3	12.00
21	Thailand National Cyber Week 2021	16.00	3	48.00
22	IT Audit	35.00	2	70.00
23	Design Thinking (SET)	2.00	2	4.00

No.	Training Session	Training Hours (Hr.)	Number of trainees (person)	Total number of hours
24	IT Security: Defense against the digital dark arts	29.00	2	58.00
25	AWS Cloud Technical Essentials	15.00	2	30.00
26	Operating Systems and You: Becoming a Power User	35.00	2	70.00
27	System Administration and IT Infrastructure Services	28.00	2	56.00
28	The Bits and Bytes of Computer Networking	34.00	2	68.00
29	Technical Support Fundamentals	25.00	2	50.00
30	Google Analytics for Beginners	8.00	2	16.00
31	Fundamentals of the Data bricks Lakehouse Platform	12	2	24.00
32	Data bricks Academy Introduction to SQL on Data bricks	12	1	12.00
33	K2 Development The training class for first Developer	24	1	24.00
34	Workshop Network Device Monitoring System Using Zabbix	9.00	2	18.00
35	สัมมนา Thailand National Cyber Week 2021	9.00	3	27.00
36	Ransomware Threats — Strengthening Security, Managing Network Resources in Organization and IT Security	1.30	1	1.50
37	Lenovo Power to Break the Barriers	1.00	1	1.00
38	The Future of Work	1.30	1	1.50
39	What's NEW in Nontax K2 Five 5.5? Be the first to know!	2.00	1	2.00
40	J-SOX: Internal Control, Concepts, Principles and Implementation	6.30	3	19.50
41	IT Audit, Batch 1/21	32.30	16	520
42	Preparation for the 2021 AGM for New Listed Companies	1.30	1	1.50
43	Prepare for Change towards Sustainability with One Report	2.30	2	5
44	Professional Development of Company Secretary	64.00	1	64.00
45	Director Selection Process according to CG Principles	1.30	1	1.50
46	Business and Human Rights, and Guidelines for Filling Out Human Rights Information in the 56-1 One Report under the Business and Human Rights Program for Businesses in the Thai Capital Market (Phase 1)	3.30	1	3.50

No.	Training Session	Training Hours (Hr.)	Number of trainees (person)	Total number of hours
47	Seminar on CGR Project Survey Criteria 2023	6.30	3	19.50
48	Techniques for Preparing Notice of the Annual General Meeting of Shareholders (AGM) according to the Relevant Rules and Regulations	1.30	2	3.00
49	Problem Solving Skills and Techniques Required in Board Meeting	4.00	1	4.00
50	Corporate Governance Monitoring	6.30	2	13.00
51	Issues of TFRS for PAEs to be used and changed in 2021	6.00	7	42.00
52	CPD TFRS Lease Agreement	12.00	3	36.00
53	Smart FSCOMP	4.00	1	4.00
54	Thai Household Debt Situation in Q2/2021	2.30	3	7.50
55	Selling Non-Life Insurance Over the Phone	2.00	326	652.00
56	E-learning: Insurance Broker License Renewal Application No. 1	10.00	1	10.00
57	Training course on the "Debt Collection Act"	6.00	7	42.00
58	Anti-Money Laundering Law for Reporting Entities under the Regulations of the Anti-Money Laundering Committee On Organizing Training for Reporting Entities under Section 13 and Section 16 B.E. 2563	6.00	1	6.00
59	Introduction to FinTech : Legal and Regulatory	6.00	2	12.00
60	Personal Data Protection Act B.E. 2562 and Relevant Digital Laws	6.00	2	12.00
61	Electronic Transactions Law	6.00	2	12.00
62	Examining Readiness before PDPA Becoming Effective	2.30	2	5.00
63	How to Make Use of ID card (Offline)	2.00	2	4.00
64	Promotion of Moral Values and Ethics, and Professional Skills Development for Lawyers	6.00	1	6.00
65	Data Submission and Data Quality Management of the Year 2021	3.00	2	6.00
66	Interesting Facts about the Personal Data Protection Act B.E. 2562 (PDPA) and Adjustment of Internal and external IT systems	3.00	1	3.00
67	Training for Safety Officer: Head of Unit level	12.00	5	60.00
68	Training for Safety Officer: Management Level	12.00	11	132.00
69	Anti-Corruption Practical Guide (ACPG)	12.00	1	12.00

Other Material Information

Information related to persons who were appointed to control or perform certain positions in the Company

- 1) The person who was directly assigned for accounting management

The Board of Directors hereby assigned Mr.Chutichai Pruetichai to directly handle the accounting management of the Company. The qualification of the person who was assigned to directly handle the Company's accounting management appears in Attachment 1.

- 2) Company's Secretary

The Board of Directors resolved to assign Mrs. Tippamas Lamcharoen to be the Company's secretary commencing from July 29, 2019. The qualification of the Company's secretary appears in Attachment 1.

- 3) Chief of Internal Audit

The Board of Directors hereby assigned Mr. Kittisak Pannaraj to be the chief of internal audit for supervising of compliance with the government authority's regulations. The qualification of the chief of internal audit appears in Attachment 3.

Information of Investor Relations

Company's Name	Saksiam Leasing Public Company Limited
Office Location	Mrs. Renu Wilasri, Deputy Managing Director (Accounting - Finance Management)
Tel No.	49/47 Chetsada Bodin Road, Tha It Sub-District, Muang Uttaradit District, Uttaradit Province 53000
Fax No.	0 5544 0371

Auditor Remuneration

Since 2015, the Company has engaged PricewaterhouseCoopers ABAS Ltd. to conduct audits and provide advice. In 2021, the Company and its subsidiaries paid remuneration to the auditor, the details are as follows:

1. Audit Fee	
- Saksiam Leasing Public Company Limited	THB 3,100,000
- Saksiam Maker Drone Company Limited	THB 75,000
2. Non-Audit Fee	
- Service fee for reviewing and consulting on the impairment according to Financial Reporting Standard No. 9	THB 2,060,000
3. Out of pocket expense	
- Travel and documents expenses	THB 75,250
Total	<u>THB 5,310,250</u>

In addition to the aforementioned service fee, the Company had no other expenses to be paid to the auditor, audit firm, or persons or businesses related to the auditor.

Report on the Significant Performance regarding Corporate Governance

Summary of the performance of the Board of Directors in last year

The Board of Directors performs their duties in accordance with roles and responsibilities which are important for determining policies and strategies, driving competitive capacity, building culture and value of the organization, procuring the adequate internal control system and managing risks of the organization. The scope of duties and responsibilities of the Board of Directors and Managing Director appeared in page 77.

Nomination, Development and Performance Assessment of the Board of Directors

(1) Nomination of the independent director

In respect of appointment of the Independent Director, the Nomination and Remuneration Committee shall consider qualification of the Independent Director in order to delegate and propose to the meeting of Board of Directors and the shareholders for approval, the details of the qualifications of independent director appeared in Attachment 1.

(2) Nomination of the directors and senior executives

The Nomination and Remuneration Committee consists of 3 members provided that two of them shall be an independent director. With respect to nomination of the directors of the Company and the Managing Director, the Nomination and Remuneration Committee shall be responsible for nominating and selecting qualified persons pursuant to the Company's requirement in order to procure the professional and various expertise of director. The number of independent directors to be proposed shall be equivalent to one-third (1/3) of total number of directors. The Nomination and Remuneration Committee shall propose nominated independent directors, including appropriate remuneration, to the meeting of Board of Directors and shareholders for approval respectively. In this regard, pursuant to the public limited company laws, the shareholders are able to allocate their votes to appoint each of directors (cumulative voting). The appointment of directors shall be approved by a simple majority vote of shareholders attending the meeting and casting their votes.

For nomination of the senior executives, the Board of Directors considered and assigned the Nomination and Remuneration Committee to determine in accordance with rules and procedures to nominate qualified persons to be the senior executives and shall propose more than one qualified person together with reasons to the Board of Directors for approval. Such qualified persons shall possess qualifications, knowledge, suitability expertise and experiences which are useful for the Company's operation and understand the Company's business as well as be able to achieve the objectives and goals determined by the Board of Directors.

(3) Development

The Company has a policy of encouraging directors to attend training courses and seminars in order to continually develop knowledge required to perform directors' duties. The training sessions and seminars were organized by the Thai Institute of Directors Association (IOD), the Stock Exchange of Thailand, and other leading institutions. Also, training activities and seminars were organized within the Company. There were 11 directors who have completed director training course as follows:

Director's name	Training course with IOD
Mr. Suphot Singhasaneh	<ul style="list-style-type: none"> Successful Formulation & Execution of Strategy Program, Batch 4/2009 by Thai Institute of Directors Association (IOD) Role of the Chairman Program, Batch 18/2008 by Thai Institute of Directors Association (IOD) Director Certification Program, Batch 90/2007 by Thai Institute of Directors Association (IOD)
Mr. Phoonsak Boonsalee	<ul style="list-style-type: none"> Director Accreditation Program, Batch 97/2012 by Thai Institute of Directors Association (IOD)
Mrs. Jintana Boonsalee	<ul style="list-style-type: none"> Director Accreditation Program, Batch 119/2015 by Thai Institute of Directors Association (IOD)

Director's name	Training course with IOD
Mr. Siwaphong Boonsalee	<ul style="list-style-type: none"> Director Accreditation Program, Batch 119/2015 by Thai Institute of Directors Association (IOD)
Mrs. Sopida Suksai	<ul style="list-style-type: none"> Director Accreditation Program, Batch 131/2016 by Thai Institute of Directors Association (IOD)
Mrs. Renu Wilasri	<ul style="list-style-type: none"> Director Accreditation Program, Batch 148/2018 by Thai Institute of Directors Association (IOD)
Mr. Chawalit Phanpha	<ul style="list-style-type: none"> Director Accreditation Program, Batch 131/2016 by Thai Institute of Directors Association (IOD)
Mr. Yanchai Tantiratapong	<ul style="list-style-type: none"> Director Certification Program, Batch 114/2009 by Thai Institute of Directors Association (IOD) Audit Committee Program, Batch 25/2009 by Thai Institute of Directors Association (IOD) Monitoring of the Quality of Financial Reporting Program, Batch 7/2009 by Thai Institute of Directors Association (IOD) Monitoring the Internal Audit Function Program, Batch 5/2009 by Thai Institute of Directors Association (IOD) Monitoring the System of Internal Control and Risk Management Program, Batch 6/2009 by Thai Institute of Directors Association (IOD)
Mrs. Nantana Sangkavichitr	<ul style="list-style-type: none"> Director Accreditation Program, Batch 130/2016 by Thai Institute of Directors Association (IOD)
Miss Somboon Supasiripinyo	<ul style="list-style-type: none"> Director Accreditation Program, Batch 160/2019 by Thai Institute of Directors Association (IOD) Board Nomination and Compensation Program, Batch 7/2019 by Thai Institute of Directors Association (IOD)
Mrs. Woranutchanan Phongsurang	<ul style="list-style-type: none"> Director Accreditation Program, Batch 163/2019 by Thai Institute of Directors Association (IOD)

(4) Assessment of the Board of Directors' Performance

The Board of Directors determined to assess their performance (Board Self-Assessment) annually at least once a year in order to review their performance, occurred problems and obstacles and to assess their performance in last year as well as to find a direction to develop the efficiency of the operation of the Board of Directors in next year. The forms to be used for assessment are as follows:

1. Self-Assessment of the Board performance;
2. Self-Assessment of the individual performance of directors; and
3. Self-Assessment of the sub-committee performance.

Details and criteria set out in such 3 Self-Assessment forms are line with the sample forms provided by the Securities and Exchange Commission's Self-Assessment, issued on February, 2015 which were applied to be compatible with the Company's business.

For the procedures of the performance assessment of the Board of Directors, sub-committee and individuals, the Board of Directors assigns the Company's Secretary to collect all filled forms and submit to the Board of Directors as well as to analyze performance results from the assessments and report to the Board of Directors for further improvement and development of the operation.

The assessment were conducted in 3 aspects i.e. structure and qualification of the directors, the meeting of the Board of Directors, and roles, duties and responsibilities of the directors. For the year 2020, the assessment results are as follows:

Assessment of the Board of Directors' performance is conducted annually which is divided into 4 categories including 1) Self-Assessment of the whole Board of Directors, 2) Individual self-assessment of the Board of Directors, 3) Self-assessment of the sub-committees, 4) Performance assessment of the Chairman of the Executive Committee. Assessment materials will be sent to all Board members for annual performance assessment of the Board as a whole and individual directors. After each Board member has completed the assessment, the Board of Directors will acknowledge the assessment results and bring it into discussion in order to improve the Board of Directors' work performance during the year.

The assessment criteria can be summarized as follows:

1. The self-assessment of the Board of Directors consists of 3 topics which are the structure and qualifications of the Board of Directors, the sub-committees meetings having taken the specified actions to ensure effective performance of the Board of Directors' duties to perform their duties in the meeting effectively, and the roles, duties and responsibilities of the Board of Directors to give precedence to, take time to consider, review and adequately comply with the specified matters.
2. The individual self-assessment of the Board of Directors consists of 3 topics including the structure and qualifications of the Board of Directors, the Board of Directors' Meetings, and the roles, duties and responsibilities of the Board of Directors.
3. The self-assessment of the sub-committees is for the Audit Committee, the Risk Management Committee, and the Nomination and Remuneration Committee. The assessment consists of 3 topics including the structure and qualifications of the committee concerning the specified matters are appropriate which allow the committee to perform work effectively, the sub-committees having taken the specified actions to ensure effective performance of the committees' duties in meetings, and the roles, duties and responsibilities of the sub-committees to give precedence, take time to consider, review and adequately comply the specified matters.
4. The performance assessment of the Chairman of the Executive Committee consists of 10 topics including leadership, strategy determination, strategy implementation, financial planning and performance, relationship with the Board of Directors, external relations, human resource management and human relations, succession, product and service knowledge, personal characteristics.

The assessment results in the year 2021 are shown as follows:

Assessment Report on the Effectiveness and Performance of the Board of Directors

Board Meeting Attendance Ratio

Number of independent directors who serve on more than 5 boards of other companies	-
Limited number of companies in which independent directors may serve on their boards	5 Companies
Number of directors who serve more than 9 years	-

Annual self-assessment of the Board of Directors

1. Board of Directors of the Company	96.05
2. Individual Directors	96.20
3. Sub-committee	
• Audit Committee	100
• Risk Management Committee	98.89
• Nomination and Remuneration Committee	95.79
4. Chairman of the Executive Committee	95.19

Meetings Attendance and Remuneration

(1) Meetings Attendance

List of the Directors	Position(s)	The meetings (January 1, 2021 – December 31, 2021)		
		The Meeting of the Board of Directors	The 2020 Annual General Meeting of Shareholders	The Extraordinary General Meeting of Shareholders
1. Mr. Suphot Singhasaneh	Chairman of the Board of Directors	8/8	1/1	-
2. Mr. Phoosak Boonsalee	Director	8/8	1/1	-
3. Mrs. Jintana Boonsalee	Director	8/8	1/1	-
4. Mr. Siwaphong Boonsalee	Director	8/8	1/1	-
5. Mrs. Sopida Suksai	Director	8/8	1/1	-
6. Mrs. Renu Wilasri	Director	8/8	1/1	-
7. Mr. Chawalit Phanpha	Director	8/8	1/1	-
8. Mr. Yanchai Tantiratapong	Director	8/8	1/1	-
9. Mrs. Nantana Sangkavichitr	Independent Director and Member of the Audit Committee	8/8	1/1	-
10. Miss Somboon Supasiripinyo	Independent Director and Member of the Audit Committee	8/8	1/1	-
11. Mrs. Woranutchanan Phongsurang	Independent Director and Member of Nomination and Remuneration Committee	8/8	1/1	-

- There were 8 Board of Directors' meetings as of December 31, 2021, with an attendance percentage of 100%.
- Mr. Suphot Singhasaneh, Mrs. Nantana Sangkavichitr, Mrs. Woranutchanan Phongsurang, Mr. Yanchai Tantiratapong retired from the office of director of the Company on February 23, 2021. On April 21, 2021, the shareholders' meeting resolved to reappoint them as the directors of the Company.

(2) Remuneration of the Directors and Sub-Committee

Monetary Remuneration

The remuneration of the directors comprises of meeting allowance which is paid per a meeting as follows:

List of the Directors' names	Position	Remuneration of the Directors					
			Audit Committee	Nomination and Remuneration Committee	Executive Committee	Risk Management Committee	Total
1. Mr. Suphot Singhasaneh	Chairman of the Board of Directors, Independent Director and Chairman of Audit Committee	320,000	180,000	-	-	-	500,000
2. Mr. Phoonsak Boonsalee	Director, President of Executive Committee and member of Nomination and Remuneration Committee	120,000	-	60,000	-	-	180,000
3. Mrs. Jintana Boonsalee	Director and member of Executive Committee	120,000	-	-	-	-	120,000
4. Mr. Siwaphong Boonsalee	Director, member of Executive Committee and member of Risk Management Committee	120,000	-	-	-	-	120,000
5. Mrs. Sopida Suksai	Director and member of Executive Committee	120,000	-	-	-	-	120,000
6. Mrs. Renu Wilasri	Director and member of Executive Committee	120,000	-	-	-	-	120,000
7. Mr. Chawalit Phanpha	Director, member of Executive Committee and member of Risk Management Committee	120,000	-	-	-	-	120,000
8. Mr. Yanchai Tantiratapong	Director	120,000	-	-	-	-	120,000

List of the Directors' names	Position	Remuneration of the Directors					
			Audit Committee	Nomination and Remuneration Committee	Executive Committee	Risk Management Committee	Total
9. Mrs. Nantana Sangkavichitr	Independent Director and Chairman of Risk Management Committee	240,000	120,000	-	-	120,000	480,000
10. Miss Somboon Supasiripinyo	Independent Director and Chairman of Nomination and Remuneration Committee	240,000	120,000	120,000	-	-	480,000
11. Mrs. Waranutchanan Phongsurang	Independent Director and member of Nomination and Remuneration Committee	240,000	-	80,000	-	-	320,000
12. Mr.Surasak Kamtanet	Member of Executive Committee	-	-	-	-	-	-
13. Mr.Prachak Chandum	Member of Executive Committee	-	-	-	-	-	-
14. Mr.Chawalit Kasemcholatani	Member of Executive Committee	-	-	-	-	-	-
15. Mr.Wathip Panpa	Member of Executive Committee	-	-	-	-	-	-
16. Mr.Khamnaung Singkhan	Member of Executive Committee	-	-	-	-	-	-
17. Mr.Paramet Inma	Member of Executive Committee	-	-	-	-	-	-
18. Mr.Nutthaphon Phumsiritoj	Member of Executive Committee	-	-	-	-	-	-

The Board of Directors will determine the allocation of the directors' pensions as appropriate. The amount of which will not exceed Baht 3,200,000 per annum.

Governance on the operations of subsidiaries and associated companies

The Company gives precedence to the governance of its subsidiaries and associated companies, and focuses on developing mechanisms which will contribute to a good governance system for subsidiaries and associated companies in accordance with the relevant regulations to be in line with the good corporate governance principles of the Stock Exchange of Thailand and the Securities and Exchange Commission, as well as taking into account the rights and benefits of all stakeholders. The details are as follows:

- 1) In the shareholders' meetings and the Board of Directors' meetings of subsidiaries and associated companies, the Company will exercise its voting rights in a manner that serves the best interests of the Company.
- 2) The Company adheres to the principles governing the exercise of voting rights through directors or executives who are the representatives of the Company or appointed by the Company according to the shareholding ratio in each subsidiary and associated company.
- 3) The Board of Directors elects qualified persons to represent the Company.
- 4) Directors or executives representing the Company must perform their duties with responsibility, supervise and monitor business operations of subsidiaries and associated companies in order to ensure compliance with laws, regulations, and relevant regulations of regulatory bodies.
- 5) Directors or executives representing the Company must disclose information of potential conflicts of interest in the Company, connected transaction, as well as acquisition or disposal of assets, or material transactions related to the business operations of subsidiaries and associated companies which may affect the Company, in a complete, accurate, and timely manner.
- 6) Subsidiaries and associated companies must obtain approval from the Board of Directors of matters related to the capital increase, amendment to the Articles of Association, transactions that materially affect the subsidiaries or the Company.
- 7) The Board of Directors will monitor the performance of subsidiaries and associated companies, as well as ensuring that operation is in accordance with the principles of internal control and in line with the Company's policy.

Monitoring Compliance of Good Corporate Governance Policy and Guidelines

The Company places important on good corporate governance by determining relevant policies and guidelines in the Company's Corporate Governance Policy and Business Ethics, including encouraging to comply with such policies and guidelines for building confidence to all stakeholders.

During the past year, the Company has monitored the compliance of the good corporate governance that covered the following topics:

- 1) Employee supervision and non-discrimination;
- 2) Protection against unfair trade competition;
- 3) Protection of environment, hygiene and safety in the organization; and
- 4) Information security.

Pursuant to the monitoring measure, it is shown that the Company has completely complied with all guidelines of each topic.

Furthermore, the Company has also monitored the following issues to comply with the good corporate governance:

(1) Prevention against the Conflict of Interests

The Company has the prevention against the conflict of interests' policy for maximizing benefit to the Company and shareholders by determining 2 relevant policies which are Connected Transaction and other circumstances which may cause the conflict of interest. The details of which appeared in Policy and the guideline in relation to the shareholders and the interested person, page 71.

In 2021, the Company has monitored the compliance of such prevention against the conflict of interests policy which can be summarized as follows:

1. Connected Transaction

The Company will consider the suitability of every connected transaction including the determination of value and condition of the connected transaction as if it is conducted with an outsider on the arm's length basis. Once the Company has conducted the connected transaction, in case that it is the transaction specified in the Notification of the Board of Directors of the Stock Exchange of Thailand and the Securities and Exchange Commission of Thailand (SEC Office) in the disclosure of information and the practices of the listed company in the connected transaction, the Board of Directors will ensure that any of such connected transaction is strictly complied with the regulations, conditions and the methods provided in such notification, including disclosure such transaction in the annual report and the Registration Statement for Securities Offering (Form 56-1/One Report) for the transparency of conducting the related transaction and end the conflict of interest issue.

2. The other circumstances which may cause the conflict of interest

The Company has policies to prevent the conflict of interest issues which may arise from other circumstances other than the related transactions, as follows:

2.1 General Investment

The Company will not allow any person in the Company who are the shareholders or receivers of the benefits of competing company or traders/seller, which the Company conducting the business with, to participate in making decision on the matter relating to such business relationship, unless approved by the Chairman of the Executive Committee. With respect to the purchasing shares of the listed company in the Stock Exchange of Thailand, or investing in the mutual fund or investment unit, it will not be considered as the conflict of interest, unless such action causes a negative impact on the operation of the Company.

2.2 Gifts Acceptance

Any person in any level should not accept gifts, transportation ticket, sport ticket, vacation proposal or any personal proposal which may lead to the decision engaging the Company or losing the Company's profit or not receiving its best benefit.

2.3 Being a spokesman for academic seminar, public service or any position

Any person at any level of the Company may seek for an approval of the managing director to accept the proposal in academic institute, public service to be spokesman or any positions such as director, advisor which will expand his vision and gain experience which must not harm the duties owned to the Company.

(2) The usage of internal information of the Company

In order to ensure that the operation of the Company is efficient and transparent which will build trust to every relevant party and to promote the Company's sustainable business growth, the Company sets forth the usage of internal information of the Company policy including securities holding report policy. The details of which appeared in Policy and the guideline in relation to the shareholders and the interested person, page 71.

In 2021, the Company has monitored the compliance of the internal information application's policy which can be summarized as follows:

Securities Holding Report Policy

The directors, executives and auditors of the Company shall be responsible for submitting a report on their holding of shares, convertible securities or futures contracts (collectively referred to as the "Securities") and their (1) spouse or cohabiting couple, (2) minor child, (3) juristic person wherein oneself and the persons in (1) and (2) hold shares at an aggregate amount exceeding 30 percent of the total voting shares of such juristic person and such aggregate shareholding is the largest proportion thereof in accordance with the Notification of the Office of the Securities and Exchange Commission No. Sor Jor. 38/2561 (2019) to the SEC Office at all time when there is Securities purchasing, selling or transferring pursuant to Section 59 of the Securities and Exchange Act B.E. 2535 (1992).

When being in the position of the directors or executives, such persons shall inform all Securities holding to the SEC Office in Form 59 within 7 business days from the date of the Securities purchasing, selling, transferring or receiving in the case that the persons with the duty to report are the Company's directors or executives and within 3 business days from the date of the Securities purchasing, selling, transferring or receiving for any other cases. In this regard, the directors and executives are prohibited to purchase and sell the Securities whether directly or indirectly within 1 month prior of submitting the quarterly financial statements and the annual financial statements to the Stock Exchange of Thailand.

Internal Information Usage Policy

The Company has the policy to prohibit the directors, the executives and employees to trade securities of the Company by using the confidential and/or internal information and/or conduct any legal transaction which may cause the damages to the Company either directly or indirectly. The directors, the executives and employees who receive internal information of the Company must not use such information prior to such information disclosed to the public as well as the employees are not allowed to interfere with internal information to trade the security of the Company by himself, spouse, underage offspring, either directly or indirectly, within 1 month prior to and 3 business days after the date of submitting the quarterly financial statements and the annual financial statements to the Stock Exchange of Thailand. In addition, the directors, the executives and employees are not allowed to use the computer system to exploit the information for self-interest or other, either directly or indirectly, within 1 month prior to and 3 business days after the date of submitting the quarterly financial statements and the annual financial statements to the Stock Exchange of Thailand.

(3) Prevention and Anti-Fraud and Corruption Policy

The Company aims to operate its business with honesty, transparency and in accordance with good corporate governance. Realizing that such honesty It is an important factor and a good practice in accordance with the Code of Business Conduct. Therefore, the Company is against all forms of corruption and the Company has also formulated the Code of Conduct and Business Ethics. To be used as a guideline for good practice for directors, executives and employees of the Company. To conduct business with fairness to related parties as well as treating all stakeholders for fair business cooperation. To create stability and continuous and sustainable growth for the organization and its shareholders as well as to create a standard of business operation that is clean and transparent.

The Company has expressed its intention to join the Thai Private Sector Collective Action Coalition Against Corruption (CAC). On April 23, 2021 and has implemented the following anti-corruption policies.

- 1) The Company has communicated to both the directors, executives and employees level by stipulating that all processes are strictly within the scope of the law. or if there is an error in the operation process due to negligence was to be punished by the government without lobbying for acquittal.
- 2) The Company provides a channel to report any violations of the policy. or witnessing corruption and having measures to protect the reporters.

The Company has disclosed details of policies and actions to prevent involvement in corruption on the Company's website. Sak Siam Leasing Public Company Limited under the topic of Good Corporate Governance Policy

1. Duties and Responsibilities of the Involving Persons

- 1.1 The Board of Directors shall consider and approve anti-fraud and corruption policy and measures, including guidelines and any operations for considering the problems arise from compliance of this policy. In this regard, in case of improving or revising this policy to be in line with relevant regulations, the Board of Directors assigned the Executive Committee to do so and to propose to the Audit Committee for consideration and report such policy and risk assessment results to the Board of Directors for acknowledgement.
- 1.2 The Board of Directors assigned the Audit Committee to monitor the internal control, financial report and other procedures relevant to the anti-fraud and corruption measures.

2. Policies and Guidelines for Prevention and Anti-Fraud and Corruption

2.1 General Provisions

The Company cooperates with external organizations to encourage and support all forms of the anti-fraud and corruption and brings the preventive measures in to action for opposing the fraud and corruption. The directors, executives and employees of the Company are prohibited to conduct, agree with, or support all forms of fraud and corruption whether directly or indirectly, including acceptance of consumption goods, or any actions with other relevant contractors or subcontractors. The Company gives precedence to this policy by regularly reviewing and revising relevant procedures to be in compliance with the policies, rules, regulations, notifications, laws and change of the business.

This anti-fraud and corruption measure forms a part of the business operation and the Board of Directors, executives, supervisors, all employees, hirers or subcontractors are responsible for complying with such measures in order to achieve objectives of the policy.

2.2 Political Contributions

The Company is a politically neutral organization and shall make a decision or perform without politic aspect and shall not have a policy to support any finances, resources or properties to politicians, political parties or political groups whether directly or indirectly for such persons' benefit.

2.3 Offering or Receiving Gifts, Prizes and Holding Receptions

The Company has a policy on offering or receiving gifts, prizes and holding receptions that it should be done only for the cases that the objective is transparent and such action is deemed as a normal business service and no effect being caused to the Company's business operation as well as not being a risky channel for corruption.

2.4 Conflict of Interest

The Company determines that the directors, executives and employees of the Company shall perform their duties by taking into account the utmost benefits of the Company and avoid performing their duties by virtual of authorities to bind any other obligations for acquisition of personal benefits and/or avoid any actions causing damages or benefit loss to stakeholders.

2.5 Risk Management

The Company shall assess the risks on the Company's transactions which its process or procedure may be considered as bribery and corruption. In this regard, the Company shall review overall risk management policies of the Company regularly at least once a year, including reviewing the current risk management measures to be appropriate to prevent or mitigate risks in the acceptable level.

2.6 Internal Control

The Company determines to have the internal control system for fraud and corruption management covering finance, accounting procedures, the Company's information collection, performance in sales, marketing, procurement and other procedures in the Company which may be related to fraud and corruption.

2.7 Financial Audit and Report

The Company has a procedure to review financial report and appropriate approval prior to record such accounting transactions. The review shall be done in accordance with policies of the Company, regulations of the governmental sector, relevant laws, contracts or agreements and shall be in accordance with accounting standard and policy appropriately. The expenses for operation, investment shall have complete and accurate supporting evidences and shall be approved according to level of credit limit determined by authorized persons in policies of such expenses for operation, investment.

2.8 Development of Anti-Fraud and Corruption Measures

The Company determines that the anti-fraud and corruption measures shall be in compliance with the relevant laws, including moral practice by providing risk assessment in the relevant or risky activities to conduct corruption and providing practice guideline for relevant persons.

2.9 Training and Communication

The company shall publish and announce anti-fraud and corruption policy through the Company's website and determine that the directors, executives and all employees shall be trained or acknowledged the anti-fraud and corruption consecutively for realizing on this policy.

2.10 Human Resource Management

The Company shall use this policy as a part of the Company's human resource management, including all processes of human resource management such as nomination, training, evaluation, remuneration, promotion.

2.11 Inquiries on the Fraud and Corruption

In the case that any directors, executives and employees has an inquiry that which acts may be qualified as fraud and corruption or in case of having other questions or uncertainty, such persons should consult with the supervisors directly or report the findings and complaints through channels specified in in Clause 2.12 below.

2.12 Reporting the Findings and Complaints

- (1) In the case that the directors, executives and employees have any inquiries or evidences that any of other the directors, executives and employees or other persons acting on behalf of the Company participates in fraud and corruption, such person acknowledging the fraud and corruption shall report or filing the findings or complaints to the Company through this following channels:
 - (A) Telephone: 0 5544 4495, 0 5544 0372, 0 5583 0777, 09 8282 0321;
 - (B) Facsimile: 0 5544 0371;
 - (C) Mail: Saksiam Leasing Public Company Limited No. 49/47, Jessadabordin Road, Taa-it Sub-District, Muang Uttaradit District, Uttaradit, 53000;
 - (D) Email: saksiam@saksiam.co.th, secretary.s@saksiam.co.th; and
 - (E) Website: www.saksiam.com.
- (2) The Company shall keep the information of the whistleblowers confidential. The Company shall use such confidential information only for management and internal performance's purposes or for disclosure pursuant to the legal order, court's order and/or the order of the SEC Office, governmental sectors and/or relevant monitoring organizations.
- (3) The whistleblowers will be seriously responded and will be protected from abuse of power or unfair practice as a result of reporting report or filing the findings or complaints.
- (4) If the Company found that the findings or complaints are reported to the Company with an intention to cause others to damages, discredit, insult, hated, or embarrassment, the Company shall take an action as deemed appropriate.

2.13 Protection on the Directors, Executives and Employees

The Company shall ensure the directors, executives and employees that no one shall be demoted, punished or had any effects on rejection on receiving bribes. Moreover, the Company shall not allow others to threaten, abuse or detent the directors, executives and employees complying with this policy. If the relevant persons or stakeholders do not comply with guideline in this policy, the Company may consider to terminate the transactions with such persons as deemed appropriate.

2.14 Monitoring and Reviewing the Policy and Relevant Regulations

The Company shall procure to review this policy consecutively from time to time (at least once a year) by considering the change of circumstances and risks, and shall propose to the Audit Committee to consider the adequacy and efficiency of the anti-fraud and corruption measures and shall report such results to the Board of Directors to acknowledge the risk assessment results and the proposal regarding guideline for risk management. The Company shall have the Internal Audit Department being responsible for monitoring the internal control system and procedures regularly and for reporting issues found urgently in order to ensure the efficient of internal control system to tackle with anti-fraud and corruption. The Internal Audit Department shall report to the senior executives and the Audit Committee for acknowledgement.

In this regard, the directors, executives and employees shall acknowledge and understand the Company's policies and other guidebooks as follows:

- (1) Code of Conduct and Business Ethic; and
- (2) Rules and notifications regarding penalties for fraud.

In 2021, the Company conducted evaluation of the implementation of Anti-Corruption Policy, the results of which are as follows:

The Company's Actions Against Corruption	The Company's actions in the event that fraud is being found.
<p>In the past year, the Company has taken actions against corruption cases as follows:</p> <ol style="list-style-type: none"> 1. 100% of New employee and newly appointed employees completed training on knowledge and understanding of anti-corruption. 2. Organized training sessions on work inspection by district managers and branch managers to reduce loopholes for corruption. 3. Sent e-mails to communicate with employees about the risks of corruption, including preventive measures such as refraining from accepting festival gifts and published such information on the Company's intranet. <div data-bbox="194 967 451 1288"> </div> <div data-bbox="469 967 746 1288"> </div>	<p>In the past year, the Company found 13 fraud cases within the organization, causing damages to the business in the amount of THB 5,155,291. Upon discovery of such cases, the Board of Directors has taken the following actions:</p> <ol style="list-style-type: none"> 1. Established a fraud investigation committee which consists of high-level executives, region managers, district managers, and representatives of the relevant department to be responsible for the investigation to uncover the truth and able to make the offenders promptly pay compensation. 2. Had the responsible persons immediately notify the legal department and seek legal opinions, summarize and submit fraud report to the Managing Director based on 2 following purposes: <ul style="list-style-type: none"> • Prompt payment of damages due to fraud • The offender shall be punished according to the law, without exception. The judgment is at the discretion of the court. 3. Notifying to the human resource department of the cases in order to proceed in accordance with the Company's regulations through the Managing Director to promptly prevent further corruption and/or possible related events. 4. The Company has punished the employees who committed fraud by terminating the employment.

Report on the Performance of Audit Committee

Meetings of Audit Committee

On December 31, 2021, the Audit Committee comprises of 3 members which are appointed by the Board of Directors' meeting No. 2/2019 which was held on February 14, 2019.

In the year of 2021, the meeting of Audit Committee was held 6 times having all members of the Audit Committee attended every meeting. The details are as follow:

Name	Position	Number of time attending the meeting/ Numbers of the meetings	
		2020	2021
1. Mr. Suphot Singhasaneh	Chairman of Audit Committee	5/5	6/6
2. Mrs. Nantana Sangkavichitr	Member of Audit Committee	5/5	6/6
3. Miss Somboon Supasiripinyo	Member of Audit Committee	5/5	6/6

Performance of Audit Committee

The Audit Committee is directly responsible for monitoring the internal control system, risk management and the Executive Officers' procedures in all aspects including accounting, finance, legal relevant rules and regulations compliance in order to have the effective inspection mechanism and internal control organization to audit the operation of all divisions to be compliance with audit plan which is considered in accordance with organization risks, and also provide consultation on such matters.

In this regard, the Audit Committee has considered the audit plan to control and monitor the operation of the internal audit division to be independent and able to audit and balance in accordance with the determined standard and to directly report to the Audit Committee at least once quarterly for ensuring that the internal control system is adequate and the internal audit operation is efficient and shall decrease the potential damage which may cause to the organization.

The Audit Committee has the meeting to discuss the adequacy and efficiency of the internal control system. Then, the Audit Committee has clarified and reported the internal audit results in the year 2021 to the Board of Directors to acknowledge on February 22, 2022 as specified in the Audit Committee's report which the details are shown in Attachment 6. In this regard, the Board of Directors has the same opinion regarding such internal control system as the Audit Committee.

Report on the Performance of other Sub-committees

(A) Executive Committee

As of December 31, 2021, the Executive Committee comprises of 12 members having Mrs. Tippamas Lamcharoen acts as a Secretary of the Executive Committee.

The numbers of the meetings and attendances of the Executive Committee

Name	Position	Number of time attending the meeting/ Numbers of the meetings	
		2020	2021
1. Mr. Phoonsak Boonsalee	President of Executive Committee (resigned on March 1, 2021)	15/15	2/2
2. Mr. Siwaphong Boonsalee	Member of Executive Committee (take the position on March 1, 2021)	15/15	12/12
3. Mrs. Jintana Boonsalee	Member of Executive Committee	11/15	7/12
4. Mrs. Sopida Suksai	Member of Executive Committee	14/15	12/12
5. Mrs. Renu Wilasri	Member of Executive Committee	15/15	12/12
6. Mr. Chawalit Phanpha	Member of Executive Committee	14/15	12/12
7. Mr. Surasak Kamtanet	Member of Executive Committee	15/15	12/12
8. Mr. Prachak Chandum	Member of Executive Committee	15/15	11/12
9. Mr. Chawalit Kasemcholan	Member of Executive Committee	15/15	11/12
10. Mr. Wathip Panpa	Member of Executive Committee	15/15	12/12
11. Mr. Khamnaung Singkhan	Member of Executive Committee	14/15	12/12
12. Mr. Paramet Inma	Member of Executive Committee	15/15	12/12
13. Mr. Nutthaphon Phumsiroj	Member of Executive Committee	14/15	11/12

Performance of Executive Committee

The Executive Committee performed in accordance with authorities, duties and responsibilities for monitoring the operation of the management division to be in compliance with the policies, plans and objectives of the business operation which is determined by the Board of Directors.

(B) Nomination and Remuneration Committee

As of December 31, 2021, the Nomination and Remuneration Committee comprises of 3 members.

The numbers of the meetings and attendances of the Nomination and Remuneration Committee

Name	Position	Number of time attending the meeting/ Numbers of the meetings	
		2020	2021
1. Miss Somboon Supasiripinyo	Chairman of Nomination and Remuneration Committee	2/2	4/4
2. Mr. Phoonsak Boonsalee	Member of Nomination and Remuneration Committee	2/2	4/4
3. Mrs. Woranutchanan Phongsurang	Member of Nomination and Remuneration Committee	2/2	4/4

- There were 4 Nomination and Remuneration Committee Meetings as of December 31, 2021, with an attendance percentage of 100%.
- Mrs. Woranutchanan Phongsurang retired from Nomination and Remuneration Committee on February 23, 2021. On April 21, 2021, the shareholders' meeting resolved to reappoint her as a member of the Nomination and Remuneration Committee.

Performance of Nomination and Remuneration Committee

1. Considering and approving to propose the Board of Directors' meeting prior to propose to the Annual General Meeting of Shareholders to consider and approve the appointment of 4 directors who are retire by rotation at the 2021 Annual General Meeting of Shareholders to be re-elected to return to their positions as they are qualification, experienced, knowledgeable and competent which useful to the Company.
2. Considering the remuneration consideration's rule of the remuneration of the Board of Directors and the Sub-committee in comparison with other companies in the same industries to be proper with duties and responsibilities of the directors and connecting with overall operating results of the Company which will be considered as the rules.
3. Considering the qualifications of high-level executives of 3 positions, including Chief Operating Officer (COO), IT Manager and General Accounting Manager and selecting qualified persons for the positions. The Company is currently in the process of recruiting COO.
4. Considering the criteria for granting shareholders the right to nominate a person for election as Company's director in advance for the 2022 Annual General Meeting of Shareholders.

To be concluded, the Nomination and Remuneration Committee performed their duties in accordance with such roles and responsibilities assigned by the Board of Directors and resolved that, for the year 2020, the Company's Directors and the Sub-committee are persons who have knowledge and capabilities and considered that their remuneration and other benefits specified in the annual report are proper with their duties and responsibilities and correspond to current economic circumstance and overall operating results.

(C) Risk Management Committee

As of December 31, 2021, the Risk Management Committee comprises of 3 members as appointed by the Board of Directors' meeting No. 2/2019 held on February 14, 2019.

Numbers of the meetings and attendances of the Risk Management Committee

Name	Position	Number of time attending the meeting/ Numbers of the meetings	
		2020	2021
1. Mrs. Nantana Sangkavichitr	Chairman of Risk Management Committee	4/4	4/4
2. Mr. Siwaphong Boonsalee	Member of Risk Management Committee	4/4	4/4
3. Mr. Chawalit Phanpha	Member of Risk Management Committee	4/4	4/4

- There were 4 Risk Management Committee Meetings as of December 31, 2021, with an attendance percentage of 100%.
- Mrs. Nantana Sangkavichitr retired from Risk Management Committee on February 23, 2021. On April 21, 2021, the shareholders' meeting resolved to reappoint her as a member of the Risk Management Committee.

Performance of Risk Management Committee

During the year 2021, the Risk Management Committee continuously held the meeting every quarter to monitor the risk management of the risks factor of the Company by considering the risk management report provided by Risk Management Division. The report were prepared from the Cooperation and Risk Management Supervision Committee comprising pf of Executive Officers of each division of the Company. The report shall compare risk factor of the Company in current quarter with the previous quarter and the risks at acceptable level (Risk Appetite) by considering key risk indicator or KRI which can indicate effectiveness of the risk management in order to monitor level of each risk factor and to improve or adjust control methods if the level of such risk tends to be higher so that the level of such risk will maintain in the level acceptable to the Company. In each meeting, the Risk Management Committee has considered the significant risk issues in accordance with risk management guideline throughout the organization, created risk mapping to consider consistency of the risk information with organizations which related to the organization's risk such as follow-up the internal control's issue which is not performed or completed (Audit Findings, Outstanding Follow-up items) and the non-compliance issue in order to comply with relevant laws. Furthermore, the Risk Management Committee has monitored and reported the incident and occurred problems which are considered as the organization's significant risks, emerging risk, as well as considered the effect on the Company's business operation from any change in the previous quarter to review whether the Company's information on the significant risks covers internal and external risks and in line with the current situation. Moreover, the Risk Management Committee classified risk level by evaluating effect and potential of such risk based on the determined criteria, including determined risk management methods adequately and appropriately to decrease the risks to be at the acceptable level. The report considered and approved by the Risk Management Committee has been proposed to the Board of Directors' meetings in every quarter for acknowledgement.

The Risk Management Committee resolved that the Company has adequate and appropriate policies to manage risks and continuously and adequately complies with the risk management policies, as well as encouraged the risk management to be the Company's culture by providing knowledge and understanding in order to raise awareness of the importance of risk management to the executives in every level and employees so that when considering the matter significant to and may affect the Company, the risk consideration shall be applied.

Internal Control and Connected Transaction

Internal Control

The meeting of the Board of Directors No. 1/2022 held on February 22, 2022 having 3 independent directors attended the meeting had evaluated the adequacy of the internal control system by considering the assessment form from the SEC Office provided by the management division together with the Audit Committee's report. As a result of the evaluation for the Company's internal control system in 5 parts as follows:

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information & Communication
5. Monitoring Activities

Opinion of the Audit Committee on the Company's Internal Control System

The Board of Directors resolved that the Company had adequate and efficient internal control system. The Company has procured adequate personnel to efficiently operate and comply with the system. In addition, the Company had adequately internal control system to monitor the business operation of the Company in order to protect the Company's asset from illegal or unauthorized usage of the directors or the executives, including entering into transactions by persons who may have a conflict of interests and related parties. For other parts of internal control system, the Board of Directors resolved that the Company also has adequate internal control.

Opinion of the Internal Control Auditor's Report on the Internal Control System

The Company has engaged Dharmniti Internal Audit Company Limited ("Dharmniti") to act as an auditor and monitor the overall internal control system of the Company with details of the assessment, monitoring and audit of the Company's internal control system by independent internal auditors in the past year as shown in the table below:

No.	Internal Audit Report	Audit date
1	Internal audit report No. 1/2021	April 26-30, 2021
2	Internal audit report No. 2/2021	July 12-16, 2021
3	Internal audit report No. 3/2021	October 4-5, 7-8, 11-12, 2021
4	Internal audit report No. 4/2021	December 10, 13-16, 20-21, 2021

In 2021, Dharmniti assessed the sufficiency and effectiveness of the internal control system according to the scope of management and operation of the organization, comparing to the guidelines on internal control under the concept of COSO (The Committee of Sponsoring Organizations of the Treadway Commission), which consists of (1) Control Environment, (2) Risk Assessment, (3) Control Activities, (4) Information and Communication, and (5) Monitoring Activities. The assessment of sufficiency and effectiveness of the internal control system was carried out according to the risks of each process including 4 processes, namely (1) loan approval and debt collection, (2) steps to ensure compliance with laws applicable to business operations, (3) salary and remuneration payment (4) debt classification and setting up credit receivables. It was found that the Company had a process which has sufficient and effective internal control system. However, there are areas that need improvement for a more effective internal control system.

Furthermore, the meeting of Audit Committee No. 1/2020 held on January 7, 2020 had resolved to appoint Mr. Kittisak Pannaraj to be a Head of Internal Audit Department and Secretary of the Audit Committee as he is knowledgeable and understand the Company's business and he had attended the internal auditing certificate program (IACP) held by the Thailand Federation of Accounting Professions, the Audit Committee considered that he is qualified to perform in such position.

The consideration and approval of the appointment, dismissal or removal of the Company's Head of Internal Audit Department shall be approved by the Audit Committee. The qualification of the Head of Internal Audit Department appeared in Attachment 3.

Connected Transaction

(A) List of persons who may have a conflict of interest with Saksiam Leasing Public Company Limited (the “Company” or “Saksiam”)

The Company made a connected transaction with persons who may have a conflict of interest the Company which can be summarized as follows:

Person with potential conflict of interests	Types of relationship
1. Mr. Phoonsak Boonsalee	Mr. Phoonsak Boonsalee, a spouse of Mrs. Jintana Boonsalee, is the Company's Director, President of Executive Committee, a member of Nomination and Remuneration Committee and a major shareholder of the Company, holding 23.90% of total shares of the Company.
2. Mrs. Jintana Boonsalee	Mrs. Jintana Boonsalee, a spouse of Mr. Phoonsak Boonsalee, is the Company's Director, a member of Executive Committee, Deputy Managing Director (Business Management) and a major shareholder of the Company, holding 23.90% of total shares of the Company.
3. Mr. Siwaphong Boonsalee	Mr. Siwaphong Boonsalee, a son of Mr. Phoonsak Boonsalee and Mrs. Jintana Boonsalee, is the Company's Director, a member of Executive Committee, a member of Risk Management Committee, Managing Director and a major shareholder of the Company, holding 9.66% of total shares of the Company.
4. Mrs. Sopida Suksai	Mrs. Sopida Suksai is the Company's Director, a member of Executive Committee and Deputy Managing Director (General Administration).
5. Persons having relationship with the Company's Executives	Persons having relationship with Executives of the Company according to the Notification of the Securities and Exchange Commission No. 17/2551 regarding definition of persons who may have a conflict of interest.

Details of Connected Transactions

(b) Details of Connected Transactions and Potential Connected Transactions

1. Land and Office Lease from Persons who may have a Conflict of Interest

Person who may have a Conflict of Interest	Type of Transactions	In the fiscal year ended December 31, 2019 (unit: THB million)	In the fiscal year ended December 31, 2020 (unit: THB million)	Necessity and Reasonableness of the Transaction
1.1 Mrs. Jintana Boonsalee	(1) Land and building lease fee (head office)			1. The Company leased the land and building for using as a head office, located in Muang Uttaradit District, Uttaradit Province:
	• Lease fee	-	-	1.1 A lease agreement for additional construction of the head office building with a monthly fixed lease rate, ten-year lease contract, extendable 1 time (5 years per time) which can adjust the lease fee in every 3 years up to 10% of the current lease fee. In the 15th year, the lessee can purchase the building at the price as agreed in agreement.
	• Accrued lease fee	-	-	1.2 A lease agreement for additional construction of the head office building with monthly fixed lease rate, ten-year lease contract, extendable 1 time (15 years per time) which can adjust the lease fee in every 3 years up to 10% of the current lease fee. In the 25th year, the lessee can purchase the building at the price as agreed in agreement.
	• Depreciation	0.91	0.91	1.3 Three land and building lease agreements for using as the Company's office and parking lots, three-year lease agreement, extendable from time to time (3 years per time) which can adjust the lease fee up to 10% of the current lease fee in each agreement.
	• Financial cost	0.27	0.24	2. The Company leased 36 buildings for using as its branch office with monthly fixed lease rate, extendable from time to time (3 years per time) which can adjust the lease fee up to 10% of the current lease fee.
	• Right of use asset	6.74	5.83	3. Utility expenses i.e. electricity and water bills are ordinary course expense of business operation which are directly paid monthly according to their invoices from service organizations.
	• Debt under lease agreement	6.97	6.05	
	(2) Building lease fee (branch office)			
	• Lease fee	-	-	
	• Accrued rental fee	-	-	
	• Depreciation	5.74	5.90	
	• Financial cost	1.13	0.97	
	• Right of use asset	26.66	23.28	
	• Debt under lease agreement	27.78	24.10	
	(3) Utility Expenses			
	• Utility expenses	-	-	
	• Accrued utility expenses	-	-	

Person who may have a Conflict of Interest	Type of Transactions	In the fiscal year ended December 31, 2019 (unit: THB million)	In the fiscal year ended December 31, 2020 (unit: THB million)	Necessity and Reasonableness of the Transaction
				<p>Details of the Building Lease Agreement according to Part 1 Business Operation Clause 4.4 Summary of significant Agreements related to the Company's Properties.</p> <p>Price Determination</p> <ol style="list-style-type: none"> 1. Head Office — the land lease fee is the fee per square wah and the land and building lease fee is the fee per square wah which is comparable to the market price by independent appraisers approved by the SEC. 2. Branch Office — the building lease fee is comparable to the market price by independent appraisers approved by the SEC or the market price which is referred from the lease fees according to normal trade conditions as third parties. 3. Utility expenses are actual expenses according to invoices from the service organizations. <p>Trends of future transactions</p> <p>Land and building lease transactions tend to be continuously in the future.</p> <p>Opinions of the Audit Committee</p> <p>Lease of lands and buildings for using as the head office and branch offices in the rate, which is comparable to the market price by independent appraisers or the market price, which is referred from the lease fees according to normal trade conditions as third parties. In addition, the lease of land and buildings is the transaction supporting the Company's core business operation, which is necessary and reasonable.</p>

Person who may have a Conflict of Interest	Type of Transactions	In the fiscal year ended December 31, 2019 (unit: THB million)	In the fiscal year ended December 31, 2020 (unit: THB million)	Necessity and Reasonableness of the Transaction
1.2 Mr. Phoonsak Boonsalee	<p>Lease fee of branch office building</p> <ul style="list-style-type: none"> Lease fee Accrued rental fee Depreciation Financial cost Right of use asset Lease agreement loan 	<p>-</p> <p>-</p> <p>0.08</p> <p>0.02</p> <p>0.36</p> <p>0.38</p>	<p>-</p> <p>-</p> <p>0.08</p> <p>0.01</p> <p>0.29</p> <p>0.30</p>	<p>The Company leased the building with area of 235 square meters, located at Lampang-Maemoh Road, Phra Bat Sub-District, Muang Lampang District, Lampang Province, for using as a branch office. Such agreement has monthly fixed lease rate for 3 years, extendable from time to time (3 years per time) which can adjust the lease fee up to 10% of the current lease fee as agreed in each agreement.</p> <p>Details of the building lease agreement according to Part 1 Business Operation Clause 4.4 Summary of significant Agreements related to the Company's Properties.</p> <p>Price Determination</p> <p>The building lease fee is the fee per square meter which is comparable to the market price by independent appraisers approved by the SEC.</p> <p>Trends of future transactions</p> <p>Such building lease transactions for using as branch office tend to be continuously in the future.</p> <p>Opinions of the Audit Committee</p> <p>Lease of building for using as the Company's branch office in the rate which is comparable to the market price by independent appraisers is the transaction supported the Company's core business operation. Thus, this transaction is necessary and reasonable.</p>

Person who may have a Conflict of Interest	Type of Transactions	In the fiscal year ended December 31, 2019 (unit: THB million)	In the fiscal year ended December 31, 2020 (unit: THB million)	Necessity and Reasonableness of the Transaction
1.3 Mr.Siwaphong Boonsalee	Lease fee of branch office building <ul style="list-style-type: none"> Lease fee Accrued rental fee Depreciation Financial cost Right of use asset Lease agreement loan 	- - - - - -	0.01 0.001 0.27 0.27	<p>The Company leased the building with area of 780 square meters, located at Moo 6 , Tha Sao Sub-district, Muang Uttaradit District, Uttaradit Province for using as a branch office. Such agreement has monthly fixed lease rate for 3 years</p> <p>Details of the building lease agreement according to Part 1 Business Operation Clause 4.4 Summary of significant Agreements related to the Company's Properties.</p> <p>Price Determination</p> <p>The building lease fee is the fee per square meter which is comparable to the market price.</p> <p>Trends of future transactions</p> <p>Such building lease transactions for using as branch office tend to be continuously in the future.</p> <p>Opinions of the Audit Committee</p> <p>Lease of building for using as the Company's branch office in the rate which is comparable to the market price is the transaction supported the Company's core business operation. Thus, this transaction is necessary and reasonable.</p>

Note: Not contain Mr.Siwaphong Boonsalee's part as in Thai version

2. Loan Guarantee of the Company by Persons who may have a Conflict of Interest

Person who may have a Conflict of Interest	Type of Transactions	In the fiscal year ended December 31, 2019 (unit: THB million)	In the fiscal year ended December 31, 2020 (unit: THB million)	Necessity and Reasonableness of the Transaction
2.1 Mr. Phoosak Boonsalee	Being a personal guarantor and providing personal properties to be used as loan collateral with commercial banks. <ul style="list-style-type: none"> • Loan credit • Draw down amount 	4,807.00 3,829.31	5,528.00 4,108.90	The Company entered into loan agreements with certain commercial banks for working capital of its business operation. In this regard, Mr. Phoosak Boonsalee, Mrs. Jintana Boonsalee and Mr. Siwaphong Boonsalee are s guarantor and providing their personal properties to be used as loan collateral subject to the commercial banks' conditions, without any compensation. However, the Company is in the process of requesting for withdrawal of personal collateral and personal guarantee, which is estimated to complete within quarter 2/2021. Opinions of the Audit Committee The personal guarantee and personal properties of the major shareholders to be used as loan collateral without compensation are useful transactions for the Company.
2.2 Mrs. Jintana Boonsalee				
2.3 Mr. Siwaphong Boonsalee				

3. Leasing Guarantee of the Company by Person who may have a Conflict of Interests

Person who may have a Conflict of Interest	Type of Transactions	In the fiscal year ended December 31, 2019 (unit: THB million)	In the fiscal year ended December 31, 2020 (unit: THB million)	Necessity and Reasonableness of the Transaction
3.1 Mr. Phoosak Boonsalee	Being a personal guarantor under hire-purchase agreements			The Company entered into car hire-purchase agreements in 2019 with total number of 87 cars, and on December 31, 2020, with total number of 105 cars to be used in the Company's business operation. In this regard, Mr. Phoosak Boonsalee, Mrs. Jintana Boonsalee, Mr. Siwaphong Boonsalee and Mrs. Sopida Suksai are a guarantor under car hire-purchase agreements without compensation. However, the Company is in the process of requesting for withdrawal of such personal guarantee. Opinions of the Audit Committee The personal guarantee by the major shareholders without compensation are useful transactions for the Company.
3.2 Mrs. Jintana Boonsalee	<ul style="list-style-type: none"> • Loan credit • Balance 	45.59 25.34	45.59 14.81	
3.3 Mr. Siwaphong Boonsalee	Being a personal guarantor under hire-purchase agreements <ul style="list-style-type: none"> • Loan credit • Balance 	56.33 27.70	47.95 16.19	
3.4 Mrs. Sopida Suksai	Being a personal guarantor under hire-purchase agreements <ul style="list-style-type: none"> • Loan credit • Balance 	2.36 1.84	2.36 1.38	

4. Lending to Person who may have a Conflict of Interests

Person who may have a Conflict of Interest	Type of Transactions	In the fiscal year ended December 31, 2019 (unit: THB million)	In the fiscal year ended December 31, 2020 (unit: THB million)	Necessity and Reasonableness of the Transaction
4.1 Persons who are relevant to the Company's Executive Officers	(1) Loan <ul style="list-style-type: none"> • Interest income • Fee income • Interest income accrued received <ul style="list-style-type: none"> • Fee income accrued received <ul style="list-style-type: none"> • Debt balance (2) Other expenses <ul style="list-style-type: none"> • Expenses • Uncertain debts 	0.005 0.003 - - 0.03 0.006 -	0.008 0.005 - - 0.03 0.001 -	<p>(1) The Company engages in personal loan business under supervision with a vehicle registration as collateral, personal loan business under supervision without vehicle registration as collateral and other loan to general retail customers. The Company's compensations are interest income and fee income from five persons who are relevant to the Company's Executive Officers according to the definition of person who may have a conflict of interests. Interest rate and fee of five persons are in equivalent rate to general customers, and such persons are good debtors who pay their loan on the due date. In this regard, the Company determined rules regarding lending to employees and persons who may have a conflict of interests and/or persons who are relevant to the Company's Directors and Executive Officers that the related Executive Officers shall not have authorities to approve such transactions.</p> <p>(2) Such transactions are ordinary business transactions in order to accommodate other services since in the period of inadequate employees, the Company is necessary to employ persons who are relevant to the Company's Executive Officers instead.</p> <p>Price Determination</p> <p>(1) The Company determines interest rate, fees and conditions in accordance with the normal business practice, which is the same as other loan agreements with general customers.</p> <p>(2) Expenses are in the same price as the allowance rate, which are comparable to general customers' price.</p> <p>Trends of future transactions</p> <p>Such transactions tend to be continuously in the future.</p> <p>Opinions of the Audit Committee</p> <p>Lending transactions are the normal business transactions which have general conditions and are the same as third party's transactions and are reasonable.</p>

Opinion of the Audit Committee on Connected Transaction

The meeting of the Board of Directors' Meeting No. 1/2021, held on February 23, 2021, which the Audit Committee who is the independent directors also attending the meeting, viewed that the connected transactions are necessary for the business operation of the Company. The conditions and values of the transaction are in accordance with the market price and the price as agreed in the agreement, which is fair and reasonable for the operation of the business.

Connected Transaction Policy

The meeting of the Board of Directors No. 8/2019, held on November 12, 2019, resolved to approve the Connected Transaction Policy. When the Company enters into the connected transaction, the Company shall comply with the measures and approval process relating to the connected transaction under the policies and laws of the securities and exchange, notifications, or requirements of the Stock Exchange of Thailand and the Notification of the Capital Market Supervisory Board re: Rules on Connected Transactions and disclosure of the information of connected transactions.

The disclosure of the information of connected transactions of the Company shall be in accordance with laws and regulations of the SEC Office and the Stock Exchange of Thailand, as well as relevant Thai Accounting Standard of the Thailand Federation of Accounting Professions. Such information shall be disclosed in the auditor's notes in the audited or reviewed financial statements of the Company, Annual Registration Statements and Annual Report.

Measures and Procedures for Approving the Connected Transaction

When the Company enter into business transactions with related parties, the Audit Committee shall consider and provide suggestion on necessary and appropriateness of the price and conditions of such transactions in order to ensure that the price and condition of such transactions with related parties are in accordance with the ordinary course of business of the similar business operators. The Audit Committee shall compare the price and conditions with the market price or the price that the Company entered into with the third party before proposing to the Board of Directors or the shareholders' meeting of the Company, as the case may be. In the case when the Audit Committee does not have expertise to consider any connected transaction, the Company shall procure the independent expert or the Company's auditor to provide suggestions on such matter for the consideration of the Audit Committee, the Board of Directors and/or the shareholders' meeting, as the case may be. In this regard, any person having interest in such connected transaction shall have no right to vote for such transaction. The Company shall therefore disclose the connected transactions in the Annual Registration Statement, the Annual Report and the auditor's notes in the audited or reviewed financial statements of the Company.

If the connected transaction is the ordinary course of business or is the transaction similar to the transaction the Company made for supporting their normal business, with the fair price and commercial conditions and does not cause misappropriation of benefits, this shall also include the following transaction having:

1. the price and conditions of the transaction which the Company and its subsidiary gain or offer in general
2. the price and conditions of the transaction which the Company can prove that the similar business operators have offered in general as well
3. the price and conditions which connected person offer in general
4. transaction which is made only with the connected person but having standard price, goods and services with multiple sellers and buyers, having the same price, conditions and agreements.

The Company has imposed guideline for entering into the connected transaction for normal business transactions, or normal business-support transactions having commercial condition and bargaining power in the reasonable person standard of the same circumstance without influence from person holding position as a director, executive or related persons. In this regard, the Audit Committee has considered, made suggestion and proposed to the Board of Directors to consider and approve the guideline, which authorizes the management department to approve the transactions under the Delegation of Authority (DOA). In such case, any department initiating transaction shall propose reasons necessary for entering into such transaction as well as the comparison of the market price and general commercial conditions under the guideline determined by the Board of Directors. In other words, the management department has authority to comply with the terms and conditions throughout the duration of the agreement if such connected transaction has explicitly made in writing, specifying the price and condition equivalent to the general commercial condition e.g. land or building lease agreement in which the rental fee is equivalent to the price appraised by an independent appraiser, or normal business transaction with related party under general commercial condition. The Company shall prepare report summarizing the connected transactions and propose to the Audit Committee and/or the Board of Directors' meeting quarterly.

Furthermore, the Audit Committee also appointed the Deputy Managing Director (Accounting Management-Finance) to monitor and prepare a report summarizing the connected transactions and propose to the Audit Committee or the Board of Directors' meeting quarterly. The Audit Committee also determined that the Internal Audit Department or Internal Audit shall examine the connected transactions and propose to the Audit Committee annually. In this regard, in case if the Audit Committee and the Board of Directors consider that any connected transaction is not in accordance with the Connected Transaction Policy, the Audit Committee and the Board of Directors shall discuss and propose the solution accordingly.

For other type of connected transaction, the Company shall comply with the policies, measures and procedures regarding connected transaction as well as relevant regulations and requirements of the SEC Office, the Capital Market Supervisory Board and the Stock Exchange of Thailand in order to ensure that such transaction will not cause any misappropriation of benefits among the Company and other person who might have conflict of interest. The Company shall, at all time, take into an account the interest and benefit of all shareholders when entering into connected transaction.

Independent Auditor's Report

To the Shareholders and the Board of Directors of Saksiam Leasing Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Saksiam Leasing Public Company Limited (the Company) and its subsidiaries (the Group) and separate financial position of the Company as at 31 December 2021, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2021;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matter

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determine one key audit matter: estimate allowance for expected credit losses of hire-purchase receivables and loan receivables. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter

How my audit addressed the key audit matter

Estimated allowance for expected credit losses of hire-purchase receivables and loan receivables

As at 31 December 2021, total hire-purchase receivables and loan receivables balance reported in the consolidated and separate financial statements were Baht 434.39 million and Baht 8,458.90 million respectively. The balance of allowance of expected credit losses of hire-purchase receivables and loan receivables were Baht 11.98 million and Baht 195.84 million, which represents 2.76% and 2.31% of hire-purchase receivables and loan receivables respectively. Relevant references in the notes to financial statements for allowance of expected credit losses of hire-purchase receivables and loan receivables are as follows;

- Note 7.1: Estimates and assumptions on impairment
- Note 9: Hire purchase receivables
- Note 10: Loan receivables
- Note 11: Allowance for expected credit losses

I focused on this area because of the following reasons;

- 1) The balance of expected credit losses is significant to the consolidated and separate financial statements financial statements and management also exercised significant judgment and assumptions that relate to;
 - expected lifetime
 - staging threshold and criteria for the significant increase in credit risk
 - expected future cash flows
 - Forward-looking macroeconomic information, and weighting; and
 - Management overlay
- 2) The Group was assisting customers affected by the impacts of the COVID-19 pandemic by following the Bank of Thailand's COVID-19 relief program. This included loan and interest payment delays and term extensions. As disclosed in Note 2, management adopted the accounting treatment guidance of Federation Accounting Professions on "the temporary relief measures for entities supporting their debtors who are effected from the situations that affected Thailand's economy". The adoption of these relief measures impacted the accounting treatment for staging, using of new effective interest rate, the weight on forward-looking information and consideration of expected credit losses.

I discussed with management and asked questions to understand procedure, assumption and the expected credit loss model.

I selected samples and performed testing of collective assessment using these procedures:

- Assessed the methodologies inherent within the collective assessment ECL models applied against the TFRS 9 requirements;
- Evaluated the design and tested the operating effectiveness of the controls relating to:
 - model development, including model build, model approval and model validation;
 - completeness and accuracy of critical external and internal data input into the ECL calculations;
 - completeness and accuracy of data transfer from source systems to ECL calculation model and the accounting record of output to the general ledger;
 - accuracy and timeliness of staging based on significant increase in credit risk.
- Assessed and tested the significant model assumptions in calculation of probability of default and exposure at default and considered reasonableness and the appropriateness of assumptions from managements by challenging management and tracing with historical data of receivables report and expected credit loss worksheet;
- Tested the accuracy of staging including the customers under COVID-19 temporary relief measures programs of the Group;
- Tested the accuracy of the weight on forward-looking information that is the result of the temporary crisis than on information reflecting ability of debt payment from historical experience of the customers under COVID-19 temporary relief measures programs of the Group;
- Assessed and tested the reasonableness of overlay applied by management by considering the reasonableness of management's judgments and the accuracy of staging
- Tested the accuracy of calculation of ECL and agreed the results to the general ledger.

Based on the above procedures, I consider the allowance for expected credit losses of hire-purchase receivables and loan receivables to be appropriate based on the available supporting evidence. I found no material exceptions in the tests.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of directors for the consolidated and separate financial statements

Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Company's internal control.

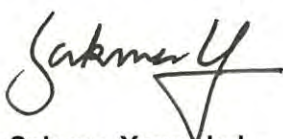
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether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

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

I also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers ABAS Ltd.



Sakuna Yamsakul

Certified Public Accountant (Thailand) No. 4906
Bangkok
22 February 2022

Saksiam Leasing Public Company Limited

Statement of Financial Position

As at 31 December 2021

	Notes	Consolidated financial statements	Separate financial statements	
		2021 Baht	2021 Baht	2020 Baht
Assets				
Current assets				
Cash and cash equivalents	8	307,355,947	259,461,208	306,566,181
Financial assets measured at fair value through profit or loss	12	-	-	1,600,074,056
Current portion of hire purchase receivables	9	167,971,661	167,971,661	53,587,505
Current portion of loan receivables	10	5,361,579,396	5,361,579,396	4,153,289,440
Other receivables		1,494	1,494	2,930
Foreclosed assets		3,204,987	3,204,987	3,847,586
Other current assets	14	27,029,516	24,933,758	6,503,389
Total current assets		5,867,143,001	5,817,152,504	6,123,871,087
Non-current assets				
Hire purchase receivables	9	254,441,346	254,441,346	96,891,575
Loans receivables	10	2,901,479,972	2,901,479,972	2,102,192,578
Investment in subsidiary	13	-	35,000,000	-
Property, plant and equipment	15	126,020,746	126,020,746	109,420,847
Right-of-use assets	16	263,680,850	263,680,850	262,359,865
Intangible assets	17	50,033,703	50,033,703	29,038,603
Deferred taxes assets	18	55,495,637	55,495,637	44,939,125
Other non-current assets	19	11,234,134	11,234,134	9,059,648
Total non-current assets		3,662,386,388	3,697,386,388	2,653,902,241
Total assets		9,529,529,389	9,514,538,892	8,777,773,328

The accompanying notes are an integral part of these consolidated and separate financial statements.

Saksiam Leasing Public Company Limited

Statement of Financial Position (Cont'd)

As at 31 December 2021

	Notes	Consolidated financial statements	Separate financial statements	
		2021 Baht	2021 Baht	2020 Baht
Liabilities and equity				
Current liabilities				
Short-term borrowings from financial institutions	20	3,047,300,000	3,047,300,000	2,865,508,002
Current portion of long-term borrowing from financial institutions	20	610,000,000	610,000,000	371,000,000
Trade and other payables	21	96,095,472	96,020,222	77,666,224
Current portion of lease liabilities		71,264,498	71,264,498	67,814,440
Income tax payable		95,965,674	95,965,674	55,712,823
Other current liabilities	22	9,961,609	9,961,609	5,827,915
Total current liabilities		3,930,587,253	3,930,512,003	3,443,529,404
Non-current liabilities				
Long-term borrowings from financial institutions	20	451,600,000	451,600,000	592,800,000
Lease liabilities		173,999,260	173,999,260	174,649,921
Employee benefit obligations	23	66,767,502	66,767,502	58,661,393
Total non-current liabilities		692,366,762	692,366,762	826,111,314
Total liabilities		4,622,954,015	4,622,878,765	4,269,640,718
Equity				
Share capital	24			
Authorised share capital				
Ordinary shares, 2,096,000,000 shares at par value of Baht 1 each		2,096,000,000	2,096,000,000	2,096,000,000
Issued and paid-up share capital				
Ordinary shares, 2,096,000,000 shares paid-up of Baht 1 each		2,096,000,000	2,096,000,000	2,096,000,000
Premium on paid up capital ordinary shares	24	1,902,427,997	1,902,427,997	1,902,427,997
Retained earnings				
Appropriated				
Legal reserve	25	131,000,000	131,000,000	100,000,000
Unappropriated		762,172,803	762,232,130	409,704,613
Equity attributable to owners of the parent		4,891,600,800	4,891,660,127	4,508,132,610
Non-controlling interests		14,974,574	-	-
Total equity		4,906,575,374	4,891,660,127	4,508,132,610
Total liabilities and equity		9,529,529,389	9,514,538,892	8,777,773,328

The accompanying notes are an integral part of these consolidated and separate financial statements.

Saksiam Leasing Public Company Limited

Statement of Comprehensive Income

For the year ended 31 December 2021

	Notes	Consolidated financial statements	Separate financial statements	
		2021 Baht	2021 Baht	2020 Baht
Revenue				
Interest income		1,834,429,325	1,834,429,325	1,606,998,039
Fee and service income		4,737,484	4,737,484	1,803,180
Other income		8,420,621	8,420,619	4,910,287
Total revenue		1,847,587,430	1,847,587,428	1,613,711,506
Expenses				
Selling expenses		23,249,647	23,249,647	13,623,069
Administrative expenses		898,751,457	898,666,702	774,103,335
Expected credit loss		63,532,920	63,532,920	(5,697,222)
Finance costs	29	103,720,531	103,720,531	131,407,696
Total expenses		1,089,254,555	1,089,169,800	913,436,878
Profit before income tax expenses		758,332,875	758,417,628	700,274,628
Income tax expenses	30	150,876,081	150,876,081	138,367,121
Profit for the year		607,456,794	607,541,547	561,907,507
Other comprehensive income:				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Remeasurements of post-employment benefit obligations	23	2,941,922	2,941,922	2,327,789
Income tax on items that will not be reclassified subsequently to profit or loss	18	(588,384)	(588,384)	(465,558)
Total items that will not be reclassified subsequently to profit or loss		2,353,538	2,353,538	1,862,231
Other comprehensive income for the year, net of tax		2,353,538	2,353,538	1,862,231
Total comprehensive income for the year		609,810,332	609,895,085	563,769,738
Profit attributable to:				
Owners of the parent		607,482,220	607,541,547	561,907,507
Non-controlling interests		(25,426)	-	-
		607,456,794	607,541,547	561,907,507
Total comprehensive income (expense) attributable to:				
Owners of the parent		609,835,758	609,895,085	563,769,738
Non-controlling interests		(25,426)	-	-
		609,810,332	609,895,085	563,769,738
Earnings per share				
Basic earnings per share (Baht per share)	31	0.29	0.29	0.35

The accompanying notes are an integral part of these consolidated and separate financial statements.

Statement of Changes in Equity

For the year ended 31 December 2021

	Notes	Consolidated financial statements						
		Issued and paid-up share capital	Premium on paid-up capital	Retained earnings		Total owners of the Company	non-controlling interest	Total equity
		Baht	Baht	Appropriated - legal reserve	Unappropriated	Baht	Baht	Baht
Opening balance at 1 January 2021		2,096,000,000	1,902,427,997	100,000,000	409,704,613	4,508,132,610	-	4,508,132,610
Dividends	26	-	-	-	(226,367,568)	(226,367,568)	-	(226,367,568)
Non-controlling interests from investment in subsidiary		-	-	-	-	-	15,000,000	15,000,000
Total comprehensive income for the year		-	-	-	609,835,758	609,835,758	(25,426)	609,810,332
Transfer of unappropriated retained earnings to legal reserve	25	-	-	31,000,000	(31,000,000)	-	-	-
Closing balance at 31 December 2021		2,096,000,000	1,902,427,997	131,000,000	762,172,803	4,891,600,800	14,974,574	4,906,575,374

The accompanying notes are an integral part of these consolidated and separate financial statements.

Statement of Changes in Equity

For the year ended 31 December 2021

	Notes	Separate financial statements					
		Issued and paid-up share capital	Premium on paid-up capital	Retained earnings		Total equity	Baht
		Baht	Baht	Appropriated - legal reserve	Unappropriated		
Opening balance at 1 January 2020		1,550,000,000	487,500,000	71,000,000	667,134,875	2,775,634,875	
Ordinary shares issued	24	546,000,000	1,414,927,997	-	-	1,960,927,997	
Dividends	26	-	-	-	(792,200,000)	(792,200,000)	
Total comprehensive income for the year		-	-	-	563,769,738	563,769,738	
Transfer of unappropriated retained earnings to legal reserve	25	-	-	29,000,000	(29,000,000)	-	
Closing balance at 31 December 2020		<u>2,096,000,000</u>	<u>1,902,427,997</u>	<u>100,000,000</u>	<u>409,704,613</u>	<u>4,508,132,610</u>	
Opening balance at 1 January 2021		2,096,000,000	1,902,427,997	100,000,000	409,704,613	4,508,132,610	
Dividends	26	-	-	-	(226,367,568)	(226,367,568)	
Total comprehensive income for the year		-	-	-	609,895,085	609,895,085	
Transfer of unappropriated retained earnings to legal reserve	25	-	-	31,000,000	(31,000,000)	-	
Closing balance at 31 December 2021		<u>2,096,000,000</u>	<u>1,902,427,997</u>	<u>131,000,000</u>	<u>762,232,130</u>	<u>4,891,660,127</u>	

The accompanying notes are an integral part of these consolidated and separate financial statements.

Saksiam Leasing Public Company Limited

Statement of Cash Flows

For the year ended 31 December 2021

	Notes	Consolidated	Separate	
		financial statements	financial statements	
		2021	2021	2020
		Baht	Baht	Baht
Cash flows from operating activities				
Profit before income tax expenses		758,332,875	758,417,628	700,274,628
Adjustments for:				
Depreciation and Amortisation	15, 16, 17	116,328,763	116,328,763	102,542,731
Written-off equipment	15	104,138	104,138	46,261
Gains from changes in fair value of financial assets	12	(368,890)	(368,890)	(74,056)
Expected credit loss (reversal)		63,532,920	63,532,920	(5,697,222)
Loss on disposal of foreclosed assets		4,112,719	4,112,719	8,480,395
Gain on disposal of fixed assets		58,406	58,406	(365,764)
Employee benefit obligations	23	11,725,534	11,725,534	10,532,123
Interest income		(1,834,429,325)	(1,834,429,325)	(1,606,998,039)
Finance costs	29	103,720,531	103,720,531	131,407,696
Interest received		1,727,607,657	1,727,607,657	1,624,604,667
Interest paid		(103,734,960)	(103,734,960)	(130,306,854)
Income tax paid		(121,768,126)	(121,768,126)	(156,022,260)
Loss from operating activities before changes in operating assets and liabilities		725,222,242	725,306,995	678,424,306
(Increase) decrease in operating assets				
Hire-purchase receivables		(260,885,711)	(260,885,711)	(138,746,194)
Loan receivables		(2,008,123,486)	(2,008,123,486)	300,731,653
Foreclosed assets		28,856,288	28,856,288	47,227,708
Other receivables		1,436	1,436	114,355
Other assets		(22,700,613)	(20,604,855)	3,304,520
Increase (decrease) in operating liabilities				
Trade and other payables		7,895,749	7,820,499	7,263,632
Other liabilities		4,133,694	4,133,694	(32,207,432)
Employee benefit obligations	23	(677,503)	(677,503)	(393,148)
Net cash from operating activities		(1,526,277,904)	(1,524,172,643)	865,719,400

The accompanying notes are an integral part of these consolidated and separate financial statements.

Saksiam Leasing Public Company Limited

Statement of Cash Flows (Cont'd)

For the year ended 31 December 2021

		Consolidated financial statements	Separate financial statements	
	Notes	2021 Baht	2021 Baht	2020 Baht
Cash flows from investing activities				
Payment on purchase of investment in subsidiary	13	-	(35,000,000)	-
Proceeds from disposals of equipment		33,924	33,924	447,942
Payment on purchase of equipment	15	(41,692,814)	(41,692,814)	(21,371,111)
Payment on purchase of intangible assets	17	(21,555,136)	(21,555,136)	(5,821,011)
Payments for purchase of financial assets measured at fair value through profit or loss		-	-	(1,600,000,000)
Proceeds from sales of financial assets measured at fair value through profit or loss		1,600,442,946	1,600,442,946	-
Net cash from investing activities		1,537,228,920	1,502,228,920	(1,626,744,180)
Cash flows from financing activities				
Proceeds from short-term borrowings from financial institutions	20	1,701,008,000	1,701,008,000	1,431,008,002
Payments on short-term borrowings from financial institutions	20	(1,519,216,002)	(1,519,216,002)	(1,898,400,000)
Proceeds from long-term borrowings from financial institutions	20	1,118,000,000	1,118,000,000	1,294,600,000
Payments on long-term borrowings from financial institutions	20	(1,020,200,000)	(1,020,200,000)	(1,104,100,000)
Proceeds from issuance of ordinary shares	24	-	-	2,020,200,000
Payment for cost issuing shares	24	-	-	(73,448,003)
Payment on liabilities under finance lease agreements	16	(78,385,680)	(78,385,680)	(62,626,984)
Dividends paid	26	(226,367,568)	(226,367,568)	(792,200,000)
Proceeds from non-controlling interests		15,000,000	-	-
Net cash from financing activities		(10,161,250)	(25,161,250)	815,033,015
Net increase in cash and cash equivalents		789,766	(47,104,973)	54,008,235
Cash and cash equivalents at 1 January		306,566,181	306,566,181	252,557,946
Cash and cash equivalents at 31 December	8	307,355,947	259,461,208	306,566,181
Supplemental cash flows information:				
Material non-cash transactions				
Accounts payables from fixed assets purchased	15	7,756,421	7,756,421	775,293
Accounts payables from intangible assets purchased	17	3,566,800	3,566,800	-
Transfer foreclosed assets to fixed assets	15	460,262	460,262	2,485,560
Transfer loan receivables to foreclosed assets for debt payment		32,786,670	32,786,670	56,455,807
Acquisition of right-of-use assets under lease contracts	16	81,185,076	81,185,076	279,434,919
Reclassification from fixed assets to right-of-use-assets		-	-	47,240,713

The accompanying notes are an integral part of these consolidated and separate financial statements.

Saksiam Leasing Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

1 General information

Saksiam Leasing Public Company Limited (“the Company”) is a public limited company which listed on the Stock Exchange of Thailand. The address of the Company’s registered office is as follows:

49/47 Chedsadabodin Road, Tha-it, Muang, Uttaradit 53000.

During the year, the Company invested in the ordinary shares of Saksiam Maker Drone Company Limited, representing 70% of the total authorised share capital of that company, and prepared consolidated financial statements for the first time. The information of its subsidiary as at 31 December 2021 is disclosed in Note 13.

The Company and its subsidiary (“the Group”) are principally engaged in the financial services specifically personal loans, secured loans, nano finance under supervision, and hire purchase loans and selling drone equipment and agriculture drone.

As at 31 December 2021, the Group has 720 branches and service centres in operation (2020: 519 branches and service centres).

These consolidated and separate financial statements were authorised for issue by the Board of Directors on 22 February 2022.

2 Significant events during the current year

After the outbreak of Coronavirus Disease 2019 (“COVID-19 outbreak”) in early 2020, resulted in an economic slowdown. Also, it has an effects on the receivables and performance in both short term and long term. The Group has applied the relief measures in order to assist the receivables get through this crisis according to the assistance from Bank of Thailand (BOT) which separated in 3 phases. The Group started using the relief measures for phase 1 since 1 April 2020 onwards and applied the relief measures as follows:

1. A loan payment holiday of 3 months or 6 months
2. Reduction of installment payments by 30% of existing installment payment for 6 months
3. Extension repayment term by contract refinancing in order to reduce existing installment amount

Additional relief measures in phase 2 since 1 July 2020 onwards. The Group has provided additional relief measures as follows:

1. Reduction of installment payment at least 30% of existing installment payment with an interest rate of up to 22% per annum
2. Extension repayment term by contract refinancing in order to reduce existing installment amount

Additional relief measures in phase 3 since 17 May 2021 onwards. The Group has provided additional relief measures as follows:

1. A loan payment holiday of 3 months
2. Reduction of installment payment at least 30% of existing installment payment with an interest rate of up to 22% per annum
3. Extension repayment term by contract refinancing in order to reduce existing installment amount

As at 31 December 2021, the Group has receivables who participated in relief measures phase 1 , phase 2 and phase 3 total 3,116 receivables ,22 receivables and 102 receivables respectively (31 December 2020: 8,630 receivables, 32 receivables and nil, respectively).

3 Basis of preparation

The consolidated and separate financial statement have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statement have been prepared under the historical cost convention except financial assets measured at fair value through profit or loss.

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

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

4 New and amended financial reporting standards

4.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2021 and relevant to the Group

a) **Revised Conceptual Framework for Financial Reporting** added the following key principals and guidance:

- Measurement basis, including factors in considering difference measurement basis
- Presentation and disclosure, including classification of income and expenses in other comprehensive income
- Definition of a reporting entity, which maybe a legal entity, or a portion of an entity
- Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.

b) **Amendment to TFRS 16, Leases** amended to provide a practical expedient where lessees are exempted from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications. It applies to rent concessions that reduce the lease payments due by 30 June 2022.

These amended standards have no significant impacts to the Group’s financial statements.

4.2 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2022 and relevant to the Group

Certain amended financial reporting standards have been issued that are not mandatory for current reporting period and have not been early adopted by the Group.

- a) **Interest rate benchmark (IBOR) reform - phase 2, amendments to TFRS 9, TFRS 7, TFRS 16 and TFRS 4, and accounting guidance, financial instruments and disclosures for insurance business** provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flows or hedging relationship arising from the replacement of one benchmark with an alternative benchmark.

Key relief measures of the phase 2 amendments are as follows:

- When changing the basis for determining contractual cash flows for financial assets and financial liabilities (including lease liabilities), changes that are necessary as a direct result of the IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement. TFRS 16 has also been amended to require lessees to use a similar practical expedient when accounting for lease modifications that change the basis for determining future lease payments as a result of the IBOR reform.
- Hedge accounting relief measures will allow most TFRS 9 hedge relationships that are directly affected by the IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

TFRS 7 requires additional disclosure about:

- the nature and extent of risks arising from the IBOR reform to which the entity is exposed to
- how the entity manages those risks
- the entity's progress in transitioning from the IBOR to alternative benchmark rates and how the entity is managing this transition.

Management is assessing impacts from these amended standards to the Group's financial statements.

5 Accounting policies

5.1 Principles of consolidation and equity accounting

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases

In the separate financial statements, investments in subsidiaries are accounted for using cost method

b) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

When the Group loses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

C) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

5.2 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statements of financial position, bank overdrafts are shown within borrowings in current liabilities.

5.3 Financial instruments

a) Classification

The Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value either through profit or loss (FVPL) or through other comprehensive income (FVOCI)
- those to be measured at amortised cost

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

b) Recognition and derecognition

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

c) Measurement

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

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

d) Debt instruments

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

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

e) Impairment

The Group applies TFRS 9 general approach in measuring the impairment of hire-purchase receivables and loan receivables. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration past experiences. The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience,

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

Staging

The Group identified that the credit risk of financial assets will be increased significantly from the initial recognition date when the overdue of principle or accrued interest income has past due more than 30 days. The criteria which the Group applies is consistent with the standards. Moreover, when the credit risk of financial assets is increased significantly, the staging of these financial assets which have a significant increase in credit risk are transferred from Stage 1 to Stage 2. The staging of these financial assets will be move back to Stage 1 once they no longer meet the criteria.

Definition of default and credit-impaired financial instruments

The Group defines a financial instrument as default or credit-impaired which is considered to have occurred when there is evidence that the customer is experiencing financial difficulty which is likely to significantly affect the ability to repay. Exposures are considered to be credit-impaired if they are past due for 90 days or more or possesses signs indicating weaknesses which are likely to impact ability to meet future financial obligations. The default definition is consistent with that used for risk management purposes. Exposures that are credit-impaired are classified as Stage 3 and could be upgraded to Stage 2 if the customer no longer meet credit impaired definition, and exposures are classified as Stage 1 if significant increase in credit risk since initial recognition is no longer significant.

The Group applied the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact from COVID-19 for the reporting periods ending between 1 January 2020 and 31 December 2021 as the following:

On 16 April 2020, the TFAC issued the TFAC announcement No. 17/2563, regarding "Accounting guidelines of temporary relaxation measure for entities which provide relief measures to debtors who are adversely affected by the Thai economy" in order to temporarily assist debtors specified in the circular of the Bank of Thailand on Thor Por Tor. For Nor Sor. (23) Wor. 276/2563 regarding "Guidelines on providing assistance to debtors impacted by situations that affect the Thai economy" dated 28 February 2020 and the circular of the Bank of Thailand on Thor Por Tor. For Nor Sor. (01) Wor. 380/2563 regarding "Measures to provide additional assistance to debtors during the COVID-19 situation" dated 26 March 2020 and the circular of the Bank of Thailand on Thor Por Tor. For Nor Sor. (01) Wor. 648/2563 regarding "Measures to provide additional assistance to debtors during the COVID-19 situation in Phase 2" dated 19 June 2020. In addition, the relief measures and accounting guidelines relating to the Group are as the following:

- Providing assistance to non-performing debtors (Non-NPL). The Group can immediately classify this type of accounts receivable as a class that did not significantly increase for the importance of credit risk (Performing or Stage 1). If the position and business of the debtors are analysed that the debtors can comply with the debt restructuring agreement without having to wait for the follow up on the performance of debt restructuring conditions. Such debt restructure is considered as a preventive type of debt restructuring as pre-emptive. It is not considered a troubled debt restructuring (TDR). As at 31 December 2021, the Group has receivables who participated this relief measures for 2,571 receivables which their totalling amount are Baht 73.44 million or 0.85% of the Group's receivables (As at 31 December 2020, the Group has receivables who participated this relief measures for 7,500 receivables which their totalling amount are Baht 217.80 million or 3.34% of the Group's receivables)

- The Group provides assistance to the affected debtors under the guidelines for assistance debtors in the circular from Bank of Thailand on Thor Por Tor. For Nor Sor. (01) Wor. 380/2563 regarding “Measures to provide additional assistance to debtors during the COVID-19 situation” and the circular of the Bank of Thailand on Thor Por Tor. For Nor Sor. (01) Wor. 648/2563 regarding “Measures to provide additional assistance to debtors during the COVID-19 situation in Phase 2” dated 19 June 2020. The stage classification of the debtor remains at the same stage as before. As at 31 December 2021, the Group has receivables who participated this relief measures for 22 receivables which their totalling amount are Baht 1.59 million or 0.02% of the Group’s receivables. (As at 31 December 2020, the Group has receivables who participated this relief measures for 280 receivables which their totalling amount are Baht 12.62 million or 0.19% of the Group’s receivables).
- Assistance to Non-Performing Loans (NPL). The Group can classify accounts receivable as a performing class if their payment comply with the new debt restructuring agreement for 3 months or 3 instalments consecutively, whichever is the longer period. As at 31 December 2021, the Group has receivables who participated this relief measures for 552 receivables which their totalling amount are Baht 15.08 million or 0.17% of the Group’s receivables (As at 31 December 2020, the Group has receivables who participated this relief measures for 882 receivables which their totalling amount are Baht 29.37 million or 0.45% of the Group’s receivables).
- In case that the debt restructuring cause the previously effective interest rate (EIR) no longer reflect the estimated cash flow received from the loan. The Group can use new calculated EIR as a interest rate for the new debt restructuring under the guidelines of the Bank of Thailand circular.
- When measuring the amount of expected credit losses by the general approach. The Group can consider the weight on forward-looking information that is the result of the temporary crisis than on information reflecting ability of debt payment from historical experience or according to the circular from Bank of Thailand which will be further implemented.

f) Interest income and interest expense recognition

Interest income is calculated by applying the effective interest rate to the gross carrying is applied to the amortised cost of the financial asset, except for financial assets that are not (POCI) but have subsequently becomes credit-impaired (a stage 3), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (net of the expected credit loss provision)

g) Offset

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right of set-off and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. Cash collateral on exchange traded derivative transactions is presented gross unless the collateral cash flows are always settled net with the derivative cash flows. In certain situations, even though master netting agreements exist, the lack of management intention to settle on a net basis results in the financial assets and liabilities being reported gross on the statement of financial position.

5.4 Hire-purchase receivables

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

5.5 Loan receivables

Loan receivables would initially be recognised at an amount equal to the fair value of loan receivables at the date of the transactions. Subsequently, they are stated at amortised cost from the contract value net of accrued interest income.

5.6 Foreclosed assets

Foreclosed assets are properties seized from default debtors. They are initially recognised lower of the outstanding debt and the fair value of assets less cost to sell and subsequently stated at cost less allowance on impairment (if any).

The asset's carrying amount is written-down to its recoverable amount at the end of reporting period if the asset's carrying amount is greater than its estimated recoverable amount.

Gains (losses) on disposal of properties foreclosed are recorded as income or expenses in profit or loss when the disposal is made. Impairment loss (if any) is recognised as expense in profit or loss.

5.7 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and allowance on impairment (if any).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the year in which they are incurred.

Land is not depreciated because it is considered to have an infinite useful life. Depreciation on other assets is calculated using the straight line method to allocate their cost over their estimated useful lives, as follows:

Building and building improvements	5 - 20 years
Furniture and office equipment	5 - 10 years
Vehicles	5 - 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

5.8 Intangible assets

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives 5 - 10 years.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available;
- the expenditure attributable to the software product during its development can be reliably measured

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives 5 - 10 years.

5.9 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

5.10 Leases

Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office furniture.

As at 1 January 2021, the Group received discounts in the lease payments from lessors due to the COVID-19 outbreak. The Group elected not to account for all discounts in the lease payments under the lease modification in accordance with TFRS 16. Instead, the Group has chosen to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by reducing lease liabilities in the proportion of the reduction to the lease payments throughout the period that the Group has received the reduction. The Group also reversed depreciation charges on the right-of-use assets and interest expenses on the lease liabilities recognised in the same proportion. The differences between the reduction of the lease liabilities and the reversal of the expenses are recognised in other gains instead of remeasuring lease liabilities and adjusting the corresponding right-of-use assets from the lease modification.

5.11 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

5.12 Financial liabilities

a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated or modified, the Group assesses whether the renegotiation or modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated or modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

5.13 Employee benefits**Short-term employee benefits**

Liabilities for short-term employee benefits such as Salaries, wages, bonuses and contributions to the social security fund that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

Defined contribution plans

The Group has established a provident fund which is managed by an external fund manager in accordance with the provident fund Act. B.E. 2530. The fund is monthly contributed by employees and by the Group. The Group has no further payment obligations once the contributions have been paid. The fund's assets are held in a separate trust fund. Contributions to the provident fund are charged to expenses in profit or loss when they arise.

Retirement benefit plans

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity. Past-service costs are recognised immediately in profit or loss.

5.14 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

5.15 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

5.16 Recognition of revenue and expenses

a) Fee and service income

Fee and service income e.g. late-payment fee is recognised on an accrual basis when services are rendered and it has a probability of cash collection.

b) Other income

Other income will be considered as income when completed the obligation according to the contract which the amount of revenue recognised may be recognised at point in time or point overtime. For the case that the obligation must be completed for a period of time, the Group recognises income over the aforementioned period by selecting the appropriate method for measuring the progress of the completed obligation. The Group will recognise income when there is a probability of cash collection.

c) Expenses

Expenses are recognised on accrual basis.

5.17 Dividend distribution

Dividend distributed to the Group's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

5.18 Earnings per share

Basic earnings per share is computed by dividing net income for the year by weighted-average number of paid-up ordinary shares in issue during the year.

5.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director that makes strategic decisions.

6 Financial risks management

The Group's activities expose it to a variety of financial risks: market risk (consisting of foreign currency risk, fair value risk from changes in interest rate, and cash flow risk from changes in interest rate), liquidity risk and credit risk. The Group's overall risk management program focuses on the fluctuation of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

6.1 Market risk

a) Foreign currency risk

Foreign currency risk is the risk that the value of financial instrument will fluctuate because of changes in foreign exchange rates.

The majority of operations activities is Thai Baht and operating in Thailand. Thus, the Group has no foreign currency risk.

b) Interest rate risk

The Group's income and operating cash flows are not substantially independent of changed in market interest rates. The contract rates of the Group's hire-purchase receivables and loan receivables are fixed rate. However, the contract rates of the Group's short-term borrowings and long-term borrowings from financial institutions include floating rate and fixed rate which the Group does not use interest rate swaps as cash flow hedges of future interest payments for floating rate borrowings. The Group considers that it is not necessary to use derivative instruments to hedge such risk because future movements in market interest rates will not materially affect the Group's operating results.

The Group's borrowings and receivables are carried at amortised cost. The Group has borrowings at floating rates. This will make the Group has the exposed to the risk of future changes in market interest rates.

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

Sensitivity

Profit or loss is sensitive to higher or lower interest expenses from borrowings as a result of changes in interest rates.

	Impact to net profit Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Interest rate - increase 0.25%	(114,011)	(217,902)
Interest rate - decrease 0.25%	377,907	274,502

* Holding all other variables constant

As at 31 December 2021, significant financial assets and liabilities classified by type of interest rates are as follows:

	Separate financial statements									
	Fixed interest rate			Floating interest rate			No Interest Thousand Baht	Total Thousand Baht	Effective Interest rate (% per annum)	
	Within 1 Year Thousand Baht	1 - 5 year Thousand Baht	Over 5 years Thousand Baht	Within 1 Year Thousand Baht	1 - 5 year Thousand Baht	Over 5 years Thousand Baht				
As at 31 December 2021										
Financial assets										
Cash and cash equivalents	-	-	-	244,470	-	-	14,991	259,461	0.05 - 0.15	
Hire-purchase receivables	167,972	254,441	-	-	-	-	-	422,413	15.03 - 24.89	
Loan receivables	5,361,579	2,901,480	-	-	-	-	-	8,263,059	11.88 - 36.00	
	5,529,551	3,155,921	-	244,470	-	-	14,991	8,944,933		
Financial liabilities										
Short-term borrowings from financial Institutions	630,000	-	-	2,417,300	-	-	-	3,047,300	1.40 - 6.10	
Trade and other payables	-	-	-	-	-	-	96,020	96,020	-	
Long-term borrowings from financial institutions	460,000	288,000	-	150,000	163,600	-	-	1,061,600	2.95 - 3.05	
Lease liabilities	71,265	173,999	-	-	-	-	-	245,264	3.10 - 5.58	
	1,161,265	461,999	-	2,567,300	163,600	-	96,020	4,450,184		

	Separate financial statements								
	Fixed interest rate			Floating interest rate					
	Within 1 Year Thousand Baht	1 - 5 year Thousand Baht	Over 5 years Thousand Baht	Within 1 Year Thousand Baht	1 - 5 year Thousand Baht	Over 5 years Thousand Baht	No Interest Thousand Baht	Total Thousand Baht	Effective Interest rate (% per annum)
As at 31 December 2020									
Financial assets									
Cash and cash equivalents	-	-	-	299,170	-	-	7,396	306,566	0.05 - 0.25
Financial asset at fair value through profit or loss	-	-	-	-	-	-	1,600,074	1,600,074	-
Hire-purchase receivables	53,587	96,892	-	-	-	-	-	150,479	15.17 - 24.89
Loan receivables	4,153,289	2,102,193	-	-	-	-	-	6,255,482	11.88 - 36.00
	4,206,876	2,199,085	-	299,170	-	-	1,607,470	8,312,601	
Financial liabilities									
Short-term borrowings from financial Institutions	2,865,508	-	-	-	-	-	-	2,865,508	1.40 - 5.87
Trade and other payables	-	-	-	-	-	-	77,666	77,666	-
Long-term borrowings from financial institutions	-	310,000	-	371,000	282,800	-	-	963,800	2.00 - 2.95
Lease liabilities	67,814	174,650	-	-	-	-	-	242,464	3.72 - 5.58
	2,933,322	484,650	-	371,000	282,800	-	77,666	4,149,438	

Financial assets
Cash and cash equivalents
Financial asset at fair value
through profit or loss
Hire-purchase receivables
Loan receivables

Financial liabilities
Short-term borrowings from financial institutions
Trade and other payables
Long-term borrowings from financial institutions
Lease liabilities

6.2 Credit risk

Credit risk is the risk from receivables that cannot pay their principle and interest following the contractual terms.

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at fair value through profit or loss (FVPL), including outstanding hire purchase receivables and loans receivables.

a) Risk management

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that contracts are made with customers who have an appropriate credit history, limiting customers' credit limit as well as obtaining appropriate guarantees from customers.

b) Security

The Group employs a range of policies and practices to mitigate credit risk. The most common of these is accepting collateral such as vehicles, motorcycles and agricultural vehicles for borrowings. The Group has internal policies on the acceptability of specific classes of collateral or credit risk mitigation.

The Group prepares a valuation of the collateral obtained as part of the loan origination process.

The Group's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Group since the prior period.

c) Impairment of financial assets

The Group and the Group has 2 types of financial assets that are subject to the expected credit loss model:

- Cash and cash equivalents
- Hire-purchase receivables and loan receivables

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

Hire-purchase receivables and loan receivables

the Group applies general approach to measure expected credit losses. The Group always accounts for expected credit losses which involves a three-stage expected credit loss impairment model. The stage dictates how the entity measures impairment losses and applies the effective interest rate method. In which, the three-stage expected credit loss impairment will be as the following stages:

- Stage 1 - from initial recognition of a financial assets to the date on which the credit risk of the asset has not increased significantly relative to its initial recognition, a loss allowance is recognised equal to the credit losses expected to result from defaults occurring over the next 12 months.
- Stage 2 - following a significant increase in credit risk relative to the initial recognition of the financial assets, a loss allowance is recognised equal to the credit losses expected over the remaining life of the asset.
- Stage 3 - When a financial asset is considered to be credit-impaired, a loss allowance equal to full lifetime expected credit losses is to be recognised.

Under the three-stage expected credit loss impairment model except for significant exposures in loans to customer, the impairment will be assessed by using collective approach model with forward looking information adjustment.

Further explanation is also provided of how the Group determines appropriate grouping when expected credit loss is measured on a collective basis.

The expected credit loss (ECL) is measured on either a 12-month or lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit loss is the discounted product of the probability of default (PD), loss given default (LGD), and exposure at default (EAD), defined as follows:

- Probability of default (PD) represents the likelihood of a borrower defaulting on its financial obligation (as per definition of default and credit-impaired), either over the next 12 months (12-month PD) or over the remaining lifetime (lifetime PD) of the obligation.
- Exposure at default (EAD) is based on the amounts that the Group expects to be owed at the time of default, over the next 12 months (12-month EAD) or over the remaining lifetime (lifetime EAD)
- Loss given default (LGD) represents the Group's expectation of the extent of the loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The expected credit loss is determined by projecting the PD, LGD, and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together. This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof. The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type.

- For amortising products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12-month or lifetime basis.

The Group write-off trade receivables and contract assets when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments.

Impairment losses on hire-purchase receivables and loan receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Financial asset measured at fair value through profit or loss

The Group is also exposed to credit risk in relation to debt investments that are measured at fair value through profit or loss. The maximum exposure at the end of the reporting period is the carrying amount of these investments.

6.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 302 million (2020: Baht 299 million) that are expected to readily generate cash inflows for managing liquidity risk. Due to the dynamic nature of the underlying businesses, the treasury department maintains flexibility in funding by maintaining availability under committed credit lines.

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

a) Financing arrangements

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

	Consolidated and Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht
Floating rate		
Expiring within one year		
- Bank Overdraft	20,000	19,992
- Short-term loans	760,000	130,000
Expiring beyond one year		
- Long-term loans	639,000	827,700
	1,419,000	977,692

b) Maturity of financial liabilities

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Consolidated financial statements					Book value liabilities Thousand Baht
	On demand Thousand Baht	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	
As at 31 December 2021						
Bank overdrafts and short-term loans from financial institutions	-	3,047,300	-	-	3,047,300	3,047,300
Trade payables and other payables	-	96,095	-	-	96,095	96,095
Long-term loans from financial institutions	-	610,000	451,600	-	1,061,600	1,016,600
Lease liabilities	-	80,010	178,113	6,732	264,855	245,264
Total financial liabilities	-	3,833,405	629,713	6,732	4,469,850	4,450,259

	Separate financial statements					Book value liabilities Thousand Baht
	On demand Thousand Baht	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	
As at 31 December 2021						
Bank overdrafts and short-term loans from financial institutions	-	3,047,300	-	-	3,047,300	3,047,300
Trade payables and other payables	-	96,020	-	-	96,020	96,020
Long-term loans from financial institutions	-	610,000	451,600	-	1,061,600	1,061,600
Lease liabilities	-	80,010	178,113	6,732	264,855	245,264
Total financial liabilities	-	3,833,330	629,713	6,732	4,469,775	4,450,184

	Separate financial statements					Book value liabilities Thousand Baht
	On demand Thousand Baht	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	
As at 31 December 2020						
Bank overdrafts and short-term loans from financial institutions	8	2,865,508	-	-	2,865,508	2,865,508
Trade payables and other payables	-	77,666	-	-	77,666	77,666
Long-term loans from financial institutions	-	371,000	592,800	-	963,800	963,800
Lease liabilities	-	73,180	169,415	12,050	254,645	242,464
Total financial liabilities	8	3,387,346	762,215	12,050	4,161,619	4,149,438

6.4 Capital management

6.4.1 Risk management

The objectives when managing capital are to:

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

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Group monitors capital based on gearing ratio which is determined by dividing net debt with equity.

During the year 2021, the credit rating was unchanged and the gearing ratios at 31 December are as follows:

	Consolidated financial statements	Separate financial statements	
	2021 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Net debt	4,622,954	4,622,879	4,269,641
Equity	4,906,575	4,891,660	4,508,133
Net debt to equity ratio (times)	0.94	0.95	0.95

Loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants:

- the debt to equity ratio must be not more than 3 to 1 times

The Group can maintain the financial ratios throughout the reporting period as at 31 December 2021 and 2020.

7 Significant accounting judgments and estimates

Preparation of financial statements in conformity with the Thai Financial Reporting Standards requires management to make estimates and assumptions in certain circumstances, affecting reported amounts of revenue, expenses, assets and liabilities, the disclosure of contingent assets and liabilities. Actual results could differ from these estimates. The significant areas requiring management to make judgments and estimates that affect reported amounts and disclosures in the financial statements are as follows:

7.1 Impairment

The Group assesses and recognises expected credit loss for its financial assets classified as debt instrument carried at FVOCI and at amortised cost, loan commitments, and financial guarantee contracts.

Expected credit losses are an estimate of credit losses over the expected life of the financial instrument. A cash shortfall is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive discounted at the original effective interest rate for the financial assets that are not purchased or originated credit-impaired financial assets or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets. The Group estimates cash flows by considering all contractual terms of the financial assets through the expected life of that financial assets. The Group applies the historical data around 4 - 5 years of their contracts to apply in their impairment model to estimate the expected credit loss of receivables

The Group assumes the default definition in the calculation of probability of default by applying the ever default concept. In case that hire-purchase receivables and loan receivables have any default their installment during the snapshot but at the ended of the snapshot, their default status are not default installment. The status of these receivables are still default status.

The exposure at default at reporting date equal to the principle and accrued interest income at reporting date. The Group assumes that the Group will receive payment of accrued interest on the last payment of the contracts.

The cash flows that are considered shall include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. There is a presumption that the expected life of a financial assets can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the expected life of a financial assets, the Group uses the remaining contractual term of the financial assets.

The Group measures expected credit losses of a financial instrument in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

7.2 Plant and equipment and intangible assets

Management determines the estimated useful lives and residual values for plant and equipment including intangible assets. Management will revise the depreciation and amortisation charges where useful lives and residual values are different to previous estimates, or will write off or write down technically obsolete assets that have been abandoned or sold.

In addition, management is required to review plant and equipment and intangible assets for impairment on a periodic basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

7.3 Deferred tax assets

Deferred tax assets are recognised in respect of temporary differences only to the extent that it is probable that taxable profit will be available against which these differences can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimated future taxable profits.

7.4 Determination of lease terms

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

Most extension options on offices and vehicles leases have not been included in the lease liability, because the Group considers i) the underlying asset condition and/or ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group.

7.5 Determination of discount rate applied to leases

The Group determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g. term, country, currency and security.

7.6 Post-employment benefits under defined benefit plans

Post-employment benefit costs (Defined benefit plan) are determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate and mortality rate.

8 Cash and cash equivalents

	Consolidated financial statements	Separate financial statements	
	2021 Baht	2021 Baht	2020 Baht
Cash on hand	4,564,923	4,564,923	7,351,502
Current and saving deposits	302,791,024	254,896,285	299,214,679
Total cash and cash equivalents	307,355,947	259,461,208	306,566,181

As at 31 December 2021, saving deposits have interest rates ranging between 0.05% - 0.15% per annum (2020: 0.05% - 0.25% per annum).

9 Hire-purchase receivables

	Consolidated and Separate financial statements		
	2021		
	Current portion due within one year Baht	Portion due later than one year Baht	Total Baht
Hire-purchase receivables	244,187,074	315,274,584	559,461,658
<u>Less</u> Deferred interest income	(70,899,758)	(54,173,458)	(125,073,216)
Total hire-purchase receivables, net from deferred interest income	173,287,316	261,101,126	434,388,442
<u>Less</u> Allowance for expected credit loss	(5,315,655)	(6,659,780)	(11,975,435)
Total hire-purchase receivables, net	167,971,661	254,441,346	422,413,007

	Separate financial statements		
	2020		
	Current portion due within one year Baht	Portion due later than one year Baht	Total Baht
Hire-purchase receivables	80,833,242	122,086,460	202,919,702
<u>Less</u> Deferred interest income	(26,375,938)	(23,105,055)	(49,480,993)
Total hire-purchase receivables, net from deferred interest income	54,457,304	98,981,405	153,438,709
<u>Less</u> Allowance for doubtful accounts	(869,799)	(2,089,830)	(2,959,629)
Total hire-purchase receivables, net	53,587,505	96,891,575	150,479,080

As at 31 December 2021 and 2020, the hire-purchase receivables, net from deferred interest income, allowance for expected credit loss and net carrying amount of hire-purchase receivables as follows:

	Consolidated and Separate financial statements		
	2021		
	Hire-purchase receivables, net from deferred interest income Baht	Allowance for expected credit loss Baht	Net carrying amount Baht
Staging			
Performing	411,488,816	(4,443,835)	407,044,981
Under-performing	15,207,482	(3,795,566)	11,411,916
Non-performing	7,692,144	(3,736,034)	3,956,110
Total	434,388,442	(11,975,435)	422,413,007

	Separate financial statements		
	2020		
	Hire-purchase receivables, net from deferred interest income Baht	Allowance for expected credit loss Baht	Net carrying amount Baht
Staging			
Performing	148,650,809	(1,351,527)	147,299,282
Under-performing	3,745,048	(1,022,142)	2,722,906
Non-performing	1,042,852	(585,960)	456,892
Total	153,438,709	(2,959,629)	150,479,080

10 Loan receivables

	Consolidated and Separate financial statements		
	2021		
	Current portion due within one year Baht	Portion due later than one year Baht	Total Baht
Loan receivables	5,285,700,060	2,966,771,143	8,252,471,203
Add Accrued interest income	206,425,284	-	206,425,284
Total loan receivables, net from accrued interest income	5,492,125,344	2,966,771,143	8,458,896,487
Less Allowance for expected credit loss	(130,545,948)	(65,291,171)	(195,837,119)
Total loan receivables, net	5,361,579,396	2,901,479,972	8,263,059,368

	Separate financial statements		
	2020		
	Current portion due within one year Baht	Portion due later than one year Baht	Total Baht
Loan receivables	4,135,616,283	2,157,986,964	6,293,603,247
Add Accrued interest income	121,229,380	-	121,229,380
Total loan receivables, net from accrued interest income	4,256,845,663	2,157,986,964	6,414,832,627
Less Allowance for doubtful accounts	(103,556,223)	(55,794,386)	(159,350,609)
Total loan receivables, net	4,153,289,440	2,102,192,578	6,255,482,018

As at 31 December 2021 and 2020, the loan receivables, net from accrued interest income, allowance for expected credit loss and net carrying amount of loan receivables as follows:

	Consolidated and Separate financial statements		
	2021		
	Loan receivables, net from accrued interest income Baht	Allowance for expected credit loss Baht	Net carrying amount Baht
Staging			
Performing	8,009,043,122	(58,549,280)	7,950,493,842
Under-performing	266,732,620	(54,135,377)	212,597,243
Non-performing	183,120,745	(83,152,462)	99,968,283
Total	8,458,896,487	(195,837,119)	8,263,059,368

	Separate financial statements		
	2020		
	Loan receivables, net from accrued interest income Baht	Allowance for expected credit loss Baht	Net carrying amount Baht
Staging			
Performing	6,003,589,746	(43,750,661)	5,959,839,085
Under-performing	268,989,185	(48,559,843)	220,429,342
Non-performing	142,253,696	(67,040,105)	75,213,591
Total	6,414,832,627	(159,350,609)	6,225,482,018

As at 31 December 2021, loan receivables amounting to Baht 6,197 million are secured for credit facilities granted by financial institutions (Note 20) (2020: Baht 5,039 million).

11 Allowance for expected credit loss

	Consolidated and separate financial statements			
	Performing financial assets (12-month ECL) Baht	Under- performing financial assets (Lifetime ECL - not credit impaired) Baht	Non- performing financial assets (Lifetime ECL - credit impaired) Baht	Total Baht
As of 1 January 2021	45,102,188	49,581,985	67,626,065	162,310,238
Changes due to staging:				
Performing financial assets	25,972,417	(18,733,055)	(7,239,362)	-
Under-performing financial assets	(2,341,986)	4,970,266	(2,628,280)	-
Non-performing financial assets	(759,644)	(7,707,075)	8,466,719	-
Changes due to new estimation of credit loss	(22,315,944)	28,253,102	36,896,365	42,833,523
Newly acquired financial assets	25,418,971	15,814,697	9,173,142	50,406,810
Transfers to foreclosed assets	(197,304)	(1,865,171)	(4,230,919)	(6,293,394)
Write-off	(7,540)	(478,869)	(12,034,080)	(12,520,489)
Derecognition of financial assets	(7,878,043)	(11,904,937)	(9,141,154)	(28,924,134)
As of 31 December 2021	62,993,115	57,930,943	86,888,496	207,812,554

	Separate financial statements			
	Performing financial assets (12-month ECL) Baht	Under- performing financial assets (Lifetime ECL - not credit impaired) Baht	Non- performing financial assets (Lifetime ECL - credit impaired) Baht	Total Baht
As of 1 January 2020	71,641,204	19,350,691	96,985,574	187,977,469
Changes due to staging:				
Performing financial assets	19,314,012	(5,067,579)	(14,246,433)	-
Under-performing financial assets	(2,587,039)	11,907,703	(9,320,664)	-
Non-performing financial assets	(1,609,386)	(3,598,777)	5,208,163	-
Changes due to new estimation of credit loss	(36,193,999)	28,987,284	32,460,109	25,253,394
Newly acquired financial assets	14,756,600	5,391,318	7,777,327	27,925,245
Transfers to foreclosed assets	(741,885)	(1,317,583)	(11,961,915)	(14,021,383)
Write-off	(61,304)	(650,102)	(17,977,364)	(18,688,770)
Derecognition of financial assets	(19,416,015)	(5,420,970)	(21,298,732)	(46,135,717)
As of 31 December 2020	45,102,188	49,581,985	67,626,065	162,310,238

12 Financial assets measured at fair value through profit or loss

a) Financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss (FVPL):

- debt investments that do not qualify for measurement at either amortised cost or FVOCI.

Financial assets measured at fair value through profit or loss include the following:

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Current assets		
Investment in mutual funds	-	1,600,074,056

b) Amounts recognised in profit or loss

The following gains were recognised in profit or loss during the year as follows:

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Gains were recognised in profit or loss		
Fair value gains on debt instruments at FVPL recognised in other income	368,890	74,056

13 Investments in subsidiaries

As at 31 December 2021, the subsidiary included in consolidated financial statement is listed below. The subsidiary has only ordinary shares in which the Group directly holds those shares. The proportion of ownership interests held by the Group is equal to voting rights in subsidiaries held by the Group.

Entity name	Nature of business	Country of incorporation	Ownership interest held by the Group	Ownership interests held by non-controlling interests
			2021 (%)	2021 (%)
Subsidiaries				
Saksiam Maker Drone Co., Ltd	Trading argiculture drone and drone equipment	Thailand	70.00	30.00

The movement of the subsidiaries as at 31 December 2021 is as follows:

	Separate financial statements
	2021 Baht
Opening amount	-
Addition of investments in subsidiaries	35,000,000
Closing amount	35,000,000

The Board of Directors Meeting No. 8/2021 held on 16 December 2021 passed a resolution to invest in the ordinary shares of Saksiam Maker Drone Company Limited, a subsidiary, by acquiring of 3,500,000 shares at Baht 10 per share totaling Baht 35,000,000, and which is 70% shareholding interest in the subsidiary's total authorised share capital of Baht 50,000,000. The Company fully paid the amount of shares on 27 December 2021.

14 Other current assets

	Consolidated financial statements	Separate financial statements	
	2021 Baht	2021 Baht	2020 Baht
Advance payment	-	-	16,000
Prepaid expenses	11,203,771	9,245,119	6,478,770
VAT receivable	15,766,201	15,629,095	-
Others	59,544	59,544	8,619
	27,029,516	24,933,758	6,503,389

15 Property, plant and equipment

	Consolidated and separate financial statements					
	Land Baht	Building and building improvements Baht	Furniture and office equipment Baht	Vehicles Baht	Construction in progress Baht	Total Baht
At 1 January 2020						
Cost	712,600	75,466,618	126,130,752	105,585,864	822,063	308,717,897
<u>Less</u> Accumulated depreciation	-	(31,098,936)	(69,791,845)	(41,995,069)	-	(142,885,850)
Net book value	712,600	44,367,682	56,338,907	63,590,795	822,063	165,832,047
For the year ended 31 December 2020						
Opening net book value	712,600	44,367,682	56,338,907	63,590,795	822,063	165,832,047
The transition adjustment from adoption of New financial reporting standards	-	-	-	(47,240,713)	-	(47,240,713)
Opening net book value after adjustments	712,600	44,367,682	56,338,907	16,350,082	822,063	118,591,334
Additions	-	8,645,438	10,754,197	1,000,000	1,468,769	21,868,404
Disposal	-	(59,921)	(5,552)	(16,705)	-	(82,178)
Write-off	-	(41,002)	(5,259)	-	-	(46,261)
Transfer from foreclosed assets	-	-	-	2,485,560	-	2,485,560
Transfer in (out)	-	-	2,290,832	-	(2,290,832)	-
Transfer from right-of-use assets	-	-	-	1,188,115	-	1,188,115
Depreciation charge	-	(9,596,381)	(19,866,174)	(5,121,572)	-	(34,584,127)
Closing net book value	712,600	43,315,816	49,506,951	15,885,480	-	109,420,847
At 31 December 2020						
Cost	712,600	83,862,616	138,844,254	52,111,674	-	275,531,144
<u>Less</u> Accumulated depreciation	-	(40,546,800)	(89,337,303)	(36,226,194)	-	(166,110,297)
Net book value	712,600	43,315,816	49,506,951	15,885,480	-	109,420,847
For the year ended 31 December 2021						
Opening net book value	712,600	43,315,816	49,506,951	15,885,480	-	109,420,847
Additions	-	16,766,251	27,330,262	-	4,577,429	48,673,942
Disposal	-	-	(82,486)	(9,845)	-	(92,331)
Write-off	-	(103,001)	(1,137)	-	-	(104,138)
Transfer from foreclosed assets	-	-	-	460,262	-	460,262
Transfer in (out)	-	-	3,809,429	-	(3,809,429)	-
Transfer from right-of-use assets	-	-	-	5,991,715	-	5,991,715
Depreciation charge	-	(11,597,330)	(21,015,663)	(5,716,558)	-	(38,329,551)
Closing net book value	712,600	48,381,736	59,547,356	16,611,054	768,000	126,020,746
At 31 December 2021						
Cost	712,600	100,255,290	167,613,494	62,561,786	768,000	331,911,170
<u>Less</u> Accumulated depreciation	-	(51,873,554)	(108,066,138)	(45,950,732)	-	(205,890,424)
Net book value	712,600	48,381,736	59,547,356	16,611,054	768,000	126,020,746

16 Right-of-use assets

As at 31 December 2021 and 2020, right-of-use asset balance are as follows:

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Building	223,567,898	212,827,172
Vehicles	40,112,952	49,532,693
Total	263,680,850	262,359,865

For the year ended 31 December 2021 and 2020, amounts charged to profit or loss and cash flows relating to leases are as follows:

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Depreciation charge of right-of-use assets:		
Building	68,004,352	58,049,861
Vehicles	5,868,024	6,265,906
Total	73,872,376	64,315,767
Addition to the right-of-use assets during the year	81,185,076	279,434,919
Total cash outflow for leases		
Payment for principle of lease liabilities	78,385,680	62,626,984
Payment for interest expense of lease liabilities	9,336,648	6,529,330
Total	87,722,329	69,156,314
Expense relating to short-term leases	1,859,791	1,621,601
Expense relating to leases of low-value assets	2,407,813	1,192,701

As at 31 December 2021 and 2020, the expected maturity analysis of undiscounted lease liabilities is as follows:

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Maturity analysis of cash outflow to be paid for lease liabilities:		
Lease liabilities expected to be paid within 12 months	80,010,152	73,179,781
Lease liabilities expected to be paid between 1 and 2 years	64,564,180	59,004,177
Lease liabilities expected to be paid between 2 and 5 years	113,548,905	110,411,407
Lease liabilities expected to be paid in more than 5 years	6,732,198	12,050,222

17 Intangible assets

	Consolidated and Separate financial statements		
	Computer software Baht	Computer software in progress Baht	Total Baht
At 1 January 2020			
Cost	35,867,932	434,136	36,302,068
<u>Less</u> Accumulated amortisation	(9,441,639)	-	(9,441,639)
Net book value	26,426,293	434,136	26,860,429
For the year ended 31 December 2020			
Opening net book value	26,426,293	434,136	26,860,429
Additions	1,437,221	4,383,790	5,821,011
Transfer in (out)	181,900	(181,900)	-
Amortisation charge	(3,642,837)	-	(3,642,837)
Closing net book value	24,402,577	4,636,026	29,038,603
At 31 December 2020			
Cost	37,487,053	4,636,026	42,123,079
<u>Less</u> Accumulated amortisation	(13,084,476)	-	(13,084,476)
Net book value	24,402,577	4,636,026	29,038,603
For the year ended 31 December 2021			
Opening net book value	24,402,577	4,636,026	29,038,603
Additions	1,345,525	23,776,411	25,121,936
Transfer in (out)	9,661,352	(9,661,352)	-
Amortisation charge	(4,126,836)	-	(4,126,836)
Closing net book value	31,282,618	18,751,085	50,033,703
At 31 December 2021			
Cost	48,493,930	18,751,085	67,245,015
<u>Less</u> Accumulated amortisation	(17,211,312)	-	(17,211,312)
Net book value	31,282,618	18,751,085	50,033,703

18 Deferred income taxes

As at 31 December 2021 and 2020, deferred income taxes comprise of:

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Deferred tax assets:		
Deferred tax asset to be recovered within 12 months	27,340,270	21,137,200
Deferred tax asset to be recovered after 12 months	28,866,547	24,016,221
	56,206,817	45,153,421
Deferred tax liabilities:		
Deferred tax liabilities to be settled within 12 months	-	-
Deferred tax liabilities to be settled after 12 months	711,180	214,296
	711,180	214,296
Total deferred tax assets, net	55,495,637	44,939,125

For the years ended 31 December 2021 and 2020, the movement of deferred tax assets, net is as follows:

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Opening balance	44,939,125	48,106,916
(Charged)/credited to profit or loss (Note 30)	11,144,896	(2,702,233)
Charged to other comprehensive income	(588,384)	(465,558)
Closing balance	55,495,637	44,939,125

	Consolidated and Separate financial statements			
	2021			Balance at 31 December 2021 Baht
	Balance at 1 January 2021 Baht	Items recognised into profit or loss Baht	Items recognised into other comprehensive income Baht	
Deferred tax assets				
Allowance for expected credit loss	32,462,048	9,100,463	-	41,562,511
Lease liabilities and right-of-use assets	707,097	415,758	-	1,122,855
Employee benefit obligations	11,732,280	2,209,606	(588,384)	13,353,502
Others	251,996	(84,047)	-	167,949
Total deferred tax assets	45,153,421	11,641,780	(588,384)	56,206,817
Deferred tax liabilities				
Difference in revenue recognition for accounting and tax purposes	214,296	496,884	-	711,180
Total deferred tax liabilities	214,296	496,884	-	711,180

	Separate financial statements			
	2020			
	Balance at 1 January 2020 Baht	Items recognised into profit or loss Baht	Items recognised into other comprehensive income Baht	Balance at 31 December 2020 Baht
Deferred tax assets				
Allowance for expected credit loss	37,595,494	(5,133,446)	-	32,462,048
Lease liabilities and right-of-use assets	-	707,097	-	707,097
Employee benefit obligations	10,170,043	2,027,795	(465,558)	11,732,280
Others	503,359	(251,363)	-	251,996
Total deferred tax assets	48,268,896	(2,649,917)	(465,558)	45,153,421
Deferred tax liabilities				
Difference in revenue recognition for accounting and tax purposes	24,905	189,391	-	214,296
Front-end fee	137,075	(137,075)	-	-
Total deferred tax liabilities	161,980	52,316	-	214,296

19 Other non-current assets

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Deposits	9,407,165	7,248,425
Fixed deposits held as collateral	1,826,969	1,811,223
Total other non-current assets	11,234,134	9,059,648

20 Borrowings

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Current		
Short-term borrowings from financial institutions	3,047,300,000	2,865,508,002
Current portion of long-term borrowings from financial institutions	610,000,000	371,000,000
Total current borrowings	3,657,300,000	3,236,508,002
Non-current		
Long-term borrowings from financial institutions	451,600,000	592,800,000
Total non-current borrowings	451,600,000	592,800,000
Total borrowings	4,108,900,000	3,829,308,002

As at 31 December 2021, The Group is required to comply with certain terms and conditions such as to maintain ratio of debts to equity and ratio of good quality loan receivables to interest-bearing debts.

As at 31 December 2021, the Group has Baht 20 million (31 December 2020 : Baht 20 million) for unused bank overdraft facilities.

Short-term borrowings from financial institutions are secured by loan receivables with an amount of Baht 3,920 million (Note 10) (31 December 2020: Baht 3,062 million) and assets from key management of the Group with an amount of Baht 680 million (2020: Baht 680 million) as collateral and Baht 760 million for short-term credit facilities from financial institutions which have not yet been drawn down (31 December 2020: Baht 130 million).

Long-term borrowings from financial institutions are secured by loan receivables with an amount of Baht 627 million (Note 10) (31 December 2020: Baht 627 million) and no long-term credit facilities from financial institutions which have not yet been drawn down (31 December 2020: Baht 317 million)

Credit facilities from borrowing without specific term from financial institution are secured by loan receivables with an amount of Baht 1,650 million (Note 10) (31 December 2020: Baht 1,350 million) and assets from key management of the Group with an amount of Baht 453 million (31 December 2020: Baht 453 million) as collateral and Baht 639 million for indefinite term credit facilities from financial institutions which have not yet been drawn down (31 December 2020 : Baht 511 million).

The movement short-term borrowings from financial institutions is as follows:

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Opening amount as at 1 January	2,865,508,002	3,332,900,000
Addition of borrowings	1,701,008,000	1,431,008,002
Repayments of borrowings	(1,519,216,002)	(1,898,400,000)
Closing amount as at 31 December	3,047,300,000	2,865,508,002

The short-term borrowings from financial institution has a maturity date for principle within 12 months since the drawdown date and the interest expense has to be paid at the end of the month and at maturity date.

The movement long-term borrowings from financial institutions is as follows:

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Opening balance	963,800,000	772,614,625
Addition of borrowings	1,118,000,000	1,294,600,000
Repayments of borrowings	(1,020,200,000)	(1,104,100,000)
Interest paid	-	(4,056,907)
Adjusted by using the effective interest rate method	-	4,742,282
Closing balance	1,061,600,000	963,800,000

The long-term borrowings from financial institution has a maturity date for principle within 36 months since the drawdown date and the interest expense has to be paid at the end of the month and at maturity date.

21 Trade and other payables

	Consolidated and Separate financial statements			
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Accrued employee remuneration	65,733,420	61,114,290	65,733,420	61,114,290
Accrued expenses	8,129,737	7,219,420	8,054,487	7,219,420
Other payables	22,232,315	9,332,514	22,232,315	9,332,514
Total trade and other payables	96,095,472	77,666,224	96,020,222	77,666,224

22 Other current liabilities

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Value added tax and special business tax payable	5,259,213	550,690
Accrued social securities fund	2,787,350	2,334,776
Withholding tax payable	1,487,300	2,580,142
Others	427,746	362,307
Total other current liabilities	9,961,609	5,827,915

23 Employee benefit obligations

For the years ended 31 December 2021 and 2020, the movement of the employee benefit obligations is as follows:

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Opening balance	58,661,393	50,850,207
Current service cost	10,476,046	9,469,354
Finance cost	1,249,488	1,062,769
Remeasurement :		
(Gain) Loss from change in financial assumptions	(2,941,922)	(2,327,789)
Employee benefit paid	(677,503)	(393,148)
Closing balance	66,767,502	58,661,393

The principal actuarial assumptions used are as follows:

	Consolidated and Separate financial statements	
	2021	2020
Discount rate	3.06%	2.13%
Average salary increase rate	4.00%	4.00%
Turnover rate	0.00 - 5.87%	2.27% - 5.74%
Retirement age	60 years old	60 years old

Sensitivity analysis of the principal actuarial assumptions used are as follows:

	Consolidated and Separate financial statements	
	Increase (decrease) in employee benefit obligations	
	2021 Thousand Baht	2020 Thousand Baht
Discount rate		
Increase by 0.25%	(3,116)	(2,856)
Decrease by 0.25%	3,304	3,033
Average salary increase rate		
Increase by 0.25%	2,818	2,614
Decrease by 0.25%	(2,671)	(2,475)
Average turnover rate		
Increase by 10%	(2,582)	(3,074)
Decrease by 10%	2,727	3,281

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method with present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year, which has been applied as when calculating the pension liability recognised within the statement of financial position.

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

The weighted average duration of the defined benefit obligations is 29 years (2020: 29 years).

As at 31 December 2021 and 2020, the expected maturity analysis of undiscounted retirement and post-employment benefit is as follows:

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Maturity analysis of benefits expected to be paid:		
Benefits expected to be paid within 12 months	-	-
Benefits expected to be paid between 1 and 2 years	1,077,959	-
Benefits expected to be paid between 2 and 5 years	3,555,439	3,823,221
Benefits expected to be paid in more than 5 years	567,074,020	418,536,231

24 Share capital

	Consolidated and Separate financial statements				
	Number of shares Shares'000	Number of issued and paid-up shares Shares'000	Issued and paid-up ordinary shares Baht'000	Share Premium Baht'000	Total Baht'000
Opening book balance as at 1 January 2020	2,096,000	1,550,000	1,550,000	487,500	2,037,500
Issuance of ordinary shares	-	546,000	546,000	1,474,200	2,020,200
<u>Less</u> Cost of issuing shares	-	-	-	(59,273)	(59,273)
Closing book balance as at 31 December 2020	2,096,000	2,096,000	2,096,000	1,902,427	3,998,427
Issuance of ordinary shares	-	-	-	-	-
Closing book balance as at 31 December 2021	2,096,000	2,096,000	2,096,000	1,902,427	3,998,427

On 26 November 2020, the Group offered 546,000,000 shares to the general public for the first time with a par value of 1 baht per share at a price of 3.70 baht per share which total to Baht 2,020,000,000. The Group recognised the cost of issuing shares to Baht 59 million (net with tax benefit) under premium on paid up capital. The Group has registered the change of paid-up capital to Baht 2,096,000,000 (2,096,000,000 ordinary shares with a par value of 1 Baht per share) with the Department of Business Development, Ministry of Commerce on 1 December 2020

25 Legal reserve

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Opening balance	100,000,000	71,000,000
Appropriation during the year	31,000,000	29,000,000
Closing balance	131,000,000	100,000,000

Pursuant to the Public Limited Companies Act B.E. 2535, the Group is required to set aside a statutory reserve at least 5 percent of its profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

26 Dividends

On 21 April 2021, the Annual General Meeting of the Company's shareholders for the year 2021, approved the resolution regarding to the payment of dividend from net income for the year ended 31 December 2020 at the rate of Baht 0.108 per share, amounting to the total of Baht 226,367,568. The dividend was paid on 18 May 2021.

On 11 August 2020, the Board of Committee Meeting No.5/2020 approved the resolution regarding to the payment of dividend from net profit of the Company at the rate of Baht 0.48 per share, amounting to the total of Baht 750,200,000. The dividend was paid on 10 September 2020.

On 21 April 2020, the Annual General Meeting of the Company's shareholders for the year 2020, approved the resolution regarding to the payment of dividend from net income for the year ended 31 December 2019 at the rate of Baht 0.03 per share, amounting to the total of Baht 42,000,000. The dividend was paid on 14 May 2020.

27 Expenses by nature

For the years ended 31 December 2021 and 2020, significant expenses by nature of selling expenses and administrative expenses are as follows:

	Consolidated financial statements	Separate financial statements	
	2021 Baht	2021 Baht	2020 Baht
Personnel expenses	594,357,774	594,357,774	512,057,252
Taxes and duties	70,783,471	70,781,666	63,661,440
Operating lease expenses	4,267,603	4,267,603	2,814,302
Depreciation and amortization	116,328,763	116,328,763	102,542,731
Advertising expenses	23,435,918	23,435,918	14,005,072
Utilities expenses	36,894,563	36,894,563	30,025,354
Professional service expenses	9,180,096	9,105,096	6,093,421
Repair and maintenance expenses	13,005,114	13,005,114	10,480,146
Others	53,747,802	53,739,852	46,046,687
Total selling expenses and administrative expenses	922,001,104	921,916,349	787,726,405

28 Provident fund

On 15 October 2015, the Company have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The employees contribute to the fund at rate of 3% - 5% of their basic salaries and the Company contributed to the fund at rate of 3% - 5% of employee's salaries. The fund, which is managed by a licensed fund manager, will be paid to employees upon termination in accordance with the fund rules. For the year ended 31 December 2021, the Company contributed to the fund and recognised as employee benefit expense in profit or loss amounting to Baht 11,208,283 to the fund (2020: Baht 10,220,963).

29 Finance cost

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Borrowings from financial institutions	94,383,883	123,659,929
Finance cost from lease liabilities	9,336,648	7,747,767
Total finance cost	103,720,531	131,407,696

30 Income tax expenses

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Current tax:		
Income tax expenses for the year	162,020,977	135,530,824
Adjustments in respect of prior year	-	134,064
Total current tax	162,020,977	135,664,888
Deferred income tax:		
Items arising from temporary difference (Note 18)	(11,144,896)	2,702,233
Total deferred income tax	(11,144,896)	2,702,233
Total income tax expenses	150,876,081	138,367,121

For the years ended 31 December 2021 and 2020, the tax on the Group's profit before tax differs from the theoretical amount that would arise using the Thai basic tax rate of the Group as follows:

	Consolidated financial statements	Separate financial statements	
	2021 Baht	2021 Baht	2020 Baht
Profit before income tax expenses	758,332,875	758,417,628	700,274,628
Income tax at the domestic tax rate of 20%	151,666,575	151,683,526	140,054,926
Effects from:			
Additional deductible expenses	(965,018)	(981,969)	(2,032,381)
Expenses not treated as expenses under the Revenue Code	174,524	174,524	210,512
Adjustments in respect of prior year	-	-	134,064
Total income tax expenses	150,876,081	150,876,081	138,367,121

31 Earnings per share

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

	Consolidated financial statements	Separate financial statements	
	2021	2021	2020
Net profit for the year attributable to equity holders of the Company (Baht)	607,456,794	607,541,547	561,907,507
Weighted average number of ordinary shares as of 1 January (Shares)	2,096,000,000	2,096,000,000	1,550,000,000
Adjustments:			
Weighted average number of ordinary shares issued during the year (Shares)	-	-	46,245,902
Total weighted average number of ordinary shares as of 31 December (Shares)	2,096,000,000	2,096,000,000	1,596,245,902
Basic earnings per share (Baht per share)	0.29	0.29	0.35

For the years ended 31 December 2021 and 2020, there are no potential dilutive ordinary shares.

32 Operating segment information

The Group has operated in a single segment which is loans on a geographic area in Thailand. Therefore, the disclosure is not presented by segment because information presented in these consolidated and separate financial statements are in accordance with the internal report that the chief operating decision maker regularly receives and reviews.

33 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship and not merely the legal form.

The Company is held 67% of shares by Boonsalee family (31 December 2020: 67%).

The relationships of related parties are as follows:

Related party	Nationality	Relationship
Saksiam Maker Drone Company Limited	Thai	Subsidiary
Key management	Thai	Persons who have authority and responsibility for planning, management and control activities, both directly and indirectly which included Directors (Executive officers and other persons) of the Company.

For the years ended 31 December 2021 and 2020, the Company has significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of businesses and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

	Consolidated and Separate financial statements		
	2021 Baht	2020 Baht	Transfer pricing policy
Depreciation expenses			
Key management	6,885,647	6,717,438	Negotiated agreement rate
Financial costs			
Key management	1,230,943	1,413,870	Negotiated agreement rate

As at 31 December 2021 and 2020, there is no balance between the Group and those related parties.

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Right-of-use-assets		
Key management	29,674,310	33,764,029
Obligations under lease liabilities		
Key management	30,709,150	35,124,892

Key management's benefits

For the years ended 31 December 2021 and 2020, the Group has remuneration expenses to its key management compensation as follows:

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Short-term benefits	22,289,594	22,650,046
Post-employment benefits	1,051,288	1,027,253
Total key management's benefits	23,340,882	23,677,299

34 Financial instrument

Measurement basis of financial assets and liabilities

The accounting policies in Note 5 describe how different classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the carrying amounts of the financial assets and liabilities by category and by statement of financial position heading.

	Consolidated financial statements		
	31 December 2021		
	At fair value through profit or loss Baht	Held at Amortised cost Baht	Total Baht
Financial assets			
Cash and cash equivalents	-	307,355,947	307,355,947
Hire purchase receivables	-	422,413,007	422,413,007
Loan receivables	-	8,263,059,368	8,263,059,368
Other receivables	-	1,494	1,494
Total financial assets	-	8,992,829,816	8,992,829,816
Financial liabilities			
Short-term borrowings from financial institutions	-	3,047,300,000	3,047,300,000
Trade and other payables	-	96,095,472	96,095,472
Long-term borrowings from financial institutions	-	1,061,600,000	1,061,600,000
Lease liabilities	-	245,263,758	245,263,758
Total financial liabilities	-	4,450,259,230	4,450,259,230
	Separate financial statements		
	31 December 2021		
	At fair value through profit or loss Baht	Held at Amortised cost Baht	Total Baht
Financial assets			
Cash and cash equivalents	-	259,461,208	259,461,208
Hire purchase receivables	-	422,413,007	422,413,007
Loan receivables	-	8,263,059,368	8,263,059,368
Other receivables	-	1,494	1,494
Total financial assets	-	8,944,935,077	8,944,935,077
Financial liabilities			
Short-term borrowings from financial institutions	-	3,047,300,000	3,047,300,000
Trade and other payables	-	96,020,222	96,020,222
Long-term borrowings from financial institutions	-	1,061,600,000	1,061,600,000
Lease liabilities	-	245,263,758	245,263,758
Total financial liabilities	-	4,450,183,980	4,450,183,980

	Separate financial statements		
	31 December 2020		
	At fair value through profit or loss Baht	Held at Amortised cost Baht	Total Baht
Financial assets			
Cash and cash equivalents	-	306,566,181	306,566,181
Financial Asset at Fair Value through Profit or Loss	1,600,074,056	-	1,600,074,056
Hire purchase receivables	-	150,479,080	150,479,080
Loan receivables	-	6,255,482,018	6,255,482,018
Other receivables	-	2,930	2,930
Total financial assets	1,600,074,056	6,712,530,209	8,312,604,265
Financial liabilities			
Short-term borrowings from financial institutions	-	2,865,508,002	2,865,508,002
Trade and other payables	-	77,666,224	77,666,224
Long-term borrowings from financial institutions	-	963,800,000	963,800,000
Lease liabilities	-	242,464,361	242,464,361
Total financial liabilities	-	4,149,438,587	4,149,438,587

35 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- **Level 1**
Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2**
Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- **Level 3**
Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

As at 31 December 2021, the Group does not have financial assets that are measured at fair value.

The following table presents the Group's financial assets that are measured at fair value at 31 December 2020.

	Separate financial statements			
	2020			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	Total Thousand Baht
Financial assets				
Financial assets measured at fair value through profit or loss	-	1,600,074	-	1,600,074
Total financial assets	-	1,600,074	-	1,600,074

The following table presents the Group's financial assets and liabilities that are not measured at fair value at 31 December 2021 and 2020.

	Consolidated and Separate financial statements			
	2021			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	Total Thousand Baht
Financial assets				
Hire-purchase receivables	-	-	422,413	422,413
Loan receivables	-	-	8,263,059	8,263,059
Total financial assets	-	-	8,685,472	8,685,472
Financial liabilities				
Short-term borrowings from financial institutions	-	3,047,300	-	3,047,300
Long-term borrowings from financial institutions	-	1,061,600	-	1,061,600
Lease liabilities	-	245,264	-	245,264
Total financial liabilities	-	4,354,164	-	4,354,164
	Separate financial statements			
	2020			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	Total Thousand Baht
Financial assets				
Hire-purchase receivables	-	-	150,479	150,479
Loan receivables	-	-	6,255,482	6,255,482
Total financial assets	-	-	6,405,961	6,405,961
Financial liabilities				
Short-term borrowings from financial institutions	-	2,865,508	-	2,865,508
Long-term borrowings from financial institutions	-	963,800	-	963,800
Obligations under finance lease liabilities	-	242,464	-	242,464
Total financial liabilities	-	4,071,772	-	4,071,772

There were no transfers between levels 1 and 2 during the year and no change in valuation method during the year.

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

(b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

The fair value of financial assets measured at fair value through profit or loss are measured by using bid price and net asset value as at financial reporting date which are market observable information.

The fair value of short-term borrowings are book value at the statement of financial position. Management believed that these liabilities will not have fair value which significant differs from its book value because they are short-term and have effective interest rate that is similar to the market effective interest rate which is market observable information.

The fair value of long-term borrowings are book value at the statement of financial position. Management believed that these liabilities will not have fair value which significant differs from its book value because the interest rate in the contract is float rate which make the discounted cash flow of its repayments to calculate its fair value will be similar to its book value.

The fair value of lease liabilities (2020: obligation under finance lease and liabilities) are outstanding balance at the statement of financial position because interest rate is similar to the market effective interest rate.

(c) Financial instruments in level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The fair value of hire-purchase receivables, net are the outstanding balance of loans and deferred interest income less allowance for doubtful accounts. The majority of loan receivables are fixed rate. Management has assessed the existing effective rate of the outstanding loan receivables can compare with current market effective interest rate in the hire-purchase receivables.

The fair value of loan receivables, net are the outstanding balance of loans and accrued interest less allowance for doubtful accounts. The majority of loan receivables are fixed rate. Management has assessed the existing effective rate of the outstanding loan receivables can compare with current market effective interest rate in the similar category of loan receivables.

36 Commitment**a) Capital expenditure commitments**

Capital expenditure contracted as at the statement of financial position date but not recognised as liabilities is as follows:

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Property, plant and equipment	4,083,588	632,148
Intangible assets	33,923,574	11,125,610
Total	38,007,162	11,757,758

b) Operating leases - where the Group is the lessee

As at 31 December 2021 and 2020, the Group has operating lease commitments from office lease and service agreements. However, the majority of agreements are cancellable or notice of termination one month in advance.

37 Events after the reporting period

On 22 February 2022, the Board of Committee Meeting No. 1/2022 proposed a resolution to the Annual General Meeting of the Company's shareholders, approved the resolution regarding to the payment of dividend from net income for the year ended 31 December 2021 to pay a dividend of Baht 0.116 per share, amounting to the total of Baht 243,136,000.

Details of Directors, Executives, and Controlling Persons of the Company

Name - Surname/ Position(s)	Age (Year)	Education/Training	Shareholding Ratio in the Company* (%)	Family Relationship among Directors and Executives	Work Experience in the Past Five Years			
					Period	Position(s)	Name of Organization/ Company	Types of Business
1. Mr. Suphot Singhasaneh • Chairman of the Board of Directors • Independent Director • Chairman of the Audit Committee Started working in 2019	72	<ul style="list-style-type: none"> Ph.D. of Arts in Accounting, Sripatum University Ph.D. in Accounting, Thammasat University Master of Finance, University of Michigan, USA Bachelor's Degree in Accounting, Thammasat University Successful Formulation & Execution of Strategy Program, Class 4/2009 by Thai Institute of Directors Association (IOD) Role of the Chairman Program, Class 18/2008 by Thai Institute of Directors Association (IOD) Director Certification Program, Class 90/2007 by Thai Institute of Directors Association (IOD) 	0.095	-	2019 - present	<ul style="list-style-type: none"> Chairman of the Board of Directors Independent Director Chairman of the Audit Committee 	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2021 - present	Chairman of the Board of Directors	The Star Company Limited	Investment in other businesses
					2020 - present	Secretary	Federation of Accounting Professions Under The Royal Patronage of His Majesty The King	Accounting Regulatory Authority
					2016 - 2020	Vice President	Federation of Accounting Professions Under The Royal Patronage of His Majesty The King	Accounting Regulatory Authority
					2016 - present	Director	Federation of Accounting Professions Under The Royal Patronage of His Majesty The King	Accounting Regulatory Authority
					2017 - present	Chairman of the Audit Committee	Social Security Fund	Government Agency
					2018 - present	Member of the Chairman of the Audit Committee	TPI Polene Public Company Limited	Cement, Clinker and Ready Mixed Mortar

Name - Surname/ Position(s)	Age (Year)	Education/Training	Shareholding Ratio in the Company* (%)	Family Relationship among Directors and Executives	Work Experience in the Past Five Years			
					Period	Position(s)	Name of Organization/ Company	Types of Business
					2014 - present	Chairman of Advisors	G Capital Public Company Limited	Agricultural Radio broadcasting
					2018 - present	Director	Samart Aviation Solutions Public Company Limited	Receiver Trading Business Real Estate
					2016 - present	Director	Maruay Real Estate Company Limited	Condominium For Rent
					1988 - present	Director	Pison Company Limited	

Name - Surname/ Position(s)	Age (Year)	Education/Training	Shareholding Ratio in the Company* (%)	Family Relationship among Directors and Executives	Work Experience in the Past Five Years			
					Period	Position(s)	Name of Organization/ Company	Types of Business
2. Mr. Phoosak Boonsalee • Director • Chairman of the Executive Committee • Member of the Nominating and Remuneration Committee Started working in 1995	73	<ul style="list-style-type: none"> Ph.D. of Human Resource Management, Uttaradit Rajabhat University Ph.D. in Liberal Arts (Business Administration), Chaopraya University Master of Business Administration (Management), Eastern Asia University Master of Liberal Arts (Psychology), Kasetsart University Bachelor of Education (Mathematics), Phitsanulok College of Education Director Accreditation Program, Class 97/2012 by Thai Institute of Directors Association (IOD) Development Towards Excellence in Management Program by National Institute Of Development Administration 	23.90	<ul style="list-style-type: none"> Spouse of Mrs. Jintana Boonsalee Father of Mr. Siwaphong Boonsalee 	1995 - present	<ul style="list-style-type: none"> Director Chairman of the Executive Committee Member of the Nominating and Remuneration Committee 	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2020 - present	Honorary Member of the University Council	Uttaradit Rajabhat University	University
					2019 - present	Vice President	Vehicle Title Loan Trade Association	Trade Association on Vehicle Title Loan
					2017 - 2019	President	Vehicle Title Loan Trade Association	Trade Association on Vehicle Title Loan
					2012 - present	Independent Director	Kaset Thai International Sugar Corporation Public Company Limited	Sugar Production Industry
					2017 - 2019	Chairman of the Board of Directors	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					1995 - 2016	Managing Director	Saksiam Panich Leasing Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator

Name - Surname/ Position(s)	Age (Year)	Education/Training	Shareholding Ratio in the Company* (%)	Family Relationship among Directors and Executives	Work Experience in the Past Five Years			
					Period	Position(s)	Name of Organization/ Company	Types of Business
3. Mrs. Jintana Boonsalee • Director • Executive Director • Deputy Managing Director (Business Administration) Started working in 1995	71	<ul style="list-style-type: none"> Master's degree in Development Administration (Public Administration) National Institute of Development Administration Bachelor's degree in education (Mathematics - Science) Phitsanulok College of Education Director Accreditation Program, Class 119/2015 by Thai Institute of Directors Association (IOD) Development Towards Excellence in Management Program by National Institute Of Development Administration 	23.97	<ul style="list-style-type: none"> Spouse of Mr. Phoosak Boonsalee Mother of Mr. Siwaphong Boonsalee 	1995 - present	<ul style="list-style-type: none"> Director Executive Director Deputy Managing Director (Business Administration) 	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2021 - present	Director	Saksiam Maker Drone Company Limited	Drone Production and Distribution
					2011 - present	President of the Parents and Teachers Association	Uttaradit Daruni School	Government Agency (Education)

Name - Surname/ Position(s)	Age (Year)	Education/Training	Shareholding Ratio in the Company* (%)	Family Relationship among Directors and Executives	Work Experience in the Past Five Years			
					Period	Position(s)	Name of Organization/ Company	Types of Business
4. Mr. Siwaphong Boonsalee • Director • Executive Director • Member of the Risk Management Committee • Managing Director Started working in 2012	47	• Master of Engineering (EECS) from Massachusetts Institute of Technology • Bachelor of Science (EE) from Massachusetts Institute of Technology • Director Accreditation Program, Class 119/2015 by Thai Institute of Directors Association (IOD) • Development Towards Excellence in Management Program By National Institute of Development Administration	9.66	• Son of Mr. Phoosak Boonsalee and Mrs. Jintana Boonsalee	2012 - present	• Director • Executive Director • Member of the Risk Management Committee • Managing Director	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2021 - present	• Director • Managing Director	Saksiam Maker Drone Company Limited	Produce and distribute drone
					2019 - present	Associate Judge, Labor Court Region 6	Ministry of Justice	Government Agency
					2015 - 2017	Associate Judge, Labor Court Region 6	Ministry of Justice	Government Agency
					2018 - present	Managing Director	Be Wish Car Rental Company Limited	Car Rental
					2001 - 2012	Engineering Manager	Aeronautical radio company of Thailand Limited Company	State Enterprise (Transportation)

Name - Surname/ Position(s)	Age (Year)	Education/Training	Shareholding Ratio in the Company* (%)	Family Relationship among Directors and Executives	Work Experience in the Past Five Years			
					Period	Position(s)	Name of Organization/ Company	Types of Business
5. Mrs. Sopida Suksai • Director • Executive Director • Deputy Managing Director (General Administration) Started working in 1995	54	<ul style="list-style-type: none"> Bachelor's degree in Liberal Arts, Uttaradit Rajabhat University Director Accreditation Program, Class 131/2016 by Thai Institute of Directors Association (IOD) Development Towards Excellence in Management Program by National Institute of Development Administration 	0.048	-	2017 - present	<ul style="list-style-type: none"> Director Executive Director Deputy Managing Director (General Administration) 	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2012 - 2016	Deputy Managing Director (Accounting - Finance)	Saksiam Panich Leasing Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					1995 - 2015	Manager (Head office)	Saksiam Panich Leasing Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator

Name - Surname/ Position(s)	Age (Year)	Education/Training	Shareholding Ratio in the Company* (%)	Family Relationship among Directors and Executives	Work Experience in the Past Five Years			
					Period	Position(s)	Name of Organization/ Company	Types of Business
6. Mrs. Renu Wilasi • Director • Executive Director • Deputy Managing Director (Finance & Account Management) Started working in 2016	51	<ul style="list-style-type: none"> Master's Degree in Accounting, Burapha University Mini MBA, Kasetsart University Bachelor's Degree in Accounting, Sripatum University Director Accreditation Program, Class 148/2018 by Thai Institute of Directors Association (IOD) CFO Focus On Financial Reporting Program, Class 3/2017 by the Federation of Accounting Professions together with the Office of the Securities and Exchange Commission Development Towards Excellence in Management Program by National Institute of Development Administration 	0.048	-	2019 - present	<ul style="list-style-type: none"> Director Executive Director Deputy Managing Director (Accounting -Finance Division) 	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2021-present	<ul style="list-style-type: none"> Director Deputy Managing Director of General Administration 	Saksiam Maker Drone Company Limited	Produce and distribute drone
					2016 - 2019	Assistant Managing Director (Accounting-Finance)	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2016	Assistant Managing Director (Finance Division)	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2004 - 2014	Finance and Administration Manager	McCormick (Thailand) Limited Company	Manufacturing Industry (Food)

Name - Surname/ Position(s)	Age (Year)	Education/Training	Shareholding Ratio in the Company* (%)	Family Relationship among Directors and Executives	Work Experience in the Past Five Years			
					Period	Position(s)	Name of Organization/ Company	Types of Business
7. Mr. Chawalit Phanpha • Director • Executive Director • Member of the Risk Management Committee • Assistant Managing Director (Business Division) Started working in 2003	41	<ul style="list-style-type: none"> Master of Business Administration, Naresuan University Bachelor's Degree in Accounting, Uttaradit Rajabhat University Director Accreditation Program, Class 131/2016 by Thai Institute of Directors Association (IOD) Development Towards Excellence in Management Program by National Institute of Development Administration 	0.048	<ul style="list-style-type: none"> Brothers of Mr. Wathip Panpa 	2016 - present	<ul style="list-style-type: none"> Director Executive Director Member of the Risk Management Committee Assistant Managing Director (Business Division) 	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2020 - Present	Associate Judge, Labor Court Region 6	Ministry of Justice	Government Agency
					2015 - 2017	Associate Judge, Labor Court Region 6	Ministry of Justice	Government Agency
					2012 - 2015	Manager of the Office of Business Promotion and Development	Saksiam Panich Leasing Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2003 - 2012	Head of the Audit Department	Saksiam Panich Leasing Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator

Name - Surname/ Position(s)	Age (Year)	Education/Training	Shareholding Ratio in the Company* (%)	Family Relationship among Directors and Executives	Work Experience in the Past Five Years			
					Period	Position(s)	Name of Organization/ Company	Types of Business
8. Mr. Yanchai Tanitiratapong • Director Started working in 2019	60	<ul style="list-style-type: none"> Master of International Finance and Banking, Economics and Statistics, Columbia University, New York, USA Bachelor's Degree in Political Science (Government), Chulalongkorn University 	0.012	-	2019 - present	Director	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2016 - present	Senior Vice President Manager, Investment Department, Chairman of the Executive Committee Line	Bangkok Bank Public Company Limited	Financial Institution

Name - Surname/ Position(s)	Age (Year)	Education/Training	Shareholding Ratio in the Company* (%)	Family Relationship among Directors and Executives	Work Experience in the Past Five Years			
					Period	Position(s)	Name of Organization/ Company	Types of Business
<ul style="list-style-type: none"> Director Certification Program, Class 114/2009 by Thai Institute of Directors Association (IOD) Audit Committee Program, Class 25/2009 by Thai Institute of Directors Association (IOD) Monitoring of the Quality of Financial Reporting Program, Class 7/2009 by Thai Institute of Directors Association (IOD) Monitoring the Internal Audit Function Program, Class 5/2009 by Thai Institute of Directors Association (IOD) Monitoring the System of Internal Control and Risk Management Program, Class 6/2009 By Thai Institute of Directors Association (IOD) 					2013 - 2016	Vice President Manager, Business Investment Department, Chairman of the Executive Committee Line	Bangkok Bank Public Company Limited	Financial Institution
					2016 - present	Director	Buduang Ventures Company Limited	Venture Capital Business
					2019 - present	Director	Toray Textile (Thailand) Public Company Limited	Production of Fabrics for Distribution and Export
					2017 - present	Director	Bangkok Mitsubishi UFJ Lease Company Limited	Financial Lease
					2014 - 2021	Director	Thai Payment Network Co., Ltd.	Financial Transaction Business
					2020 - present	Director	Thai Digital Platform Social Enterprise Co., Ltd.	Holding Company
					2020 - present	Director	Bangkok MUFG Company Limited	Investment Advisor

Name - Surname/ Position(s)	Age (Year)	Education/Training	Shareholding Ratio in the Company* (%)	Family Relationship among Directors and Executives	Work Experience in the Past Five Years			
					Period	Position(s)	Name of Organization/ Company	Types of Business
9. Mrs. Nantana Sangkavichitr • Independent Director • Chairman of the Risk Management Committee • Member of the Audit Committee Started working in 2019	67	<ul style="list-style-type: none"> Bachelor's Degree in Accounting, Chulalongkorn University Professional diploma Obtained <ul style="list-style-type: none"> » Certified Information System Auditor (CISA) by ISACA, USA » Certified Information Security Manager (CISM) by ISACA, USA » Certified in Risk and Information (CRISC) by ISACA, USA. » Certification in Risk Management Assurance (CRMA) by IIA, USA » Chief Audit Executive Professional Certificate Program by Federation of Accounting Professions 	0.048	-	2019 - present	<ul style="list-style-type: none"> Independent Director Chairman of the Risk Management Committee Member of the Audit Committee 	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2012 - present	Chairman of the Working Group of Internal Audit Training Program Development Project Director	Federation of Accounting Professions Under The Royal Patronage of His Majesty The King	Professional Accountancy Organization
					2018 - present	Director	NSC Consult Company Limited	Business consultants
					2016 - 2019	Director	P J A Company Limited	Real Property for Rent

Name - Surname/ Position(s)	Age (Year)	Education/Training	Shareholding Ratio in the Company* (%)	Family Relationship among Directors and Executives	Work Experience in the Past Five Years			
					Period	Position(s)	Name of Organization/ Company	Types of Business
		» Forensic Accounting Certificate (FAC) by Federation of Accounting Professions » Training Program for Internal Audit Certification (IACP) by Federation of Accounting • Training in various courses » Director Accreditation Program, Class 130/2016 by Thai Institute of Directors Association (IOD) » Governance 4.0: Connected, Security, Privacy Certificate Program by ISACA						

Name - Surname/ Position(s)	Age (Year)	Education/Training	Shareholding Ratio in the Company* (%)	Family Relationship among Directors and Executives	Work Experience in the Past Five Years			
					Period	Position(s)	Name of Organization/ Company	Types of Business
10. Miss Somboon Supasiripinyo • Independent Director • Chairman of the Nomination and Remuneration Committee • Member of the Audit Committee	61	<ul style="list-style-type: none"> Master's Degree in Accounting, Thammasat University Bachelor's Degree in Accounting, Thammasat University Director Accreditation Program, Class 160/2019 by Thai Institute of Directors Association (IOD) Board Nomination and Compensation Program, Class 7/2019 by Thai Institute of Directors Association (IOD) Accounting with Sustainability in the Digital Age 2018 Program by Thammasat University Financial Instruments Program 2018 by the Federation of Accounting Professions Under the Royal Patronage of His Majesty the King International Banking Program by KPMG-INSEAD International Banking School Executive Program by Sasin Graduate Institute of Business Administration of Chulalongkorn University 	0.048	-	2019 - present	<ul style="list-style-type: none"> Independent Director Chairman of the Nomination and Remuneration Committee Member of the Audit Committee 	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
Started working in 2019					2021 - present	Director	Quality Construction Products Public Company Limited	Production of concrete products for use in construction
					2020 - present	Member of the Accounting Standards Committee	Federation of Accounting Professions Under Royal Patronage of His Majesty The King	Professional Accountancy Organization
					2018 - present	Director	Buddhadasa Indapanno Archives Foundation	Learning Centers And Religious Services
					2017 - present	Director	WithLove and loyalty Company Limited	Agricultural affairs
					2005 - 2017	Partner and Director	KPMG Phoomchai Audit Limited	Audit Office

Name - Surname/ Position(s)	Age (Year)	Education/Training	Shareholding Ratio in the Company* (%)	Family Relationship among Directors and Executives	Work Experience in the Past Five Years			
					Period	Position(s)	Name of Organization/ Company	Types of Business
11. Mrs. Woranutchanan Phongsurang • Independent Director • Member of the Nomination and Remuneration Committee Started working in 2019	58	<ul style="list-style-type: none"> • Master's Degree in Political Science, Ramkhamhaeng University • Bachelor's degree in Law, Ramkhamhaeng University • Director Accreditation Program, Class 163/2019 by Thai Institute of Directors Association (IOD) • Barrister-at-Law, the Thai Bar under the Royal Patronage, Institute of Legal Education of the Thai Bar Association • Diploma in Administrative Law and Procedure, the administrative Institute of Legal Education of the Thai Bar Association • Certified Financial Planner by Thai Financial Planners Association • Investment Planner Program by the Stock Exchange of Thailand • Risk Plan Program by Thai Institute of Directors Association (IOD) 	0.028	-	2019-present	<ul style="list-style-type: none"> • Independent Director • Member of the Nomination and Remuneration Committee 	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2018 -present	Honorary Member of the University Council	Uttaradit Rajabhat University	University
					past	Deputy Secretary	Office of the Welfare Promotion Commission for Teachers and Educational Personnel	Juristic Person Under Supervision of the Ministry of Education

Name - Surname/ Position(s)	Age (Year)	Education/Training	Shareholding Ratio in the Company* (%)	Family Relationship among Directors and Executives	Work Experience in the Past Five Years			
					Period	Position(s)	Name of Organization/ Company	Types of Business
12. Mr.Nutthaphon Phumsirirotj • Executive Director • Assistant Managing Director (Legal division) Started working in 2017	64	<ul style="list-style-type: none"> Bachelor's degree in Law, Ramkhamhaeng University Director Accreditation Program, Class 131/2016 by Thai Institute of Directors Association (IOD) 	0.024	-	2017 - present	<ul style="list-style-type: none"> Executive Director Assistant Managing Director (Legal division) 	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2011-2016	Legal Advisor	Saksiam Panich Leasing Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2016 - present	Director	Nutthaphon Attorney Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator Legal advice
13. Mr.Khamnaung Singkhan • Executive Director • Assistant Managing Director (Manager, Region 1) Started working in 1995	53	<ul style="list-style-type: none"> Mathayom Suksa 6, Non-Formal Education Center, Uttaradit Province 	0.026	-	2019 - present	<ul style="list-style-type: none"> Executive Director Assistant Managing Director (Manager, Region 1) 	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2018	Acting for Assistant Managing Director (Manager, Region 1) and Lampang District Manager	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2017	Lampang District Manager	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2014 - 2016	Assistant Manager, Business District 2	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator

Name - Surname/ Position(s)	Age (Year)	Education/Training	Shareholding Ratio in the Company* (%)	Family Relationship among Directors and Executives	Work Experience in the Past Five Years			
					Period	Position(s)	Name of Organization/ Company	Types of Business
14. Mr.Surasak Kamtanet • Executive Director • Assistant Managing Director (Manager, Region 2) Started working in 1995	58	<ul style="list-style-type: none"> Bachelor's degree in Liberal Arts (General Management), Uttaradit Rajabhat University development Towards Excellence in Management Program By National Institute of Development Administration 	0.014	-	2017 - present	<ul style="list-style-type: none"> Executive Director Assistant Managing Director (Manager, Region 2) 	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2016	<ul style="list-style-type: none"> Assistant Managing Director and Manager of Business District 1 	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2011 - 2015	<ul style="list-style-type: none"> Manager of Business District 1 	Saksiam Panich Leasing Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
15. Mr.Prachak Chandum • Executive Director • Assistant Managing Director (Manager, Region 3) Started working in 1995	56	<ul style="list-style-type: none"> Bachelor's Degree in Industrial Arts, Uttaradit Teachers College Development Towards Excellence In Management Program by National Institute of Development Administration 	0.026	-	2017 - present	<ul style="list-style-type: none"> Executive Director Assistant Managing Director (Manager, Region 3) 	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2016	<ul style="list-style-type: none"> Assistant Managing Director and Manager of Business District 3 	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2011 - 2015	<ul style="list-style-type: none"> Manager of Business District 3 	Saksiam Panich Leasing Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator

Name - Surname/ Position(s)	Age (Year)	Education/Training	Shareholding Ratio in the Company* (%)	Family Relationship among Directors and Executives	Work Experience in the Past Five Years			
					Period	Position(s)	Name of Organization/ Company	Types of Business
16. Mr.Chawalit Kasemcholatani • Executive Director • Assistant Managing Director (Manager, Region 4) Started working in 1995	56	• Bachelor's degree in Education, Srinakharinwirot University • Development Towards Excellence in Management Program By National Institute of Development Administration	0.050	-	2017 - present	• Executive Director • Assistant Managing Director • (Manager, Region 4)	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2016	Assistant Managing Director and Manager of Business District 4	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2011 - 2015	Manager of Business District 4	Saksiam Panich Leasing Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
17. Mr.Wathip Panpa • Executive Director • Assistant Managing Director (Manager, Region 5) Started working in 1995	49	• Bachelor's degree in Liberal Arts (Community Development), Uttaradit Rajabhat University • Development Towards Excellence in Management Program By National Institute of Development Administration	0.024	• Brother of Mr. Chawalit Phanpha	2017 - present	• Executive Director • Assistant Managing Director (Manager, Region 5)	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2016	Assistant Managing Director and Manager of Business District 5	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2012 - 2015	Assistant Manager Business District 4	Saksiam Panich Leasing Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator

Name - Surname/ Position(s)	Age (Year)	Education/Training	Shareholding Ratio in the Company* (%)	Family Relationship among Directors and Executives	Work Experience in the Past Five Years			
					Period	Position(s)	Name of Organization/ Company	Types of Business
18. Mr. Paramet Inma • Executive Director • Assistant Managing Director (Debt Management Division) Started working in 1995	51	• Bachelor's degree in Liberal Arts (Community development) Utharadit Rajabhat University	0.024	-	2016 - present	• Executive Director • Assistant Managing Director (Debt Management Division)	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2012 - 2015	Manager, Debt Management Office	Saksiam Panich Leasing Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					1995 - 2011	Head of Collection Operation Department	Saksiam Panich Leasing Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
19. Mr. Chutichai Pruetichai • Accounting Manager Started working in 2021	35	• Bachelor's degree in Accounting. Ramkhamhaeng University	-	-	2021 - present	Accounting Manager	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					Mar. - Jul. 2021	Accountant Accounting	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2016-2020	Manager	Thai Mui Corporation Public Company Limited	Wholesale of steel, basis steel and other unclassified steel in primary forms Accounting, bookkeeping and auditing activities, and tax consultancy
					2011-2016	Deputy Chief Auditor	D I A International Audit Company Limited	

Name - Surname/ Position(s)	Age (Year)	Education/Training	Shareholding Ratio in the Company* (%)	Family Relationship among Directors and Executives	Work Experience in the Past Five Years			
					Period	Position(s)	Name of Organization/ Company	Types of Business
20. Mrs. Tippamas Lamcharoen • Company Secretary • Head of Administration Started working in 2000	44	<ul style="list-style-type: none"> Bachelor of Science, Uttaradit Rajabhat Institute Bachelor of Business Administration, Uttaradit Rajabhat University Effective Minute Taking Course — EMT, Class 37/2017 by Thai Institute of Directors Association (IOD) Company Secretary Program, Class 72/2016 by Thai Institute of Directors Association (IOD) Fundamentals of Company Secretarial, Class 1, Year 2016 by Thai Listed Companies Association Company Secretary Program, Class 2/2016 By Thai Listed Companies Association Course Development Towards Excellence in Management by National Institute of Development Administration 	-	-	2016 - present	<ul style="list-style-type: none"> Company Secretary Head of Administration 	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2005 - 2016	Chief General Administration	Saksiam Panich Leasing Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator

Remarks : *Ratio of direct shareholding before initial public offering (IPO)

Position of Directors, Executives, and Controlling Persons in the other companies

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
1. Saksiam Leasing Public Company Limited	X, //, AC	/, M	/, M	/, C, M	/, M	/, M	/, M	/	//, AC	//, AC	//	M	M	M	M	M	M	M	M
2. Kaset Thai International Sugar Corporation Public Company Limited		/																	
3. Withlove and Loyalty Company Limited									/										
4. TPI Polene Public Company Limited	/																		
5. Toray Textiles (Thailand) Public Company Limited							/												
6. Thai Digital Platform Social Enterprise Company Limited																			
7. Thai Payment Network Company Limited							/												
8. Bualuang Ventures Company Limited							/												
9. Bangkok Mitsubishi UFJ Lease Company Limited							/												
10. Bangkok MUFG Company Limited							/												
11. Bewish Car Rental Company Limited				/															
12. Pisant Company Limited	/																		
13. Maruay Real Estate Company Limited	/																		
14. Sabajjai Money Company Limited	/																		
15. Smart Aviation Solutions Public Company Limited								/											
16. NSC Consult Company Limited												/							
17. Quality Construction Products Public Company Limited									/										
18. The Star Company Limited	X																		
19. Saksiam Maker Drone Company Limited			/	/			/												

Position

X = Chairman / = Director // = Independent Director AC = Audit Committee C = Managing Director M = Executive

Name List of the Directors and Executives

1. Mr. Suphot Singhasaneh 2. Mr. Phoonsak Boonsalee 3. Mrs. Jintana Boonsalee 4. Mr. Siwaphong Boonsalee 5. Mrs. Sopida Sukai 6. Mr. Chawalit Phanpha 7. Mrs. Renu Wilasri 8. Mr. Yanchai Tantitapong 9. Mrs. Nantana Sangkavichitr 10. Miss Somboon Supasitphinyo
 11. Mrs. Woranutchanon Phongsurang 12. Mr. Nutthaphon Phunsitroj 13. Mr. Khammaung Singkha 14. Mr. Surasak Kantanet 15. Mr. Prachak Chandum 16. Mr. Chawalit Kasemcholan 17. Mr. Wathip Panpa 18. Mr. Paramet Inna 19. Mr. Chutichai Pruetchai

Details of directors of subsidiary

Company	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Saksiam Leasing Public Company Limited	X, //, AC	/, M	/, M	/, C, M	/, M	/, M	/, M	/	//, AC	//, AC	//	M	M	M	M	M	M	M	M
Subsidiary																			
Saksiam Maker Drone Company Limited			/	/, C			/, M												

Position

X = Chairman / = Director

Name List of the Directors and Executives

- | | | | |
|-------------------------------|---------------------------------|------------------------------------|---------------------------------|
| 1. Mr. Suphot Singhasaneh | 2. Mr. Phornsak Boonsalee | 3. Mrs. Jintana Boonsalee | 4. Mr. Swaphong Boonsalee |
| 5. Mrs. Sopida Sukai | 6. Mr. Chawalit Phanpha | 7. Mrs. Renu Wilasri | 8. Mr. Yanchai Tantiratapong |
| 9. Mrs. Nantana Sangkavichitr | 10. Miss Sornboon Supasiripinyo | 11. Mrs. Woranutchanan Phongsurang | 12. Mr. Nuthaphon Phumsiliraj |
| 13. Mr. Khamnaung Singkhan | 14. Mr. Surasak Kamtanet | 15. Mr. Prachak Chandum | 16. Mr. Chawalit Kasemcholatani |
| 17. Mr. Wathip Panpa | 18. Mr. Paramet Inna | 19. Mr. Chutichai Pruetchai | |

C = Managing Director

M = Executive

Detail of Head of Internal Audit Department

Name- Surname/ Position(s)	Age (Year)	Education/Training	Shareholding Ratio in the Company* (%)	Family Relationship among Directors and Executives	Work Experience in the Past Five Years			
					Period	Position(s)	Name of Organization/ Company	Types of Business
Mr. Kittisak Pannaraj Head of Internal Audit Department	43	Education • Bachelor of Accounting Naresuan University Training • Internal Auditing. Certificate Program Class 17 by the Federation of Accounting Professions Under The Royal Patronage of His Majesty The King • Special seminar "Guideline for Participating in Thailand Private Sector Collective Action Coalition Against Corruption (CAC)" • Data Personal Protection Act B.E. 2019 in term of process and practice courses, Class 3 • Fraud Risk Management course • Integrated Audit (Class 1/2020) by the Federation of Accounting Professions Under The Royal Patronage of His Majesty The King	0.0002	-	2016 - Present	Head of Internal Audit Department	Saksiam Leasing Public Company Limited	Personal Loan Under Supervision Business Of The Non-Bank Operator
					2013 - 2016	Assistant Head of Internal Control		

Details about Asset Appraisal Transaction

The Company has hired UK Valuations and Agency Company Limited, a company which has been approved by the Securities and Exchange Commission to act as an independent property appraiser ("Independent Appraiser") to appraise the rental property with a total of 31 contracts. In this regard, the Independent Appraiser has prepared a property appraisal report dated September 3, 2019 which has Mrs. Udomsri Nateekanjanalar, the main appraiser with Wor Tor. 026 Certificate as the main appraiser in order to appraise the appropriate rental rate and for public purposes by giving opinions on the adjustment of the rental rate not exceeding 10 percent every 3 years and dividing the assessment methods, as follows:

1. To use market comparison approach and the calculation of principle and income by random check of some branches that the Independent Appraiser deems appropriate. For the rest of the branches, they will be assessed by using Desktop Valuation method for the appraised asset item 1;
2. To use market comparison approach and the calculation of income by random check of some branches that the Independent Appraiser deems appropriate. For the rest of the branches, they will be assessed by using Desktop Valuation method for the appraised assets in items 2-4; and
3. To use market comparison approach by random check of some branches that the Independent Appraiser deems appropriate. For the rest of the branches, they will be assessed by using Desktop Valuation method for the appraised assets in items 5-31.

Asset Appraisal Transaction	Types of Asset	Area	Location	Ownership	Encumbrance	Appraisal price of the market rental per month
1. Parking lot head office	Land	300 square wah	Cheitsada BodinCheitsada Bodin Road, Tha It Sub-district, Muang Uttaradit District, Uttaradit Province	Mrs. Jintana Boonsalee	No	98.33 baht per square wah
2. Building 2 head office	Land	298 square wah	Cheitsada Bodin Road Tha It Sub-district, Muang Uttaradit District, Uttaradit Province	Mrs. Jintana Boonsalee	No	98.33 baht per square wah
3. Building 3 Head Office	Land	300 square wah	Cheitsada Bodin Road Tha It Sub-district, Muang Uttaradit District, Uttaradit Province	Mrs. Jintana Boonsalee	No	98.33 baht per square wah
4. Building 4 Head Office	Land with building 4, rental operation yard and parking lot	498 square wah	Soi 4 Sri Utranok Sub-Road, Tha It Sub-district, Muang Uttaradit District, Uttaradit Province	Mrs. Jintana Boonsalee	No	54.45 baht per square wah
5. Chiang Klang Branch Office	Land and a 2-story and a half commercial building	160 square metres	No. 137/2 Moo 10, Kamphaeng Phet Road – Huai Kon Permanent Border Crossing Point / Blue (Highway 101) Chiang Klang Sub-district, Chiang Klang District, Nan Province	Mrs. Jintana Boonsalee	No	25 baht per square metres
6. Wang Pong Branch Office	Land and a 2-story commercial building	306 square metres	No. 404/4-5 Moo 1, Sai Chon Dan-Wang Hin (Highway 1205) Road, Wang Pong Sub-district, Wang Pong District, Phetchabun Province	Mrs. Jintana Boonsalee	No	30 baht per square metres
7. Pichai Branch Office	Land and a 2-story commercial building	414 square metres	No. 391/4 Moo 3, Bueng Lak Road – Phichai (Highway 1204), Nai Muang Sub-district, Phichai District, Uttaradit Province	Mrs. Jintana Boonsalee	No	61 baht per square metres

Asset Appraisal Transaction	Types of Asset	Area	Location	Ownership	Encumbrance	Appraisal price of the market rental per month
8. Thong Saen Khan Branch Office	Land and a 2-story commercial building with mezzanine (2 units)	349.2 square metres	No. 109, 109/1 Moo 2, Sai Thong Saen Khan-Nam Pat Road (Highway 1246), Bo Thong Sub-district, Thong Saen Khan District, Uttaradit Province	Mrs. Jintana Boonsalee	No	40 baht per square metres
9. Mhon Mhai Branch Office	Land and a 2-story commercial building with mezzanine (2 units)	360 square metres	No. 109, 109/1 Moo 2, Sai Thong Saen Khan-Nam Pat Road (Highway 1246), Bo Thong Sub-district, Thong Saen Khan District, Uttaradit Province	Mrs. Jintana Boonsalee	No	40 baht per square metres
10. Ban Ko Branch Office	Land and a single-story commercial building	Building area 152.76 square metres; Area around the building 433.21 square metres	No. 52/10 Moo 5, Srichawang Road, Ban Ko Sub-district, Muang Uttaradit District, Uttaradit Province	Mrs. Jintana Boonsalee	No	Building area 42 baht per square metres; Area around the building 13 baht per square metres
11. Khung Taphao Branch Office	Land and a 2-story commercial building	477 square metres	No. 83/6 Moo 3, Sai In Buri-Chiang Mai Road (Highway 11), Khung Taphao Sub-district, Muang Uttaradit District, Uttaradit Province	Mrs. Jintana Boonsalee	No	32 baht per square metres
12. Thung Yang Branch Office	Land and a single-story commercial building	Building area 228 square metres; Area around the building 205 square metres	No. 128/1 Moo 2, Uttaradit-Si Satchanalai Road (Highway 102) Thungyang Sub-district, Laplae District, Uttaradit Province	Mrs. Jintana Boonsalee	No	Building area 35 baht per square metres; Area around the building 11 baht per square metres

Asset Appraisal Transaction	Types of Asset	Area	Location	Ownership	Encumbrance	Appraisal price of the market rental per month
13. Wang Kapee Branch Office	Land and a single-story commercial building	Building area 161 square metres; Area around the building 239 square metres	118/1 Moo 4, Phitsanulok-Uttaradit Road (Highway 117), Wangkaphi Sub-district, Muang Uttaradit District, Uttaradit Province	Mrs. Jintana Boonsalee	No	Building area 37 baht per square metres; Area around the building 13 baht per square metres
14. Bueng Lak Warehouse Branch Office	Land and commercial building and warehouse	Building area 119 square metres; Warehouse 752 square metres	No. 53/1 Moo 6, Inburi-Chiang Mai Road (Highway 11), Pa Sao Sub-district, Muang Uttaradit District, Uttaradit Province	Mrs. Jintana Boonsalee	No	Building area 50 baht per square metres; Warehouse 15 baht per square metres
15. Ban Kaeng Branch Office	Land and a 2-story and a half commercial building (2 units)	240 square metres	No. 262-263 Moo 10, Ban Kaeng-Wang Phachan Road (Highway 1214), Ban Kaeng Sub-district, Tron District, Uttaradit Province	Mrs. Jintana Boonsalee	No	31 baht per square metres
16. Wiang Sa Branch Office	Land and a 3-story commercial building (3 units)	1,081.2 square metres	No. 656, Moo 4, Wiangsa-Pak Nai Road (Highway 1026) Klang Wiang Sub-district, Wiang Sa District, Nan Province	Mrs. Jintana Boonsalee	No	25 baht per square metres
17. Thung Chang Branch Office	Land and a 2-story commercial building (2 units)	280 square metres	No. 228/4, 228/5 Moo 2 Sai Kamphaeng Phet Road - The permanent border crossing point Huai Kon / Blue (Highway 101), Thung Chang Sub-district, Thung Chang District, Nan Province	Mrs. Jintana Boonsalee	No	54 baht per square metres
18. Pua Branch Office	Land and a 3-story commercial building	275.04 square metres	No. 33 Moo 5, Sai Pua-Santisuk Road (Highway 1081), Worankorn Sub-district, Pua District, Nan Province	Mrs. Jintana Boonsalee	No	30 baht per square metres

Asset Appraisal Transaction	Types of Asset	Area	Location	Ownership	Encumbrance	Appraisal price of the market rental per month
19. Tha Wang Pha Branch Office	Land and a 2-story and a half commercial building (2 units)	288 square metres	No. 224/2 Moo 4, Kamphaeng Phet Road - Huai Kon Permanent Border Crossing Point/Blue (Highway 101), Tha Wang Pha Sub-district, Tha Wang Pha District, Nan Province	Mrs. Jintana Boonsalee	No	25 baht per square metres
20. Hang Chat Branch Office	Land and a 3-story commercial building	675 square metres	No. 79/1 Moo 1 Hang Chat-Thung Kwian Road (Highway 1035) Hang Chat Sub-district, Hang Chat District, Lampang Province	Mrs. Jintana Boonsalee	No	40 baht per square metres
21. Thoen Branch Office	Land and a 3-story commercial building with basement	384 square metres	No. 196/21, 196/22 Moo 7, Phahonyothin Sai Kao Road, Lom Raet Sub-district, Thoen District, Lampang	Mrs. Jintana Boonsalee	No	40 baht per square metres
22. Mae Tha Branch Office	Land and commercial building 3 stories high with basement	352 square metres	No. 84 Moo 4 Ban Fon Road - Lampang Road Construction Center (Highway 1036) Nkrua Sub-district, Mae Tha District, Lampang Province	Mrs. Jintana Boonsalee	No	43 baht per square metres
23. Ton Yang Branch Office	Land and a 2-story commercial building	288 square metres	No. 260/6 Moo 13 Phaholyothin Road (Highway 1), Phichai Sub-district, Muang Lampang District, Lampang Province	Mrs. Jintana Boonsalee	No	42 baht per square metres
24. Huai Rak Mai Branch Office	Land and a single-story commercial building	Building area 116.8 square metres; Area around the building 793.6 square metres	No. 346 Moo 11, Sai Rong Fai Fah Road - Ban Mai (Sor Por. 2004), Mae Mo Sub-district, Mae Mo District, Lampang Province	Mrs. Jintana Boonsalee	No	Building area 35 baht per square metres; Area around the building 11 baht per square metres

Asset Appraisal Transaction	Types of Asset	Area	Location	Ownership	Encumbrance	Appraisal price of the market rental per month
25. Lampang Branch Office	Land and a 3-story commercial building with mezzanine	235 square metres	No. 40 Lampang - Mae Mo Road (Highway 11), Phra Bat Sub-district, Muang Lampang District, Lampang Province	Mrs. Jintana Boonsalee	No	30 baht per square metres
26. Wat Bot Branch Office	Land and a 3-story commercial building	385.32 square metres	No. 115/8-9 Moo 4 Phitsanulok-Wat Bot Road, Wat Bot Sub-district, Wat Bot District, Phitsanulok Province	Mrs. Jintana Boonsalee	No	39 baht per square metres
27. Sri Nakhon Branch Office	Land and a 2-story commercial building	468 square metres	No. 206/1 Moo 9, Sri Nakhon-Uttaradit Road (Highway 1180), Sri Nakhon Sub-district, Sri Nakhon District, Sukhothai Province	Mrs. Jintana Boonsalee	No	54 baht per square metres
28. Mae Sin Branch Office	Land and a single-story commercial building	Building area 189 square metres; Area around the building 230 square metres	No. 443, Moo 6, Si Satchanalai Road - Den Chai (Highway 1177), Mae Sin Sub-district, Si Satchanalai District Sukhothai Province	Mrs. Jintana Boonsalee	No	Building area 45 baht per square metres; Area around the building 16 baht per square metres
29. Ban Dan Lan Hoi Branch Office	Land and a 2-story commercial building	Building area 256 square metres; Area around the building 220 square metres	No. 209 Moo 1, Jarod Withi Thong Road (Highway 12), Lan Hoi Sub-district, Ban Dan Lan Hoi District, Sukhothai Province	Mrs. Jintana Boonsalee	No	Building area 50 baht per square metres; Area around the building 15 baht per square metres

Asset Appraisal Transaction	Types of Asset	Area	Location	Ownership	Encumbrance	Appraisal price of the market rental per month
30. Si Thep Branch Office	Land and a 3-story commercial building with mezzanine	Building area 448 square metres; Area around the building 49 square metres	No. 178, 179 Moo 12, Saraburi-Lom Sak Road (Highway 21), Sakrit Sub-district, Si Thep District, Phetchabun Province	Mrs. Jintana Boonsalee	No	Building area 23 baht per square metres; Area around the building 7 baht per square metres
31. Wang Chin Branch Office	Land and a 2-story commercial building	Building area 224 square metres; Area around the building 135.2 square metres	No. 168/11, Moo 7, Phrae-Wang Chin Road (Highway 1023), Wang Chin Sub-district, Wang Chin District, Phrae Province	Mrs. Jintana Boonsalee	No	Building area 35 baht per square metres; Area around the building 12 baht per square metres

Corporate Governance Policy and Business Ethics

Please see details on the company website www.saksiam.com



Report of the Audit Committee

The Audit Committee is appointed by the Board of Directors, which consists of 3 independent directors whose qualifications meet the Stock Exchange of Thailand's requirements and the SEC Office having the names of which as follow:

- | | |
|-------------------------------|---------------------------------|
| 1) Mr. Suphot Singhasaneh | Chairman of the Audit Committee |
| 2) Mrs. Nantana Sangkavichitr | Audit Committee |
| 3) Miss Somboon Supasiripinyo | Audit Committee |

The Audit Committee performs its duties with prudence, independence, honest opinion, transparent in accordance with good corporate governance principles. In the fiscal year of 2021, the Company has an adequate and appropriate internal control system and risk management. There is a process that helps to ensure that the performance of the company in accordance with the relevant laws, with good corporate governance, as well as the preparation of accurate financial reports in all material aspects according to the financial reporting standards and disclosure of the Company's integral and reliable financial report. The essence of their duties as follows:

- 1. Reviewing financial reports** - the Audit Committee has verified and reviewed the 2021 of financial statements that may have conflicts of interest to ensure that the Company's financial reports prepared as it should be in accordance with financial reporting standards. The financial statements shall be accurate, reliable, contain important and sufficient information, prepared in timely manner to users of financial statements, in accordance with applicable laws, other notices, rules of the Stock Exchange of Thailand and the SEC Office.
- 2. Reviewing internal control and internal audit systems** - the Audit Committee has received an internal audit report, then proceeded to consider important issues and provided advices together with useful comments to ensure that the internal control process can prevent or reduce errors in the work including suitability and sufficiency of human resources and independence of the internal audit department. The Audit Committee is of the opinion that the internal control system and internal audit of the Company is appropriate, adequate and effective as well as the performance of the internal audit department is conducted independently and fairly.
- 3. Reviewing legal compliance** - The Audit Committee has reviewed the Company's performance in accordance with the law or other requirements related to the business of the Company including the Company's anti-corruption policy and captured changes in rules that might affect the Company's business operations.
- 4. Reviewing connected transactions or transaction that may lead to conflicts of interest** - the Audit Committee has reviewed connected transactions or transaction that may lead to conflicts of interest of the Company. The Company adhere to the principles of justice and reasonableness and taking into account the interests of all stakeholders and adequate information disclosure, which the Company has complied with the regulations of the Stock Exchange of Thailand and the SEC Office.
- 5. Selection and Nomination of External Auditor, and Audit Fee** - the Audit Committee has selected the auditors and determined their remuneration for the year 2021 to propose to the Board of Directors by considering performance, independence, competence, experience and appropriateness of

the auditor's remuneration in the past year. Therefore, the former auditor from PricewaterhouseCoopers ABAS Ltd. was selected. The names of auditors are as follow:

- 1) Miss Sakuna Yamsakul CPA License no. 4906 and/or
- 2) Mr. Boonlert Kamolchanokkul CPA License no. 5339 and/or
- 3) Miss Sinsiri Thangsombat CPA License no. 7352

6. **Reviewing the Audit Committee Charter** - the Audit Committee has reviewed the Audit Committee Charter from time to time and at least once a year to ensure that the operation of the Audit Committee is efficient and up to date.

The Audit Committee has performed its duties in a prudent, vigilant, and independent manner with good cooperation from the Company's management in order to maximize the benefits of the Company and to be fairly to the shareholders. The Audit Committee has made a self-assessment of its performance for the year 2021 to ensure that the performance of duties of the Audit Committee is effective and achieve the assigned objectives.



(Mr. Suphot Singhasaneh)

Chairman of the Audit Committee



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