

One Report 2022



(56-1 ONE REPORT)





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Vision

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

Missions

1	2	3	4	5
Encourage every customer to have financial literacy, financial security and strong financial immunity.	Give importance to providing oversight and managing risks cautiously while overseeing debts according to good governance principles	Give importance to designing products and services that meet customers' needs by using technologies and databases	Commit firmly to being an organization of honesty and transparency to create lasting value for customers, shareholders, employees and society.	Commit to repaying society where the company is established by creating mutual and lasting value.

Business Objectives

- The company has set objectives for operating business in the next 4 years from 2022 to 2025 by developing and expanding upon new and varied financial loan products and expanding branches to cover the service areas of key regions within the country.
- The company has an objective to oversee and manage risks cautiously and to use the company's successful business in the Eastern Region as the company's business model.

Business Strategy

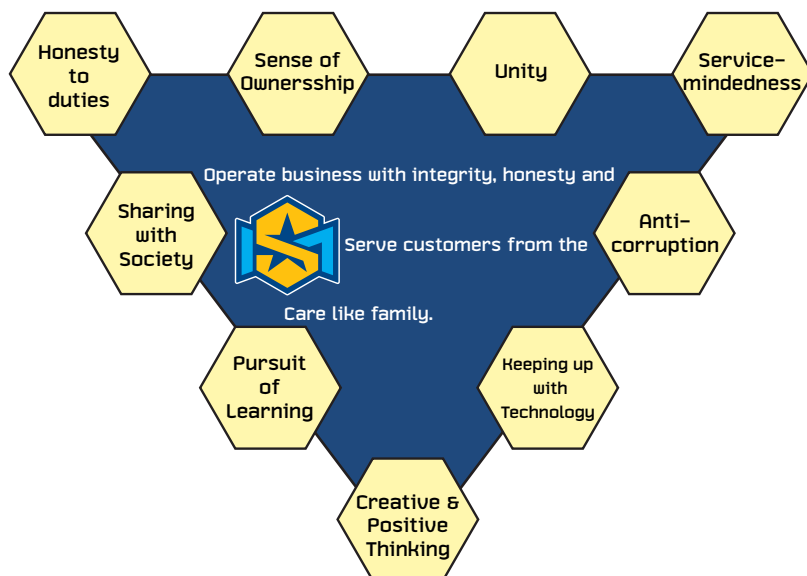
- Increase focus on commercial car loans and commercial hire purchase loans.
- Expand the customer base among companies/juristic persons.
- Increase service channels by opening minor branches, express branches, tele-sales channels, direct sales channels and mobile application sales channels to allow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

Organization Culture

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

Organization Values

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



General Information

Company Name Star Money Public Company Limited

Abbreviation SM

Company Registration 0107565000263

Business Type

Sale of electrical appliances for cash and by installment and provision of various loan services such as (1) regulated personal loans with vehicle registration as security; (2) regulated personal loans without vehicle registration as security; and (3) loans with security such as vehicle registration, land and structure, including non-life insurance broker services.

Registered and Paid-up Capital

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

Main Office

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

Telephone 061-393-9988

Fax -

Website www.starmoney.co.th

Email info@starmoney.co.th

Company Branches

Branch Office (1)

No. 10/35-37, No. 10/41-42 and No. 10/47, Rak Sak Chamun Road, Tha Chang Sub-district, Mueang Chanthaburi District, Chanthaburi Province.

Branch Office (2)

No. 57, Village No. 3, Thung Bencha Sub-district, Tha Mai District, Chanthaburi Province.

Branch Office (3)

No. 96/1, Village No. 4, Kaeng Hang Maeo Sub-district, Kaeng Hang Maeo District, Chanthaburi Province.

Branch Office (4)

No. 888/8, Village No. 1, Sukhumvit Road, Kong Din Sub-district, Klaeng District, Rayong Province.

Branch Office (5)

No. 239 Sukhumvit Road, Thang Kwian Sub-district, Klaeng District, Rayong Province.

Branch Office (6)

No. 269/37-39, Village No. 1, Chum Saeng Sub-district, Wang Chan District, Rayong Province.

Branch Office (7)

No. 93/14-17, Taksin Maharat Road, Tha Pradu Sub-district, Mueang Rayong District, Rayong Province.

Branch Office (8)

No. 235, Sukhumvit Road, Noen Phra Sub-district, Mueang Rayong District, Rayong Province.

Branch Office (9)

No. 44/21, Sukhumvit Road, Map Ta Phut Sub-district, Mueang Rayong District, Rayong Province.

Branch Office (10)

No. 199/25, Village No. 2, Nikhom Phatthana Sub-district, Nikhom Phatthana District, Rayong Province.

Branch Office (11)

No. 68/9, Village No. 3, Phala Sub-district, Ban Chang District, Rayong Province.

Branch Office (12)

No. 631, Village No. 1, Thetsaban Phatthana Road, Pluak Daeng Sub-district, Pluak Daeng District, Rayong Province.

Branch Office (13)

No. 278/6, Village No. 1, Ban Khai Sub-district, Ban Khai District, Rayong Province.

Branch Office (14)

No. 574/4, Village No. 1, Phana Nikhom Sub-district, Nikhom Phatthana District, Rayong Province.

Branch Office (15)

No. 4/13, Village No. 10, Phluang Sub-district, Khao Khitchakut District, Chanthaburi Province.

Branch Office (16)

No. 88/3-4, Village No. 11, Phlapphla Sub-district, Mueang Chanthaburi District, Chanthaburi Province.

Branch Office (17)

No. 255/22, Village No. 1, Ma Kham Sub-district, Ma Kham District, Chanthaburi Province.

Branch Office (18)

No. 12, Thetsaban Sai 4 Road, Tha Mai Sub-district, Tha Mai District, Chanthaburi Province.

Branch Office (19)

No. 349/25, Village No. 2, Wang Kra Chae Sub-district, Mueang Trat District, Trat Province.

Branch Office (20)

No. 426/8, Village No. 1, Saen Tung Sub-district, Khao Saming District, Trat Province.

Branch Office (21)

No. 63/208, Village No. 2, Thung Khwai Kin Sub-district, Klaeng District, Rayong Province.

Branch Office (22)

No. 7/13, Village No. 3, Ka Chet Sub-district, Mueang Rayong District, Rayong Province.

Branch Office (23)

No. 124/15, Village No. 3, Phe Sub-district, Mueang Rayong District, Rayong Province.

Branch Office (24)

No. 85/254, Village No. 1, Choeng Noen Sub-district, Mueang Rayong, Rayong Province.

Branch Office (25)

No. 20/48, Village No. 2, Phlu Ta Luang Sub-district, Sattahip District, Chon Buri Province.

Branch Office (26)

No. 81/19, Village No. 5, Sattahip Sub-district, Sattahip District, Chon Buri Province.

Branch Office (27)

No. 166/10, Village No. 9, Na Chom Thian Sub-district, Sattahip District, Chon Buri Province.

Branch Office (28)

No. 354/4, Ban Bueng Sub-district, Ban Bueng District, Chon Buri Province.

Branch Office (29)

No. 207/210, Village No. 6, Bo Win Sub-district, Si Racha District, Chon Buri Province.

Branch Office (30)

No. 444/30, Village No. 3, Bo Win Sub-district, Si Racha District, Chon Buri Province.

Branch Office (31)

No. 9/23, Village No. 3, Nong Chak Sub-district, Ban Bueng District, Chon Buri Province.

Branch Office (32)

No. 89, Maharat Road, Talat Sub-district, Mueang Chanthaburi Province.

Branch Office (33)

No. 554, 2nd Floor, Room No. A2-001, Sukhumvit Road, Noen Phra Sub-district, Mueang Rayong District, Rayong Province.

Branch Office (34)

No. 99, 99/1, 2nd Floor, Room No. 228/2, Bang Na-Trat Road, Choeng Noen Sub-district, Mueang Rayong District, Rayong Province.

Branch Office (35)

No. 226, Village No. 4, Map Yang Phon Sub-district, Pluak Daeng District, Rayong Province.

Branch Office (36)

No. 156, Village No. 2, Thap Ma Sub-district, Mueang Rayong District, Rayong Province.

Branch Office (37)

No. 200/1-4, Sukhumvit Road, Thang Kwian Sub-district, Klaeng District, Rayong Province.

Branch Office (38)

No. 155/74, Village No. 2, Thap Ma Sub-district, Mueang Rayong District, Rayong Province.

Branch Office (39)

No. 24/7, Village No. 4, Sattahip Sub-district, Sattahip District, Chon Buri Province.

Branch Office (40)

No. 77/12, Village No. 1, Nong Prue Sub-district, Bang Lamung District, Chon Buri Province.

Branch Office (41)

No. 173/20, Village No. 6, Nong Prue Sub-district, Bang Lamung District, Chon Buri Province.

Branch Office (42)

No. 87/6, Village No. 5, Na Kluea Sub-district, Bang Lamung District, Chon Buri Province.

Branch Office (43)

No. 552/193, Village No. 11, Nong Kham Sub-district, Si Racha District, Chon Buri Province.

Branch Office (44)

No. 135/137, Village No. 2, Surasak Sub-district, Si Racha District, Chon Buri Province.

Branch Office (45)

No. 65/40, Village No. 7, Surasak Sub-district, Si Racha District, Chon Buri Province.

Branch Office (46)

No. 101/230, Village No. 3, Samet Sub-district, Mueang Chon Buri District, Chon Buri Province.

Branch Office (47)

No. 118/9, Village No. 1, Samet Sub-district, Mueang Chon Buri District, Chon Buri Province.

Branch Office (48)

No. 100/34, Village No. 6, Kut Ngong Sub-district, Phanat Nikhom District, Chon Buri Province.

Branch Office (49)

No. 145/2, Village No. 8, Thung Sukhla Sub-district, Si Racha District, Chon Buri Province.

Branch Office (50)

No. 27/3, Village No. 10, Phan Thong Sub-district, Phan Thong District, Chon Buri Province.

Branch Office (51)

No. 97/8, Village No. 7, Ban Kao Sub-district, Phan Thong District, Chon Buri Province.

Branch Office (52)

No. 4/36, Sunthon Wohan 9 Alley, Thang Kwian Sub-district, Klaeng District, Rayong Province.

Branch Office (53)

No. 235/32, Village No. 5, Nong Prue Sub-district, Bang Lamung District, Chon Buri Province.

Branch Office (54)

No. 209/8, Village No. 10, Nong Prue Sub-district, Bang Lamung District, Chon Buri Province.

Branch Office (55)

No. 135/17, Sukhumvit Road, Si Racha Sub-district, Si Racha District, Chon Buri Province.

Branch Office (56)

No. 9/206, Village No. 11, Bang Pakong Sub-district, Bang Pakong District, Chachoengsao Province.

Branch Office (57)

No. 376/10 Sukprayun Road, Na Mueang Sub-district, Mueang Chachoengsao, Chachoengsao Province.

Branch Office (58)

No. 715-716, Village No. 1, Phanom Sarakham Sub-district, Phanom Sarakham District, Chachoengsao Province.

Branch Office (59)

No. 166/13, Village No. 2, Tha Than Sub-district, Phanom Sarakham District, Chachoengsao Province.

Branch Office (60)

No. 54, Rabiapkit Anuson Road, Bang Kla Sub-district, Bang Kla District, Chachoengsao Province.

Branch Office (61)

No. 108/6, Village No. 1, Patong Sub-district, Soi Dao District, Chanthaburi Province.

Branch Office (62)

No. 9/35, Village No. 1, Thap Sai Sub-district, Pong Nam Ron District, Chanthaburi Province.

Branch Office (63)

No. 136/126-127, Village No. 9, Ban Suan Sub-district, Mueang Chon Buri District, Chon Buri Province.

Branch Office (64)

No. 111/5, Long Hat Bang Saen Road, Saen Suk Sub-district, Mueang Chon Buri District, Chon Buri Province.

Branch Office (65)

No. 239/19, Village No. 2, Bang Phra Sub-district, Si Racha District, Chon Buri Province.

Branch Office (66)

No. 339/67, Village No. 10, Tha Tum Sub-district, Si Maha Pho District, Prachin Buri Province.

Branch Office (67)

No. 47/2, Village No. 2, Prachantakham Sub-district, Prachantakham District, Prachin Buri Province.

Branch Office (68)

No. 194/10, Rat Damri Road, Na Mueang Sub-district, Mueang Prachin Buri District, Prachin Buri Province.

Branch Office (69)

No. 140/6, Thetsaban Damri Road, Na Mueang Sub-district, Mueang Prachin Buri District, Prachin Buri Province.

Branch Office (70)

No. 20/11, Maha Chakaphat Road, Na Mueang Sub-district, Mueang Chachoengsao District, Chachoengsao Province.

Branch Office (71)

No. 159/3, Village No. 4, Nikhom Phatthana Sub-district, Nikhom Phatthana District, Rayong Province.

Branch Office (72)

No. 29/5, Village No. 13, Taphong Sub-district, Mueang Rayong District, Rayong Province.

Branch Office (73)

No. 114/341, Village No. 7, Phlu Ta Luang Sub-district, Sattahip District, Chon Buri Province.

Branch Office (74)

No. 37/39, Village No. 5, Samnak Thon Sub-district, Ban Chang District, Rayong Province.

Branch Office (75)

No. 456, Village No. 1, Ta Sit Sub-district,
Pluak Daeng District, Rayong Province.

Branch Office (76)

No. 259/16, Village No. 2 Huai Thap Mon Sub-district,
Khao Chamao District, Rayong Province.

Branch Office (77)

No. 121/1, Village No. 3, Bueng Sub-district,
Si Racha District, Chon Buri Province.

Branch Office (78)

No. 135/4, Village No. 14, Khu Yai Mi Sub-district,
Sanam Chai Khet District, Chachoengsao Province.

Branch Office (79)

No. 140, Suwannason Road, Sa Kaeo Sub-district,
Mueang Sa Kaeo District, Sa Kaeo Province.

Branch Office (80)

No. 90/1, Village No. 2, Wang Yen Sub-district,
Wang Yen District, Sa Kaeo Province.

Branch Office (81)

No. 447, Village No. 10, Wang Sombun Sub-district,
Wang Sombun District, Sa Kaeo Province.

Branch Office (82)

No. 379/272, Village No. 10, Nong Ki Sub-district,
Kabin Buri District, Prachin Buri Province.

Branch Office (83)

No. 227/17, 227/18, Udon Dutsadi Road, Mak Khaeng
Sub-district, Mueang Udon Thani District, Udon Thani Province.

Branch Office (84)

No. 440/5, Mittrapap-Nong Khai Road, Nai Mueang
Sub-district, Mueang Nakhon Ratchasima District,
Nakhon Ratchasima Province.

Branch Office (85)

No. 3, Room No. PG522, Sun Kan Kha Sai 5 Lane,
Sukhumvit Road, Tha Pradu Sub-district, Mueang
Rayong District, Rayong Province.

Branch Office (86)

No. 1/21, Village No. 1, Nong Bua Sub-district,
Ban Khai District, Rayong Province.

Branch Office (87)

No. 112/2, Village No. 3, Sattahip Sub-district,
Sattahip District, Chon Buri Province.

Branch Office (88)

No. 9/21-23, Village No. 1, Nong Sak Sub-district,
Ban Bueng District, Chon Buri Province.

Branch Office (89)

No. 11/30, Sukhumvit Road, Khlung Sub-district,
Khlung District, Chanthaburi Province.

Branch Office (90)

No. 237/53, Village No. 8, Plaeng Yao Sub-district,
Plaeng Yao District, Chachoengsao Province.

Branch Office (91)

No. 239/14, Village No. 4, Si Maha Pho Sub-district,
Si Maha Pho District, Prachin Buri Province.

Branch Office (92)

No. 56/26, Village No. 6, Ban Suan Sub-district,
Mueang Chon Buri District, Chon Buri Province.

Branch Office (93)

No. 18/278-279, Village No. 3, Surasak Sub-district,
Si Racha District, Chon Buri Province.

Branch Office (94)

No. 245, Village No. 8, Mueang Kao, Kabin Buri
District, Prachin Buri Province.

Branch Office (95)

No. 3/42-44 Village No.5, Phluang Subdistrict, Khao
Khitchakut District Chanthaburi Province

Branch Office (96)

No. 333 Village No.7, Ban Kao Subdistrict, Phan
Thong District, Chonburi Province

Branch Office (97)

No. 450/4Village No. 4, Koh Pho-Three Yaek Road,
Tha Boon Mee Sub-district, Koh Chan District
Chonburi Province

Branch Office (98)

No. 190/7 Village No. 1, Bangwua Subdistrict,
Bangpakong District Chachoengsao Province

Company Secretary/Investor Relations

Tel. 061-393-9988

Direct Line 084-559-1788

Email solossaya.kh@starmoney.co.th, ir@starmoney.co.th

References

- **Registrar**

Thailand Securities Depository Co., Ltd.
No. 93, Stock Exchange of Thailand Building,
14th Floor, Ratchadaphisek Road, Din Daeng
Sub-district, Din Daeng District, Bangkok
Metropolis 10400.
Tel. 0-2900-9999

- **Auditor**

EY Office Co., Ltd.
No. 193/136-137, Lake Ratchada Complex,
33rd Floor, Ratchadaphisek Road, Khlong
Toei Sub-district, Khlong Toei District,
Bangkok Metropolis 10110.
Tel. 0-2264-9090
Fax: 0-2264-0789

- **Financial Consultant**

KGI Securities (Thailand) PCL.
No. 173, Asia Center Building, 8-11th Floors,
Sathon Tai Road, Thung Mahamek Sub-district,
Sathon District, Bangkok Metropolis 10120.
Tel. 0-2658-8888
Fax: 0-2658-8000

- **Legal Consultant**

CMT Legal Counsellor Co., Ltd.
No. 75, Phueng Mi 11 Alley, Sukhumvit Road,
Bang Chak Sub-district, Phra Khanong
District, Bangkok Metropolis 10260.
Tel. 0-81836-7236
Fax: -

Important Financial Information

(Consolidated Financial Statement)

As of or For the Year Ending on 31 December	2020	2021	2022
Sales and service income	556.32	722.26	845.79
Hire Purchase interest income	34.83	58.33	85.12
Loan interest income	401.61	410.39	409.41
Fee and service income	12.76	14.59	13.96
Other income	25.37	31.85	45.16
Total Revenues	1,030.89	1,237.42	1,399.44
Cost of Sales	479.10	619.40	722.51
Selling Expenses	6.41	7.02	13.90
Administrative Expenses	320.93	338.47	400.32
Net Profit (Loss)	47.62	102.94	81.15
Total Assets	2,284.25	2,298.03	3,209.88
Total Liabilities	1,820.06	1,784.08	2,098.53
Shareholders' Equity	464.19	513.95	1,111.35
Financial Ratios			
Net Profit (Loss) Margin (%)	4.62	8.32	5.80
Return on Shareholders' Equity (%)	10.78	21.05	9.99
Return on Total Assets (%)	5.36	8.11	6.35
Net Dividend Payout Ratio (%)	0.00	154.46	54.22
Debt-to-Shareholders' Equity Ratio (times)	3.92	3.47	1.89
Net Profit (Loss) per Share (THB)	0.06	0.13	0.10
Dividend per Share (THB)	0.00	0.20	0.04
Book Value per Share (THB)	0.58	0.64	1.01
No. of Employees	600	619	717

Message from the Board

The Thai economy in 2022 experienced significant fluctuations due to both internal and external factors. The war between Russia and Ukraine has caused global inflation to reach decade-high levels with rapid increases in the price of energy and food products, leading to fluctuations in currency exchange rates and a reduced purchasing power parity. Although the spread of new Coronavirus-2019 strains (COVID-19) has been alleviated somewhat, and the tourism industry is gradually recovering, with household income in the country and the service sector experiencing steady recovery, a high level of household debts continues to cause sluggishness in the consumer sector.

For this year, the company still had to face challenges from intense competition within the main business industry, namely, the car-secured loan business and the financial loan and electrical appliance sales businesses. Nevertheless, the company continues to give greater priority to loan quality control to strengthen the capital structure, preserve the customer base and increase opportunities for new business growth with greater value than the main businesses such as the insurance broker business. In addition, the company is focusing on providing care and assistance to customers and has issued loan assistance measures to affected customers in line with the guidelines of the Bank of Thailand.

The company has a mission and determination to become a leader in the installment payment loan, hire purchase loan and consumer loan businesses under the concept of providing customers with financial literacy and strong financial immunity.

The company has always striven to operate business toward sustainable growth by adhering to good corporate governance principles. The company gives primary consideration to the interest of consumers and is determined to operate business with dedication, honesty and mindfulness toward society and everyone as a whole.

The company will operate business professionally and encourage all customers to gain financial knowledge and understanding, financial security and a strong financial immunity, and the company gives importance to governance, cautious risk management and debt oversight according to the principles of governance, and the company gives importance to designing

products and services that meet customer needs by using technologies and databases while firmly committing to an organizational culture of honesty and transparency. The company is determined to remain a business that considers all stakeholders in order to create lasting value for customers, shareholders, employees and society. The company is committed to rewarding communities where the company is established by creating mutual and lasting value.

In this year, Star Money took a major step to become a public limited company and found a key ally that will help the company achieve significant future growth, and this ally is Bualuang Ventures, an affiliated company of Bangkok Bank. Furthermore, the company achieved success in raising funds and has registered to become a member of the Stock Exchange of Thailand toward the end of 2022, and the company has objectives in operating business

in the next 4 years by continuously developing and expanding upon products and quickly seeking new and diverse financial services and expanding branches to cover the service areas in different key provinces of the country while cautiously providing risk management and oversight.

On behalf of the board of directors, I would like to express my gratitude to all shareholders, customers, trade partners and business allies for having given excellent support to the company, and I would like to thank the executive team and employees of Star Money for having played a major role in driving the company toward progress and becoming a strong organization.

-Signature-

Mr. Visit Ongpipattanakul
Chairman of the Board



Board of Directors



Mr. Visit Ongpipattanakul

- Chairman of the Board, Independent Director
- Audit Director



Mr. Vitiit Lavansthien

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



Mr. Pinit Ngamsopee

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



Mr. Senee Vacharasiritham

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



Mr. Chusak Uivatwongskasem

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



Mrs. Savitree Lavansathien

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



Mr. Surayut Lawansathien

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



Mr. Akeapop Lavansathien

- Director
- Executive Director
- Risk Management Director
- Deputy Managing Director of Corporate Business



Mr. Panukorn Chantaraprab

- Director



Part 1

Business Operation and Performance

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

1. Company Structure and Operation

1.1 Business Overview and Policy

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

Through the vision of the company’s executives in expanding business and registering the company and financing the company in the Stock Exchange of Thailand, in 2018 the company’s business was restructured through transfer of all product distribution businesses and other loan-related businesses of Thanathiwat to the current company, Star Money Public Company Limited (“company”), which has a registered and paid-up capital of 400 million baht, divided into 800 million shares with marked price at 0.50 baht per share. The company operates 2 main businesses as follows:

- (1) Distribution of household and commercial electrical appliances such as televisions, refrigerators, washing machines, air conditioners, mobile phones, computers, freezers, motor cycles and other devices for cash and by-installment payments.
- (2) Loan business covering various types of loans such as (1) regulated personal loans with vehicle registration as security; (2) regulated personal loans without vehicle registration as security; and (3) loans with security such as vehicle registration, land and structure.

As of 31 December 2022, the company has a total of 98 branches, divided into 16 main branches, 69 minor branches and 8 express branches, 2 HUB brancher along with 3 additional business support branches consisting of goods warehouses, auction grounds and registration centers.

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

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

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

Overall, the company’s branches offer services covering 7 provinces in the Eastern Region, namely, Rayong, Chanthaburi, Chon Buri, Trat, Chachoengsao, Prachin Buri and Sa Kaeo, and 2 provinces in the Northeastern Region, namely

Udon Thani and Nakhon Ratchasima. The company plans to expand its loan businesses to cover other related services such as non-life insurance broker services and customer loan guarantee services, etc. in other regions of Thailand in the future.

1.1.1 Vision, Mission, Goals and Strategies

Vision

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

Mission

The company has a mission to its stakeholders as follows:

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

Organizational Culture

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

Business Goals

The company has set the following business goals:

- The company has set a business goal for the next 4 years from 2022 to 2025 to develop and expand upon new and diversified financial loan products and increase branches to cover the service areas of the country's key provinces.
- The company has a goal to supervise risk management with caution and to use the company's successful business format in the Eastern Region as its business model.

Business Strategies

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

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

1.1.2. Significant Changes and Development

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

Year	Significant Developments
2016	<ul style="list-style-type: none"> Star Money Co., Ltd. (“company”) was established with a registered capital of 80 million baht, divided into 800,000 shares with marked price per share of 100 baht, to operate a secured loan business with a main office located at Mueang Chanthaburi District Chanthaburi Province. The company increased its registered capital by 220 million baht from 80 million baht to 300 million baht through the issuance of 2.20 million capital increase shares with a marked price of 100 baht per share. This was done to support the growth of the company’s secured loan business. The company opened 13 service branches in Rayong Province and Chanthaburi Province. By the end of 2016, the company had 13 branches total.
2017	<ul style="list-style-type: none"> The company opened an additional 43 service branches in Rayong Province, Chanthaburi Province, Chon Buri Province and Trat Province. By the end of 2017, the company had 56 branches total.
2018	<ul style="list-style-type: none"> Business restructuring caused the company to receive transfer of all product sales and secured loan businesses of Thanathiwat. (Currently, Thanathiwat is not operating a business that competes with the company.) The company opened 22 additional service branches in Rayong Province, Chanthaburi Province, Chon Buri Province, Prachin Buri Province and Chachoengsao Province. By the end of 2018, the company had 78 branches total.
2019	<ul style="list-style-type: none"> On 5 June 2019, the company was authorized to become a non-life insurance broker pursuant to the Non-Life Insurance Act, B.E. 2535 (1992), in the category of direct management to provide insurance by the Office of Insurance Commission (OIC). The company started operating the non-life insurance broker business. On 30 August 2019, the company received permission to operate a personal loan business under the supervision of the Ministry of Finance. The company increased its capital by 100 million baht from 300 million baht to 400 million baht by issuing 1 million capital increase ordinary shares at the marked price of 100 baht per share to support the company’s secured loan business. The company closed 1 service branch and opened 6 additional service branches in Chon Buri Province, Chachoengsao Province and Sa Kaeo Province. By the end of 2019, the company had 83 branches total.
2020	<ul style="list-style-type: none"> On 16 January 2020, the company received authorization to operate a minor loan business for professional occupations under supervision (nano finance loans) by the Ministry of Finance. On 1 July 2020, the company began providing supervised non-car-secured personal loan services for use as insurance premium in the “0% interest insurance project” The company opened 1 additional service branch in Udon Thani Province. By the end of 2020, the company had 84 branches total.

Year	Significant Developments
2021	<ul style="list-style-type: none"> The company closed 1 service branch and opened 2 new service branches in Nakhon Ratchasima Province and Rayong Province. By the end of 2021, the company had 85 branches total. The company received appointment to be a non-life insurance broker for over 11 insurance companies by the end of 2021.
2022	<ul style="list-style-type: none"> On 1 April 2022, at the general meeting of shareholders of 2022, the company passed a resolution to become a public limited company under the name "Star Money Public Company Limited", along with a resolution to increase registered capital by 150 million baht from 400 million baht to 550 million baht through the issuance of 300 million capital increase ordinary shares with a marked price of 0.50 baht per share for the initial public offering (IPO). The company registered to become a public company with the Ministry of Commerce on 7 April 2022. The company became traded in the Stock Exchange of Thailand under the stock name "SM" on 20 December 2022. By the end of 2022, the company had 98 branches total.

1.1.3. Objectives of the Utilization

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

Objectives of the Utilization	Approximate Amount Spent (million THB)	Approximate Duration of Spending
1) Expanding business, new branches and related business such as non-life insurance brokerage and life insurance etc.	409.00	Year 2023–2026
2) Partial repayment of loans from financial institution	146.00	Year 2023
3) Working capital	28.01	Year 2023
Total	583.01	

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

-None.-

1.1.5 Company Information

Star Money Public Company Limited,

Registration No. 0107565000263, operates business in the sale of electrical appliances for cash and by installment and provision of various loan services such as (1) regulated personal loans with vehicle registration as security; (2) regulated personal loans without vehicle registration as security; and (3) loans with security such as vehicle registration, land and structure, including non-life insurance broker services.

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

Tel.: 061-393-9988

Fax: -

Website: www.star.money.co.th

Email: info@star.money.co.th

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

1.2 Nature of Business

The company's main businesses are divided into 2 types as follows:

(1) Product Sales Business

The company sells household and commercial electrical appliances such as televisions, refrigerators, washing machines, air conditioners, mobile phones, computers, freezers, motorcycles and other devices in exchange for cash payments and installment payments, which are done through hire purchase agreements. These products are sold through "Star Money" stores in Rayong Province Chonburi Province Prachin Buri Province and Chanthaburi Province as well as e-marketplace platforms.

(2) Loan Business

The company provides (1) regulated personal loans with vehicle registration for security; (2) regulated personal loans without vehicle registration for security; and (3) secured loans with vehicle registrations, land and structures for security, where loan security includes motorcycle registration books, registration books of cars with no more than 7 seats and registration books of commercial cars, whether they are pickup trucks, vans, trucks, etc., including title deeds to land with structures. In addition, the company operates with the "Trust us for your comfort" slogan and offers loans through the company's branches, which cover both the Eastern Region and important provinces in the Northeastern

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

1.2.1 Revenue Structure

The company's revenue structure by business type according to the financial statement for the years 2020–2022 can be shown as follows:

Revenue Type	2020		2021		2022	
	Million THB	%	Million THB	%	Million THB	%
Sales and service income	556.32	53.97	722.26	58.37	845.79	60.44
Hire Purchase interest income	401.61	38.96	410.39	33.17	409.41	29.25
Loan interest income	34.83	3.38	58.33	4.71	85.12	6.08
Total Main Revenues from Business	992.76	96.31	1,190.98	96.25	1,340.32	95.77
Fee and service income	12.76	1.23	14.59	1.18	13.96	1.00
Other income	25.37	2.46	31.85	2.57	45.16	3.23
Total	1,030.89	100.00	1,237.42	100.00	1,399.44	100.00

The company's main revenues are derived from

- 1) revenue from sales by 53.97% 58.37% and 60.44% of the total revenues from 2020 to 2022 respectively
- 2) interest revenue from loans by 38.96% 33.17% and 29.25% of the total revenues from 2020 to 2022 respectively; and
- 3) interest revenue from hire purchase agreements by 3.38% 4.71% and 6.08% of the total revenues from 2020 to 2022 respectively.

The revenues not derived from main business activities include revenues from fees and services and other revenues, such as revenue from commission fees from the non-life insurance broker business, revenue from bad debts received back, revenue from promotion of other sales, interest revenue from employee welfare loans, net profit from asset sales and interest revenue from bank deposits, etc.

1.2.2 Products and Services

(1) Nature of Products and Services and Business Innovations

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

Cash and Installment Electrical Appliance Sales Business (Hire Purchase)

Product Type	Product Examples	Product Brand Examples
Televisions		Aconatic, Altron, Haier, LG, Panasonic, Philips, Samsung, Skyworth, TCL, Toshiba
Refrigerators		Haier, Hitachi, LG, Mitsubishi, Panasonic, Samsung, Toshiba
Washing Machines		Beko, Haier, Hitachi, LG, Panasonic, Samsung, Toshiba
Air Conditioners		Aconatic, AJ, Daikin, Haier, Hitachi, LG, Midea, Mitsubishi, Panasonic, Saijo Denki, Samsung, Toshiba
Mobile Phones		Apple, Huawei, Oppo, Samsung, Vivo
Computers		Acer, Asus, Dell, HP, MD Tech
Freezers		Aconatic, Fresher, Haier, Panasonic, The Cool
Motorcycles		Honda, Yamaha
Other Electrical Appliances		Haier, Hitachi, Mazuma, MD, Nano, Panasonic, Philips, Tefal, Toshiba, Standard

Revenue from Sales by Products

Item	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
Electrical Appliances ⁽¹⁾	488.06	87.73	514.98	71.30	524.56	62.02
Mobile Phones	55.02	9.89	180.50	24.99	294.60	34.83
Computers	5.67	1.02	19.70	2.73	25.17	2.98
Motorcycles	7.57	1.36	7.08	0.98	1.46	0.17
Total	556.32	100.00	722.26	100.00	845.79	100.00

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

Most of the company's product sales revenues are derived from household electrical appliances in the categories of televisions, refrigerators, washing machines and air conditioner. The percentage of product to total revenue from sales in year 2020 to 2023 are 83.73%, 71.30% and 62.02%. Due to products are daily life amenities that are more attractive for customers to buy than other types of products. Secondary is Telephone and percentage of telephone product to total revenue from sales in year 2020 to 2023 are 9.89%, 24.99% and 34.83%. respectively.

Sales Channels

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

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

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

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

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

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

1) Standalone Branches : 14 branches.

Store Name : Star Money.

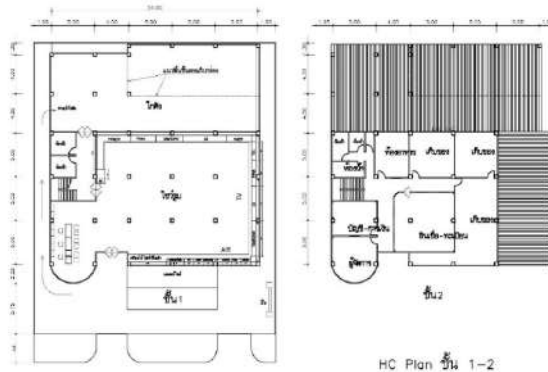
Branch Description : Commercial buildings located in high-potential communities.

Business Days : Monday–Saturday.

Business Hours : 8:30 am–5:30 pm.

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

Branch Layout Example :



Example:



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

2 branches.

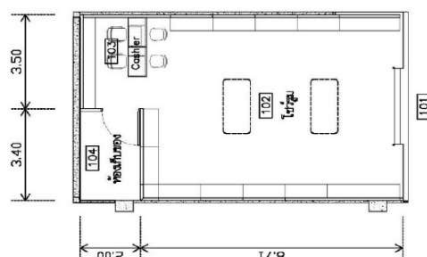
Store Name : Star Money.

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

Business Days : Monday–Sunday (every day).

Business Hours : 10:30 am–8:30 pm.

Branch Layout Example :



Example:



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

Item	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
1. Standalone Branches	526.09	94.57	676.52	93.67	778.48	92.04
2. Non-standalone Branches	30.23	5.43	42.37	5.86	56.98	6.74
3. Online	0.00	–	3.37	0.47	10.33	1.22
Total	556.32	100.00	722.26	100.00	845.79	100.00

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

launched express branches in March 2022.

Product Sales Format

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

Item	million THB	%	million THB	%	million THB	%
Cash sales	140.89	25.33	124.60	17.25	111.15	13.14
Installment sales	415.43	74.67	597.66	82.75	734.64	86.86
Total	556.32	100.00	722.26	100.00	845.79	100.00

The most of revenue from sales are product sales with installment payments. The percentage of installment sales to total revenue from sales in year 2020 to 2023 are 74.67%, 82.75% and 86.86%, respectively. The details of each type of product sales can be described as follows:

1) Cash Payment Product Sales

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

certificate, copies of the national identification cards of juristic person directors, commercial registration, income statements, directors' house registration copies and project map (if customers are condominium projects), etc.

2) Installment Payment Product Sales (Hire Purchase)

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

Hire Purchase Agreement Terms and Specifications (Product Fact Sheet)

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

In the years from 2020 to 2022, the company's hire purchase loan figures and number of hire purchase agreements each year, and value of the outstanding hire purchase agreements were as follows:

Figures for New Hire Purchase Agreements Each Year by Loan Type

Hire Purchase Loan Type	2020		2021		2022	
	Million THB	%	Million THB	%	Million THB	%
Electrical Appliances ⁽¹⁾	350.71	84.42	397.12	66.45	418.61	56.98
Mobile Telephones	53.30	12.83	175.80	29.41	290.98	39.61
Computers	4.39	1.06	18.25	3.05	23.76	3.23
Motorcycles	7.03	1.69	6.49	1.09	1.29	0.18
Total	415.43	100.00	597.66	100.00	734.64	100.00

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

Number of New Hire Purchase Agreements Each Year by Loan Type

Hire Purchase Loan Type	2020		2021		2022	
	Number of Agreement	%	Number of Agreement	%	Number of Agreement	%
Electrical Appliances ⁽¹⁾	31,931	83.83	34,240	66.83	28,153	63.13
Mobile Telephones	5,769	15.15	15,993	31.21	15,497	34.75
Computers	226	0.59	861	1.68	934	2.09
Motorcycles	165	0.43	145	0.28	12	0.03
Total	38,091	100.00	51,239	100.00	44,596	100.00

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

Annual Outstanding Hire Purchase Debtors by Type

Hire Purchase Loan Type	2020		2021		2022	
	Million THB	%	Million THB	%	Million THB	%
Electrical Appliances ⁽¹⁾	77.66	69.63	109.84	61.70	134.17	50.36
Mobile Telephones	19.77	17.72	51.81	29.09	116.76	43.83
Computers	1.60	1.44	7.21	4.05	11.05	4.15
Motorcycles	12.50	11.21	9.18	5.16	4.41	1.66
Total	111.53	100.00	178.04	100.00	266.39	100.00

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

Table Showing the Hire Purchase Performance of the Company

Performance	As of 31 December		
	2020	2021	2022
	%	%	%
Loan Yield ⁽¹⁾	29.94	40.28	38.30
Non Performing Loans Ratio ⁽²⁾	2.48	2.52	5.82

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

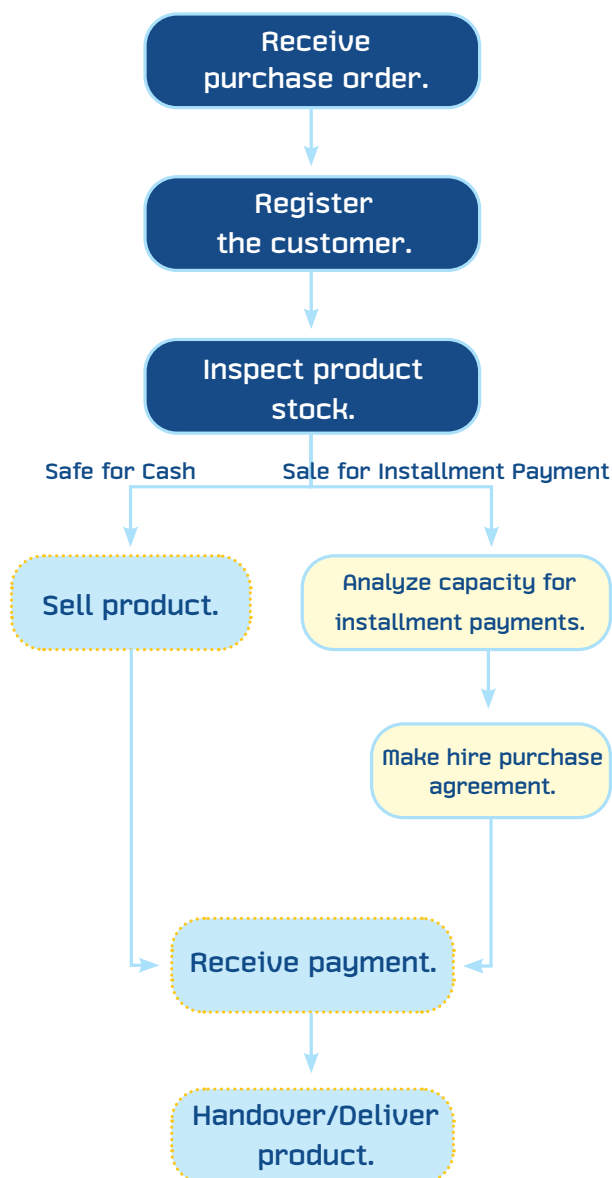
⁽²⁾ The ratio of non-performing loans to total gross hire purchase loans is the value of non-performing loans divided by the total value of the loan portfolio (including non-performing loans before the deduction of loan loss provisions)



Customer Types and Target Customer Groups of the Product Retail Business

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

Product Sales Procedure



1) Receive purchase order.

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

2) Register the customer.

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

3) Inspect products in stock.

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

4) Receive payment.

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

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

5) Handover/Deliver products.

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

6) Analyze capacity for installment payments.

The sales staff analyzes the customer's capacity for making installment payments based on income information and, if the customer is an old customer, debt repayment history (if any), in order to calculate the installment amounts and numbers that are suitable to the customer and the installment payment conditions for each product type. For example, for old customers (Grade A or Grade B), can use services to make installment purchases of mobile phones and computers without making the first down or installment payment, but new customers are required to make a down payment amounting to at least 10%, and, after performing analysis of installment payment capabilities, the sales staff will send information to the loan consideration department for further authorization.

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

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

Product Procurement

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

Product Brand	Supplier
ACONATIC	Hifi Orient Thai PCL.
ALTRON	Thai Habel Industrial Co., Ltd.
DAIKIN	Siam Diakin Sales Co., Ltd.
FRESHER	Fresher Co., Ltd.
HAIER	Haier Electrical Appliances (Thailand) Co., Ltd.
HATARI	Hatari Electric Co., Ltd.
HITACHI	Hitachi Sales (Thailand) Co., Ltd.
MITSUBISHI	Mitsubishi Electric Kang Yong Watana Co., Ltd.
LG	LG Electronics (Thailand) Co., Ltd.
PANASONIC	Panasonic A.P. Sales (Thailand) Co., Ltd. Panasonic Siew Sales (Thailand) Co., Ltd.

Product Brand	Supplier
PHILIPS	Philips (Thailand) Co., Ltd. Inanos (Thailand) Co., Ltd.
SAMSUNG	Thai Samsung Electronics Co., Ltd.
SIS	AIS Distribution Co., Ltd.
TCL	TCL Electronics (Thailand) Co., Ltd.
THE COOL	The Cool Co., Ltd.
TOSHIBA	Toshiba Thailand Co., Ltd.
USTECS	UST ECS (Thailand) Co., Ltd.
WTG	Welltech Group Co., Ltd.
Others	Big Camera Corporation PCL., Pro Engineering Service Co., Ltd., Synnex (Thailand) PCL., etc.

Warehouse Management

The company has 1 central warehouse for electrical appliances, namely, the new shipping warehouse, and 16 in-branch warehouses for a total of 17 warehouses. The company uses the central warehouse for product storage and distribution and to support the distribution of products among 5 branches that have little warehouse storage space. In the event that products run out of stock in any branch, the company will inspect the product stocks of nearby branches and transfer products between them to make stock management more effective. Accordingly, the company counts the products in the central warehouse and branch warehouses every month, and the warehouse staff works together with the accounting staff to verify the actual products in stock and the products stated to be available in the system. Additionally, the company has product safety management mechanisms in place to prevent potential damage such as the following:

- Provide security guards and/or employees for there to be 24-hour presence at the central warehouse and branch warehouses.
- Provide CCTVs with 24-hour coverage over all areas.
- Provide a warehouse keycard access system

with access rights granted only to the warehouse staff.

- Provide insurance to protect the warehouse products.

2) Loan Business

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

- **Motorcycle loans:** These are loans with motorcycle registration used as security, such as for motorcycles and big bikes.
- **Car loans:** These are loans with car registration used as security, such as for all types of passenger cars and pickup trucks.
- **Commercial vehicle loans:** These are loans with commercial vehicle registration for security, such as for vans, buses, medium-sized trucks such as four-wheeled to six-wheeled trucks and large trucks such as trucks with ten wheels or more.

- **Agricultural vehicle loans:** These are loans with agricultural vehicle registration for security, such as for tractors, etc.
- **Land and structure loans:** These are loans with land or land with structure for security.

The land or structure used as security must be connected to a public road and be accessible by public utility systems. Accordingly, the loan totals evaluated by the company will vary depending on the type of land and structures on the land.



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

Secured Loans

	Regulated Personal Loans with Vehicle Registration for Security	Loans with Land and Structure for Security	Loans with Vehicle Registration for Security (Corporate Customers)
Regulatory Agency	Bank of Thailand.	Office of the Consumer Protection Board under consumer agreements.	Office of the Consumer Protection Board under consumer agreements.
Security	Motorcycles. Cars Commercial vehicles. Agricultural vehicles.	Land and structures.	Motorcycles. Cars Commercial vehicles. Agricultural vehicles.
Maximum Loan Amount or Maximum Number of Agreements per Customer	<ul style="list-style-type: none"> • Maximum per-agreement figure ≤ 50,000 baht with 2 agreements maximum. • Maximum per-agreement figure > 50,000 baht with total loan amount controlled to not exceed company announcements. 	<ul style="list-style-type: none"> • Maximum per-agreement figure ≤ 50,000 baht with 2 agreements maximum. • Maximum per-agreement figure > 50,000 baht with total loan amount controlled to not exceed company announcements. 	<ul style="list-style-type: none"> • Maximum per-agreement figures are controlled to ensure that the total loan amount does not exceed company announcements.

	Regulated Personal Loans with Vehicle Registration for Security	Loans with Land and Structure for Security	Loans with Vehicle Registration for Security (Corporate Customers)
Maximum Interest Rate	The effective rate, when including all fees, does not exceed 24% per year at highest.	The effective rate, when including all fees, does not exceed 15% per year at highest.	The effective rate, when including all fees, does not exceed 15% per year at highest.
Duration	<ul style="list-style-type: none"> • 6–36 months for motorcycles. • 6–84 months for cars, commercial vehicles and agricultural vehicles. 	6–72 months.	<ul style="list-style-type: none"> • 6–36 months for motorcycles. • 6–84 months for cars, commercial vehicles and agricultural vehicles.
Guarantor	<p>There must be a guarantor when the monetary value of the agreement meets the specifications stated in company announcements.</p> <p>*The guarantor must be employed and have provable income and be aged 20–69 years (with the age for the total contract duration not exceeding 70 years). In addition, if a spouse is a guarantor, the spouse must have a different source of income.</p>	No guarantor is required.	<p>There must be a guarantor when the monetary value of the agreement meets the specifications stated in company announcements.</p> <p>*The guarantor must be employed and have provable income and be aged 20–69 years (with the age for the total contract duration not exceeding 70 years). In addition, if a spouse is a guarantor, the spouse must have a different source of income.</p>
Customer Type(s)	All occupations.	All occupations.	All businesses.
Nationality	Thai	Thai	Both the borrower and guarantor must have Thai nationality.
Age of Borrower and Guarantor	20 – 69 years (age not exceeding 70 years throughout the entire duration of the contract).	20 – 69 years (age not exceeding 70 years throughout the entire duration of the contract).	<ul style="list-style-type: none"> • At least 1 year of business duration of operation (for ordinary cases).

	Regulated Personal Loans with Vehicle Registration for Security	Loans with Land and Structure for Security	Loans with Vehicle Registration for Security (Corporate Customers)
			<ul style="list-style-type: none"> • At least 2 years of business duration of operation (for amounts exceeding 1 million baht). • At least 3 years of business duration of operation (for amounts exceeding 2 million baht).

In May 15, 2020, the company became licensed to operate a regulated personal loan business without vehicle registration for security, and currently the company has begun offering personal loan services for installment payments of insurance premiums within loan limits. As at 31 December 2022 the company has net personal loan receivables amounted to 0.15% of total loan receivables. Furthermore, In January 20, 2020 the company became licensed to operate a business for Nano Finance. Although the company had a strategic plan to start offering the nano finance business since last year (January 4, 2021), due to the situation of the outbreak of the 2019 coronavirus (COVID-19) pandemic that occurred and continues to occur as a result of the company decided to postpone the start of the nano finance business. However, the company must begin operating the nano finance business from November 1, 2022 onward.

Hire Purchase and Loan Channels

The company offers credit services through 95 branches, divided into 16 main branches,

71 minor branches and 8 express branches, dispersed in the Eastern Region, namely, 26 branches in Rayong Province, 12 branches in Chanthaburi Province, 34 branches in Chonburi Province, 2 branches in Trat Province, 9 branches in Chachoengsao Province, 7 branches in Prachinburi Province and 3 branches in Sa Kaeo Province, with branch expansions in the Northeastern Region by 1 branch in Udon Thani Province and 1 branch in Nakhon Ratchasima Province. A description of each branch type is provided as follows:

- **Main branches:** These branches provide services covering sales of electrical appliances for cash and installment payments, have branch-specific warehouses and provide loan services. Each branch is staffed by about 10-20 employees (depending on the branch size) consisting of a sales staff, financial staff, warehouse staff, logistics staff and loan staff, etc
- **Minor branches:** These provide only loan services. Each branch is staffed by 2-3 employees composed of branch service personnel responsible for evaluating loans in a similar manner to loan officers.

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

A description of minor branches is provided as follows:

Store Name : Star Money

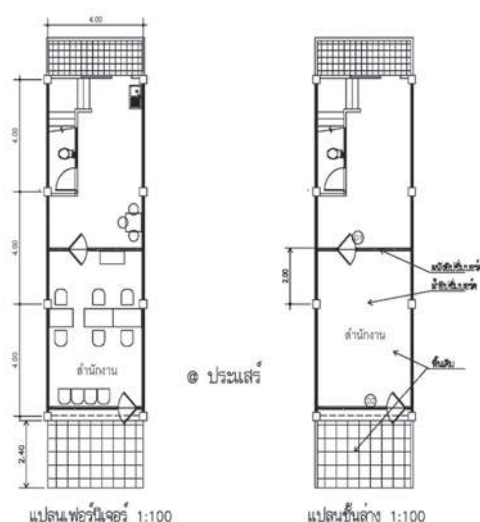
Branch Description : Commercial buildings spanning 1–2 units.

Business Days : Monday–Saturday.

Business Hours : 8:30 am – 5:30 pm.

Branch Area : About 30 square meters located in high-potential communities as judged based on the population, occupation of community members and source of income of community members.

Branch Layout Example:



Examples



Customer Relations Agency (Relationship Management: RM)

The company has established a customer relations agency or relationship management (RM) team to provide an additional channel for contacting, coordinating and facilitating customers interested in the company's loans but who might struggle with access limitations, whether in terms of time or faraway places of

living. Accordingly, the RM team works to supervise, coordinate and provide information, knowledge and understanding about the company's loan products to said customer groups and assists in monitoring application results, payments and suggestions and critiques from customers to improve products such that the organization can more effectively and quickly meet customers' needs.

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

Item	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
1. Main branches	599.69	47.81	557.07	44.63	647.13	40.42
2. Minor branches	466.47	37.18	495.55	39.70	625.10	39.04
3. RM	188.34	15.01	195.64	15.67	312.16	19.50
4. Express branches	0.00	–	0.00	–	16.70	1.04
Total	1,254.50	100.00	1,248.26	100.00	1,601.09	100.00

For the years 2020 to 2022, the company's figures each year for loans and loan agreements and outstanding loan values are as follows:

New Loans Each Year by Loan Type

Loan Type	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
Motorcycle loans	203.18	16.19	186.76	14.96	219.99	13.73
Car loans	668.78	53.31	670.50	53.71	909.26	56.79
Commercial vehicle loans	287.62	22.93	255.82	20.49	312.49	19.52
Agricultural vehicle loans	34.33	2.74	52.99	4.25	52.52	3.28
Land and structure loans	59.11	4.71	75.72	6.07	91.37	5.71
Personal loans	1.48	0.12	6.47	0.52	7.63	0.48
Nano Finance	0.00	–	0.00	–	7.83	0.49
Total	1,254.50	100.00	1,248.26	100.00	1,601.09	100.00

Number of New Loan Agreements Each Year by Loan Type

Loan Type	2020		2021		2022	
	Number of Agreement	%	Number of Agreement	%	Number of Agreement	%
Motorcycle loans	10,562	64.52	8,931	60.75	9,416	55.90
Car loans	4,822	29.46	4,342	29.53	5,319	31.58
Commercial vehicle loans	560	3.42	559	3.80	564	3.35
Agricultural vehicle loans	72	0.44	101	0.69	93	0.55
Land and structure loans	235	1.43	286	1.94	358	2.13
Personal loans	119	0.73	483	3.29	586	3.48
Nano Finance	0	–	0	–	507	3.01
Total	16,370	100.00	14,702	100.00	16,843	100.00

Outstanding Debtors Each Year by Loan Type

Loan Type	2020		2021		2022	
	Million THB	%	Million THB	%	Million THB	%
Motorcycle loans	142.43	7.21	129.59	6.84	155.74	7.16
Car loans	1,149.32	58.22	1,049.08	55.39	1,203.61	55.35
Commercial vehicle loans	549.89	27.85	542.00	28.62	596.11	27.41
Agricultural vehicle loans	61.65	3.12	82.29	4.35	95.92	4.42
Land and structure loans	69.80	3.54	87.72	4.63	112.36	5.17
Personal loans	1.14	0.06	3.17	0.17	3.18	0.15
Nano Finance	0.00	–	0.00	–	7.51	0.34
Total	1,974.24	100.00	1,893.85	100.00	2,174.43	100.00

Table Showing the Loan Performance of the Company

Performance	As of 31 December		
	2020	2021	2022
	%	%	%
Loan Yield ⁽¹⁾	20.81	21.22	20.13
Non Performing Loans Ratio ⁽²⁾	6.16	3.48	3.69

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

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

Accordingly, as of 5 June 2019, the company has been licensed by the Office of Insurance Commission (OIC) and has begun to operate a non-life insurance broker business in 2019 to provide supplementary services to loan customers through the same branches offering loan services. From 2020 to 2022, the company's revenues from being a non-life insurance broker amounted to 11.88 million baht, 16.00 million baht and 19.03 million baht, respectively.

As of 31 December 2022, the company has been operating as a non-life insurance broker for 11 insurance companies in total. Accordingly, the insurance products for which the company is a sales representative are as follows:

1. Vehicle Insurance

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

1.2 Voluntary vehicle insurance for cars and motorcycles.

2. Fire Insurance**3. Logistics Insurance**

3.1 Domestic shipping insurance

4. Miscellaneous Insurance

4.1 Health insurance.

4.2 Personal accident insurance.

4.3 Loan protection insurance.

4.4 Accident protection loan insurance.

4.5 Liability insurance for third parties.

4.6 Asset risk insurance.

4.7 Electrical appliance warranty extension insurance.

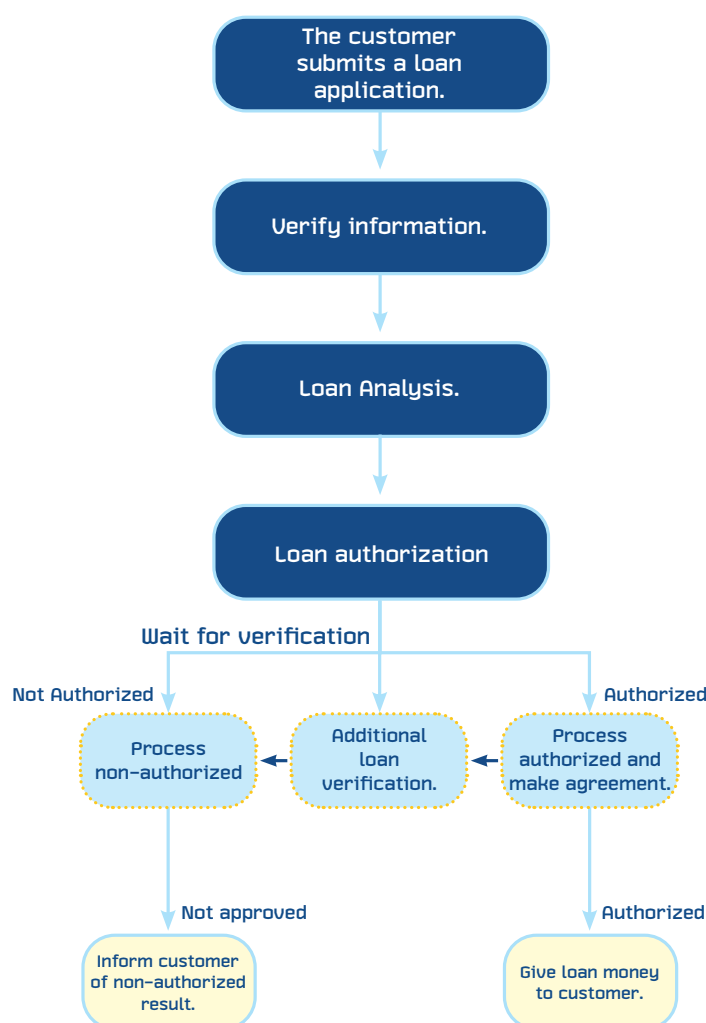
4.8 Carrier's liability insurance.

Description of Customers and Target Customer Groups of the Loan Business

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

Significant Work Procedures

Loan Authorization Procedure



1) The customer submits a loan application.

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

2) Verify information.

Customer information (existing customer)

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

Customer Information (new customer)

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

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

3) Loan Analysis

After receiving the documents to accompany the loan application such as the copy of the

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

contracts per debtor and evaluating the debt burden of the customer relative to the customer's net income.

4) Loan Authorization

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

Showing Important Authorization Powers Related to Loan Authorization

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

5) Additional Loan Verification

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

6) Authorization Notification and Agreement-Making

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

Procedure for Delivering Loans to Customers

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

(1) Receive the loan in cash

(for main branches only).

After a loan officer authorizes loan payment

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

(2) Receive the loan by bank account transfer.

- For transferring funds into the customer's bank account: the loan officer will transfer funds into the customer's bank account according to the information the customer provided on the agreement making date.
- For transferring funds into an account belonging to another person in cases where the customer does not have a bank account: the customer must state an intention with the company and make a record of said statement and attach a copy of the national identification card and a copy of the bank book of the person into whose account the customer wants the company to transfer, both of which are to be signed and certified.

Procedure for Receiving Installment Payments from the Customer

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

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

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

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

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

Debt Collection Procedure

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

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

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

Letter Type	Hire Purchase Business	Loan Business
Inquiry letter	30 days of default.	30 days of default.
Agreement termination letter	60 days of default.	60 days of default.

Security Seizure Procedure

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

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

Seized Asset Disposal Procedure

After seizing security, the company will inspect the condition of the security before

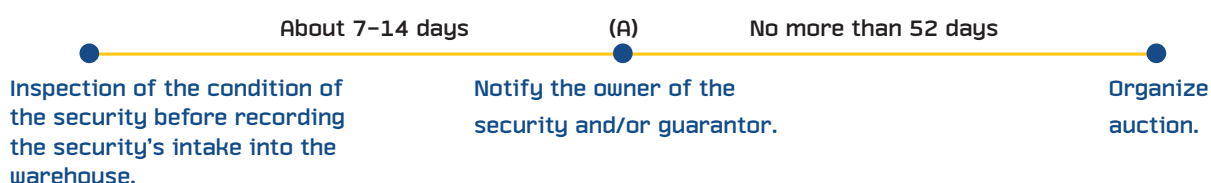
recording the intake of the security into the central warehouse. Security in the form of motorcycles and cars are placed in the Klaeng branch warehouse. Then the seized assets are entered into the disposal process (in total requiring about 15 days on average).

There are 2 types disposals of seized assets as follows:

- 1. Security in the form of electrical appliances** is sold through the main branches that sell such types of electrical appliances. The appliances are sold by placing them for sale in front of the branches, so they can be sold immediately after security asset seizure and inspection.
- 2. Security in the form of cars and motorcycles** is sold through auction after seizure. Auctions are organized by the company, and sales of the seized assets are done through other auction companies according to the following details:

(1) Disposal of Security via Company Auctions

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



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

In the case of disposing of collateral from motorcycle

hire-purchase contracts, the Company will send a letter granting rights to Hire Purchase and Guarantor Pay the outstanding debt within 7 days (the letter will state the amount to be paid if the debtor wishes to buy the property back) so that the hire purchaser and the guarantor exercise the right to buy it back within 30 days. If the period is over, the hire purchaser and the guarantor will not receive the right to buy back the collateral assets. (The letter will specify the price, place, date, time, and bidder to the customer) with a total period of 22 days for both the hirer and the guarantor.

will continue to dispose of assets (total of 52 days) sale as for the one issued to the borrower. If the guarantor forfeits the right to buy back the security or does not reply to the aforementioned letter (which constitutes a forfeiture of rights), the company's personnel will take further actions to sell the asset (22 days total).

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

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

The Company's Auction Process

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

The vehicle auction process can be described as follows:



(1) Contacting bidders.

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

(2) Register auction participation.

On the date of the auction, auction participants must register to take part in the auction by using verification documents such as copy of national identification card or copy of juristic person registration certificate. After registering to take part in the auction, auction participants will receive a description of the

vehicles and auction rules. For motorcycles, the company will hold open-envelope auctions by dividing them into lots. Each lot will be made up of 7-10 vehicles, and for cars, the company will auction them off one at a time by the paddle-raising method.

(3) Inspect vehicles before auctions.

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

(4) Vehicle Auctions

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

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

(5) Collect deposit.

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

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

(6) Accept payment and deliver auctioned assets.

After paying a deposit, the winning bidder has to pay the rest of the price within 7 days and

accept the vehicle and registration book after having paid in full. For any bidder who wants to receive his or her vehicle right away, he or she has to make full payment on the auction date



before he or she can pick up the registration book on the auction date. The company's staff at the event will first issue a temporary receipt before the company will deliver the actual receipt to the bidder at a later date.

(2) Disposal of Security through Other Vehicle Auction Companies

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

unable to close sales, the company will instruct the auction company to return the vehicles. Currently, the company uses the services of 2 vehicle auction companies.

Sources of Capital

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

Sources of Capital	2020		2021		2022	
	Million THB	%	Million THB	%	Million THB	%
Commercial bank loans						
- Promissory notes	1,104.29	53.74	1,176.66	56.11	1,428.24	48.10
- Long-term loans	486.38	23.67	406.46	19.38	430.12	14.48
Total loans	1,590.67	77.41	1,583.12	75.49	1,858.36	62.58
Shareholders' equity	464.19	22.59	513.95	24.51	1,111.35	37.42
Grand Total	2,054.86	100.00	2,097.07	100.00	2,969.71	100.00

From years 2020 to 2022, the company largely sourced its capital from commercial bank loans, making up 77.41%, 75.49% and 62.58% of the company's total capital sources, respectively. As of 31 December 2022, the company commercial bank borrowings from 3 banks (excluding guarantee letters and forward contract circulating capital to support IRS transactions) totaled approximately 2,325 million baht, of which approximately 1,858.36 million baht has already been spent, with approximately 296.76 million baht remaining unspent.

Expected Credit Losses and Elimination of Bad Debts

Expected Credit Losses

The company has a policy to specify the expected credit losses of debtors according to hire purchase agreements and loan agreements based on the 9th Thai Financial Reporting Standards, which perceive depreciation according to the expected credit loss model. The company recognizes allowance for expected credit losses for hire purchase agreement debtors and loan debtors by relying on the general approach. The value of said allowance must be measured based on an amount that matches the expected credit losses within the next 12

months, except in cases where credit risks significantly increase after initial transaction recognition and cases where financial assets depreciate, in which cases the depreciation value must be measured by an amount matching the expected credit losses throughout the entire age of the financial instruments in question. The company also has an additional management overlay to cushion against some risks that might arise.

Doubtful Accounts

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

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

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

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

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

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

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

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

- The debtor is late in payment for fewer than 13 months, but appropriate inquiries have already been made with clear evidence of having done so, and the agreement is already canceled, but the debt remains unpaid. In such a case, considerations are to be based on the company's authorization power policy, except the debt has a value that is equal to or less than 5 hundred thousand baht, in which case, authorization must come from an executive in the relevant chain of command.

As for the guideline for eliminating bad debts, the company adheres to and practices the ministerial regulation on the disposal of bad debts from debtors' accounts, which was issued by virtue of the Revenue Code, as follows:

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

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

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

- (3.1) Inquiries had already been made for debt repayment to take place as deemed fitting, with clear evidence of debt inquiries, without debt repayment taking place, by which it appears that
 - (3.1.1) the debtor has died or become a missing person, or evidence exists to suggest that the debtor has gone missing and no assets are available for debt repayment; or

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

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

- (3.3) Actions had already been taken to litigate the debtor in a bankruptcy case or a motion had already been filed to request for debt repayment in a bankruptcy case filed by other creditors against the debtor or in a case in which the liquidator requested for the court to rule the debtor as bankrupted with debt settlement with the debtor, for which the court

already issued a ruling in favor of the debt settlement or the debtor was subjected by a court order to be declared bankrupt with the debtor's assets divided in the first time or the court already issued a ruling to close the case.

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

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

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

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

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

- (5) In the event that the debt of each debtor does not exceed 200,000 baht and there are characteristics according to Clauses (1) and (2), the disposal of the debt from the debtors' account is permissible

without completing the required actions in Clause (3) or Clause (4) if evidence is available to show that appropriate debt repayment inquiries had already been made without debt repayment taking place and that, if legal complaints were to be filed against the debtor, the expenses involved would not be worth the debt repayment.

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

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

Business Innovations

Guidelines for bringing digital lending to develop online lending services at present, it has been found that credit services have started to tend to provide services through various platforms that include Web Service, Mobile Applications, and many other channels for providing services, such as Bank and Non-Bank financial institutions, which the Company It is one of the non-Bank companies that provide mortgage loan services. and provides installment loan services for electrical appliances And probably will not deny the approach that can be used to develop services in the future that there must be a development plan in the way of digital lending for sure because the company believes that in the next 3-5 years, customers who come to use Loan services with the company will come from the digital ratio of not less than 50%.

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

- Along with selecting products that are suitable for the risks that customers face. It will use the information on various aspects of the customer, such as professional qualifications. residential properties Features of the credit bureau income features and qualifications regarding various debt obligations, etc.
- Implementing a technology called Simplify products as the core system in selecting products that are suitable for customers' qualifications to consider appropriate credit amounts. It is also used to consider the qualifications of risky customers to provide the appropriate credit amount for that customer by using artificial intelligence technology to help verify their identity. and inspecting documents used in connection with applying for a loan This part will help reduce the work process. It also helps to verify the identity of the customer against various documents. that customers bring to apply for credit with the company.

- Credit Scoring system for considering credit to suit different qualifications. of customers by analyzing data (Data Analytics) to connect from the existing customer database that the company already must predict new customers who will apply for credit from Credit Scoring by setting the appropriate credit limit. To customers by using the Simplify Products system, including the development of tracking receivables arising from the company's accounts receivable report. The analysis of debtor behavior data will be developed by using Data Analytics to analyze different debt classes. to manage debt appropriately It increases the efficiency of debt collection.

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

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

(2) Marketing and Competition

(A) Overall State of the Thai Economy

For the overall economy in the 4th quarter of 2021, the Thai economy recovered from the previous quarter, with private sector consumer indices showing increases following the easing of pandemic control measures. Meanwhile, exports are increasing in terms of both recovering demand in trade partner countries and gradual resolution of the supply disruption problem, which contributed to improving industrial production. Foreign tourist numbers also saw improvements after opening the country to international tourists, and private sector investment indicators improved consistently with the recovering demand and business sector confidence. Concurrently, government spending increased when compared to the same period in the previous year, whether in terms of regular spending and investment spending. As for economic stability, inflation continued to increase in line with increasing prices of energy and fresh foods, although the labor market is adjusting upward in parallel with economic activity. Although the economy remains fragile, the account balance shows a smaller deficit when compared to the previous quarter.

In the year 2022, the Macroeconomic Strategy and Planning Division under the National Economic and Social Development Council (NESDC) projects that the overall Thai economic will experience a 3.5–4.5% growth with supporting factors from (1) the recovering domestic demand and manufacturing sector in line with the resolving Covid-19 pandemic, (2) gradual recovery in the international tourism sector under the government's policy to open the country, (3) positive growth in product exports, (4) vigor from government spending, and (5) low current foundation for growth. Accordingly, it is expected that the value of goods exports in terms of USD will experience a growth of 4.9%, with private sector consumption and investment growing by 4.3% and 4.2%, respectively, and with mean overall inflation in the range of 0.9–1.9% and account surplus by 1.0% of GDP.

Source: Situation of the Thai Economy in the 3rd Quarter of Year 2021 and Trend for Years 2021–2022, Macroeconomic Strategy and Planning Division.

Impacts of the Covid-19 Pandemic

Due to the spread of Covid-19 in Thailand since 2019, impacts were felt in both the business and public sectors through employment of disease control measures such as store closures, airport closures, shutting down of trade activities and city closures. Consequently, economic activities were disrupted in multiple industries, especially in the trade and tourism sectors, which directly impacted Thailand, because its economy primarily depends on the tourism industry. At the same time, the public were also required to implement protective measures by remaining quarantined at home and being unable to work to make a living as normal. Large numbers of businesses had to shut down or operate at partial capacity. Overall, as of 2021, Thailand continues to be impacted by the pandemic, but the impacts are beginning to lessen due to easing of the pandemic control measures. Although there is greater experience in handling the disease, and a larger segment of the general population is vaccinated, it remains necessary to continuously monitor the development of new and mutated strains of the virus.

High Level of Household Debt

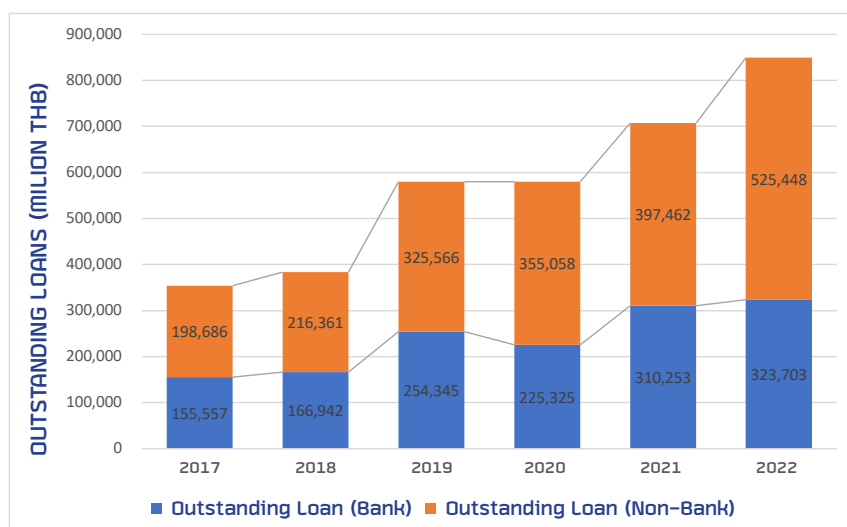
Data from the Macroeconomics Department of the Bank of Thailand shows that, in the 3rd quarter of 2021, household debts rose to over 89.3% per GDP and that savings are decreasing, especially among groups affected by the Covid-19 pandemic. As a result, these households lack immunity against worsening situations in the future such as termination of employment and major decreases in wages. In addition to the reduced consumption in the household sector, debt defaults might also occur as an impact, which creates risk for the financial institute and money lender system. In the event of widespread debt defaults, the financial system will be damaged to the extent that it cannot function normally, which will severely impact overall economic activity and may lead to an economic crisis. The high level of household debts has caused financial institutes to show a trend toward increasing stringency in the issuance of household loans, and this increased

stringency in loan issuance might positively affect non-financial institute businesses in terms of opportunity to issue loans to new customers (who were customers of financial institutes) who lack the means to access financial institute loans that have strict loan

issuance requirements. However, such businesses will have to bear increased risk from debt default by the aforementioned debtors. As such, it is necessary to also have in place more strict requirements for loan authorization considerations.

Regulated Personal Loans

Graph Showing Outstanding Regulated Personal Loans at End of Year for 2017–2022 (Unit: Million THB)

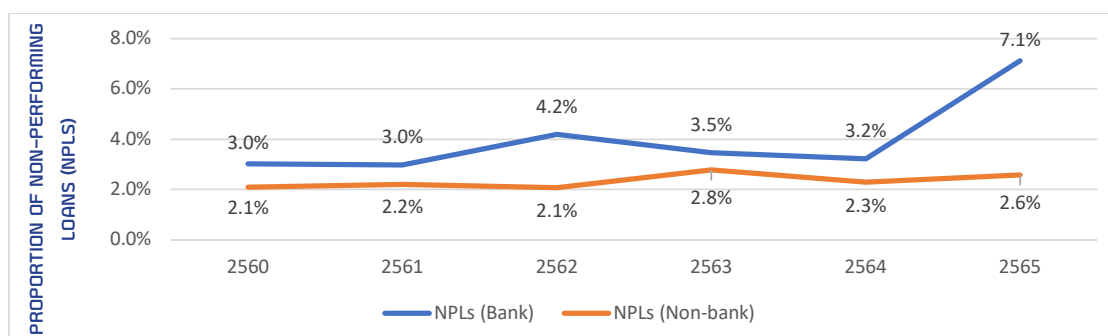


SOURCE: BANK OF THAILAND

The above information, it shows the outstanding balance of personal loans under supervision from 2017–2022, both of financial institutions (Bank) and non-financial institutions (Non-bank). continued to increase from 354,243 million baht to 849,151 million baht, representing a compound Annual Growth Rate (CAGR) to 15.7%. This increase largely occurred from non-bank regulated loans.

Accordingly, from year 2019 onward, the outstanding balance of personal loans under supervision of both bank and non-bank groups increased significantly, with factors primarily due to changes in data collection by the Bank of Thailand since February 2019 due to an announcement in the Royal Thai Government Gazette dated 30 January 2019, in which the Bank of Thailand expanded the scope of regulated personal loan businesses to include loans with vehicles for security, which significantly increased the outstanding balance of personal loans.

Graph showing the proportion of non-performing loans (NPLs) of personal loans under supervision at the end of year 2017 to 2022.

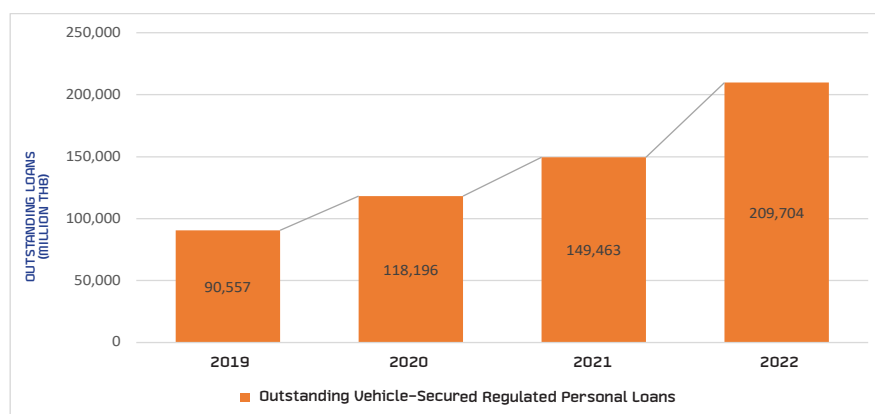


SOURCE: BANK OF THAILAND

The above information shows that the proportion of non-performing loans of personal loans under supervision from years 2017 to 2022 was such that the proportion of NPLs of the bank category ranged from 3.0% to 7.1% and the proportion of NPLs of the non-bank category ranged from 2.1% to 2.8%. This shows that non-bank NPLs were significantly lower than bank NPLs.

Car Title Loans (Non-Bank)

Graph showing the car title loans under supervision (non-bank) at the end of year 2019 to 2022. (Unit: Million baht).

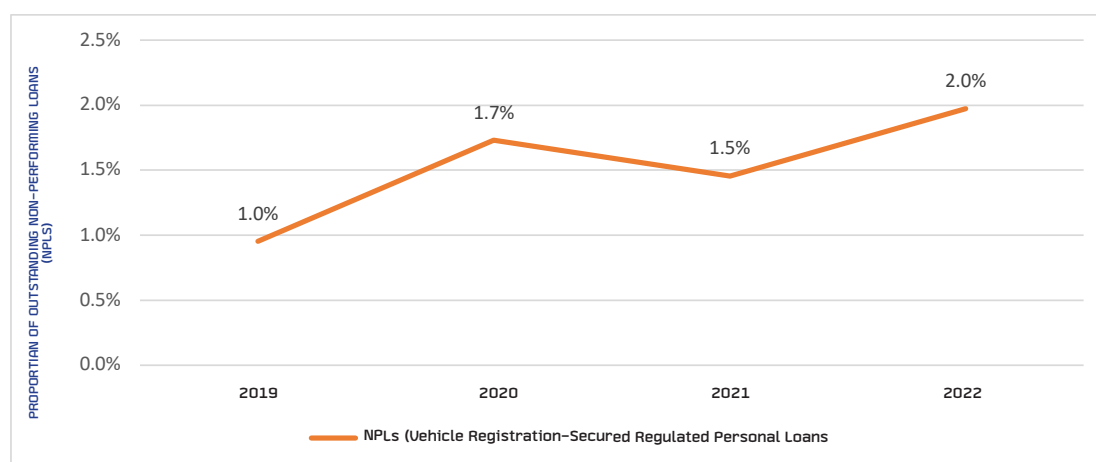


SOURCE: BANK OF THAILAND

The above information shows the outstanding car title loans under supervision (non-bank) for years 2019 to 2022. It shows that the outstanding

loan increased continuously from 90,557 million baht to 209,704 million baht (a compound Annual Growth Rate (CAGR) to 23.4%).

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



SOURCE: BANK OF THAILAND

The above information shows the proportion of non-performing loans of outstanding car title loans (non-bank) for years 2019 to 2022, with the NPLs ranging from 1.0% to 2.0%.

An important factor that creates opportunities

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

Table Showing the Cumulative Number of Registered Vehicles in Thailand

Vehicle Type		2018	2019	2020	2021	2022
Motorcycles	Vehicles	21,077,937	21,403,678	21,567,486	21,843,842	22,281,329
	%	53.29	52.57	52.01	51.62	51.35
Cars	Vehicles	16,498,485	17,281,445	17,850,860	18,373,720	18,969,171
	%	41.71	42.45	43.04	43.42	43.71
Trucks and Large Passenger Vehicles	Vehicles	1,285,685	1,315,303	1,325,977	1,342,722	1,358,971
	%	3.25	3.23	3.20	3.17	3.13
Agricultural Vehicles	Vehicles	648,294	669,392	683,865	709,681	740,077
	%	1.64	1.64	1.65	1.68	1.71
Other Vehicles	Vehicles	41,388	42,230	43,157	44,003	44,556
	%	0.10	0.10	0.10	0.10	0.10
Total		Vehicles 39,551,789	40,712,048	41,471,345	42,313,968	43,394,104

Source: Department of Land Transport

from the table above It is found that the cumulative number of registered cars throughout Thailand during 2018 – 2022 increased steadily, from 39.55 million cars in 2018 to 43.39 million cars in 2022 , representing a CAGR of 2.3%, which if considering the proportion according to the type of registered vehicles nationwide in 2022, it was found that motorcycles

had the highest proportion. which accounted for 51.35% of registered cars accumulated followed by cars accounted for 43.71% of registered cars accumulated and the rest (Large trucks and buses, agricultural vehicles and other types of cars) totaling 4.94% of registered cars

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

ประเภทรถ		2018	2019	2020	2021	2022
Motorcycles	Vehicles	2,325,822	2,372,077	2,385,303	2,415,565	2,486,349
	%	59.77	58.96	58.24	57.80	57.68
Cars	Vehicles	1,387,353	1,465,806	1,521,444	1,569,481	1,624,903
	%	35.65	36.44	37.15	37.55	37.70
Trucks and Large Passenger Vehicles	Vehicles	147,699	153,012	155,890	159,435	162,923
	%	3.80	3.80	3.81	3.81	3.78
Agricultural Vehicles	Vehicles	26,284	27,799	29,102	30,823	32,413
	%	0.68	0.69	0.71	0.74	0.75
Other Vehicles	Vehicles	4,245	4,214	4,161	4,111	4,060
	%	0.11	0.11	0.10	0.10	0.09
Total		Vehicles 3,891,403	4,022,908	4,095,900	4,179,415	4,310,648

Source: Department of Land Transport

The company's customers are people living or working in the Eastern Region, which, based on the cumulative total number of registered vehicles in the Eastern Region, represent

about 10% of the cumulative total number of registered vehicles across Thailand. The growth trend in the cumulative number of registered vehicles is consistent with the overall Company's

customer group is a group of customers who have residences or come to work in the eastern region which if considering the number of registered cars accumulated only in the eastern region will have a proportion of approximately 10% of registered cars accumulated throughout Thailand with the growth trend of the number of registered cars accumulated This is consistent with the overall number of registered cars accumulated throughout Thailand during the year 2018 - 2022 The cumulative number of registered cars in the eastern region continued to increase from 3.89 million cars in 2018 to 4.31 million cars in 2022, representing a CAGR of 2.6%, which if considering the proportion according to the type of registered cars accumulated in the eastern region in 2022, it was found the motorcycles had the highest proportion. which accounted for 57.68% of registered cars accumulated followed by cars accounted for 37.70% of registered cars accumulated and the rest (Large trucks and buses, agricultural vehicles and other types of vehicles) totaling 4.62% of registered vehicles which from the overview of the growth of the number of cars Especially in the eastern region, it shows an opportunity to expand the customer base in the company's target areas. In terms of loan products with vehicle registration as collateral, it is very good.

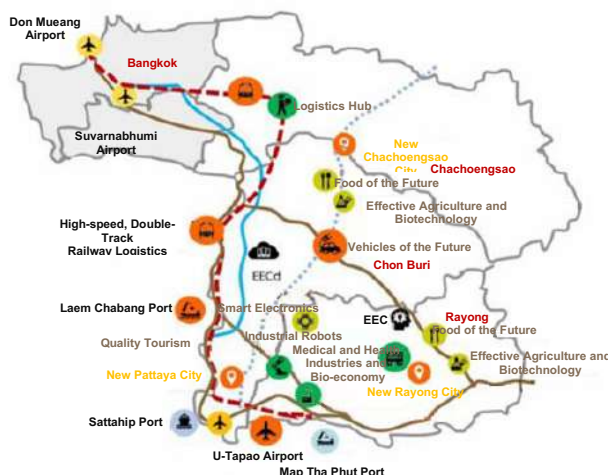
Eastern Economic Corridor or EEC Development Plan

With the 20-year national strategies and policy vision for driving Thailand forward under Thailand 4.0, the Eastern Economic Corridor development plan was specified with focus aimed at 3 eastern provinces, namely, Chachoengsao,

Chon Buri and Rayong. In total, the initial investment allotted for this project is as high as 1.06 trillion baht, and the initial stage of development prioritizes basic infrastructure and utility systems and seamless multi-model transport system and covering road, rail, water and air transport, along with related logistics systems to integrate key economies with neighboring countries. Accordingly, its major projects include the following:

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

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



Regulated Personal Loan Business

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

will gain opportunities for expanding its customer base in the future.

In any case, the spread of the Covid-19 pandemic increased the risk of debt default among the customers of loan businesses, so the regulatory authorities (the Bank of Thailand) have employed measures to require businesses to implement measures to closely assist customers affected from the aforementioned situation, such as by suspending debt repayments and lowering the interest ceiling, etc. Consequently, although non-financial institute businesses might gain opportunities from issuing loans to new customers who are affected by the increased loan issuance stringency of financial institutes, this might be accompanied by increased risk for debt default, so non-financial institute loans must specify more strict and appropriate requirements to match the situation.

Domestic Electrical Appliance Retail Business

Table Showing the Figures for Domestic Sales of Electrical Appliances¹

Electrical Appliance Type		2018	2019	2020	2021	2022
Fans	Units	8,712,908	8,096,795	8,072,227	8,841,403	8,195,516
Refrigerators	Units	1,692,972	1,881,606	1,981,507	1,924,620	1,824,174
Washing Machines	Units	1,854,025	1,665,214	1,538,722	1,657,597	1,462,754
Rice Cookers	Units	2,904,516	2,750,068	2,698,265	2,557,607	2,237,976
Air Conditioners	Units	3,247,110	4,100,641	4,103,027	3,854,805	4,177,874
Compressors	Units	5,588,906	5,013,410	4,212,581	4,569,471	4,958,901
Total	Units	24,000,437	23,507,734	22,606,229	23,405,503	22,857,195

Source: Office of Industrial Economics (OIE).

Remarks¹ : The data is available only for fans, refrigerators, washing machines, rice cookers, air conditioners and compressors, because the OIE collected data only on the electrical appliances manufactured in Thailand.

The table above shows the total sales of electrical appliances manufactured in Thailand Year 2018 – 2022 , it will be found that during the year 2018 – 2022 , the Staples of electrical appliances slightly decreased from 24.00 million units to 22.86 million units, representing an average reduction rate (CAGR) of 1.2%. The decrease was from fans, refrigerators, washing machines, rice cookers and compressors. Buy

a small ratio This is in line with the purchasing power of the private sector which is pressured by the country's overall economy. which, of considered during the year 2019 – 2020, sales of electrical appliances decreased from 2018, the main reason is expected to be from the spread of the COVID-19 virus, depressing the overall purchasing power of the private sector.

Nevertheless, the situation is beginning to resolve and the private sector's purchasing power is recovering, so in the year 2021 electrical appliance sales recovered to a level similar to the years leading up to the pandemic.

Impacts of E-Commerce on Electrical Appliance Retail Businesses

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

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

(1) E-marketplace platforms, which function as online markets where vendors can use their space to sell products. E-marketplaces attract customers to make product purchases from their platforms.

(2) Fulfillment businesses that provide warehouse or delivery services or that perform the function to "collect, pack and deliver."

(3) Product price comparison website businesses.

(4) Software development businesses for online store management.

(5) E-payment businesses.

(6) Affiliate marketing businesses for enabling online product sales.

(7) E-commerce enabler businesses that

offer one-stop service to online vendor businesses from website construction to product marketing, storage and delivery.

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

Source: An excerpt from the article "Thai e-Commerce Post-Covid-19" by the Electronic Transactions Development Agency (ETDA).

Thus, electrical appliance retail businesses will experience greater challenges from new entrepreneurs arriving to steal their market share via various e-marketplace channels and must adapt to changing consumer behaviors from offline product purchases toward more online purchases. Nevertheless, the sales figures for electrical appliances in the country are increasing with the resolution of the Covid-19 situation. Therefore, the domestic electrical appliance retail sector is improving. Moreover,

with the company's customers residing in the Eastern Region, where the EEC development plan is being implemented, the increased employment and greater trend in favor of migration toward living in the Eastern Region will contribute to people living in this region gaining increased income, so all of the aforementioned factors can help the company sell more of its products.

(B) Competition 1) Loan Business

1) Loan Business

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

Financial Institute Businesses (Banks)







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

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

Non-Financial Institute Businesses (non-Bank)

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

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

Item	The Company	Muang Thai Capital PCL. (MTC)	Srisawad Corporation PCL. (SAWAD)	Ngern Tid Lor PCL. (TIDLOR)	Heng Leasing & Capital PCL. (HENG)	Sak Siam Leasing PCL. (SAH)
Trademark						
Security Type						
- Cars	✓	✓	✓	✓	✓	✓
- Motorcycles	✓	✓	✓	✓	✓	-
- Agricultural vehicles	✓	✓	✓	✓	✓	✓
- Commercial vehicles	✓	✓	✓	✓	✓	✓
- Land and house	✓	✓	✓	-	✓	-
Number of branches as of 31 December 2022	98 branches	6,707 branches (31 December 2022)	5,187 branches (31 December 2022)	1,574 branches (31 December 2022)	638 branches (31 December 2022)	991 branches (31 December 2022)
Branch distribution (regions)	Eastern	All regions.	All regions.	All regions.	All regions.	Northern Region, Central Region, Northeastern Region and Western Region





2) Electrical Appliance Retail Business

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

customers, increase product diversity and open branches that cover the areas where target customers reside and offer post-sale services. Accordingly, businesses can be divided into 3 groups as follows:

1. Modern Trade Retailers

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

Item	The Company (SM)	Ek-Chai Distribution System Co., Ltd.	Berli Jucker PCL. (BJC)	Home Products Center PCL. (HMPRO)
Trademark				
Product Types				
- Household electrical appliances	✓	✓	✓	✓
- Computers	✓	✓	✓	-
- Mobile phones	✓	✓	✓	-
- Freezers	✓	-	-	✓
- Other electronic devices	✓	✓	✓	✓
Number of branches/ department stores as of 31 December 2022	22 branches	Over 2,100 branches (over 210 hypermarket branches)	Over 1,300 branches (over 150 hypermarket branches) (8 March 2022)	Approximately 113 branches
Branch distribution/ department stores (regions)	Eastern Region	All regions.	All regions.	All regions.

2. Specialty Electrical Appliance Businesses

Entrepreneurs in this group focus on customers who want to purchase specialty electrical appliances. These electrical appliances are more diverse than those offered by modern trade businesses and examples may include freezers for businesses, etc., and they offer a wider range of electrical appliance brands,

because some brands are not available in department stores, such as Mazuma, Skyworth and Media, among others. Furthermore, the businesses in this group prioritize customers who wish to pay by installment but are unable to access credit card payment services, with additional payment services provided through issuance of loans for electrical appliance hire purchases. Examples of entrepreneurs in this group include the following:

Item	The Company (SM)	Singer Thailand PCL. (SINGER)	Central Retail Corporation PCL. (CRC)	Siam Chai Service Co., Ltd.	The Best One Electric City Co., Ltd.
Trademark					
Product Types					
- Household electrical appliances	✓	✓	✓	✓	✓

รายการ	บริษัทฯ (SM)	บมจ.ซิงเกอร์ ประเทศไทย (SINGER)	บมจ.เซ็นทรัล รีเทล คอร์ปอเรชั่น (CRC)	บจก.สยามชัย เซอร์วิส	บจก.เดอะเบสท์ วิน อิเล็กทรอนิกส์ ซีที
- Computers	✓	-	✓	-	✓
- Mobile phones	✓	✓	✓	-	✓
- Freezers	✓	✓	✓	✓	✓
- Other electronic devices.	✓	✓	✓	✓	✓
Installment payment services	✓	✓	-	✓	✓
Number of branches/ department stores as of 31 December 2022	24 branches	200 store branches, Over 6,000 franchise	Over 140 branches (8 October 2022)	Over 640 branches	8 branches
Branch distribution/ department stores (regions)	Eastern Region	All regions.	All regions.	All regions.	Eastern Region

3. E-Commerce Electrical Appliance Businesses

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

Business Strategies

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

Focus on issuing commercial car loans.

The company has a strategy to give greater focus to issuing loans to businesses, especially

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

Expand through express branches.

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

the company plans to open new express branches to increase coverage over high-potential areas in the Eastern Region.

Establishment of a relationship management agency to reach target customers.

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

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

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

Add online loan channels (mobile application).

Due to rapidly changing consumer behaviors and provision of secured personal loan services, the company is giving importance to the development of a mobile application to provide an additional channel to make it easier and more convenient to access loans.

Currently, the company uses a mobile application that prioritizes loan applications, customer verification and submission of loan approval documents online and loan authorization via mobile application to create a new, fast and modern user experience and to allow customers to successfully access the loan information that they are interested in. At the same time, existing customers can access the loan information they currently have with the company through that same channel, which makes it convenient to monitor debt burdens and payment history and to be able to make payment conveniently at any time while reducing steps and saving time in conducting transactions.

Furthermore, the company has a project to expand upon the use of the mobile application in the Member get Member project, which is a project for customers to invite other customers to use the company's loan services (by word of mouth), which will help contribute to expanding the customer base through opening branches in remote areas.

Regularly promote sales to clear out products.

Rapid technological changes can cause household appliances, including computers and mobile phones to suffer from the risk of becoming outdated. As a result, the company has a work team for monitoring developments and trends in technologies and products in order to be able to sell and have in place guidelines for promoting sales on a regular basis to stimulate sales totals and manage inventory. Normally, sales promotion is organized in 2 ways as follows: (1) The company promotes sales regularly every month or every quarter to clear products that are slow to sell and to increase sales figures to meet set targets. (2) The company collaborates

with product brand owners to create joint sales promotion programs to stimulate sales of new products and push out old products remaining in stock, such as in providing marketing financial assistance or offering 0% interest payment promotions, etc.

Adding electrical appliance sales channels via e-commerce.

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

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

Brand Loyalty

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

Screening loan quality.

The company has clearly specified the criteria and guidelines for screening the quality of debtors to control loan quality. To begin with, the staff will explain each loan product type to the customer to allow the customer to develop understanding and appropriately use services according to their needs. As for the company's loan considerations, the company makes considerations based on the loan amount,

security, occupation and address of the customer and the company considers the value of security as fair and appropriate. In doing so, the company makes comparisons with common, generally-accepted prices and updates these common prices regularly. Additionally, for loan repayment capability considerations, the company makes considerations based on customer income along with job security to determine whether or not a customer has the capability to repay the loan that the customer wants or not. Moreover, in cases of repeat loan service by existing customers, the company will make additional considerations based on past debt repayment history. The company supports and encourages investment by existing customers with good payment history to expand the customer's business and provide sufficient circulating capital and liquidity for operating business or covering daily expenses. For loan authorization, the company has specified the scope of authorization powers to ensure that the loan consideration process is strictly verified and reviewed in order to prevent potential damage.

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

Collect debts effectively.

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

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

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

For bad debts, the company hires an outsourcing agent with experience and expertise in debt collection to visit local areas and negotiate with debtors and uses legal processes to effectively

minimize non-performing loans. In every process of debt collection, the company must strictly adhere to the law and the Debt Collection Act, B.E. (2015).

Environmental Impacts

-None.-

(3) Product and Service Procurement As described in (1) Nature of Products and Services and Business Innovations.

(4) Assets Used in Business

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

1) Rights-of-use assets

Types of Use Rights Assets	31 December 2021		31 December 2022		Ownership Rights	Obligations
	Amount	Net Book Value (Million THB)	Amount	Net Book Value (Million THB)		
Main office, parking lot and 3 business support branches. ¹	5 locations	7.15	5 locations	9.38	Lease rights	No obligations.
Main branch office buildings	16 branches	22.26	16 branches	46.20	Lease rights	No obligations.
Minor office branch office buildings	66 branches	15.62	71 branches	18.79	Lease rights	No obligations.
Express branches	-	-	8 branches	8.82	Lease rights	No obligations.
Branch cars	-	-	16 cars	7.06	Hire purchase	No obligations.
Data storage server	-	0.05	-	0.07	Lease rights	No obligations.
Rights-of-use assets-Net	87	45.08	116	90.32		

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

2) Hire Purchase receivables

As at 2020 - 2022 hire purchase receivables mostly have agreement terms ranging from 3 to 36 installments, with equal installment payments across all installments and fixed interest throughout the entire agreement age. The hire purchase agreement debtors can be summarized as follows:

Item	Net Book Value as of 31 December 2020	Net Book Value as of 31 December 2021	Net Book Value as of 31 December 2022	Ownership Rights	Obligations
Hire Purchase receivables	124.95	199.95	302.05	Company	No obligations.
Unearned income	(13.42)	(21.91)	(35.66)		
Less: Allowance for expected credit losses	(7.88)	(9.85)	(20.18)		
Hire Purchase receivables-Net	103.65	168.19	246.21		

As at 2020-2022 the company has hire purchase receivables (before deducting interest from unearned income) from which income is no longer perceived valuing 3.02 million baht 5.19 million baht and 18.58 million baht respectively.

3) Loan receivables

As at 2020 - 2022 the loan receivables normally had an agreement duration of about 3-84 installments. (Accordingly, as assistance for debtors for Covid-19 impacts, the company has implemented a measure to partially extend the loan duration of some debtors in the project, with the highest duration at 144 installments). Loan receivables can be summarized as follows:

Item	Net Book Value as of 31 December 2020	Net Book Value as of 31 December 2021	Net Book Value as of 31 December 2022	Ownership Rights	Obligations
Loan receivables	1,964.73	1,865.81	2,128.11	Company	No obligations.
Less: Financial revenues not classified as income	(20.28)	(8.77)	(3.23)		
Plus: Accrued interest	29.79	36.81	49.55		
Less: Allowance for expected credit losses	(138.63)	(119.08)	(112.40)		
Loan receivables - Net	1,835.61	1,774.77	2,062.03		

As at 2020 - 2022 the company's loan receivables (before deduction of financial revenues not counted as income) with credit depreciation amounted to 121.62 million baht 65.93 million baht and 8,023 million baht respectively.

4) Inventories

Item	Net Book Value As at 2020	Net Book Value As at 2020	Net Book Value As at 2022	Ownership Rights	Obligations
Electrical appliances	75.47	85.08	97.02	Company	No obligations
Mobile phones	5.67	8.56	7.07		
Computers	0.42	2.85	1.85		
Motorcycles	0.52	-	-		
Other ¹	0.27	0.37	0.92		
Allowance for impairment in inventories	(0.18)	(0.13)	(0.11)		
Inventories-Net	82.17	96.73	106.75		

Remarks ¹ : includes gifts the company purchases to accompany sales promotion activities.

As at 2022 - 2022 the company's goods that have remained in inventory for more than 360 days amounted to 1.08 million baht 1.06 million baht and 0.87 million baht, respectively, with the allowance for depreciation of goods remaining in inventory for more than 360 days amounting to 0.16 million baht, 0.03 million baht, 0.01 million baht and 0.07 million baht, respectively.

5) Assets Pending Sales

Item	Net Book Value As at 2020	Net Book Value As at 2021	Net Book Value As at 2022	Ownership Rights	Obligations
Cars	9.37	19.39	20.82	Company	No obligations
Land	-	10.34	10.34		
Motorcycles	0.66	0.53	0.43		
Electrical appliances	0.39	0.80	1.64		
Other assets foreclosed	0.27	1.58	2.20		
impairment	(2.94)	(6.56)	(9.78)		
Assets Pending Sales - Net	7.75	26.08	25.65		

foreclosed

Duration in Inventory	As at 2020		As at 2021		As at 2020	
	Cost Price (million THB)	Allowance (million THB)	Cost Price (million THB)	Allowance (million THB)	Cost Price (million THB)	Allowance (million THB)
1-90 days	6.95	(1.11)	14.16	(3.10)	6.08	(1.43)
91 - 180 days	0.66	(0.05)	0.63	(0.37)	3.84	(1.18)
181 - 360 days	1.56	(1.02)	14.74	(1.57)	7.10	(3.36)
more than 361 days	1.52	(0.76)	3.11	(1.52)	18.41	(3.81)
Total	10.69	(2.94)	32.64	(6.56)	35.43	(9.78)

6) Leasehold improvements and equipment



Item	Net Book Value As at 2020	Net Book Value As at 2021	Net Book Value As at 2022	Ownership Rights	Obligations
Leasehold improvements	39.44	40.69	41.97	Company	No obligations.
Office equipment	39.14	41.31	46.44		
Furniture and fixtures	40.47	45.63	48.74		
Motor Vehicles	26.68	26.34	27.03		
Assets under construction and installation	0.26	-	0.30		
Less: Accumulated depreciation	(76.82)	(92.12)	(109.43)		
Leasehold improvements and equipment-Net	69.17	61.85	55.05		

7) Intangible Assets

Item	Net Book Value As at 2020	Net Book Value As at 2021	Net Book Value As at 2022	Ownership Rights	Obligations
Computer software	3.21	7.19	8.23	Company	No obligations.
Computer software in process	3.77	0.11	0.56		
Leasehold	0.10	0.13	0.13		
Less: Accumulated amortization	(0.56)	(1.09)	(1.85)		
Intangible Assets - Net	6.52	6.34	7.07		

8) Trademarks

As of 31 December 2022, the company has trademarks pending registration as follows:

	Trademark	Registration No./ (Application No.)	Registration Date	Description	Protection Duration
1		221101806 (200135035)	18 September 2020	Products/Services Category 35 List of Products/Services: Procurement, goods purchase agreements, sale by auction, warehouse control, retail and wholesale trade of electrical appliances and devices, business management related to auctioning goods for third parties, computer sales, electrical appliance sales, motorcycle sales, mobile phone sales, product and service purchase agreement preparation for third parties, online retail business management and sales offers for third parties.	10 years.
2		221101800 (200135036)	18 September 2020	Products/Services Category 36 List of Products/Services: Business loan amount control, guarantee, loan guarantee, installment loans, loan for payment by installments, loans, loan preparations, loan and credit procurement, hire purchase financing, mortgage and mortgaging of real estates, payments, bill payments, electronic invoice payments, customer finances verification before loan approval, debt collection, mortgage business, life insurance broker, loan guarantor broker, fire insurance broker, accident insurance broker, financial services, mortgaging services, mobile phone payment services, utility payment services, payment collection according to debtors' accounts, debt collection, outstanding debt collection, damage compensation demanding, loan for sales, hire purchase loans, loans guaranteed by assets or guarantors, secured loans, insurance consultation, trade credit services, hire purchase (computers), hire purchase (electrical appliances), hire purchase (mobile phones), hire purchase (new motorcycles), loan credit granting.	10 years.

	Trademark	Registration No./ (Application No.)	Registration Date	Description	Protection Duration
3		211109639 (190146770)	2 December 2019	Products/Services Category 35 List of Products/Services: Electrical appliance sales, motorcycle sales, car sales, computer sales, mobile phone sales, online retail business management, business management related to auctioning goods for third parties.	10 years.
4		221101800 (200135036)	18 September 2020	Products/Services Category 36 List of Products/Services: Financial services, loans with assets or guarantors for security, electrical appliance hire purchase, mobile phone hire purchase, computer hire purchase, IT equipment hire purchase, motorcycle hire purchase, debt collection, loan insurance broker, loan accident insurance broker, car insurance broker, fire insurance broker, miscellaneous non-life insurance broker, life insurance broker.	10 years.

9) Business Permits

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

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

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

Permit for Operating a Regulated Micro financing Loan Business for Engaging in Occupations (granted on 16 January 2020).

The permit was granted for the company to operate a regulated microfinancing loan business for engaging in occupations, which is a business regulated by the Ministry of Finance through the Bank of Thailand pursuant to the Ministry

of Finance Announcement on Businesses: Businesses Requiring Permits under Clause 5 of Revolutionary Council Announcement No. 58 (on regulated microfinancing loans for engaging in occupation) dated 26 December 2014 and amendments.

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

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

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

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

The certificate's purpose is for the company to

collect the company's debts in line with Section 5 of the Debt Collection Act, B.E. 2015.

Permit for Trading in Antiques (expires on 31 December 2023)

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

Permit for Sale by Auction (expires on 31 December 2023)

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

10) Investment Policy in Subsidiaries and Joint Companies

Investment Policy

The company has a policy to invest in companies in line with the objectives, visions and strategic plans for growth of the company to give the company greater returns or profits or to invest in businesses that are beneficial to the company (synergy) to enhance the company's competitiveness. In addition, the company, subsidiaries and/or joint companies may consider additionally investing in other businesses if they have potential for growth or can help expand business or have benefits to the company's businesses in a manner that will lead to good investment returns. Accordingly, the investment decisions of the company, subsidiaries and/or joint companies are analyzed based on investment feasibility and consideration

of investment potential and risk factors, with appropriate steps set for investment analysis, by which approval and/or authorization is required from board meetings or company shareholder meetings (depending on the case), and authorization requests for investment in subsidiaries and/or joint companies must conform to the related announcements of the Capital Market Supervisory Board and announcements of the Stock Exchange of Thailand.

11) Work Pending Delivery

– None. –

1.3 Shareholding Structure

1.3.1 Company Shareholding Structure

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

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

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

1.3.3 Relationship with the Business Groups of Major Shareholders

– None. –

1.3.4 Shareholders

(a) The list of shareholders and proportions of shares held relative to registered and paid-up capital as appearing in the registration book of shareholders as of 31 December 2022 are as follows:

No.	List of Shareholders*	Before Share Distribution		After Share Distribution	
		Number (Shares)	Proportion (%)	Number (Shares)	Proportion (%)
1	THANATHIWAT COMPANY LIMITED	344,000,000	43.00	344,000,000	31.27
2	Mr.Vitit Lavansthien	73,264,600	6.66	88,464,600	8.04
3	BUALUANG VENTURES COMPANY LIMITED	64,000,000	8.00	64,000,000	5.82

No.	List of Shareholders*	Before Share Distribution		After Share Distribution	
		Number (Shares)	Proportion (%)	Number (Shares)	Proportion (%)
4	Mr. Tinnakorn Lawunsatrain	33,973,400	3.09	35,323,400	3.21
5	Miss. Nichanun Lawansathain	33,973,400	3.09	35,273,400	3.21
6	Mr. Akeapop Lavansathien	33,973,400	3.09	34,703,400	3.15
7	Mrs. Savitree Lavansathien	23,520,000	2.14	24,720,000	2.25
8	Mr. Danuwat Lawansathien	21,246,400	1.93	22,246,400	2.02
9	Mr. Chavalit Wisrankul	-	-	15,300,000	1.39
10	Mr. Augchiya Leenuwongsphan	13,720,000	1.25	14,820,000	1.35
11	Mr. Trustee Leenuwongsphan	13,720,000	1.25	14,120,000	1.28
12	Mr. Natapon Lawansathien	11,760,000	1.07	12,940,000	1.18
13	Mr. Surayut Lawansathien	11,760,000	1.07	11,760,000	1.07
14	Miss. Ketkarn Lawansathien	11,760,000	1.07	11,760,000	1.07
15	Mr. Peachchan Lavansathien	10,152,800	0.92	11,202,800	1.02
16	Mrs. Phetcharee Lawansathian	9,800,000	0.89	11,180,000	1.02
17	Mr. Nutchapon Lavansathien	10,152,800	0.92	10,452,800	0.95
18	Mr. Apinut Lavansathien	10,152,800	0.92	10,452,800	0.95
19	Mr. Athid Vivatwongkasem	8,669,600	0.79	10,169,600	0.92
20	Miss. Nedchanok Vivatwongkasem	8,669,600	0.79	10,169,600	0.92

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

** The list of shareholders of Thanathiwat Co., Ltd. as of 31 December 2022 is as follows:

No.	Shareholders	Shares	Proportion (%)
1	Mr. Vitit Lavansthien	919,820	17.69%
2	Mr. Akeapop Lavansathien	450,667	8.67%
3	Miss. Nichanun Lawansathain	450,667	8.67%
4	Mr. Tinnakorn Lawunsatrai	450,667	8.67%
5	Mrs. Savitree Lavansathien	312,000	6.00%
6	Mr. Danuwat Lawansathien	281,840	5.42%
7	Mr. Surayut Lawansathien	260,000	5.00%
8	Mr. Natapon Lawansathien	156,000	3.00%
9	Mr. Nutchapon Lavansathien	134,680	2.59%
10	Mr. Apinut Lavansathien	134,680	2.59%
11	Mr. Peachchan Lavansathien	134,680	2.59%
12	Mrs. Phetcharee Lawansathian	130,000	2.50%
13	Mrs. Suchada Lavansathien	112,320	2.16%
14	Mr. Wirat Lawansathian	81,120	1.56%
15	Miss. Suchanun Lawansathian	52,000	1.00%
16	Miss. Sukitta Lawansathian	52,000	1.00%
17	Mr. Bordin Lawansathian	52,000	1.00%
18	Miss. Luckhana Lawansathian	52,000	1.00%
19	Miss. Ketkarn Lawansathien	52,000	1.00%
Lawansathien Family Total		4,269,141	82.11%
20	Mr. Trustee Leenuwongsphan	182,000	3.50%
21	Mr. Augchiya Leenuwongsphan	182,000	3.50%
Leenuwongsphan Family Total		364,000	7.00%
22	Mr. chusak Uivatwongkasem	115,007	2.21%
23	Mrs. Tharinee Uivatwongkasem	115,007	2.21%
24	Mrs. Tussanee Bhattharadheerakul	49,488	0.95%
25	Mr. Chukiat Uivatwongkasem	44,892	0.86%
26	Mr. Phonchai Uivatwongkasem	22,446	0.43%
Uivatwongkasem Family Total		346,840	6.66%
27	Mr. Wuttipong Suntornawatchapong	83,979	1.61%
28	Miss. Maneerat Sunthonwechapong	41,990	0.81%
29	Miss. Passamon Suntornwetchapong	41,990	0.81%
Suntornwetchapong Family Total		167,959	3.23%
30	Mrs. Iddawan Sivapanich	52,060	1.00%
Total		5,200,000	100.00

Agreements among Major Shareholders Affecting Securities Issuances and Offers or Work Management of the Company and Significant Work Operations

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

1.4 Number of Registered and Paid-up Capital

1.4.1 Registered Capital, Paid-up Capital and Number of Shares

As of 31 December 2022, the company's registered capital amounted to 550,000,000 baht, divided into 1,100,000,000 shares with marked price per share of 0.50 baht. Paid-up capital amounted to 550,000,000 baht, divided into 1,100,000,000 shares with marked price per share of 0.50 baht. Accordingly, after the initial public offering of 300,000,000 shares, the company's registered and paid-up capital amounted to 550,000,000 baht, divided into 1,100,000,000 ordinary shares at 0.50 baht marked price per share.

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

- None. -

1.4.3 Conversion of Company Shares or Securities

1.5 Issuance of Other Securities

1. Convertible Securities

- None. -

2. Bonds

- None. -

1.6 Dividend Payment Policy

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

2. Risk Management

2.1 Risk Management Policy and Plans

The Risk Management Committee of the company has specified its risk management policy clearly for risk management, and the company's board of directors approves and reviews the policy each year. The latest review and effective approval of the policy is by the resolution of Board Meeting No. 2/2022 on 9 March 2022. Its essential contents are summarized below.

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

The company has a risk management manual that was prepared by the Risk Management Work Group and that was approved by the Risk Management Committee and it is reviewed regularly each year. This risk management manual was created to provide practice guidelines for work in the organization and to serve as risk management tools such that the board of directors, executives and company personnel understand risk management principles,

concepts, procedures and processes and for them to serve as tools for communication and building understanding and relations as well as to integrate risk management with organizational strategies and serve as tools for specifying risk management guidelines and internal control in the company. A summary of the important risk management guidelines in the risk management manual is as follows:

The risk management process involves 6 key steps as follows:

1. Specification of objectives in line with the company's strategies and acceptable risks.
2. Specification of risks impacting the company's objectives or goals.
3. Risk assessment with consideration based on chances for potential risks and impacts from such risks.
4. Specification of a risk management plan for each risk with consideration to various risk management strategies, relationship between costs and benefits and consideration of appropriate current risk management.
5. Reporting of all risks that significantly impact company objectives to the executives in charge.
6. Monitoring to ensure that risk management has quality and is appropriate to ensure confidence in the effectiveness of the risk management process.

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

- 1) Strategic Risk. Risk management has been specified to be part of the consideration process in the specification of strategies and strategic planning along with work plan specification and company operations. Every agency has been tasked with identifying risks, assessing risks

and responding to and monitoring risks, not to mention creating reports on risk levels, risk management outcomes, and risk management response measures in cases where risk levels cannot be decreased. In addition, when personnel encounter or learn about risks that might affect the company, the risk owner must report the risks encountered to related persons to find ways to respond to said risks.

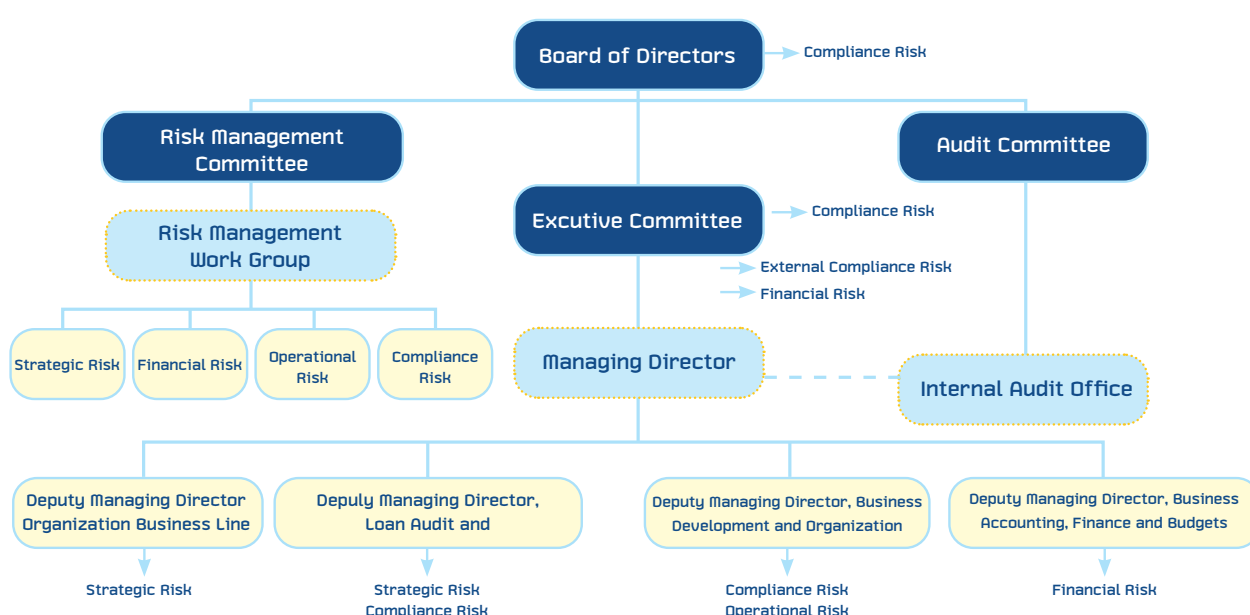
2) Financial Risk. The company has a reporting policy that has a purpose to report finances in a reliable manner and to effectively report information about the company's personnel. As such, the company has specified the importance of risk identification by responsibility such as in accounting and finance,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

3) Operation Risk. The company has a policy to operate with the objective of increasing

operational effectiveness and efficiency. Therefore, the company has specified the importance of risk identification by responsibility, such as for procurement, sales and marketing operations, warehouses and accounting and financial operations. Every department in the company has identified risks, risk causes as well as the risk management methods and risk levels of each department in line with the company's operations.

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

The company's risk management structure is as follows:



1. For corporate risk, the Managing Director and deputy managing directors of each line have been tasked with identifying, evaluating, managing and monitoring corporate risk in areas related to the work under their responsibility.
2. For department risk and internal control self-assessment, department managers are responsible for identifying, evaluating, managing and monitoring risks on the department level in areas related to the work under their responsibility.
3. The internal audit office is tasked with drafting the risk management and internal control framework and giving consultation and advise to executives in making appropriate use of the framework uniformly across the entire organization.
4. The internal audit office works to audit and monitor the outcomes from the risk management activities of each department and to report to the board of directors through the Audit Committee. The audit department can use information to prepare risk guideline inspection plans.
5. The audit department can use information to prepare risk guideline inspection plans.
6. The Audit Committee works together with the Risk Management Committee to ensure confidence that the risk management system is correct and appropriate with work transparency across all process while complying with the company's regulations in line with corporate governance and internal control principles.

2.2 Risk Factors Affecting the Company's Business Operation

2.2.1 Risks Affecting the Company's Business Operation

1) Risks from Competition in the Electrical Appliance Sales Business

The electrical appliance sales business is highly competitive. Most products are IT and electrical appliances that continuously experience technological changes and developments. In addition, this business has

nothing to limit competition, so new competitors can operate business and steal market share freely, regardless of whether the competition is between fellow large dealers in nearby areas or provinces or competition with modern trade business such as Lotus's, Big C and Power Buy, among others, and there is also competition with businesses that use the E-commerce platform to sell products such as Lazada and Shopee. In any case, revenues from electrical sales amount to about 37.48% of the overall revenues in 2022. If in the future this business experiences more intense competition from existing businesses or new highly capable businesses, the company's sales and overall performance can be significantly impacted. Nevertheless, the company believes that it is not easy for new businesses to become established, because the electrical appliance sales business is not a high profit margin business and requires capital for the products to be sold as well as space for showcasing products. As such, the company believes that its currently 16 main branches and 6 express branches for electrical appliance sales are located in communities and department stores that provide excellent coverage and reach to the company's target customers. Furthermore, the experience of the company's executives and the company has caused the company to be trusted and collaborated with by brand owners such as LG, Samsung, Panasonic, Daikin, Mitsubishi and others. Moreover, the reputation of the company, which is known among local customers, means that the company is able to plan marketing and sales appropriately in line with current and future situations. In addition, the company trains employees to serve customers with sincerity, honesty and integrity toward customers or consumers, whether in regards to recommending products, brands or post-sale services, which is an important component that the company has always firmly committed to, leading the company to be entrusted to receive services from customers and consumers. As such, the company believes that it will be able to compete with other entrepreneurs in the business.

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

The hire purchase loan, regulated personal loan, microfinancing loan and other loan businesses are highly competitive, and currently there are many existing service providers, whether they are local service providers or large companies registered in the Stock Exchange or banking companies that have a large capital foundation and low financial costs. Large service provider companies are prepared and want to enter and expand their loan businesses to more extensively cover all of Thailand, including the Eastern Economic Corridor or EEC in the Eastern Region. Therefore, if the Company is unable to adapt in the midst of intense competition, the company's performance can be significantly impacted. However, with the company's experience in offering services and the company's reputation, along with executives, especially in Rayong Province and nearby provinces, the company has excellent understanding about the behaviors and needs of the target customers in the Eastern Region. As a result, the company is entrusted by customers who continuously use the company's services. Additionally, the company has guidelines for issuing more loans to target customers who are businesses in need of loans for operating business to help increase the quality of loans and reduce risk of non-performing loans (NPLs) In addition, the company is convinced that after gathering funds from selling shares during the initial public offering or IPO on the present occasion and registering in the Stock Exchange of Thailand, the company will gain increased competitiveness, whether through increasing financing channels from the capital market in addition to financial institute loans, reducing financial costs, expanding branches beyond the Eastern Region where the company is situated today and more comprehensive service provision. Moreover, operators of regulated personal loans and regulated microfinancing loans must obtain permits from the Ministry of Finance, comply with set

regulations and remain under the supervision of the Bank of Thailand, so these limitations serve as factors to deter the entry of new business competitors.

3) Risk from Technological Changes Potentially Contributing to Changes in Consumer Behaviors in Choosing Loan Product or Service Access Channels, Especially in Small-Scale Consumers

Most of the company's customers are small scale customers who are unable to access financial institute loan services due to lacking regular income, lacking clear source of income documents or having other limitations that make them unqualified to apply for services from financial institutes, which make these customers have to seek loans from non-financial institutes such as the company. Currently, technological changes, internet access and more online-oriented living have led to changes in consumer behaviors, such as through increased online product purchases due to convenience and speed and lack of need to travel to malls, stores or branches and lack of need to deal with complicated paperwork, including access to online loan services, which is gaining widespread acceptance today. Accordingly, these consumer behavior changes might cause the company to be less able to sell as much of its products through its storefronts and to potentially be unable to issue loans according to targets should services be provided only through branch offices, which can impact business, performance, financial position and company business opportunities. However, the company recognizes the changes in consumer behaviors and, therefore, has developed the "Star Money" mobile application to allow consumers to more easily and conveniently access the company's services, and the company is also studying ways to sell more of its products online to better meet customers' needs.

4) Risk from Loans

4.1) Risks from Debtors' Quality

The company operates a secured loan business whether with vehicle registration, ownership documents or land title deeds for

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

gives importance to analysis of customer information and making loan approval considerations for each type of security and specifying the persons with the power to authorize loans, which depend on the loan amounts specified in the company's work manual.

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

4.2) Risk from Security

In addition to the quality of debtors, the quality and value of security is also important. Most of the company's loans have ordinary cars, commercial cars and motorcycles for security. Debtors have to sign in a form to transfer the ownership rights of the security for the company in advance (indirect transfer) and handover the registration book to the company as security for debt repayment from the date of making of the loan agreement. Such security consists of assets that are easy to move, deteriorate quickly and can go missing. As a result, the company might have some risks from security arising out of inability to

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

In addition to vehicle-secured loans, the company also has loans with land and structure for security. The company specifies the monetary amount to be registered for mortgaging as security. If the amount is not very high, the customer will not be required to mortgage the security, because mortgaging involves a registration fee, and the company does not wish to push this expense burden onto

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

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

5) Risk from Confidentiality of Information and Important Agreement Documents

In issuing loans, the company makes agreements to be signed in duplicates. One copy is given to the customer, and the other copy is kept at the company. Such documents are important, because they represent evidence of ownership of security. As a result, in cases where a debtor is overdue for payment, or for litigation purposes, the company has risks

from the aforementioned documents becoming damaged, missing or stolen or destroyed by fire, which can make it impossible for the company to track down security or to use the documents as evidence for legal actions to exercise the right to collect payment from debtors. Therefore, the company places great importance on the safe storage of the aforementioned documents by providing a secure storage environment in an appropriate environment and at appropriate temperatures with an access control system to prevent unauthorized access by third parties and 24-hour CCTV cameras. These documents are stored systematically and also kept in electronic form with equipment and systems in place for preventing fires, and the company also has fire insurance to provide protection in cases where the documents are damaged by fire. The company accordingly believes that these actions are measures for preventing damage that might occur from storage of important information and documents. In addition, the company never previously encountered any of the aforementioned problems.

6) Risk from Fires Impacting Inventory Goods

As of 31 December 2022, the company has goods in inventory amounting to 106.75 million baht 3.33% of total assets. Most of these are high-value electrical appliances and have risk of suffering from fire damage, which might affect the company's performance and financial position. Nevertheless, the company recognizes this risk and, therefore, has policy and procedures in place for managing the central product warehouse, whether by controlling access by external parties, creating a layout to match goods storage, managing the amount of goods in inventory to not be excessively high, installing fire extinguishers, making plans and organizing firefighting and fire evacuation drills regularly and obtaining insurance for the product warehouse (central warehouse) and branches that store products for sale. These include main branches and express branches, and the purpose is to cover the average value of products in inventory at

each location. In any case, the average value of products in inventory at each location is based on the total products in inventory going back 12 months retrospectively, which are used to evaluate the insurance cost for each product warehouse or branch that stores products. Accordingly, the average value of products in inventory is monitored regularly. In addition, in cases where any branch experiences better sales, due to which it might be necessary to keep more products in stock, which might exceed the product insurance coverage procured, the company might consider increasing the insurance budget for the specific branch in question. Similarly, if a branch has a smaller stock, the company might consider reducing the product insurance budget as well. Overall, the product insurance for the central warehouse and branches that store products covers the average value of the products in inventory by valuing up to about 130% of the average value of products in inventory. The company is confident that these efforts can reduce risk of inventory products suffering from fire damage.

7) Risk of Corruption from Branch Employees

As for the electrical appliance sales, as of 31 December 2022, the company's inventory goods amounted to 106.75 million baht, with sales occurring through 16 main branches 6 express branches and 1 central product warehouse. Because these products are electrical appliances with fairly high per-unit value, the company might suffer from risk of corruption by branch employees and warehouse employees in multiple steps from product acceptance to shipping between branches and product sales, etc. However, the company gives attention to this risk and, therefore, has a policy to prevent against this risk such as by counting the products in stock at the end of every month, having in place a process for auditing and approving product intake and sales, having the company's Internal Audit Department perform random inspections, including reconciling the actual inventory with the inventory stated in the system, etc. If any

corruption or differences are discovered, the employees related will be required to take responsibility. As a result, the related employees have to exercise greater work caution.

As for the loan business, the company has specified a policy for transferring loan monies to authorized customers. By this, 16 main branches (as of 31 December 2022) can deliver loans to customers by two ways, namely, by transferring funds into the bank account of the customer through the main office (Finance Department) or by making payment in cash to customers accepting payment at a main branch, with the maximum amount set to no more than 100,000 baht per person. In addition, other minor branches are unable to give loan monies to customers in cash. Rather, customers will receive their funds via transfer by the Finance Department of the main office into their bank accounts only. Furthermore, in accepting installment payments, customers can pay by multiple channels, such as via internet banking/bill payment supported by commercial banks such as Kasikorn Bank, Bangkok Bank, Siam Commercial Bank and any Lotus's department store and payment counters at the company's branches, by which payment can be made in cash or via transfer into the company's account by QR code. Each day, each branch is instructed to transfer the funds they receive from installment payments into the company's account twice daily within the limits stipulated by the company. In addition, the company has in place a strict process for selecting branch employees to ensure confidence that employees are quality employees who can work with the company with honesty and integrity. In addition, employees tasked with accepting and making payments must be guaranteed by other people, with such guarantors being required to be regular employees/civil servants in any position. Hence, the company believes that the various risk prevention measures of the company will be able to reduce the corruption risk of employees. Moreover, the company has never previously experienced any significant problems related to this issue.

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

The company is required to follow the accounting standards and financial reporting standards issued by the Federation of Accounting Professions in the preparation and presentation of financial statements according to correct standards. Recently, both revised and new accounting standards have been continuously issued. As a result, whenever the Federation of Accounting Professions issue revised or new accounting standards, the company might have to change its processes and work procedures in account recordkeeping and financial statement preparations, or else the company might have to gather additional information or prepare additional information to be able to record accounts correctly according to any revised or new accounting standards that are issued in the future. In addition, the company might also encounter experiences from the aforementioned occurrences. Nevertheless, the company regularly improves or builds upon the accounting standards related to the preparation of the company's financial statements on a regular basis. Moreover, in the enforcement of new accounting standards, time is given to allow the company to make preparation, so this risk does not significantly affect the company. Throughout the past, the company was able to take actions correctly and according to the required timeframes.

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

Ever since 2019, the government through the Ministry of Finance and the Bank of Thailand has been regulating the vehicle-secured and personal loan businesses to encourage the public to access loans and receive fair treatment from loan business operators, whether in terms of interest rates and debt collection, in order to eliminate dependence on informal loans. Accordingly, the company has letters of permit by the Ministry of Finance allowing the

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

installment, even though previously the flat rate method was previously used. Additionally, the hire purchase interest rate was set to the effective rate with the interest for new cars being required to not exceed 10% per year, and the same is no more than 15% per year for used cars and no more than 23% per year for motorcycles. In any case, because the company does not offer hire purchase services for cars and only has a small portion of its business consisting of motorcycle hire purchases, which as of 31 December 2022 amounts to a proportion of just 1.9% of the company's hire purchase loan portfolio. Moreover, the hire purchase agreements made before the effective date of the aforementioned announcement can still use their existing agreement terms, and the company still focuses on expanding hire purchase loans more toward electrical appliances than motorcycles, so, even though the company has to follow the related parts of the aforementioned announcement, the impacts on the company's business is minor at best.

10) Risk from Compliance with Personal Data Protection Laws

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

might be subjected to complaints or might have to pay compensation from improper actions, which might significantly impact the company's business operations.

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

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

Issuing loans is the company's main business. Therefore, the company is required to have a large source of capital in order to operate business. Accordingly, the company's main source of funding is financial institute loans. Mostly, the interest rates for such loans are floating rate interests, and at the same time when issuing the company's regulated personal loans, the company sets the maximum interest rate that can be charged and this rate is fixed throughout the entire agreement term and not a float rate. Thus, as the interest rate from financial institute loans increase, the loan interest cannot be adjusted to keep up with said increase. Therefore, this can negatively affect the company's loan business, since the company would have higher financial expenses or loan costs while the difference in the interest income and interest expenses decreases. However, the company continues to receive interest revenues from hire purchase agreements, which have no specified ceiling for the collectible interest rate. As a result, even though the difference in the interest income and interest expenses of the regulated personal loan business decrease, the company can still manage to increase the issuance of hire purchase loans to increase remunerations

while maintaining the company's overall interest level difference. Nevertheless, because the company recognizes the aforementioned risk, the company gives importance to managing work to maintain a steady interest rate difference by engaging in negotiations with financial institutes to lower interest rates or to search for other sources of capital that offer the same or better interest rates, such as by the issuance of debentures. If the company is able to obtain funds from such sources, the company will be able to mitigate this risk. Moreover, the Bank of Thailand's policy to increase interest rates might affect the financial status or debt repayment capabilities of debtors with debt burdens with floating interest rates with financial institutes, which might affect the debt repayments with the company and potentially increase the rate of debt default. Thus, the aforementioned factor might negatively affect business and the company's performance, financial position and business opportunities.

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

The company's main sources of capital for operating business are the 2 following sources: funds from the company's shareholders and financial institute loans. As of 31 December 2022, the company's financial institute loan debt obligations totaled 1,867.53 million baht or about 62.69% of the company's total sources of capital, respectively. Accordingly, the company's financial institute loans totaled 2,342 million baht (including loan guarantee letters (LGs) and forward contracts). The company has always received excellent support from financial institutes, and the company is tasked with maintaining financial ratios according to the conditions set by each financial institute. Currently, the company has 3 financial institutes that support the company, which have set the debt-to-equity ratio (D/E ratio) as shown in the following table:

Financial Institute	Total Amount (Million THB)	Debts As of 31 December 2022 (Million THB)	D/E Ratio as of 31 December 2022 (Times)	Bank D/E Ratio Specifications ^{1/}
Institute 1	1,800	1,515.55	1.89	No more than 2.0 times.
Institute 2	260.00	221.71	1.89	No more than 4.0 times.
Institute 3	282.00	130.27	1.89	No more than 4.0 times.
Total	2,342	1,867.53		

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

As of 31 December 2022, the company's debt-to-equity ratio equaled 1.89 times, which exceeded the value specified by a financial institute. Although the company has never exceeded 4 times, in the 2nd quarter of 2022, the company paid dividends to shareholders, which decreased shareholders' equity and caused the debt-to-equity ratio to increase. Accordingly, all 3 financial institutes issued letters granting a postponement of the terms for maintaining the debt-to-equity ratio up to 31 December 2023. In addition, the first financial institute set additional conditions, by which whenever the company borrows funds from directors, the company is prohibited from repaying the directors before receiving approval from the financial institute. Presently, the company has no funds borrowed from any director whatsoever, and the company has always received the support of and maintained good relationships with financial institutes. In addition, the company has always made repayments for borrowed funds according to schedule and has never faced any problems with delays or premature demand for loan repayment, and the company might be able to negotiate with financial institutes to improve conditions. That being said, the company cannot guarantee that the company will always receive support from the financial institutes in the future. If the financial institutes refuse to provide loan support, whether due to the financial institutes' policies themselves or the company's failure to meet the various terms and conditions set by the financial institutes such that default occurs, for example,

by failing to maintain the specified debt-to-equity ratio in a manner that the financial institutes may not grant exemptions for, the company might be instructed to repay the borrowed funds early, which might cause the company to have to seek other sources of capital that might cause cost to be higher than before or carry conditions that are more difficult to meet than before. If such a situation occurs, the company's business, performance, financial position and business opportunities can be negatively impacted. Regardless, the company has always maintained good relations with the supportive financial institutes, and the loans taken from each financial institute are secured by land and structures that are owned by the company's shareholders. In addition, the first financial institute also has other security such as bank account deposits and business security (loan debtors' portfolio), which have a value assessed by the financial institute to be at least 70% of the total loan amount. Therefore, in the event that the company needs to prematurely repay debts, the company would still have a fairly high value of security for repaying the aforementioned debts. Furthermore, after the company became listed in the Stock Exchange the shareholders who hold ownership rights in said security will definitely not request for the release of any security in a manner that causes the company to receive less loans or that violates conditions or that affects the operation of the company's main business. In any case, the company's Accounting and Finance Department is tasked with verifying and monitoring financial status and maintaining

the debt-to-equity ratio and reporting to executives on a regular basis to permit timely solutions to problems. Moreover, after the initial public offering of ordinary shares (IPO), the company will gain additional funds from the offer, and part of the funds obtained will be used to repay debts and provide capital for operating the company's business, which will reduce the company's debt-to-equity ratio to not exceed the terms of the financial institutes supporting the company.

In addition to specified condition on the debt-to-equity ratio by the 3 financial institutes, the third financial institute also set a condition for the company to also maintain a good port/funded debt ratio by having it be at least 1.30 times. In the past, the company's good port/funded debt was below 1.30 times but never below 1.20 times. For this, the company received a letter of postponement of the aforementioned condition from the financial institute up to 30 June 2024. Accordingly, the company regularly monitors the good port/funded debt ratio and always contacts and holds discussions with the personnel of the aforementioned financial institute which has always given the company extensions.

Furthermore, the first financial institute also set a condition for the entire duration that contract debt obligations exist that the shareholders in the Lawansathian Family (persons whose last name is "Lawansathian") to hold shares in the company directly or indirectly by a total of at least 51% of the registered shares and will hold shares by 57.86% of the registered and paid-up capital after the IPO. The Lawansathian Family founded the company and will continue to hold shares in the company. Therefore, the risk from the direct and indirect share ratio of the aforementioned family falling to below 51% is extremely low.

13) Risk from Extension Measures by Announcements Made by the Bank of Thailand on Assisting Customers Affected by the Covid-19 Pandemic That Might Impact the Cashflow Received and Debt Repayment Capabilities of the Company

Following the Covid-19 situation since early 2020, the Bank of Thailand (BOT) has put forth measures to assist debtors affected by the economy suffering from the aforementioned pandemic. In the period from 2020 to 2022, the company has put forth measures to assist minor debtors to comply with the BOT's measures through 5 projects total. The fifth project ended on 31 December 2021, and the assistance methods included debt repayment suspensions, installment payment reductions and debt repayment postponements, etc. In total, debtors from 4,149 agreements joined the project, representing a total of 978.57 million baht. As of 31 December 2021, the company's debtors in the project decreased to 1,788 agreements or a total of 379.4 million baht of debt (38.8% when compared to the debt burdens of all debtors who joined the project). Accordingly, debt repayment suspensions were provided to 528 agreements (totaling 92.1 million baht of debt) and debt restructuring was provided to 1,260 agreements (totaling 287.3 million baht of debt).

Accordingly, as of 31 December 2022, the company's debtors that participated in the abovementioned assistance project decreased to 1,036 agreements or representing a total of 214.60 million baht of debt (21.93% compared to the total debt burden of all debtors in the project). Accordingly, the allowance for expected credit losses (ECL) was 23.03 million baht, and the management overlay was 6.38 million baht for a total of 29.41 million baht or 13.70% of the outstanding debtors' debt burdens in the project. These outstanding debtors have debts still classified as Stage 3 (outstanding for 4 installments or more) by 10.38% of the project's remaining debtors, and the ECL and management overlay set for this part equaled 35.11%. For the ECL and management overlay, the company views them to be adequate and will continue to review them regularly (as shown in the table below).

Table Showing ECL of Debtors in the Project for Giving Covid-19 Assistance Outstanding as of 31 December 2022

Unit : Million THB

Debtor Status	Total Debt	ECL	Management Overlay (MO)	Total ECL+MO	% of Total Debt
Stage 1	116.43	2.16	3.53	5.96	4.89%
Stage 2	75.90	13.19	2.71	15.90	20.95%
Stage 3	22.27	7.68	0.14	7.82	35.11%
Total	214.60	23.03	6.38	29.41	13.70%

In any case, in September 2021, the Bank of Thailand issued an announcement on the guidelines for assisting debtors impacted by the Covid-19 pandemic (sustainable debt resolution measures) from 1 January 2022 to 31 December 2023, by which debtors who were not yet classified as NPL debtors and debtors who received new credit (new money) could be classified as Stage 1 debtors immediately, while NPL debtors who were able to make payment for 3 consecutive installments following debt restructuring agreements could be classified as Stage 1. The measures stipulate that financial institutes can extend use of the classification criteria and reservation of allowances for debt-restructured debtors from 1 January to 31 December 2021 to up to 31 December 2023. From this announcement by the BOT, the company announced measures to assist debtors through the sixth project, by which debtors can apply for assistance in the project from 23 April to 31 December 2022. The details of the conditions of the company's sixth project can be summarized as follows:

For Car, New Motorcycle, Old Motorcycle and Land Debtors

1. The debtor must not be an NPL debtor before 1 March 2020.
2. The debtor must be directly and indirectly impacted by Covid-19.
3. Debtors will receive assistance according to the measures to sustainably resolve debts according to the following methods:

3.1 Restructuring of debt by installment payment extensions to allow debtors to have the capability to repay their debts. In doing so, debtors must be debtors with normal payment statuses or be overdue by no more than 2 installments.

3.2 Restructuring of debt by reducing expense burdens according to the conditions for assisting debtors:

3.2.1 Reduction of outstanding interest debt burden or interest due for repayment.

3.2.2 Reduction of agreement-stated interest rates or reduction in payments offering EIR benefits or reduction in average agreement-stated interest rates.

3.2.3 Debt restructuring alongside granting of new loans.

Accordingly, the criteria for approval were specified by the company with appropriate consideration to the short-term and long-term impacts on debtors.

The aforementioned measures to assist debtors might impact the company's received cashflow. In addition, in the future, the BOT might release additional assistance measures that the company must follow. Therefore, the company cannot guarantee that after the assistance measures conclude (by 31 December 2022), the debtors who joined the various projects will still have the same debt repayment capabilities as before the pandemic. Accordingly, it is difficult to assess this at the present time.

However, if debtors' debt repayment capabilities do not improve, the company might receive less cashflow and be unable to collect debts according to objectives, and the company might have to allocate additional allowance for expected credit losses. Nevertheless, as of 31 December 2022, the debtors who joined the sixth project so far represent only about 18 agreements (representing about 15.73 million baht of debts), so they do not significantly impact the company's financial statements. Additionally, the company's ECL is set with considerations based on principles, and considerations are also made for management overlay for debtors whose debts have been sufficiently restructured to support debt reclassification after the end of the temporary accounting relief measures.

As of 31 December 2022, for overall debtors, the company has allocated 113.66 million baht in ECL and an additional 18.93 million baht in management overlay for a total of 132.59 million baht, which company executives view to be sufficient to support debtors receiving assistance according to the measures of the Bank of Thailand and debtors who might still be unable to repay debts or who have less debt repayment capabilities due to changes in economic situations. Furthermore, the company closely monitors the status of debtors who join the project to regularly assess risks and include them in considerations for reviewing ECL calculations and to effectively manage and collect debts in a timely manner.

2.2.2 Risk from Stockholder Investments

1) Risk from Presence of Major Shareholders Holding More Than 50% Share

As of 1 April 2022, the company has major shareholders consisting of Mr. Withit Lawansathian's group, which combine together to directly and indirectly hold about 82.59% shares in all of the registered and paid-up capital of the company (before the IPO). After the present offering of capital increase ordinary shares to the public by 300,000,000 shares, the aforementioned group will still be the company's major shareholders holding a

combined number of shares that amount to about 57.86% of all registered and paid-up capital (after the IPO), which represents a share ratio in excess of one-half of all voting shares. As a result, Mr. Withit Lawansathian's group might have control authority over the company and influence over the company's decisions regarding matters that require approval from shareholder meetings by majority of votes exceeding one half of voting rights. However, because the company gives importance to having checks and balances in management, the company has specified the scope of authority and responsibilities of various committees clearly, whether it is the board of directors, the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee and the Executive Committee. Furthermore, the company has specified measures for conducting connected transactions with directors, major shareholders, executives and persons with potential conflict of interest. These people do not have the right to vote in transactions in which they hold conflict of interest. Additionally, the structure of the board of directors includes 3 independent directors not involved in work management out of 9 directors total, and the company has appointed 3 audit directors from all independent directors to perform duties in the company's Audit Committee in order to create management transparency and give shareholders confidence that they will be able to review work and provide a certain level of checks and balances as representatives of minor shareholders. Furthermore, following the company's registration in the Stock Exchange, it has become necessary for the company to disclose information and comply with the related requirements and regulations of the Office of the SEC and the Stock Exchange such as in connected transactions and acquisition and disposal of company assets, etc. for the best interest of the company and every shareholder.

2) Risk from Dependency on the Executive Team and Guarantee by Shareholders

The company has a team of executives that largely consists of the Lavansthien group and

Uivatwongskasem group, namely, Mr. Utit Lavansthien (Chief Executive Officer), Mr. Chusak Uivatwongskasem (Managing Director), Mrs. Savitree Lavansathien (Deputy Managing Director of Business Development and Organizational Support), Mr. Surayut Lawansathien (Deputy Managing Director of Loan Auditing and Administration), and Mr. Akeapop Lavansathien (Deputy Managing Director of Organizational Business).

This team of executives possesses extensive knowledge, expertise and experience in the company and industry, whether in setting marketing strategies, issuing loans, product sales and purchases, and they have good relations with distributors and financial institutes, which provide the major sources of financing for business operations. Furthermore, a loan condition set by one of the financial institutes is for the Lawansathian group to hold a share in the company by no less than 51%. Therefore, the company has risk from depending on the executive team from the Lawansathian group. Accordingly, if the company loses any member of the executive team and fails to recruit an appropriate replacement with similar attributes, the company's future operations can be significantly impacted. Nevertheless, the company recognizes this risk and so supports for the company's personnel to participate and play roles in fully expressing their opinions on various matters to ensure that the personnel participate in the specification of the company's business strategies and plans and to push for teamwork to take place to increase work potential and effectiveness, in addition to providing training for personnel to always have additional knowledge and understanding about their work in order to create experienced personnel with the capabilities to inherit work from executives through specified succession plans. Furthermore, most important persons in the company have worked for extended periods with the company, so the company believes that the company will be able to retain important persons to remain with the company.

At the present, the company's shareholders have guaranteed financial institute loans and consented for assets to also be mortgaged as

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

3) Risk from Impacts on Share-based Payments

On 1 April 2022, Bualuang Ventures Co., Ltd. ("Bualuang") conducted a transaction to buy company shares from Thanathiwat Co., Ltd., which is a major shareholder of the company holding up to 64 million shares. The share trading price was set based on the initial public offering price ("IPO price"), which equaled the price after deduction of 15% discount of the IPO price (according to the details in Clause 5 of the agreement between major shareholders affecting issuances and offers of securities or company work management significant to work in Section 2.2.1), and this transaction was a transaction needed to be recorded as an expense paid by use of shares. This expense is recorded in the financial statements for the first day in which the company's shares are traded in the Stock Exchange (4th quarter of 2022). Accordingly, the calculated value of expenses recorded equaled the 15% IPO price discount times 64 million shares, which equaled 19.58 million baht or a share of about 3.97% of the company's shareholders' equity in the financial statements as of 30 September 2022. (The shareholders' equity as of 30 September 2022 equaled 493.45 million baht). In addition, if compared with the company's shareholders' equity as of 31 December 2022, the share is much lower, due to shareholders' equity as of 31 December 2022 having capital increase shares and excess share value from the IPO (about 616.25 Million baht). Moreover, the company's net profit also increased in the 4th quarter of 2022 as well. Nevertheless, this expense will affect the accounting figures in the part of the net profit for the 2022 fiscal

year by causing value to be less than net profit from the company's normal business operations. Moreover, the aforementioned expense is not an actual expense from the company's operations and is a one-time special transaction that does not impact the company's ability to generate profit or operate business as normal. Furthermore, the part that might affect the company's shareholders might be in the company's dividend payment policy, which states that dividend payment is to be at a rate of at least 40% of the company's net profit. As a result, if the company's net profit according to financial statements is less than the net profit from normal business returns, dividend payments might occur at a lower rate without reflecting the company's actual profit. In any case, the company may consider paying dividends at a higher rate than the aforementioned minimum rate to be consistent with the company's actual profit-making capabilities for the best interest of the company's shareholders.

4) Risk of Limited Opportunities of Investors Reserving Purchase of New Shares Offered in the Future

Even though public companies in Thailand are not required to offer new security purchase reservation rights to existing shareholders upon the issuance and offering of new securities, public companies in Thailand may occasionally sell newly issued securities by offering them to existing shareholders according to the share ratio (rights offering) or by offering them to existing shareholders according to share ratio without offering them to shareholders that will cause the company to have international legal obligations (preferential public offering). However, the company might face limitations from legal provisions on the offering of rights to reserve new securities or offering sales to existing shareholders according to the share ratio without offering them to shareholders that will cause the company to have obligations according to foreign laws (preferential public offering) or to take any other similar action in some countries, unless the company has taken actions according to set procedures. In cases where the company offers or has a reason to

sell capital increase ordinary shares to existing shareholders or to use any rights in any form, the company will exercise judgment in proceeding according to required procedures to deliver the aforementioned rights to shareholders. Accordingly, for the granting of rights and other similar actions, the company might not offer such rights to shareholders residing outside of Thailand. For example, the company is not permitted to offer the aforementioned rights to American citizens, unless (a) the information disclosure form according to the securities laws of the United States is already enforced, or (b) the offering of reservation rights to purchase new securities or offering of rights to reserve purchase of the underlying assets of the investors are exempted from registration under the securities laws of the United States. Therefore, compliance with the securities laws or other specifications or criteria in some countries might cause some investors to be unable to obtain the newly issued rights as mentioned previously. In such cases, the company's proportion of shares held by the investors might decrease. However, the company does not have the duty to apply for registration of the company's ordinary shares in any country in order to allow foreign investors to be able to exercise the right to purchase capital increase ordinary shares according to a future proportion. Nevertheless, these limitations can impact the company's ability to issue capital increase shares within an appropriate timeframe or according to conditions that are favorable to the company.

5) Risk from Investment in International Assets

-None.-

3. Driving Business Sustainability

3.1 Sustainability Management Policy and Goals

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

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

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

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

- In 2022, the company made preparations by starting the creation of a sustainability evaluation plan for 2021 with reference to the form for participation in sustainability evaluations by listed companies covering eco-

nomical dimensions (10 categories), environmental dimensions (4 categories) and social dimensions (7 categories).

- quarter 4 of 2022 the company performed the ESG Health Check Version 1.0 (current version) covering 3 separate areas. In total, they included 30 items as follows:

- Governance Evaluation: 16 items, Items 1–16.
- Social Evaluation: 7 items, Items 17–23.
- Environmental Evaluation: 7 items, Item 24–30.

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

3) Anti-Corruption: The company has an anti-corruption policy to serve as a practice guideline for employees and for enabling whistleblowing and complaints.

In the 3rd quarter of 2022, the company joined the Thailand Private Sector's Collective Action Coalition Against Corruption and made a declaration of its intention, and the company is currently in the process of implementing the project.

4) Respect for Human Rights and Fair Labor Treatment: The company gives importance to maintaining work environments to be safe for employees and gives importance to human rights principles for employees on every level. The company also gives importance to the selection and setting of remunerations and developing the capabilities of employees. Additionally, the company has established a provident fund for employees to support long-term savings and retirement spending.

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

In addition, the company gives importance to using resources with a mindfulness toward value, energy conservation and the environment with emphasis on reducing greenhouse gas emissions, studying guidelines for evaluating greenhouse gas emissions caused by business, and studying verification guidelines to establish the company's own guidelines for the company to then hire a person to verify the organization's carbon footprint as registered with the Thailand Greenhouse Gas Management Organization (TGO) or to hire a verifier whose work achievements accepted according to international standards to perform verification.

In the 4th quarter of 2022, in order to comply with the resolution of the board of directors, the company hired an expert consultant to advise the company in the development of the greenhouse gas emissions reporting project for the year 2023. Accordingly, the company started with the main office as its first location in line with the carbon footprint guidelines of the CFO of Thailand Greenhouse Gas Management Organization (Public Organization) or TGO and the ISO 14064-1 standards. The company has worked to develop knowledge and understanding in every person at the main office, and the project has provided knowledge and information about the laws and company's regulations related to the work activities of each operational unit to ensure that persons responsible see the picture, understand and successfully comply with related laws or specifications in an effective manner, and the company believes that it will be able to disclose

information on this issue in next year's annual report.

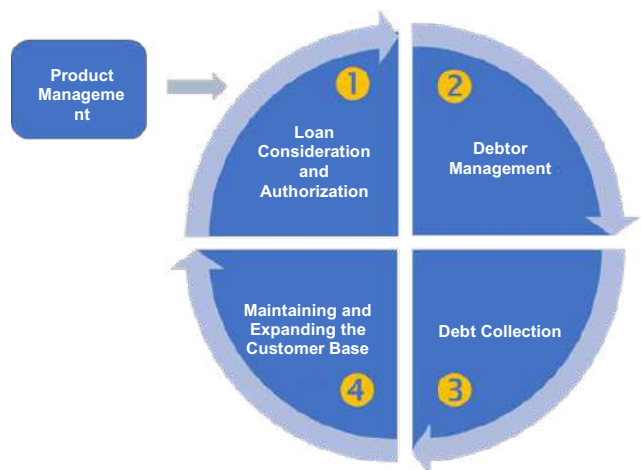
Corporate Social Responsibility: The company focuses on having all company executives and employees participate in volunteer activities to demonstrate social responsibility.

- 6) Continuous Business Development: The company recognizes the importance of creating added value for products and services in the long-term and recognizes the importance of customer satisfaction and stakeholders, and the company promotes and develops business innovations alongside social and environmental innovations in order to achieve sustainable business operations.

3.2 Management of Stakeholder Impacts in the Business Value Chain

3.2.1 Business Value Chain

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



Product Procurement: The company aims to present products that meets customers' needs and with consideration to the quality of products and hire purchase loans, and the company selects and furbishes a variety of products that are known and accepted in the market by procuring them directly from manufacturers

or from the proper retail distributors of each brand to ensure that customers receive high-quality products.

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

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

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

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

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

3.2.2 Analysis of Stakeholders in the Business Value Chain

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

Stakeholders	Stakeholder Communication Channels	Stakeholder Expectations	How Stakeholder Expectations Are Met
Internal Stakeholders			
Shareholders	<ul style="list-style-type: none"> - Shareholder meetings. - Company website. 	<ul style="list-style-type: none"> - Good performance; good returns. - Equitable and fair treatment of all shareholders. - Access to correct, timely and complete information. 	<ul style="list-style-type: none"> - Supervise to ensure that shareholders are treated fairly in accordance with the law without diminish ment in any of the shareholders' rights. - Complete, correct and timely information disclosures.

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

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

3.3 Sustainable Environmental Management

3.3.1 Environmental Policy and Practice Guidelines

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

- The company will take actions to manage and

create a working framework to specify and review objectives, goals and activities related to the environment, hygiene, occupational health and safety of employees in accordance with the law, regulations and other specifications, including a management standard that complies to international standards.

- Reduce use of chemicals and have in place a system for managing all types of wastes that impact the environment and nearby communities to minimize them as much as possible and strive to continuously remedy environmental problems.
- Minimize use of electricity, water, paper and consumable materials inside offices by using them in the most conserving and effective manner.

- The company deems that its policy on the environmental health, hygiene, occupational health and safety for employees is the duty and responsibility of the owners, executives and employees on every level of the company, along with employees and all related persons, who are to cooperate in following set measures, monitoring, checking and participating in expressing opinions in order to control and reduce risks from accidents and occupational health and illnesses, including damage to assets and the environment.
- The company strives to and supports the development of knowledge to raise awareness with a positive attitude toward employees and related persons in order to instill conscience and promote participation in maintaining the environment, hygiene, occupational health and safety in work.
- The company will monitor and evaluate outcomes of its efforts according to this environmental policy to ensure effective and efficient practice.

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

3.3.2 Environmental Performance

Recently, the company has launched projects for the company's employees to participate in activities to help maintain the environment. This includes the Star Green Office, which is a campaign and an effort to encourage the company's employees to be mindful about the environment by reducing use of plastic materials and/or materials that are difficult to degrade and that harm the environment, and employees cooperate to conserve resources by reducing use of paper in the organization and to increase green spaces. Employees have put plants onto their work desks in order to increase oxygen circulation in the air and help

ease their eye fatigue from having to stare at computer screens for extended periods of time. The rest from being able to look at green leaves helps relax employees.

Accordingly, the company had organized environmental activities for the year 2022. For example, the Star Money tree-planting activity was an activity to plant saplings at the Mangrove Resource Development Station 1 at Noen Kho, Rayong, over an area of about 1 rai to increase green spaces and to stimulate the community tourism economy. Furthermore, the company organized the transformer waste project to sort waste, promote recycling and waste reduction and alternative uses. In this project, the employees and customers were encouraged to sort trash and send it for donations, with particular attention given to plastic bottles (to transform them into robes for Buddhist monks, plastic bags (to be transformed into road bricks) and straws (to be transformed into pillowcase stuffings), etc.

3.4 Social Sustainability Management

3.4.1 Social Policy and Practice Guidelines

The company has a policy to be responsible for society. The company views that business operations must occur alongside justice, morals and integrity with good corporate governance and business ethics, all of which are held as the shared practice guidelines for all members of the organization and the duties and responsibilities existing for service users, shareholders and stakeholders in accordance with laws and regulations and the company's regulations. The company accordingly has a policy to create benefits for society and communities with the highest objective of enabling the company to live together sustainably with society and to create progress and grow together while adhering to the overall principle of being responsible for society and the environment.

The company's board of directors is determined to have the organization grow securely and sustainably to become a growth-oriented company without creating or causing damage to

society and the environment, in addition to providing financial support to community members to help them have a good quality of life on the basis of mutual reliance. As such the board of directors has specified the following practice guidelines:

- To operate business in accordance with the related laws and requirements such as consumer protection laws, labor laws and tax payments, etc.
- To consider the survival capabilities of the business and to deliver remunerations to shareholders, with profits earned not being obtained through putting undue pressure on society.
- To adhere to business ethics by operating business appropriately and attentively to give benefits to society, especially the surrounding

organizing activity are as follows:

1) Scholarship Project (2020)

The company gave scholarships through a foundation to help assist poverty-stricken students at Klaeng District. In total, the company donated 224 scholarships.

2) Step for 9 Hospitals in Rayong Province Project (2020)

The company took part in a charity running activity, "Step for 9 Hospitals in Rayong Province", by donating funds to sponsor the project to be used to purchase medical equipment for Rayong Hospital, Ban Khai Hospital, Bang Chang Hospital, Nikhom Phatthana Hospital, Klaeng Hospital, Chaloem Phrakiat Her Royal Highness Princess Maha Chakri Sirindhorn Hospital, Map Ta Phut Hospital, Khao Chamao Hospital and Wang Chan Hospital.

3) Drinking Water Filter Donation for Schools Project (2020)

Because the surrounding community is located in a basin plain, the rainy season brings flooding and waterlogging, while dry seasons bring droughts inadequate water supply, with some water used for consumption potentially being unsanitary. As such, the company donated drinking

society, which expects to receive care or attention from business operators.

- To operate business for society's benefit willingly and without demanding from society while standing firmly on the foundation of giving primary consideration to benefits to society.
- To have the determination to operate business with the aim of coexisting with society and creating tangible returns for society and instilling a value of social responsibility in every member within the organization.

3.4.2 Social Performance

The company has established a Corporate Social Responsibility Work Group to work and organize activities to assist and take responsibility for society. This work committee has been operating since 2020 and its performance in



water filters to schools located far away from communities and that did not have any water filters in order to allow students and school personnel to have good health. The schools that received these donations included Wat Pho Thong School and Wat Khongkha Wara Ram School.

4) Donations to Assist Persons Impacted by the Covid-19 Pandemic (2020)

The company donated bags of rice to Mueang Klaeng Sub-district Municipality to assist persons impacted by the Covid-19 pandemic. In total, 50 people per community received the donations.



5) Star Money Give for Good Project (2020)

– This was a project for the families of company employees to donate items to customers to help both employees and company customers. This activity was organized during the Covid-19 pandemic, which broadly affected every party, whether entrepreneurs or ordinary workers. Thus, the company donated these items to customers when they came to purchase products or make payments.

– Happiness Cabinets: Happiness cabinets were installed in front of the main office building and every main branch, where company executives and employees place consumer items, fruits and vegetables inside to share to persons who were impacted by the pandemic.

6) Safety Helmet-Wearing Campaign

The company contributed to social development by donating 260 safety helmets to ordinary persons and installing signs by the roadside to campaign for helmet-wearing.

7) Star Money Cares to Combat Covid-19 Project (2021)

During the Covid-19 pandemic, the company and employees joined together to organize the following activities:



- The company donated funds to 5 hospitals located in Rayong Province, namely, Phra Pokklao Hospital, Pluak Daeng Hospital, Map Ta Phut Hospital, Bang Chang Hospital and Klaeng Hospital. The donated items included facemasks, alcohol gels, drinking water and other items that employees joined together to donate.
- Fund donation to Ban Khai Hospital for the purchase of a vaccination refrigerator.
- Donation of snacks to the public who received vaccination at the Klaeng Hospital Vaccination Center.





An activity was organized to donate portable high-quality (food-grade) hand gel dispensers for children to use without causing them any danger upon contact or ingestion. In total, 4,900 dispensers were donated to the people who came to receive Covid-19 vaccination in 3 locations, namely, Point 1: Bang Chak Gas Station Vaccination Center, Klaeng District, Rayong Province, Point 2: Laem Thong Mall and Central Mall Vaccination Center, Mueang District, Rayong Province and Point 3: CK Plaza Vaccination Center, Pluak Daeng District, Rayong Province.

This is a project to promote and provide financial information to interested persons. The company has been organizing this activity for over 2 years consecutively. The project format for each year was as follows:

9.2 In the second year of the Financial Future Design with Star Money Project, a renowned YouTube lecturer was assigned to lead a tutorial course on “how to generate sustainable income from YouTube based on what we already have”. The lecture was held online on Saturday, 11 December, and 18 December 2021, in which 50 people participated.



4. Management Discussion and Analysis (MD & A)

4.1 Analysis of Performance and Financial Position

The management discussion and analysis of Star Money Public Company Limited (Company) as to be described below should be read alongside notes to financial statement appearing in the attachment to this document. Accordingly, the financial statement as of 31 December 2022 have already been audited by the company's auditor and were prepared in line with the Thai Financial Reporting Standards (TFRS).

4.1.1 Business Overview

Star Money Public Company Limited (Company) registered its transformation into a public limited company on 7 April 2022 with a registered capital of 550 million baht, divided into 1,100 million ordinary shares with a par value of Bath 0.50 each. The company's registered and paid-up capital amounted to 400 million baht, divided into 800 million with a par value of Bath 0.50 each. The company's head office is located in Klaeng District, Rayong Province. The company is licensed to operate a personal loan business and nanofinancing loan business under the regulation of the Bank of Thailand ("BOT"), and title loan under the BOT.

Currently, the company operates business in 2 main businesses as follows:

- 1) A business in the retail of electrical appliances, computers, mobile phones and other devices for cash and installments through hire purchase agreements, where products are sold via "Star Money" stores in Rayong, Chanthaburi Province, Chon Buri Province and Prachin Buri Province and online channels.
- 2) A business offering loan services for various loans such as (1) vehicle-secured regulated personal loans with security consisting of motorcycle registrations, registrations of passenger cars with no more than 7 seats, commercial vehicle registrations, such as

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

As of the end of 2022, the company has 98 branches total. Most of these cover the 7 provinces in the Eastern Region of Thailand, namely, Rayong, Chanthaburi, Chon Buri, Chachoengsao, Prachin Buri, Trat and Sa Kaeo Provinces, and there are 2 additional branches in Udon Thani and Nakhon Ratchasima Provinces.

As for financial position, as of the end of 2022, the company's total assets amounted to 3,209.88 million baht or an increase from 2021 by 911.85 million baht or 39.68 %. Most of these assets consisted of the debtor portfolio according to hire purchase and loan receivables, which amounted to 2,308.24 million baht or about 71.90% of total assets. Following these were products in inventory that amounted to 106.75 million baht or 3.33% total assets. Meanwhile, the company's liabilities amounted to 2,098.53 million baht, an increase from year 2021 by 314.45 million baht or by 17.63%. Most of the overall debts consisted of short-term and long-term bank loans at the amount of 1,858.36 million baht or 88.56 % of total liabilities. For shareholders' equity, the company's shareholders' equity amounted to 1,111.35 million baht or an increase from year 2021 by 597.40 million baht or 116.24 %. The shareholders' equity consisted of 550.00 million baht in paid-up capital, 466.25 million baht share premium, 21.96 million baht in legal reserves and 78.99 million baht of unappropriated, and (5.85) million baht in other components of shareholders' equity.

For performance for the years 2020–2022, the company's overall revenues totaled 1,030.89 million baht, 1,237.42 million baht and 1,399.44 million baht, respectively. Of these, operating revenues totaled 1,005.52 million baht, 1,205.57 million baht and 1,354.28 million baht, respectively, or about 96.77 – 97.54% of total revenues. In addition, net profits equaled 47.62 million baht, 102.94 million baht and 81.15 million baht, respectively. For the year 2022, the company's total revenues amounted to 1,399.44 million baht, of which 1,354.28 million baht were operating revenues or 96.77% of total revenues, and net profit amounted to 81.15 million baht.

As for cashflow for the years 2020–2022, the company's net cash and cash-equivalent transactions increased (decreased) by (4.69) million baht, 5.78 million baht and 497.48 million baht, respectively. Most cash received came from short-term and long-term bank loans and installment payments from loan receivable. Most cash spent, meanwhile, was spent in issuing secured loans and payment of dividends.

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

4.1.2 Performance Analysis

1) Revenue Structure

Revenue Structure	2020		2021		2022	
	Million THB	%	Million THB	%	Million THB	%
Operating Revenues						
1. Sales and service income	556.32	53.97	722.26	58.37	845.79	60.44
2. Hire purchase interest income	34.83	3.38	58.33	4.71	85.12	6.08
3. Loan interest income	401.61	38.96	410.39	33.17	409.41	29.25
4. Fee and service income	12.76	1.23	14.59	1.18	13.96	1.00
Total Operating Revenues	1,005.52	97.54	1,205.57	97.43	1,354.28	96.77
Other income ^{1/}	25.37	2.46	31.85	2.57	45.16	3.23
Total revenues	1,030.89	100.00	1,237.42	100.00	1,399.44	100.00

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

From the years 2020 to 2022, the company's total revenues equaled 1,030.89 million baht, 1,237.42 million baht and 1,399.44 million baht, respectively. The company's main sources of revenue came from two main businesses as follows:

Sales and service income: From the years 2020 to 2022, the company's Sales and service income totaled 556.32 million baht, 722.26 million baht and 845.79 million baht, respectively, or 53.97%, 58.37% and 60.44% of total revenues, respectively.

Total interest income, fee and service income: From the years 2020 to 2022, the company's revenues from interest, fees and services amounted to 449.20 million baht, 483.31 million baht and 508.49 million baht, respectively, or 43.57%, 39.06% and 36.33% of total revenues, respectively. Accordingly, the company's interest revenues and revenue from fees and services have been increasing steadily since 2020 to 2022 in line with the company's business plan to

prioritize on growth in the secured and unsecured loan business in the future. For 2021 and 2022, the company's interest revenue and revenue from fees and services amounted to 483.31 million baht and 508.49 million baht, respectively, or 39.06% and 36.33%, respectively. Accordingly, the loan-related fees area already included in interest revenue received as effective interest rate (EIR), and the company recognizes it at the rate stipulated by the BOT to not exceed 24% as of 1 August 2020, and the company has discontinued charging loan-related fees such as front-end fees since the end of 2020.

Furthermore, from 2020 to 2022, the company's other revenues amounted to 17.83 million baht, 25.37 million baht and 34.27

million baht, respectively. Most of the company's other revenues in 2021 consisted of commission fees from the non-life insurance broker business at 16.00 million baht, followed by 11.56 million baht of revenue from recovered bad debts and 5.20 million baht of other sales promotion revenues. In 2021, the company's other revenues increased from 2020 by 8.90 million baht or 35.10% as a result of increases in the commission fees from the non-life insurance broker business by 4.12 million baht and revenue from recovered bad debts by 3.05 million baht. For the first six months of 2022, the company's total revenues equaled 21.90 million baht or an increase of 6.24 million baht when compared to the first six months of 2021. Primarily, this happened as a result of revenue from recovered bad debts.

2) Sales income

Revenue from Sales by Type	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
Cash Sales	140.89	25.33	124.60	17.25	111.15	13.14
Installment Sales	415.43	74.67	597.66	82.75	734.64	86.86
Total	556.32	100.00	722.26	100.00	845.79	100.00

From the years 2020 to 2022, the company's sales income amounted to 556.32 million baht and 722.26 million baht and 845.79 million baht, respectively. Accordingly, sales income increased continuously from 2021 by 123.53 million baht or 17.10%. This primarily occurred due to 119.57 million baht from goods in the categories of mobile phones and computers. Memorandum of Understanding, the company entered into a cooperation contract with a mobile phone network service provider, so the company was able to provide a lot of promotional offers to stimulate product sales for many models, including Oppo, Apple and Vivo. Furthermore, the Covid-19 pandemic situation caused the public and private sectors to implement work-from-home

measures and to place greater emphasis on online learning, and there were positive impacts on household appliances from today's increased reliance on technology, work and/or online education, not to mention the launching of new mobile phone brands and the creation of express branches.

In addition, the table shows that from 2020 to 2022, the company's revenues from installment sales had a higher proportion than cash sales, with installment sales proportions ranging from 74.67% to 86.86% and cash sales at approximately 13.14% - 25.33%. For installment sales, customers make additional hire purchase agreements as proof of purchase by-installment.

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

Sales income by Product Type	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
Electrical appliances	488.06	87.73	514.98	71.30	524.56	62.02
Mobile phones	55.02	9.89	180.50	24.99	294.60	34.83
Computers	5.67	1.02	19.70	2.73	25.17	2.98
Motorcycles	7.57	1.36	7.08	0.98	1.46	0.17
Total	556.32	100.00	722.26	100.00	845.79	100.00

From the table, it can be seen regarding product sales by type that from the years 2020 to 2022 the company's generated the most revenues from electrical appliance sales at approximately 62.02 – 87.73 % of total sales income, with the top 5 sales being televisions, washing machine, refrigerators, air conditioners and freezers, respectively. As a result, the company, being a major distributor of electrical appliances in the Eastern Region, has the power to negotiate product sales and has organized promotional offers to stimulate sales, and the company also has knowledge about the direction and time when new products or goods are launched each year for the benefit of the company's sales and product output planning. Accordingly, the product sales by type were consistent with 2021 with continually rising mobile phone sales.

3) Cost of sales

From 2020 to 2022, the company's cost of sales amounted to 479.10 million baht, 619.40 million baht and 722.51 million baht, respectively. In 2021, the company's cost of sales increased by 140.30 million baht or 29.28%, similar to the rate of increase in sales and service income of 29.83% when compared to 2020. As for the year 2022, the company's cost of sales increased by 103.11 million baht or 16.65% when compared with year 2021, which was consistent with the rate of increase in sales and service income, which equaled 17.10%. Accordingly, the company has set a allowance for impairment in the cost of sales account for the years 2020-2022 by 0.57 million baht, 0.06 million baht, and 0.01 million baht, respectively, according to the net realizable value method (NRV).

4) Gross Profit and Gross Profit Margin from Sales

Item	2020	2021	2022
	million THB	million THB	million THB
Sales and service income	556.32	722.26	845.79
Cost of Sales	(479.10)	(619.40)	(722.51)
Gross Profit from Sales	77.22	102.86	123.28
Gross Profit Margin from Sales (%)	13.88	14.24	14.58

From the years 2020 to 2022, the company's gross profit from sales amounted to 77.22 million baht, 102.86 million baht and 123.28 million baht, respectively, or a gross profit margin from sales of 13.88%, 14.24% and 14.58%, respectively. Accordingly, the company's gross profit margin from sales has been increasing continuously due to its strategy to push for the sale of products with a high profit margin. In 2020, the company's sales and service income of air conditioner electrical appliances had a greater gross profit margin than other types of electrical

appliances, while in the year 2021, the company's sales and service income of mobile phones and computers increased in line with the reasons described above, both of which product types have a higher gross profit margin than electrical appliances. Additionally, of 2022, the company's gross profit from sales equaled 123.28 million baht or a gross profit margin from sales of 14.58%, which was an increase from year 2021 from sales in mobile phones from brands that offer higher gross profit margins.

5) Revenue from Loans

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

Revenue from Loans	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
Hire purchase interest income	34.83	7.75	58.33	12.07	85.12	16.74
Loan interest income	401.61	89.41	410.39	84.91	409.41	80.51
Total Interest Revenues	436.44	97.16	468.72	96.98	494.53	97.25
Fee and service income	12.76	2.84	14.59	3.02	13.96	2.75
Total Revenue from Loans	449.20	100.00	483.31	100.00	508.49	100.00

From the years 2020 to 2022, the company's hire purchase interest income totaled 34.83 million baht, 58.33 million baht and 85.12 million baht, respectively. This revenue varied according to the revenue from installment purchases previously described.

In 2021, the hire purchase interest income increased by 23.50 million baht or 67.47 % when compared to 2020. Accordingly, this was primarily caused by an increase in installment sales due to the company's strategy to focus on installment sales and an expansion in the portfolio of hire purchase receivables. For year 2022, the company's hire purchase interest income totaled 85.12 million baht or an increase of 26.79 million baht when compared to that of 2021. This occurred due

to the company's continuous effort to expand the hire purchase loan portfolio since mid-2021.

From the years 2020 to 2022, the company's interest revenue from financial loans equaled 401.61 million baht, 410.39 million baht and 409.41 million baht, respectively. In 2021, the interest revenue from loans increased by 8.78 million baht or 2.19% when compared to 2020. This was due to the gradual resolution of the Covid-19 situation allowing the company to realize more debt repayments and manage credit better, thus enabling the company to realize increased interest revenue from loans. For year 2022, the company's interest revenue from loans equaled 409.41 million baht or a decrease of 0.98 million baht when compared to

year 2021. This was due to the portfolio of loan debtors in the first half of 2022 decreasing when compared to the same period in year 2021. Meanwhile, the proportion of unregulated loan debtors that were land and house loans and juristic person debt loans (where the true interest rate pursuant to the Civil and Commercial Code may not exceed 15% per annum) increased such that as of 31 December 2022 the proportion of the aforementioned loans relative to total loan debtors increased by about 3% when compared to 31 December 2021.

The company's average effective interest rate (EIR) per year for Title loans from the end of 2020 to 2022 equaled 23.54%, 23.83% and 23.87%, respectively, which complied with the requirements set by the BOT (where the effective interest rate may not exceed 24% per year beginning as of 1 August 2020).

6) Financial Costs

Financial cost consist of interests paid from financial institutions loans and interest expenses from Lease liabilities. The

aforementioned financial institutions loans contain both floating and fixed interest rates, and from 2020 to 2022, the company's financial costs equaled to 59.97 million baht 57.31 million baht and 69.01 million baht, respectively.

In 2021, the company's financial cost equaled 57.31 million baht. This represented a decrease of 2.66 million baht or 4.44% when compared to the year 2020 and was caused by a decrease in bank loans from 1,590.67 million baht in 2020 to 1,583.12 million baht in 2021 and decrease in average rate of interest expenses from 3.66% per annum in 2020 to 3.47% per annum in 2021.

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

7) Gross Profits from Loans

Item	2020	2021	2022
	million THB	million THB	million THB
Interest revenue from hire purchase agreements	34.83	58.33	85.12
Interest revenue from financial loans	401.61	410.39	409.41
Total Interest Revenues	436.44	468.72	494.53
Financial costs	(59.97)	(57.31)	(69.01)
Gross Profit from Loans	376.47	411.41	425.52

Profitability Ratios from Loans

Item	Unit	2020	2021	2022
Loan yield	%	21.33	22.55	21.92
Cost of fund	%	(3.66)	(3.47)	(3.85)
Spread	%	17.67	19.08	18.07

From the years 2020 to 2022, the company's gross profit from loans (before deducting sales and administrative expenses) equaled 376.47 million baht, 411.41 million baht and 425.52 million baht, respectively. The company's gross profit from loans increased continuously every year, while the cost of fund rate decreased continuously from 2020 to 2021, and in 2022 cost of fund ses increased due to most of the company's having a floating interest rate that follows the upward or downward direction of interest. Accordingly, the company was still able to maintain the difference in interest rates (loan yield – cost of fund) to be in the range of 17.67% to 19.08%. For 2022, the company's gross profit from loans amounted to 425.52 million baht, with the difference between loan yield and cost of fund at 18.07%, which was slightly below that of 2021 when the interest rate difference was 19.08%, with the figure being similar to that of 2021.

9) Other Revenues

Other Revenues	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
Revenue from insurance broker commissions	11.88	46.84	16.00	50.24	19.03	42.14
Bad debt recovery	8.50	33.50	11.56	36.30	19.80	43.84
Revenues from sales promotions	2.67	10.52	2.78	8.73	3.75	8.30
Interest revenue from employee welfare loans	1.27	5.01	1.11	3.49	1.48	3.28
Profit from asset sales	0.62	2.44	0.02	0.06	0.01	0.02
Other income	0.43	1.69	0.38	1.18	1.09	2.42
Total	25.37	100.00	31.85	100.00	45.16	100.00

From 2020 to 2022, the company's other income totaled 25.37 million baht, 31.85 million baht and 45.16 million baht respectively. Other income primarily contained revenue from non-life insurance broker commissions, revenue from bad debt

8) Fee and services income

Fee and services income consisted of revenues from debt collection and revenues from fines for late payments, along with service fee revenue, such as revenue from goods transportation service fees, land survey fees, etc. From 2020 to 2022, the company's fee and services income totaled 12.76 million baht, 14.59 million baht and 13.96 million baht, respectively, with the proportions at 1.23%, 1.18% and 1.00% of total revenues. In 2021, the company's fee and services income increased from that of 2020 slightly by 1.83 million baht.

For 2022, the company's fee and services income amounted to 13.96 million baht, which was a slight decrease of 0.63 million baht when compared to the 2021.

recovery and revenue from other sales promotions. Other income increased from 2020 to 2022 due to increases in revenue from non-life insurance broker business commissions, which is a business related to the company's loan business and which the

company plans to expand in the future, along with increases in bad debt recovery. for year 2021, the company's other income equaled 31.85 million baht or an increase of 6.48 million baht when compared to 2020. From improvements in the company's debt collection effectiveness and adjustment in the follow-up reporting system, the company's bad debt recovery increased by 3.06 million baht.

For 2022, the company's other income

totaled 45.16 million baht or an increase of 13.31 million baht when compared to 2021. This was due to improvements in the company's debt collection effectiveness and adjustment in the follow-up reporting system to provide closer monitoring and the addition of a legal work section to enable faster settlements, lawsuits, asset inquiries and legal execution, the company's bad debt recovery increased by 8.24 million baht.

10) Sales Expenses

Sales Expenses	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
Sales promotion expenses	1.78	27.77	2.21	31.48	6.35	45.68
Advertisement and public relations expenses	2.88	44.93	3.78	53.85	3.25	23.38
Marketing expenses	1.00	15.60	0.99	14.10	4.12	29.64
Other sales expenses	0.75	11.70	0.04	0.57	0.18	1.30
Total	6.41	100.00	7.02	100.00	13.90	100.00

From the years 2020 to 2022, the company's selling expenses amounted to 6.41 million baht, 7.02 million baht and 13.90 million baht, respectively, which amounted to a share of 0.62%, 0.57% and 0.99% of total revenues, respectively. Accordingly, most selling expenses consisted of sales promotion expenses, advertisement and public relations expenses and marketing expenses for sales promotion activities and sales-boosting promotional offers, etc.

In 2021, the company's selling expenses increased slightly by 0.61 million baht or 9.52% when compared to year 2020.

In 2022, the company's selling expenses increased slightly by 6.88 million baht or 98.01% when compared to year 2021. This was due to sales promotion, advertisement and public relations activities organized online and offline to increase customer awareness.

11) Administrative Expenses

Administrative Expenses	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
Employee-related expenses ^{1/}	199.87	46.97	215.33	50.65	244.31	50.04
Bad debts and allowance for expected credit losses.	93.95	22.08	74.51	17.53	72.38	14.82
Depreciation and amortization	49.24	11.57	51.31	12.07	55.78	11.42
Rent and area service fees	21.71	5.10	21.45	5.05	23.18	4.75

Taxes and fees	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
Taxes and fees	14.25	3.35	16.84	3.96	17.21	3.52
Consultancy fees and professional service fees	13.98	3.29	13.91	3.27	14.15	2.90
Losses from depreciation and disposal of assets pending sales	10.67	2.51	12.18	2.86	15.58	3.19
Vehicle-related expenses	7.03	1.65	7.91	1.86	9.87	2.02
Directors' remunerations and meeting attendance fees	3.04	0.71	2.38	0.56	4.50	0.92
Other administrative expenses	11.81	2.77	9.34	2.19	31.32	6.42
Total	425.55	100.00	425.16	100.00	488.28	100.00

Remarks ^{1/} Employee related expenses include salaries, overtime fees, bonuses, social security, provident fund contributions and employee welfare.

From the years 2020 to 2022, the company's overall administrative expenses amounted to 425.55 million baht, 425.16 million baht and 488.28 million baht, respectively. Most of these consist of employee-related expenses, bad debts and allowance for expected credit losses, depreciation and amortization, rent/lease fees and service fees for the head office and branches, losses from depreciation and disposal of assets pending sale, taxes and fees related to loan services, consultancy fees and professional service fees, etc.

In 2021, the company's administrative expenses amounted to 425.16 million baht or a decrease of 0.39 million baht or 0.09%. Primarily, this was caused by a decrease in the allowance for expected credit losses from loan debtors by 56.84 million baht and effective management of outstanding debt tiers, particularly, Stage 3, while amortization of bad debts increased by 37.40 million baht and employee-related expenses increased by

15.46 million baht from increased payment of bonuses in line with improved performance and increased payment of salaries in line with increased hiring of employees to accommodate additional work sections and branches.

In 2022, the company's administrative expenses amounted to 488.28 million baht or an increase of 63.12 million baht or 14.85%. This was mainly due to an increase in employee-related expenses by 28.98 million baht from increased salary expenses due to increased hiring of employees to support new work sections and branches, while other administrative expenses increased by 21.98 million baht primarily due to increased expenses based on shares by 19.58 million baht. Accordingly, the aforementioned expenses were remunerations paid based on shares in the period when the company's ordinary shares began trading in the Stock Exchange of Thailand for the first day.

The company's profitability is summarized as follows:

Item	2020		2021		2022	
	Million THB	% ^{1/}	Million THB	% ^{1/}	Million THB	% ^{1/}
Gross profit from sales	77.22	7.49	102.86	8.31	123.28	8.81
Gross profit from loans	376.47	36.52	411.41	33.25	425.52	30.41
Total gross profit (including other revenues)	479.06	46.47	546.12	44.13	593.96	42.44
Operating profit ^{2/}	59.86	5.81	128.53	10.39	105.74	7.56
Net Profit	47.62	4.62	102.94	8.32	81.15	5.80

Remarks: ^{1/} Compared with overall revenues.

^{2/} Operating earnings means earnings before income tax (EBIT).

12) Operating Profit (Profit before Income Tax)

For the years 2020–2022, the company's operating profit (earnings before income tax) amounted to 59.86 million baht, 128.53 million baht and 105.74 million baht, respectively. Accordingly, most operating earnings came from gross profit from loans by an average of about 77.54 % – 82.98%, while gross profit from sales was about 17.02 % – 22.46% on average.

In 2021, the company's operating profit amounted to 128.53 million baht or an increase of 68.67 million baht or 114.72% when compared to year 2020. This was due to an increase in gross profit from sales, gross profit from financial loans, and revenue from non-life insurance broker business commissions. Moreover, the company was able to effectively manage overdue debtors, which led to a

decrease in the allowance for expected credit losses and better control of management expenses than the appropriated budget.

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

13) Net Profit and Net Profit Margin

From the years 2020 to 2022, the company's net profit amounted to 47.62 million baht, 102.94 million baht and 81.15 million baht, respectively, and the net profit margin was 4.62%, 8.32% and 5.80%, respectively. Accordingly, net profit and net profit margin fluctuated in line with changes in operating profit.

Profit per Share

Item	Unit	2020	2021	2022
Net profit	Million THB	47.62	102.94	81.15
Number of ordinary shares ^{1/}	Million THB	800	800	814.79
Net profit per share	Million THB	0.06	0.13	0.10

From 2020 to 2022, the company's net profit per share was 0.06 baht per share, 0.13 baht per share and 0.10 baht per share, respectively. Accordingly, the company's net profit per share rises and falls in line with the business performance of each year.

4.1.3 Analysis of Financial Position

1) Overview of Assets

By the end of 2020 – 2022, the company's overall assets totaled 2,284.25 million baht, 2,298.03 million baht and 3,209.88 million baht, respectively. These consisted of current assets at amount of 1,083.80 million baht, 1,089.43 million baht and 1,745.80 million baht or a share of 47.45%, 47.40% and 54.39% of the total assets of each year, respectively. In addition, non-current assets totaled 1,200.45 million baht, 1,208.60 million baht and 1,464.08 million baht, respectively, or a share of 52.55%, 52.60% and 45.61% of the total assets of each year, respectively. The individual items can be described as follows:

4) Trade and Other Receivable

Item	By the End of 2020		By the End of 2021		By the End of 2021	
	million THB	%	million THB	%	million THB	%
Trade receivables – product sales	0.04	0.36	0.05	0.35	0.13	0.74
Company employee loan receivables	7.71	69.90	9.75	68.52	13.09	74.46
Overdue bill payment receivables	1.78	16.14	1.12	7.87	0.32	1.82
Revenue Department receivables	0.49	4.44	0.49	3.44	1.28	7.28
Other receivables	1.01	9.16	2.82	19.82	2.76	15.70
Total Trade and Other Receivables	11.03	100.00	14.23	100.00	17.58	100.00

By From the end of 2020 to 2022, the compatrade receivable totaled 11.03 million baht, 14.23 million baht and 17.58 million baht, respectively. These largely consist of other receivable mostly in the form of large

2) Cash and Cash-Equivalent

By the end of 2020 to 2022, the company's cash and cash equivalent equaled to 15.39 million baht, 21.17 million baht and 518.65 million baht, respectively, or a share of 0.67–16.16% of total assets. Cash and cash-equivalent transactions included cash, saving accounts deposits and current accounts deposits.

3) Deposits at bank with Restrictions

By the end of 2020 to 2022, the company's deposits at bank with restrictions amounted to 4.22 million baht, 12.38 million baht and 5.57 million baht, respectively, or a share of 0.17–0.54% of total assets. Accordingly, these items were bank account deposits for the insurance premiums the company received from insurance takers and the company is required to deliver these insurance premiums to insurance companies. The company is not entitled to use or seek benefits from or deduct expenses from these insurance premiums. Accordingly, the company has been operating the insurance broker business since 2019.

transactions, i.e., company employee loan receivable according to employee welfare by 7.71 million baht, 9.75 million baht, 13.09 million baht, or 68.52 – 74.46%, respectively, and overdue bill payment accounts receivable at the amount of 1.78 million baht, 1.12 mil-

lion baht and 0.32 million baht, or 1.82 – 16.14% of trade and other accounts receivable. In addition, for overdue bill payment accounts receivable, a private company debtor accepts installment payments on behalf of the company and is obligated to deliver said funds to the company within two business days. Thus, as of the end of 2021, the company's trade accounts receivable and other accounts receivable increased by 3.20 million baht

when compared to the end of 2020. Primarily, this was due to an increase in input tax from reserving product for sale. As a result, the company's input tax credit increased by 2.04 million baht. As of the end of 2022, the company's total trade accounts receivable and other accounts receivable increased by 3.35 million baht when compared to 2021 due to increased company employee loan accounts receivable by 3.34 million baht.

5) Inventories

Inventory Type	2020		2021		2022	
	Million THB	%	Million THB	%	Million THB	%
Electric appliance	75.47	91.85	85.08	87.96	97.02	90.88
Mobile phones	5.67	6.90	8.56	8.85	7.07	6.62
Computers	0.42	0.51	2.85	2.94	1.85	1.74
Other	0.27	0.33	0.37	0.38	0.92	0.86
Motorcycle	0.52	0.63	0.00	0.00	0.00	0.00
Reduce cost to net realisable value	(0.18)	(0.22)	(0.13)	(0.13)	(0.11)	(0.10)
Inventories – net	82.17	100.00	96.73	100.00	106.75	100.00

From the end of 2020 to 2022, the company's inventories totaled 82.17 million baht, 96.73 million baht and 106.75 million baht, respectively. Most of the inventories consisted of electrical appliances by a share of 87.96 – 91.85%, followed by mobile phones by 6.62 – 8.85% of the inventories.

As of the end of 2021, the company's inventories increased by 14.56 million baht or 17.72% when compared to the end of 2020. This was due to a slow down in the sales electrical appliances in the television and air conditioner categories in the third and fourth quarters, which increased the inventories of goods 91 days and older as of the end of 2020 by 11.20 million baht or 36.73%. However, the company

continues to output the inventories continuously, whether by coordinating with product brands to determine product prices to make sales easier or by organizing various sales promotion activities at different times, etc.

As of the end of 2022, the company's inventories increased by 10.02 million baht or 10.36% when compared to the end of 2021. This was caused by improved inventories management. A decreased the inventories of goods order than 91 days as of the end of 2021 by 6.90 million baht or 16.55% due to collaboration with retailers in organizing price adjustment activities to rapidly output older products.

Inventories Aging

Inventory Age	2020		2021		2022	
	Million THB	%	Million THB	%	Million THB	%
1–90 days	58.71	71.45	60.50	62.53	72.07	67.51

Inventory Age	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
181–360 days	7.53	9.17	10.85	11.22	11.76	11.01
Over 360 days	0.47	0.57	0.71	0.73	0.87	0.82
Total	82.35	100.22	96.86	100.12	106.86	100.10
Less: Allowance for inventory depreciation	(0.18)	(0.22)	(0.13)	(0.12)	(0.11)	(0.10)
Inventory – Net	82.17	100.00	96.73	100.00	106.75	100.00

The company uses the net realizable value (NRV) method to record depreciation in inventory. By the end of 2020 to 2022, the company's inventory with an age greater than 1 year totaled 1.08 million baht, 1.06 million baht, 0.87 million baht, respectively. These products were not heavily impacted by

technological changes and included air conditioners, etc. The company accordingly does not have a policy to return long-overstocked products to manufacturers but to rather receive funds to sponsor the sales of these goods.

6) Hire purchase receivables and Loan receivables

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

Debtor Type	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
Hire purchase receivables – net	103.65	5.34	168.19	8.66	246.21	10.67
Loan receivables – net	1,835.61	94.66	1,774.77	91.34	2,062.03	89.33
Total	1,939.26	100.00	1,942.96	100.00	2,308.24	100.00

As of the end of 2020 to 2022, the company's portfolio of hire purchase receivables and Loan receivables totaled 1,939.26 million baht, 1,942.96 million baht and 2,308.24 million baht, respectively. The company's primary debtors included loan receivables that made up a share of about 89.33 – 94.66% of the net total loan.

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

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

The company divided hire purchase agreement accounts receivable and financial loan accounts receivable into 3 stages (three-stage approach) to measure the value of the allowance for expected credit losses with

classification judged based on changes in credit quality from the date of initial recognition of transaction as follows:

Stage 1: For hire purchase receivables and loan receivables without significant increases in credit risks (performing), the company will measure the value for allowance for expected credit losses to be within the next 12 months.

Stage 2: For hire purchase receivables and loan receivables with significant increases in credit risks (under-performing), the company will recognize expected credit losses by a financial amount that is equal to the expected credit losses throughout the expected age of the hire purchase receivables and loan receivables.

Stage 3: For credit-depreciated hire purchase receivables and loan receivables (non-performing), the company will recognize expected credit losses by a financial amount that is equal to the expected credit losses

throughout the expected age of the hire purchase receivables and loan receivables.

The company's hire purchase receivables had agreement durations ranging from 3 installments to 36 installments (with only a single agreement having 84 installments), with equal installment payments for each installment and fixed interest throughout the entire duration of their agreements.

As of the end of 2020 to 2022, the company's portfolio of hire purchase receivables equaled 103.65 million baht, 168.19 million baht and 246.21 million baht, respectively. Most of these consisted of debtors due within 1 year by 98.52 million baht, 162.75 million baht and 238.03 million baht, respectively, or a share of about 95.05 – 96.76% of the hire purchase receivables portfolio, with the remainder being debtors due within more than 1 year by about 3.24 – 4.95% of the hire purchase receivables portfolio.

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

(Unit : MILLION THB)

Item	2020			2021			2022		
	Within 1 Year	More than 1 Year	Total	Within 1 Year	More than 1 Year	Total	Within 1 Year	More than 1 Year	Total
Hire purchase receivables	118.39	6.56	124.95	192.03	7.92	199.95	291.50	10.55	302.05
Less: Unearned income	(12.17)	(1.25)	(13.42)	(20.05)	(1.86)	(21.91)	(34.02)	(1.64)	(35.66)
Present value of the minimum lease payment receivables	106.22	5.31	111.53	171.98	6.06	178.04	257.48	8.91	266.39
Less: Allowance for expected credit losses	(7.70)	(0.18)	(7.88)	(9.23)	(0.62)	(9.85)	(19.45)	(0.73)	(20.18)
Hire Purchase Agreement Debtors – Net	98.52	5.13	103.65	162.75	5.44	168.19	238.03	8.18	246.21
%	95.05%	4.95%	100.00%	96.76%	3.24%	100.00%	96.68%	3.32%	100.00%

As of the end of 2021, the portfolio of hire purchase receivables decreased by 64.54 million baht or 62.27% when compared to 2020. This occurred due to an increase along the increase in installment sales of nearly every category of products, especially in mobile phones, which increased by 125.48 million baht. As a result, debtors in the mobile phone category increased by 30.24 million baht.

As of the end of 2022, the portfolio of hire purchase receivables continued to increase after 2021 by 75.28 million baht due to the fact that in 2022 the company launched additional express branches and pushed for increased product sales, which led to hire purchase receivables increasing in 2022.

Furthermore, upon considering based on security type in the portfolio of hire purchase

receivables, it was found that as of the end of 2020 to 2022, most hire purchase agreements were in the category of electrical appliances at 69.38%, 61.68% and 50.65% of the total hire

purchase receivables, respectively, followed by mobile phones at 17.84%, 28.97% and 43.47%, respectively, of the total hire purchase receivables.

Structure of hire purchase receivables by Security

Security	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
Electrical appliance hire purchase agreements	71.91	69.38	103.73	61.68	124.71	50.65
Mobile phone hire purchase agreements	18.49	17.84	48.73	28.97	107.03	43.47
Motorcycle hire purchase agreements	11.75	11.33	8.86	5.27	4.54	1.84
Computer hire purchase agreements	1.50	1.45	6.87	4.08	9.93	4.04
Total	103.65	100.00	168.19	100.00	246.21	100.00

Hire Purchase Receivables by Overdue Debt Age and Allowance for Doubtful Debts for 2019 and Credit Risk Classification and Allowance for Expected Credit Losses for 2020 to 2022.

9 th Thai Financial Reporting Standards for 2020-2021	As of 31 December					
	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
Stage 1	103.33	92.65	162.96	91.53	221.61	83.19
Stage 2	5.44	4.88	10.60	5.95	29.28	10.99
Stage 3	2.76	2.47	4.48	2.52	15.50	5.82
Total Debtors	111.53	100.00	178.04	100.00	266.39	100.00
Allowance for doubtful debts/Allowance for expected credit losses (ECL) (1)	(2.75)	(2.47)	(7.18)	(4.03)	(17.52)	(6.58)
(2) Allowance for doubtful debts - Management overlay	(5.13)	(4.60)	(2.67)	(1.50)	(2.66)	(1.00)
Less: Allowance for doubtful debts/ allowance for expected credit losses (3) = (1) + (2)	(7.88)	(7.07)	(9.85)	(5.53)	(20.18)	(7.58)
Total Debtors - Net	103.65	92.93	168.19	94.47	246.21	94.42

As of the end of 2020 to 2022, the portfolio of hire purchase receivables of the company mostly consisted of debtors not yet due for repayment or debtors overdue for no more than 30 days or debtors in a stage without significant increases in credit risks (performing – Stage 1) by representing a share of about 83.19 – 92.65% of the portfolio of hire purchase receivables, followed by debtors overdue for 31–90 days or debtors with significant credit risk increases (under-performing – Stage 2) by a share of about 4.88 – 10.99% of the portfolio of hire purchase receivables, and debtors overdue for more than 90 days or debtors who experienced credit depreciation (non-performing – Stage 3) by a share of about 2.47 – 5.82% of the portfolio of hire purchase receivables.

As of the end of 2020 to 2022, the company's allowance for doubtful debts/expected credit losses amounted to 9.26 million baht or 7.64% of the entire portfolio of hire purchase agreement debtors, 7.88 million baht or 7.06% of the entire portfolio of hire purchase agreement debtors, and 9.85 million baht or 5.53% of the entire portfolio of hire purchase agreement debtors, respectively.

The company participated in projects to give assistance to debtors affected by Covid-19. As of the end of 2022, the company's

remaining hire purchase receivables who joined these projects amounted to 0.08 million baht or 0.03% of total hire purchase receivables.

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

As of the end of 2020 to 2022, the company's portfolio of loan debtors amounted to 1,835.61 million baht, 1,774.77 million baht and 2,062.03 million baht, respectively. Most of these consist of debtors due for repayment in more than 1 year at the amount of 981.53 million baht, 1,017.81 million baht and 1,233.04 million baht, respectively, or calculated into approximately 53.47 – 59.80% of the portfolio of loan receivables. Meanwhile, the debtors due for repayment within 1 year amounted to 854.08 million baht, 756.96 million baht and 828.99 million baht, respectively, or a share of about 40.20–46.53% of the portfolio of loan receivables.

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

(Unit : MILLION THB)

Item	2020			2021			2022		
	Within 1 Year	More than 1 Year	Total	Within 1 Year	More than 1 Year	Total	Within 1 Year	More than 1 Year	Total
Loan receivables	925.00	1,039.73	1,964.73	805.32	1,060.49	1,865.81	851.43	1,276.68	2,128.11
Less: Unearned income	(10.22)	(10.06)	(20.28)	(5.61)	(3.16)	(8.77)	(5.23)	2.00	(3.23)
Add: Accrued interest	29.79	-	29.79	36.81	-	36.81	49.55	-	49.55
Present value of the minimum payment receivables	944.57	1,029.67	1,974.24	836.52	1,057.33	1,893.85	895.75	1,278.68	2,174.43
Less: expected credit loss	(90.49)	(48.14)	(138.63)	(79.56)	(39.52)	(119.08)	(66.76)	(45.64)	(112.40)

Item	2020			2021			2022		
	Within 1 Year	More than 1 Year	Total	Within 1 Year	More than 1 Year	Total	Within 1 Year	More than 1 Year	Total
Loan receivables – net	854.08	981.53	1,835.61	756.96	1,017.81	1,774.77	828.99	1,233.04	2,062.03
%	46.53%	53.47%	100.00%	42.65%	57.35%	100.00%	40.20%	59.80%	100.00%

As of the end of 2022, the portfolio of loan receivables increased by 287.26 million baht or 16.19% when compared to year 2021 due to growth in the loan portfolio during 2022. In addition, the company amortized fewer bad debts according to the company's policy, and this led the company's loan receivables to increase. As of the end of 2021, the portfolio of loan receivables decreased by 60.84 million baht or 3.31% when compared to 2020. Even though the portfolio of newly issued loans in 2021 was similar to 2020, by the end of 2021, the company amortized a

fairly large amount of bad debts according to the company's policy. As a result, the amount for loan receivables decreased.

Furthermore, upon making consideration based on the security type of the portfolio loan receivables, it was found that from the end of 2020 to 2022, most security consisted of car registrations by 88.76%, 88.29% and 87.04% of the total loan receivables, respectively, followed by motorcycle registrations by 7.50%, 6.96% and 7.30% of the total loan receivables.

Structure of Loan Receivables by Security Type

Security	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
Car registrations	1,629.23	88.76	1,566.82	88.29	1,794.78	87.04
Motorcycle registrations	137.72	7.50	123.56	6.96	150.57	7.30
Land	67.55	3.68	81.33	4.58	106.30	5.16
P-Loan	1.11	0.06	3.06	0.17	3.10	0.15
Nano Finance	–	–	–	–	7.28	0.35
Total	1,835.61	100.00	1,774.77	100.00	2,062.03	100.00

Loan Receivables by Credit Risk and Allowance for Expected Credit Losses for 2020 to 2022

9 th Thai Financial Reporting Standards for 2020–2021	As of 31 December					
	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
Stage 1	1,535.46	77.78	1,528.53	80.71	1,682.77	77.39
Stage 2	317.16	16.06	299.38	15.81	411.43	18.92
Stage 3	121.62	6.16	65.94	3.48	80.23	3.69
Total Debtors	1,974.24	100.00	1,893.85	100.00	2,174.43	100.00
Allowance for doubtful debts or allowance for expected credit losses (ECL) (1)	(129.07)	(6.54)	(86.33)	(4.56)	(96.14)	(4.42)
Management overlay (2)	(9.56)	(0.48)	(32.75)	(1.73)	(16.26)	(0.75)

9 th Thai Financial Reporting Standards for 2020–2021	As of 31 December					
	2020		2021		2022	
	Million THB	%	Million THB	%	Million THB	%
Less: Allowance for doubtful debts or expected credit losses (3) = (1) + (2)	(138.63)	(7.02)	(119.08)	(6.29)	(112.40)	(5.17)
Total Debtors – Net	1,835.61	92.98	1,774.77	93.71	2,062.03	94.83

As of the end of 2020 to 2022, the portfolio of the company's loan receivables mostly consisted of debtors not yet due for repayment and overdue for no more than 30 days or consisted of debtors without significant increases in credit risks (performing – Stage 1) by a share of approximately 77.39 – 80.71% of the entire portfolio of loan receivables, followed by debtors overdue for 31–90 days or debtors with significant increases in credit risks (under-performing – Stage 2) by a share of approximately 15.81 – 18.92% of the entire loan receivables portfolio and debtors overdue for more than 91 days or debtors who experienced credit depreciation (non-performing – Stage 3) by a share of approximately 3.48 – 6.16% of the entire portfolio of loan receivables.

As of the end of 2020 to 2022, the company has set the allowance for doubtful debts or expected credit losses to 138.63 million baht

or 7.02% of the entire portfolio of loan receivables, 119.08 million baht or 6.29% of the entire portfolio of loan receivables and 112.40 million baht or 5.17% of the entire portfolio of loan receivables respectively. Accordingly, the company has set the allowance for expected credit losses—management overlay for the end of 2019 to 2022 to amounts of approximately 9.56 million baht, 32.75 million baht and 16.26 million baht, respectively, due to the company taking precautions regarding various factors that might affect the quality of loans in the future, including the impacts of the Covid-19 pandemic, which slowed the economy and might impact the repayment capabilities of debtors. Accordingly, the company reviews the management overlay every quarter for as long as the company views that the aforementioned situation will continue to impact the quality of the company's loans in the future.

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

No.	Subject
ThorPorThor. ForNorSor. (23) Wor.276/2563	Guidelines for Assisting Debtors Impacted by Situations Affecting the Thai Economy
ThorPorThor. ForNorSor.(01) Wor.380/2563	Additional Measures for Assisting Debtors during the Covid-19 Pandemic
ThorPorThor. ForNorSor.(01) Wor.648/2563	Additional Measures for Assisting Minor Debtors During the Covid-19 Pandemic, Phase 2

No.	Subject
ThorPorThor. KorPorNor. Wor.20/2564	Assistance for Debtors in Response to Covid-19 Outbreaks
ThorPorThor. KorPorNor. Wor.480/2564	Measures for Assisting Minor Debtors during the Covid-19 Pandemic, Phase 3

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

In 2021, the Federation of Accounting Professions announced a new accounting practice guideline entitled the Practice Guideline for Assisting Debtors Affected by the Covid-19 Pandemic that became effective for the financial statements whose accounting periods started on or after 1 January 2022 to 31 December 2023. The practice guideline was meant for businesses providing assistance to debtors affected by the Covid-19 pandemic by providing assistance to said debtors in the period from 1 January 2022 to 31 December 2023 or until the BOT announces changes, which are to be subsequently adopted.

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

As of 31 December 2022, the company's balance of loan receivables who received assistance amounted to 10.82% of the total loan receivables and consisted of the following debtors:

a) Debtors who received assistance from 2020 to 2021 and during the 2nd quarter of 2022. The company gave assistance by suspending debt repayments and modifying the debt structure by extending the time for repaying the remaining installments or by reducing installments. As of 30 June 2022, the company's remaining debtors who joined the projects amounted to 282.85 million baht or 14.96% of all financial loan debtors, divided into 1,046 agreements or 229.14 million baht in the debt restructuring project and 334 agreements or 53.71 million baht in the debt payment suspension project. The company adopted the practice guideline on providing assistance to debtors affected by the Covid-19 pandemic by ranking debtors and allocating financial reserves according to the related financial reporting standards. (As of 31 December 2021, the company's financial loan debtors who participated in the projects totaled 379.17 million baht or 20.32% of all financial loan debtors, of which there were 1,256 agreements or 287.15 million baht in the debt restructuring project and 524 agreements or 92.02 million baht in the debt suspension project.)

B) Debtors who received assistance from the 2nd quarter of 2022. These were the company's financial loan debtors who were non-NPL, and the company gave assistance to these debtors more than extending the time for debt repayment alone. Accordingly, the company negotiated with the debtors and analyzed the financial position and businesses of the debtors and viewed that the debtors would be able to perform the restructured debt agreements. Thus, the company immediately reclassified the debtors as normal debtors

(Stage 1) by using the accounting practice guideline of the Federation of Accounting Profession entitled the Guideline for Assisting Debtors Affected by the Covid-19 Pandemic. As of 30 June 2022, the company's remaining financial loan debtors who joined the projects totaled 15.76 million baht or 0.83% of total loan debtors, of which 19 agreements were in the debt restructuring project. In any case, the company has already adequately set the

ECL in the form of additional management overlay for debtors who fit the criteria for use of the accounting practice guideline in order to prepare for future impacts after the expiration of the time period for adoption of the accounting practice guideline, following which debt classification has to be reverted back to follow related financial reporting standards.

7) Assets foreclosed

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

Security Type	2020		2021		2022	
	Million THB	%	Million THB	%	Million THB	%
Cars	9.37	87.65	19.39	59.41	20.82	58.76
Land	-	-	10.34	31.68	10.34	29.19
Motorcycles	0.66	6.17	0.53	1.62	0.43	1.21
Electrical appliances	0.39	3.65	0.80	2.45	1.64	4.63
Other assets pending sale	0.27	2.53	1.58	4.84	2.20	6.21
Assets pending sale - total	10.69	100.00	32.64	100.00	35.43	100.00
Less: Allowance for depreciation	(2.94)	(27.50)	(6.56)	(20.10)	(9.78)	(27.60)
Assets Pending Sale - Net	7.75	72.50	26.08	79.90	25.65	72.40

As of the end of 2020 to 2022, the company's net assets foreclosed totaled 7.75 million baht, 26.08 million baht and 25.65 million baht, respectively. Most of the assets foreclosed were in the category of cars such as pickup trucks and private passenger vehicles. As of the end of 2021, the net assets foreclosed increased from 2020 by 18.33 million baht or 236.52% from the value of 2 plots of land assets that equaled 10.34 million baht and car assets that equaled to 10.02 million baht.

As of the end of 2022, the company's net assets foreclosed decreased slightly when compared to 2021 by 0.43 million baht or 1.65%. In any case, the company holds regular monthly auctions to sell the assets foreclosed via auction yard and online channels in order to generate cashflow to circulate in the company.

8) Leasehold Improvements and Equipment

Item	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
Leasehold improvements	39.44	27.02	40.69	26.43	41.97	25.52
Office equipment	39.14	26.81	41.31	26.83	46.44	28.24
Furniture and fixtures	40.47	27.72	45.63	29.63	48.74	29.63
Motor vehicles	26.68	18.27	26.34	17.11	27.03	16.43
Asset under construction and installation	0.26	0.18	-	-	0.30	0.18
Total	145.99	100.00	153.97	100.00	164.48	100.00
Less: Accumulated depreciation	(76.82)	(52.62)	(92.12)	(59.83)	(109.43)	(66.53)
Book Value – Net	69.17	47.38	61.85	40.17	55.05	33.47

As of the end of 2020 to 2022, the company's leasehold improvements and equipment totaled 69.17 million baht or 61.85 million baht and 55.05 million baht, respectively. The company amortized leasehold building improvements and equipment as expenses in the income statement by using the linear method for their entire lifespan (2–20 years for leasehold building improvements and 2–5 years for vehicles, decorations and equipment). In 2021, the company's leasehold building improvements and equipment decreased by 7.32 million baht when compared to 2020 due to accumulated depreciation by 15.30 million baht and increased assets by 7.98 million baht. Primarily, this occurred due to increased decorations and installations by 5.16 million baht.

In 2022, the company's leasehold improvements and equipment decreased by 6.80 million baht when compared to 2021 due to increased amortization by 17.31 million baht and increased assets by 10.51 million baht, primarily due to increased office supplies by 5.13 million baht and increased decorations and installations by 3.11 million baht.

9) Intangible Assets

As of the end of 2020 to 2022, the company's intangible assets totaled 6.52 million baht, 6.34 million baht and 7.07 million baht, respectively. As of the end of 2021, intangible assets decreased slightly by 0.18 million baht when compared to 2020. This was due to increases in computer software by 0.32 million baht, building leasehold rights by 0.03 million baht and amortization by 0.53 million baht.

As of the end of 2022, intangible assets increased by 0.73 million baht when compared to 2021. This resulted from increased investment in computer software and computer software under development by 1.49 million baht and increased amortization by 0.76 million baht. The company amortized intangible assets as expenses in the income statement according to the linear method throughout the entire usage life of 10 years.

10) Rights-of-use-assets

The company adopted the 16th Thai Financial Reporting Standards on rent contracts for the first time beginning on 1 January 2020. However,

the changes in the accounting policy produced no impacts on retained earnings as of 1 January 2020. As of the end of 2020 to 2022, the company's net rights-of-use-assets totaled 74.20 million baht, 45.08 million baht and 90.32 million baht, respectively, most of which were main office building and branch office leasehold rights whose contract ages ranged from 1 to 10 years.

11) Deferred tax assets

As of the end of 2020 to 2022, the company's income tax assets pending amortization totaled 47.77 million baht, 39.73 million baht and 37.30 million baht, respectively. As of the end of 2022, the deferred tax assets mostly occurred due to temporary differences in the allowance for expected credit losses for loan receivables and reserves for long-term employee benefits.

12) Other Current Assets

As of the end of 2020 to 2022, the company's other current assets totaled 18.39 million baht, 24.21 million baht and 29.23 million baht, respectively. As of the end of 2022, the company's other current assets increased by 5.02 million baht or 20.74% when compared to the end of 2021. This primarily occurred as a result of increases in rebates from procurement benefits by 2.61 million baht and increases in the accrued commissions from the non-life insurance broker business by the amount of 1.87 million baht. Accordingly, the company just started the non-life insurance broker business in 2019 and is continually generating more income from this business.

As of the end of 2022, the company's other current assets totaled 29.23 million baht. Most of these were accrued revenues from vendors, whether in the form of rebates from product purchases, revenue from sales promotion activities and product price adjustment revenues for a total of 14.37 million baht or 49.16% when compared to other current assets, followed by accrued commissions by the amount of 8.00 million baht or 27.37% when compared to other current assets.

13) Other Non-Current Assets

As of the end of 2020 to 2022, the company's other non-current assets totaled 7.38 million baht, 6.27 million baht and 7.47 million baht, respectively. Most of these were in the form of paid deposits and security deposits for rent of the company's service branches and payment advances amortized by over 1 year.

14) Overview of Liabilities

The Company's Debt Structure

As of the end of 2020 to 2022, the company's total debts equaled 1,769.52 million baht, 1,820.06 million baht and 1,784.08 million baht, respectively, or a share of 80.84%, 79.68% and 77.63% when compared to total assets, respectively.

As of the end of 2022, the company's total debts were 1,784.08 million baht, most of which were as follows:

1) Short-term financial institute loans at the amount of 1,176.66 million baht or 51.20% of total assets.

2) Long-term financial institute loans at the amount of 406.46 million baht or a share of 17.69% of total assets. Accordingly, the financial institute loans in 1) and 2) combined to 1,583.12 million baht or 68.89% of total assets and were loans used to provide micro-financing loans under the regulation of the BOT.

3) Trade payables and other payables totaling 70.30 million baht or 3.06% of total assets.

4) Debts from rent/lease contracts totaling 47.98 million baht or a share of 2.09% of total assets; and

5) Estimated debts from financial reserves for long-term employee benefits totaling 42.35 million baht or 1.84% of total assets.

Each of the aforementioned items is described as follows:

15) Loans

Loans	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
Short-term financial institute loans	1,104.29	69.42	1,176.66	74.33	1,428.24	76.85
Long-term financial institute loans	486.38	30.58	406.46	25.67	430.12	23.15
Total	1,590.67	100.00	1,583.12	100.00	1,858.36	100.00

As of the end of 2020 to 2022, the company's total financial institute loans were 1,590.67 million baht, 1,583.12 million baht and 1,858.36 million baht, respectively. The company used the loans to offer loan services to the company's customers. These loans are guaranteed by the directors, land and structures of the parent company, and registered agreement for use of debt repayment demand rights as business security. In addition, as of the end of 2022, the company's account overdrafts and short-term financial institute loans unspent totaled 296.76 million baht.

16) Trade Accounts Payable and Other Accounts Payable

As of the end of 2020 to 2022, the company's trade accounts payable and other accounts payable totaled 59.28 million baht, 70.30 million baht and 76.21 million baht, respectively.

As of the end of 2021, trade accounts payable and other accounts payable increased by 11.02 million baht or 18.59% when compared to the end of 2020. This primarily occurred as a result of an increase in non-life insurance creditors by 8.03 million baht, whereby the company received insurance premiums from insurance takers and was obligated to deliver the premiums to insurance companies.

As of the end of 2022, trade accounts payable and other accounts payable totaled 5.91 million baht or 8.41% when compared to the end of 2021. Primarily, this was due to increased trade accounts payable-net.

As of the end of 2022, trade accounts payable and other accounts payable included 58.90

million baht of produce purchase creditors, 5.42 million baht of non-life insurance creditors, 3.56 million baht of cash advances and 8.33 million baht of other creditors.

17) Rent/Lease Contract Debts

The company adopted the 16th Thai Financial Reporting Standards for the first time on 1 January 2020. As of the end of 2020 to 2022, the company's rent/lease contract debts were 77.63 million baht, 47.98 million baht and 91.93 million baht, respectively.

As of the end of 2021, the total decreased by 29.65 million baht when compared to 2020 as a result of gradual repayment of main office and branch office building rents/leases according to rent/lease contracts.

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

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

As of the end of 2020 to 2021, the company's estimated debts from reserves for long-term employee benefits totaled 52.32 million baht, 55.83 million baht and 42.35 million baht, respectively.

As of the end of 2022, the company's estimated debts from reserves for long-term employee benefits decreased by 13.48 million baht or 24.15% when compared to 2020 due to the company paying retired employees in 2021 by 14.53 million baht and an increase in the discount rate used to calculate the debt estimates according to actuarial science from 1.26% per

year to 1.88% per year, which led employee benefits debts to decrease by 4.33 million baht.

19) Other Current Debts

As of the end of 2020 to 2022, the company's other current debts were 25.65 million baht, 35.20 million baht and 28.30 million baht, respectively. As of the end of 2022, most other current debts included outstanding expenses such as outstanding bonuses, outstanding audit fees and outstanding utility fees, etc., and

outstanding taxes such as UAT, business-specific taxes and withholding taxes.

As of the end of 2021, the company's other current debtors increased by 9.55 million baht or 37.23% when compared to 2020 due to increasing outstanding bonuses by 7.88 million baht.

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

21) Overview of Shareholders' Equity

Shareholders' Equity	2020		2021		2022	
	Million THB	%	Million THB	%	Million THB	%
Registered capital	400.00	17.51	400.00	17.41	550.00	17.13
Issued and paid-up capital	400.00	17.51	400.00	17.41	550.00	17.13
Retained earnings					466.25	14.53
Allocated – Legal reserves	9.80	0.43	12.80	0.56	21.96	0.68
Unallocated	66.07	2.89	109.01	4.74	78.99	2.46
Other components of shareholders' equity	(11.68)	(0.51)	(7.86)	(0.34)	(5.85)	(0.18)
Total Shareholders' Equity	464.19	20.32	513.95	22.37	1,111.35	34.62

Remarks ^{1/} When compared to total assets,

As of the end of 2020 to 2022, the company's shareholders' equity was 464.19 million baht, 513.95 million baht and 1,111.35 million baht, respectively, or 20.32, 22.37% and 34.62% when compared to total assets.

As of the end of 2021, the company's shareholders' equity increased by 49.76 million baht or 10.72% when compared to 2020 largely due to an increase in net profit for 2021 by 102.94 million baht. However, shareholders' equity decreased due to payment of dividends to shareholders in 2021 by 57.00 million baht.

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

Book Value per Share

As of the end of 2022, the company's book value 1.01 baht per share (1,100 million ordinary shares with a par value at 0.50 baht per share).e).

4.1.4 Sources of Capital

The company's sources of capital for the end of 2020 to 2022 are described as follows:

Sources of Capital	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
Financial institute loans						
– Promissory notes	1,104.29	53.74	1,176.66	56.11	1,428.24	48.10
– Long-term loans	486.38	23.67	406.46	19.38	430.12	14.48
Total Loans	1,590.67	77.41	1,583.12	75.49	1,858.36	62.58
Total Shareholders' Equity	464.19	22.59	513.95	24.51	1,111.35	37.42
Total Sources of Capital	2,054.86	100.00	2,097.07	100.00	2,969.71	100.00

As of the end of 2022, the company's sources of capital consisted of 2 sources, namely, financial institute loans by a share of 62.58% of all capital sources and shareholders' equity by a share of 37.42% of all capital sources. Financial institute loans were the company's primary sources of capital, most of which were short-term loans in the form of promissory notes by 48.10% of total capital sources and long-term loans by 14.48% of total capital sources.

As of the end of 2020 to 2022, the company's interest-bearing debt to equity ratio (IBD/E ratio) was 3.59 times, 3.17 times and 1.75

times, respectively, and the debt to equity ratio (D/E ratio) was 4.22 times, 3.92 times, times and 1.89 times respectively, under the terms of the loan agreement from a financial institution State that the Company maintains a D/E ratio of not more than 3.92 times and 3.47 times. However, the company received an extension letter from a financial institute that has extended the need to maintain said D/E ratio up to 31 March 2023. Accordingly, the company's share of bank loans whose terms required D/E ratio to not exceed 2.00 times amounted to 82.82% of the company's total financial institute loans.

4.1.5 Liquidity Analysis

Item	2020	2021	2022
	million THB	million THB	million THB
Net cash acquired from (used in) operating activities	132.37	171.88	(147.75)
Net cash used in investment activities	(24.22)	(9.08)	(11.21)
Net cash acquired from (used in) financing activities)	(112.84)	(157.02)	656.44
Net increase (decrease) in cash and cash-equivalent	(4.69)	5.78	497.48

As of the end of 2019, the company's net cash increased by 1.54 million baht primarily due to increases in financing activities, which mostly occurred in the form of financial institute loans for use in providing the company's loan business. As of the end of 2020, the company's net cash decreased by 4.69 million baht from spending in repayment of loans and interests to financial institutes. As of the end of 2021, the company's net cash increased by 5.78 million baht due to cash flow from operating activities in 2021, when more debt payments were collected from loan debtors.

1) Cashflow from Operating Activities

As of 2022, the company's cash flow spent in operating activities was 99.30 million baht primarily due to cash spent to expand the loan service portfolio by 443.98 million baht. As for 2020 and 2021, the company's cashflow from operating activities was 132.37 million baht and 171.88 million baht, respectively, due to gradual installment payments from loan debtors.

2) Cashflow from Investment Activities

From 2020 to 2022, the company's cashflow spent in investment activities amounted to 28.15 million baht, 24.22 million baht and 9.08 million baht, respectively, primarily due to cash spent in rent/lease building renovations and equipment by 25.88 million baht, 22.45 million baht and 9.15 million baht, respectively.

3) Cashflow from Financing Activities

In 2020, the company's cashflow spent in financing activities was 112.84 million baht due to repayment of short-term and long-term financial institute loans and repayment of rent/lease contract debts.

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

cashflow received in financing activities was 656.44 million baht due to cash received from capital increase and the IPO by 612.00 million baht and cash spent in direct IPO expenses by 19.17 million baht.

4.1.6 Important Financial Ratios

1) Liquidity Ratio and Quick Ratio

As of the end of 2020 to 2022, the company's liquidity ratio was 0.83 times, 0.78 times and 1.03 times, respectively.

As of the end of 2021, the company's liquidity ratio decreased from 2020 due to the company's focus repaying short-term bank loans and increased non-life insurance accounts payable and accrued bonuses, which increased current liabilities. Meanwhile, current assets increased as a result of increased inventory goods purchases for the current stock due to increased product sales.

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

Cash Cycle (Product Retail Business)

	Unit	2020	2021	2022
Average collection period	Days	3.14	1.83	0.30
Average holding period	Days	69.76	52.08	50.75
Average payment period	Days	31.23	28.20	26.81
Cash cycle	Days	41.67	25.71	24.24

The company's cash cycle (product retail business) primarily results from the ability to manage the circulation of inventory, repayments by trade receivables and payments to trade payables. From 2020 to 2022, the company's cash cycle was 51.71 days, 41.63 days and 26.10 days, respectively, thus showing that the company's cash cycle has been getting shorter, which is due to shorter average inventory period and average debt collection period.

1) Average debt collection period: From 2019 to 2021, the company was able to manage debtors effectively by having an

average debt collection period of about 2-3 days.

2) Average inventory period: From 2019 to 2021, the company's average inventory period decreased from 70 to 51 days primarily due to the company's work plan to boost sales according to budgets, e.g., through sales promotion activities and continuous, year-round promotional offers.

3) Average debt repayment period: From 2019 to 2021, the average debt repayment period was 27-31 days, which was within the normal credit term provided by most trade payables.

2) Important Ratios Related to the Loan Business

	2020	2021	2022
Loan charge-offs/gross loans	2.64%	4.46%	2.80%
Expected credit losses/gross loans (ECL/gross loans)	7.02%	6.22%	5.43%
Non-performing loans/gross loans (NPL/gross loans or NPL ratio)	5.96%	3.40%	3.92%
- Non-performing loans/loans - Hire purchase agreements (NPL/hire purchase agreement debtors before deducting ECL)	2.48%	2.52%	5.82%
- Non-performing loans/loans - Financial loan agreements (NPL/financial loan debtors before deducting ECL)	6.16%	3.48%	3.69%
ECL/NPL ratio (ECL/NPL or coverage ratio)	117.79%	183.09%	138.50%
Loan-to-deposit ratio	127.88%	131.00%	131.13%

As of the end of 2020 to 2022, the company's bad debts amortized was 34.66 million baht, 55.06 million baht and 92.46 million baht or 1.73%, 2.64% and 4.46% of total loan debtors, respectively. For the company's bad debt amortization policy, the company has set guidelines for amortizing bad debts according to the principle and practices for amortizing bad debts from the list of debtors in the guidelines of Ministerial Guidelines No. 186 and the new guideline No. 374 of the Revenue Code declared in 2021. Thus, changes were made to keep up with the current business situation in terms of respecifying the debt

amount for bad debt amortization in each stage and changing the criteria for amortizing bad debts from the debtor accounts to make it easier to amortize bad debts in line with the Revenue Code. As a result, the total amortization of bad debts in 2021 increased by 37.40 million baht when compared to 2020. For the first six months of 2021 and 2022, the company's amortization of bad debts was similar to each other at 22.46 million baht and 22.37 million baht, respectively.

As for the expected credit losses to gross loans ratio (ECL/gross loans) and non-performing loans to gross loans (NPL/gross loans or NPL

ratio) and expected credit losses to non-performing loans (ECL/NPL or coverage ratio) as of the end of 2021 of the company, they were similar to the levels of other companies

listed in the Stock Exchange that operate the same types of business according to the table shown below.

	2022
ECL/Gross Loans Ratio	
The Company	5.43%
Other companies listed in the Stock Exchange operating the same types of businesses ^{1/}	1.27% – 4.48%
NPL/Gross Loans or NPL Ratio	
The Company	3.92%
Other companies listed in the Stock Exchange operating the same types of businesses ^{1/}	1.58% – 4.64%
ECL/NPL or Coverage Ratio	
The Company	138.50%
Other companies listed in the Stock Exchange operating the same types of businesses ^{1/}	54.01% – 248.90%

Remarks ^{1/} There were 6 companies according to information in the financial statements for 2021.

The company's ECL/gross loans ratio was 5.96%, which was a slight decrease from the end of 2021 due to expansion of the hire purchase agreement portfolio in the year 2022 of 2022. In addition, the NPL/gross loans or NPL ratio as of 30 June 2022 was 3.65% or slightly higher than in 2021. However,

er, the company has practice guidelines in place and continuously monitors results to effectively decrease the NPL ratio.

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

4.2 Factors Potentially Affecting Future Performance or Financial Position

4.2.1 Initial Public Offering (IPO)

After the initial public offering, the company will have 300 million additional ordinary shares from 800 million shares to 1,100 million shares (at the marked price of 0.50 baht per share) or a decrease in share ratio (control dilution) of 27.27%, which will lead to the company's net profit per share (EPS) to decrease in the future due to the greater number of shares used as the basis for calculations. However, after the IPO and the company's registration in the Stock Exchange of Thailand, the company has a plan to place greater focus on every type of loan business, whether secured or unsecured loans, that operate under the regulation of the Bank of Thailand. In addition, the company has a work plan to focus on loan-related businesses such as the non-life insurance broker business and others to generate greater revenue and perform better while minimizing impacts from the company's decreased net profit per share due to the above increase in shares.

4.2.2 Risk from Operating the Loan Business

The factors that might cause the company's performance and financial position to decrease in the loan business include not being able to collect installment payments from hire purchase agreement debtors and financial loan debtors according to agreement specifications, which might cause the company to have to record increased allowance for expected credit losses and amortization of bad debts, or seizures and sales of security seized from debtors who breach their hire purchase agreements and financial loan agreements, which might cause the company to have to record losses from security sales and record reserves for security losses, etc. All of these can contribute to decreased future performance and financial position. However, the company recognizes these risks and factors and, therefore, gives importance to being more strict about loan

issuances by classifying debtors and evaluating security and awarded loan amounts relative to security and closely monitoring debtors' installment payments. In addition, in order to reduce potential risks from loans and increase revenues from connected businesses, the company will focus on requiring every loan debtor obtain an insurance policy to cover the loans issued by the company in cases where the debtors fail to repay their debts according to their agreements in the future.

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

4.2.3 Risks from Operating the Product Retail Business

From 2020 to 2022, the share of revenues from product sales to total revenues was 56.81%, 53.97% and 58.25%, respectively. Accordingly, it is apparent that these revenues contribute significantly to the company's revenue structure. Thus, if in the future competition in the household appliance, mobile phone and computer retail business intensifies, the company might suffer from impacts, especially through inevitable losses in revenues from sales. However, from the company's experience in operating the electrical appliance business for over 30 years and being a major retail distributor of electrical appliances in the Eastern Region, the company has expertise and bargaining power, especially with the electrical appliance manufacturers and product brand owners,

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

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

Ever since 2019, the government through the Ministry of Finance and the Bank of Thailand has been regulating the vehicle-secured and personal loan industry to promote public access to loans and ensure fair treatment by loan business operators whether in terms of interest rates or debt collection to substitute for dependency on informal sources of capital. Accordingly, the company has received letters of permit from the Ministry of Finance to operate a regulated personal loan business and microfinancing loan business, for which the company must comply with the criteria and conditions of related announcements and operate strictly under the regulation of the Bank of Thailand. Additionally, the company was granted a permit to operate a non-life insurance broker business under the regulation of the Office of Insurance Commission.

Accordingly, these regulatory agencies continuously amend and revise their regulatory requirements, especially the Bank of Thailand, and they also inspect the company's operation to determine whether or not the company fully complies with related laws, announcements, standards and practice guidelines. If the company operates business in violation of related regulations, the company might be at risk of having the aforementioned business permits confiscated, which would significantly impact the company's business operation. However, the board of directors recognizes these risks and has resultingly established a Risk Management Committee as a subcommittee for providing assistance in the specification of policies and strategies and monitoring risk management on a regular basis while covering management of risks from related government rules, regulations and requirements. The subcommittee works alongside the Risk Management Work Group, which is made up of company directors, executives and department directors, and the company's internal audit office continuously monitors changes in the laws, requirements and announcements related to the company's business operation to ensure that the company will operate fully in compliance with the regulation of related agencies.

4.3 Important Financial Information

4.3.1 Audit Report Summary

Accounting Period	Financial Statement	Licensed Auditor	Registration No.	Audit Company
31 December 2020	Separate financial statement	Miss Ratana Chala	3734	EY Company Limited ^{1/}
31 December 2021	Separate financial statement	Miss Ratana Chala	3734	EY Company Limited ^{1/}
31 December 2022	Separate financial statement	Miss Ratana Chala	3734	EY Company Limited ^{1/}

Remarks ^{1/} The licensed auditor and audit agency are approved by the Office of the Securities and Exchange Commission.

Summary of the Auditor's Opinions

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

4.3.2 Table Summarizing Financial Statements

1) Statement of Financial Position

Statement of Financial Position	Specific Financial Statement					
	31 December 2020		31 December 2021		31 December 2022	
	Million THB	%	Million THB	%	Million THB	%
Assets						
Current Assets						
Cash and cash-equivalent transactions	15.39	0.67	21.17	0.92	518.65	16.16
Bank account deposits with spending limitations	4.22	0.19	12.38	0.54	5.57	0.17
Hire purchase agreement debtors – due in one year	98.52	4.31	162.75	7.08	238.03	7.41
Financial loan debtors – due in one year	854.08	37.39	756.96	32.94	828.99	25.82
Trade receivables and other receivables	11.03	0.48	14.23	0.62	17.58	0.55
Inventory	82.17	3.60	96.73	4.21	106.75	3.33
Other current assets	18.39	0.81	24.21	1.05	29.23	0.92

Statement of Financial Position	Specific Financial Statement					
	31 December 2020		31 December 2021		31 December 2022	
	Million THB	%	million THB	%	million THB	%
Total current assets	1,083.80	47.45	1,089.43	47.40	1,745.80	54.39
Non-current Assets						
Bank account deposits under guarantee obligations	1.00	0.04	-	-	-	-
Hire purchase agreement debtors – net	5.13	0.22	5.44	0.24	8.18	0.26
Financial loan debtors – net	981.53	42.97	1,017.81	44.30	1,233.04	38.41
Assets pending sale	7.75	0.34	26.08	1.13	25.65	0.80
Building renovations and equipment	69.17	3.03	61.85	2.69	55.05	1.72
Intangible assets	6.52	0.29	6.34	0.28	7.07	0.22
Use rights assets	74.20	3.25	45.08	1.96	90.32	2.81
Income tax assets pending amortization	47.77	2.09	39.73	1.73	37.30	1.16
Other non-current assets	7.38	0.32	6.27	0.27	7.47	0.23
Total non-current assets	1,200.45	52.55	1,208.60	52.60	1,464.08	45.61
Total Assets	2,284.25	100.00	2,298.03	100.00	3,209.88	100.00
Liabilities						
Current Liabilities						
Short-term financial institute loans	1,104.29	48.34	1,176.66	51.20	1,428.24	44.50
Trade payables and other payables	59.28	2.60	70.30	3.06	76.21	2.37
Long-term financial institute loans – due in one year	79.92	3.50	74.26	3.23	109.92	3.42
Hire purchase agreement debts – due in one year	33.05	1.45	34.42	1.50	41.30	1.29
Rent/lease contract debts – due in one year	7.09	0.31	3.03	0.13	2.82	0.09
Corporate tax payable	7.09	0.31	3.03	0.13	2.82	0.09
Other current financial liabilities	3.07	0.13	1.11	0.05	0.10	-
Other current liabilities	25.65	1.12	35.20	1.53	28.30	0.88
Total current liabilities	1,312.35	57.45	1,394.98	60.70	1,686.89	52.55
Non-Current Liabilities						

Statement of Financial Position	Specific Financial Statement					
	31 December 2020		31 December 2021		31 December 2022	
	Million THB	%	Million THB	%	Million THB	%
Rent/lease contract debts – net	44.58	1.95	13.56	0.59	50.63	1.58
Long-term financial institute loans – net	406.46	17.80	332.20	14.46	320.20	9.98
Debt estimates – Reserves for long-term employee benefits	55.83	2.44	42.35	1.84	39.65	1.23
Other non-current liabilities	0.84	0.04	0.99	0.04	1.16	0.04
Total non-current liabilities	507.71	22.23	389.10	16.93	411.64	12.83
Total Liabilities	1,820.06	79.68	1,784.08	77.63	2,098.53	65.38
Shareholders' Equity						
Registered capital	400.00	17.51	400.00	17.41	550	17.13
Issued and paid-up capital	400.00	17.51	400.00	17.41	550	17.13
Retained earnings						
Allocated – Legal reserves	9.80	0.43	12.80	0.56	21.96	0.68
Unallocated	66.07	2.89	109.01	4.74	78.99	2.46
Other components of shareholders' equity	(11.68)	(0.51)	(7.86)	(0.34)	(5.85)	(0.18)
Total Shareholders' Equity	464.19	20.32	513.95	22.37	1,111.35	34.62
Total Liabilities and Shareholders' Equity	2,284.25	100.00	2,298.03	100.00	3,209.88	100.00

2) Consolidated Income Statement

Consolidated Income Statement	Consolidated Income Statement					
	2020		2021		2022	
	Million THB	%	Million THB	%	Million THB	%
Revenues						
Revenue from sales and services	556.32	53.97	722.26	58.37	845.79	60.44
Interest revenue from hire purchase agreements	34.83	3.38	58.33	4.71	85.12	6.08
Interest revenue from financial loans	401.61	38.96	410.39	33.17	409.41	29.25
Revenue from fees and services	12.76	1.23	14.59	1.18	13.96	1.00
Other revenues	25.37	2.46	31.85	2.57	45.16	3.23
Total expenses	1,030.89	100.00	1,237.42	100.00	1,399.44	100.00
Expenses						
Sales cost	479.10	46.47	619.40	50.06	722.51	51.63
Selling expenses	6.41	0.62	7.02	0.57	13.90	0.99
Administrative expenses	320.93	31.13	338.47	27.35	400.32	28.61
Expected credit losses	93.95	9.11	74.51	6.02	72.38	5.17
Losses from depreciation and disposal of assets pending sale	10.67	1.04	12.18	0.98	15.58	1.11
Total expenses	911.06	88.37	1,051.58	84.98	1,224.69	87.51
Profit before financial expenses and income tax expenses	119.83	11.62	185.84	15.02	174.75	12.49
Financial expenses	59.97	5.82	57.31	4.63	69.01	4.93
Profit before income tax expenses	59.86	5.81	128.53	10.39	105.74	7.56
Income tax expenses	12.24	1.19	25.59	2.07	24.59	1.76
Annual Profit	47.62	4.62	102.94	8.32	81.15	5.80
Other consolidated profits and losses:						
Transactions later recorded as profits or losses						
Profits (losses) from preventing cashflow risks	(1.44)	(0.14)	1.96	0.16	1.01	0.07
Plus: Effects of income tax	0.29	0.03	(0.39)	(0.03)	(0.20)	(0.01)
Transactions not later recorded as profits or losses						
Profits (losses) from estimates according to actuarial science	(0.43)	(0.05)	2.82	0.23	1.49	0.10

Consolidated Income Statement	Consolidated Income Statement					
	2020		2021		2022	
	million THB	%	million THB	%	million THB	%
Plus: Effects of income tax	0.08	0.01	(0.56)	(0.05)	(0.30)	(0.02)
Other miscellaneous profits (losses) for the year	(1.50)	(0.15)	3.83	0.31	2.00	0.14
Consolidated profits and losses for the year	46.12	4.47	106.77	8.63	83.15	5.94
Basic earnings per share	0.06		0.13		0.10	
Weighted average number of ordinary shares (Shares)	800.00		800.00		814.79	

3) Cashflow Statement

Cashflow Statement	Separate Financial Statement		
	2020	2021	2022
	million THB	million THB	million THB
Cashflow from Operating Activities			
Profits before income taxes	59.86	128.53	105.74
Transactions adjusted against profits before tax expenses in cash received from (spent in) operating activities			
Depreciation and amortization expenses	49.21	51.71	57.47
Expected credit losses	93.95	74.52	72.38
Reassignment to reduce inventory to net realizable value	(0.57)	(0.06)	(0.01)
Losses from (reassignment) depreciation of assets pending sale	(1.11)	3.62	3.22
Losses from amortization and sales (profits) from sale of rent/lease building renovations and equipment	(0.29)	0.02	(0.01)
Losses from amortization of intangible assets	-	-	
Losses (profits) from rent/lease contract changes	1.72	(0.02)	0.02
Reserves for long-term employee benefits	4.03	3.87	5.43
Interest income	(436.44)	(468.72)	(494.53)
Financial expenses	59.97	57.30	69.01
Losses from operating activities before changes in operating assets and liabilities	(169.67)	(149.23)	(161.70)
Assets from operating activities (increased) decreased			
Bank account deposits with spending limitations	4.31	(8.17)	6.81

Cashflow Statement	Separate Financial Statement		
	2020	2021	2022
	million THB	million THB	million THB
Hire purchase agreement debtors	(6.17)	(75.69)	(124.82)
Financial loan debtors	(184.48)	(67.03)	(352.61)
Trade receivables and other receivables	4.69	(3.19)	(3.35)
Inventory	20.81	(14.73)	(10.30)
Other current assets	-	(7.22)	(5.01)
Assets pending sale	60.70	44.97	49.43
Other non-current assets	0.18	1.12	(1.20)
Assets from operating activities increased (decreased)			
Trade payables and other payables	7.03	11.46	6.08
Other current assets	(12.75)	9.56	(6.97)
Debt estimates – Reserves for long-term employee benefits	(0.95)	(14.53)	(6.63)
Cash spent in operating activities	(276.30)	(272.68)	(610.27)
Interest cash income	433.69	467.11	481.57
Income tax cash expense	(25.02)	(22.55)	(19.05)
Net Cash Acquired (Spent) in Operating Activities	132.37	171.88	(147.75)
Cashflow from Investment Activities			
Cash spent in acquisition of rent/lease building renovations and equipment	(22.45)	(9.15)	(9.73)
Cash spent in acquisition of intangible assets	(3.10)	(0.30)	(1.49)
Cash received from disposal of rent/lease building renovations and equipment	1.33	0.37	0.01
Net Cash Spent in Investment Activities	(24.22)	(9.08)	(11.21)
Cashflow from Financing Activities			
Short-term financial institute loans increased (decreased)	(141.41)	72.37	251.58
Repayment of hire purchase agreement and rent/lease contract debts	(37.74)	(37.93)	(44.62)
Cash received from long-term financial institute loans	200.00	-	100.00
Cash spent in long-term financial institute loans	(77.84)	(79.92)	(76.34)
Cash received from capital increase	-	-	612.00
Interest cash spent	(55.85)	(54.54)	(65.01)
Paid dividends	-	(57.00)	(102.00)
Net cash acquired (spent) in financing activities	(112.84)	(157.02)	656.44
Net Cash and Cash-equivalent Transactions Increased (Decreased)	(4.69)	5.78	497.48
Cash and cash-equivalent transactions at start of year	20.08	15.39	21.17
Cash and Cash-equivalent Transactions at End of Year	15.39	21.17	518.65

4.3.4 Key Financial Ratios

Financial Ratios	Unit	2020	2021	2022
Profitability Ratios				
Gross Profit Margin (from sales)	%	13.88	14.24	14.58
Loan yield ^{1/}	%	21.33	22.55	21.92
Cost of fund ^{2/}	%	3.66	3.47	3.85
Spread	%	17.67	19.08	18.07
Net Profit Margin	%	4.62	8.32	5.80
Return of Equity	%	10.78	21.05	9.99
Operating Efficiency Ratio				
Return On Assets	%	5.36	8.11	6.35
Total Asset Turnover	Times	0.46	0.54	0.51
Leverage Ratios				
Debt to Equity Ratio	Times	3.92	3.47	1.89
Interest Bearing Debt to Equity Ratio	Times	3.59	3.17	1.75
Expected credit losses to gross loans	%	7.02	6.22	5.43
Bad debts to gross loans	%	2.64	4.46	2.80
Non-performing loans Ratio	%	5.96	3.40	3.92
Loan-to-deposit ratio ^{3/}	%	127.88	131.00	131.13
Dividend Payout Ratio	%	-	154.46	54.22
Current Ratio	Times	0.83	0.78	1.03
Receivable turnover ratio	Times	114.81	197.15	1,211.62
Average collection Period	Days	3.14	1.83	0.30
Inventory turnover ratio	Times	5.16	6.91	7.09
Average Holding Period	Days	69.76	52.08	50.75
Account Payable Turnover Ratio	Times	11.53	12.77	13.43
Average Payment Period cycle	Days	31.23	28.20	26.81
		41.67	25.71	24.24

Remarks ^{1/} Loan yield is interest received from hire purchase agreements and financial loan agreements/ average hire purchase agreement debtors and financial loan debtors.

^{2/} Cost of fund is financial cost/financial institute loans and average debts according to rent/ lease contracts.

^{3/} Loan-to-deposit ratio is average hire purchase agreement debtors and financial loan debtors/ average financial loans.

5. General Information and Other Important Information

5.1 General Company Information

Company Name	Star Money Public Company Limited
Business Type	Microfinancing loan service provider with motorcycles, cars, commercial vehicles and agricultural vehicles for security, land and structure loans and sales of electrical appliances for cash and installments.
Main Office Address	204/1-8 ถนนสุขุมวิท ตำบลทางเกวียน อำเภอเกลอง จังหวัดระยอง 21110
Company Registration No.	0107565000263
Telephone No.	061 3939988
Home Page	www.star.money.co.th
Registered Capital	550,000,000 baht
Issued and Paid-up Capital	550,000,000 baht
Branch Office Addresses	As of 31 December 2022.
Branch Office (1)	No. 10/35-37, No. 10/41-42 and No. 10/47, Rak Sak Chamun Road, Tha Chang Sub-district, Mueang Chanthaburi District, Chanthaburi Province.
Branch Office (2)	No. 57, Village No. 3, Thung Bencha Sub-district, Tha Mai District, Chanthaburi Province.
Branch Office (3)	No. 96/1, Village No. 4, Kaeng Hang Maeo Sub-district, Kaeng Hang Maeo District, Chanthaburi Province.
Branch Office (4)	No. 888/8, Village No. 1, Sukhumvit Road, Kong Din Sub-district, Klaeng District, Rayong Province.
Branch Office (5)	No. 239 Sukhumvit Road, Thang Kwian Sub-district, Klaeng District, Rayong Province.
Branch Office (6)	No. 269/37-39, Village No. 1, Chum Saeng Sub-district, Wang Chan District, Rayong Province.
Branch Office (7)	No. 93/14-17, Taksin Maharat Road, Tha Pradu Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (8)	No. 235, Sukhumvit Road, Noen Phra Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (9)	No. 44/21, Sukhumvit Road, Map Ta Phut Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (10)	No. 199/25, Village No. 2, Nikhom Phatthana Sub-district, Nikhom Phatthana District, Rayong Province.
Branch Office (11)	No. 68/9, Village No. 3, Phala Sub-district, Ban Chang District, Rayong Province.
Branch Office (12)	No. 631, Village No. 1, Thetsaban Phatthana Road, Pluak Daeng Sub-district, Pluak Daeng District, Rayong Province.
Branch Office (13)	No. 278/6, Village No. 1, Ban Khai Sub-district, Ban Khai District, Rayong Province.
Branch Office (14)	No. 574/4, Village No. 1, Phana Nikhom Sub-district, Nikhom Phatthana District, Rayong Province.

Branch Office (15)	No. 4/13, Village No. 10, Phluang Sub-district, Khao Khitchakut District, Chanthaburi Province.
Branch Office (16)	No. 88/3-4, Village No. 11, Phlapphla Sub-district, Mueang Chanthaburi District, Chanthaburi Province.
Branch Office (17)	No. 255/22, Village No. 1, Makham Sub-district, Makham District, Chanthaburi Province.
Branch Office (18)	No. 12, Thetsaban Sai 4 Road, Tha Mai Sub-district, Tha Mai District, Chanthaburi Province
Branch Office (19)	No. 349/25, Village No. 2, Wang Khrachae Sub-district, Mueang Trat District, Trat Province.
Branch Office (20)	No. 426/8, Village No. 1, Saen Tung Sub-district, Khao Saming District, Trat Province.
Branch Office (21)	No. 63/208, Village No. 2, Thung Khwai Kin Sub-district, Klaeng District, Rayong Province.
Branch Office (22)	No. 7/13, Village No. 3, Kachet Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (23)	No. 124/15, Village No. 3, Phe Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (24)	No. 85/254, Village No. 1, Choeng Noen Sub-district, Mueang Rayong, Rayong Province.
Branch Office (25)	No. 20/48, Village No. 2, Phlu Ta Luang Sub-district, Sattahip District, Chon Buri Province.
Branch Office (26)	No. 81/19, Village No. 5, Sattahip Sub-district, Sattahip District, Chon Buri Province.
Branch Office (27)	No. 166/10, Village No. 9, Na Chom Thian Sub-district, Sattahip District, Chon Buri Province.
Branch Office (28)	No. 354/4, Ban Bueng Sub-district, Ban Bueng District, Chon Buri Province.
Branch Office (29)	No. 207/210, Village No. 6, Bo Win Sub-district, Si Racha District, Chon Buri Province.
Branch Office (30)	No. 444/30, Village No. 3, Bo Win Sub-district, Si Racha District, Chon Buri Province.
Branch Office (31)	No. 9/23, Village No. 3, Nong Chak Sub-district, Ban Bueng District, Chon Buri Province.
Branch Office (32)	No. 89, Maharat Road, Talat Sub-district, Mueang Chanthaburi District, Chanthaburi Province.
Branch Office (33)	No. 554, 2nd Floor, Room No. A2-001, Sukhumvit Road, Noen Phra Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (34)	No. 99, 99/1, 2nd Floor, Room No. 228/2, Bang Na-Trat Road, Choeng Noen Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (35)	No. 226, Village No. 4, Map Yang Phon Sub-district, Pluak Daeng District, Rayong Province.
Branch Office (36)	No. 156, Village No. 2, Thap Ma Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (37)	No. 200/1-4, Sukhumvit Road, Thang Kwian Sub-district, Klaeng District, Rayong Province.
Branch Office (38)	No. 155/74, Village No. 2, Thap Ma Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (39)	No. 24/7, Village No. 4, Sattahip Sub-district, Sattahip District, Chon Buri Province.
Branch Office (40)	No. 77/12, Village No. 1, Nong Prue Sub-district, Bang Lamung District, Chon Buri Province.
Branch Office (41)	No. 173/20, Village No. 6, Nong Prue Sub-district, Bang Lamung District, Chon Buri Province.
Branch Office (42)	No. 87/6, Village No. 5, Na Kluea Sub-district, Bang Lamung District, Chon Buri Province.
Branch Office (43)	No. 552/193, Village No. 11, Nong Kham Sub-district, Si Racha District, Chon Buri Province.

Branch Office (44)	No. 135/137, Village No. 2, Surasak Sub-district, Si Racha District, Chon Buri Province.
Branch Office (45)	No. 65/40, Village No. 7, Surasak Sub-district, Si Racha District, Chon Buri Province.
Branch Office (46)	No. 101/230, Village No. 3, Samet Sub-district, Mueang Chon Buri District, Chon Buri Province.
Branch Office (47)	No. 118/9, Village No. 1, Samet Sub-district, Mueang Chon Buri District, Chon Buri Province.
Branch Office (48)	No. 100/34, Village No. 6, Kut Ngong Sub-district, Phanat Nikhom District, Chon Buri Province.
Branch Office (49)	No. 145/2, Village No. 8, Thung Sukhla Sub-district, Si Racha District, Chon Buri Province.
Branch Office (50)	No. 27/3, Village No. 10, Phan Thong Sub-district, Phan Thong District, Chon Buri Province.
Branch Office (51)	No. 97/8, Village No. 7, Ban Kao Sub-district, Phan Thong District, Chon Buri Province.
Branch Office (52)	No. 4/36, Sunthon Wohan Lane 9, Thang Kwian Sub-district, Klaeng District, Rayong Province.
Branch Office (53)	No. 235/32, Village No. 5, Nong Prue Sub-district, Bang Lamung District, Chon Buri Province.
Branch Office (54)	No. 209/8, Village No. 10, Nong Prue Sub-district, Bang Lamung District, Chon Buri Province.
Branch Office (55)	No. 135/17, Sukhumvit Road, Si Racha Sub-district, Si Racha District, Chon Buri Province.
Branch Office (56)	No. 9/206, Village No. 11, Bang Pakong Sub-district, Bang Pakong District, Chachoengsao Province.
Branch Office (57)	No. 376/10 Sukprayun Road, Na Mueang Sub-district, Mueang Chachoengsao, Chachoengsao Province.
Branch Office (58)	No. 715-716, Village No. 1, Phanom Sarakham Sub-district, Phanom Sarakham District, Chachoengsao Province.
Branch Office (59)	No. 166/13, Village No. 2, Tha Than Sub-district, Phanom Sarakham District, Chachoengsao Province.
Branch Office (60)	No. 54, Rabiapkit Anuson Road, Bang Kla Sub-district, Bang Kla District, Chachoengsao Province.
Branch Office (61)	No. 108/6, Village No. 1, Patong Sub-district, Soi Dao District, Chanthaburi Province.
Branch Office (62)	No. 9/35, Village No. 1, Thap Sai Sub-district, Pong Nam Ron District, Chanthaburi Province.
Branch Office (63)	No. 136/126-127, Village No. 9, Ban Suan Sub-district, Mueang Chon Buri District, Chon Buri Province.
Branch Office (64)	No. 111/5, Long Hat Bang Saen Road, Saen Suk Sub-district, Mueang Chon Buri District, Chon Buri Province.
Branch Office (65)	No. 239/19, Village No. 2, Bang Phra Sub-district, Si Racha District, Chon Buri Province.
Branch Office (66)	No. 339/67, Village No. 10, Tha Tum Sub-district, Si Maha Pho District, Prachin Buri Province.
Branch Office (67)	No. 47/2, Village No. 2, Prachantakham Sub-district, Prachantakham District, Prachin Buri Province.
Branch Office (68)	No. 194/10, Rat Damri Road, Na Mueang Sub-district, Mueang Prachin Buri District, Prachin Buri Province.
Branch Office (69)	No. 140/6, Thetsaban Damri Road, Na Mueang Sub-district, Mueang Prachin Buri District, Prachin Buri Province.
Branch Office (70)	No. 20/11, Maha Chakkaphat Road, Na Mueang Sub-district, Mueang Chachoengsao District, Chachoengsao Province.



Branch Office (71)	No. 159/3, Village No. 4, Nikhom Phatthana Sub-district, Nikhom Phatthana District, Rayong Province.
Branch Office (72)	No. 29/5, Village No. 13, Taphong Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (73)	No. 114/341, Village No. 7, Phlu Ta Luang Sub-district, Sattahip District, Chon Buri Province.
Branch Office (74)	No. 37/39, Village No. 5, Samnak Thon Sub-district, Ban Chang District, Rayong Province.
Branch Office (75)	No. 456, Village No. 1, Ta Sit Sub-district, Pluak Daeng District, Rayong Province.
Branch Office (76)	No. 259/16, Village No. 2 Huai Thap Mon Sub-district, Khao Chamao District, Rayong Province.
Branch Office (77)	No. 121/1, Village No. 3, Bueng Sub-district, Si Racha District, Chon Buri Province.
Branch Office (78)	No. 135/4, Village No. 14, Ku Yai Mi Sub-district, Sanam Chai Khet District, Chachoengsao Province.
Branch Office (79)	No. 140, Suwannason Road, Sa Kaeo Sub-district, Mueang Sa Kaeo District, Sa Kaeo Province.
Branch Office (80)	No. 90/1, Village No. 2, Wang Yen Sub-district, Wang Yen District, Sa Kaeo Province.
Branch Office (81)	No. 447, Village No. 10, Wang Sombun Sub-district, Wang Sombun District, Sa Kaeo Province.
Branch Office (82)	No. 379/272, Village No. 10, Nong Ki Sub-district, Kabin Buri District, Prachin Buri Province.
Branch Office (83)	No. 227/17, 227/18, Udon Dutsadi Road, Mak Khaeng Sub-district, Mueang Udon Thani District, Udon Thani Province.
Branch Office (84)	No. 440/5, Mittrapap-Nong Khai Road, Nai Mueang Sub-district, Mueang Nakhon Ratchasima District, Nakhon Ratchasima Province.
Branch Office (85)	No. 3, Room No. PG522, Sai 5 Shopping mall Alley, Sukhumvit Road, Tha Pradu Sub-district, Mueang Rayong District, Rayong Province.
Branch Office (86)	No. 1/21, Village No. 1, Nong Bua Sub-district, Ban Khai District, Rayong Province.
Branch Office (87)	No. 112/2, Village No. 3, Sattahip Sub-district, Sattahip District, Chon Buri Province.
Branch Office (88)	No. 9/21-23, Village No. 1, Nongchak Sub-district, Ban Bueng District, Chon Buri Province.
Branch Office (89)	No. 11/30, Sukhumvit Road, Khlung Sub-district, Khlung District, Chanthaburi Province.
Branch Office (90)	No. 237/53, Village No. 8, Plaeng Yao Sub-district, Plaeng Yao District, Chachoengsao Province.
Branch Office (91)	No. 239/14, Village No. 4, Si Maha Pho Sub-district, Si Maha Pho District, Prachin Buri Province.
Branch Office (92)	No. 56/26, Village No. 6, Ban Suan Sub-district, Mueang Chon Buri District, Chon Buri Province.
Branch Office (93)	No. 18/278-279, Village No. 3, Surasak Sub-district, Si Racha District, Chon Buri Province.
Branch Office (94)	No. 245, Village No. 8, Mueang Kao, Kabin Buri District, Prachin Buri Province.
Branch Office (95)	No. 3/42-44 Village No.5, Phluang Subdistrict, Khao Khitchakut District Chanthaburi Province
Branch Office (96)	No. 333 Village No.7, Ban Kao Subdistrict, Phan Thong District, Chonburi Province
Branch Office (97)	No. 450/4Village No. 4, Koh Pho-Three Yaek Road, Tha Boon Mee Sub-district, Koh Chan District Chonburi Province
Branch Office (98)	No. 190/7 Village No. 1, Bangwua Subdistrict, Bangpakong District Chachoengsao Province

5.2 Other Important Information

General Information of Subsidiaries

– None. –

General Information of Affiliated Companies

– None. –

Information about Other References

Securities Registrar	: Thailand Securities Depository Co., Ltd. (TSD), Stock Exchange of Thailand, 1 st Floor, Tower B (next to the Chinese Embassy), No. 93, Ratchadaphisek Road, Din Daeng Sub-district, Din Daeng District, Bangkok Metropolis 10400 Telephone : 02-009-9000 Fax: 02-009-9991 TSD Call Center: 02-009-9999
Auditor	: EY Office Co., Ltd. Miss Ratana Jala Certified Public Accountant (Thailand) No. 3734 No. 193/136-137 33rd Floor, Lake Ratchada Building, Ratchadaphisek Road, Khlong Toei Sub-district, Khlong Toei District, Bangkok Metropolis 10110 Telephone: 02-264-9090 Fax: 02-264-0789
Legal Consultant	: CMT Legal Consultant Co., Ltd. No. 75/58, Richmond Tower, 17th Floor, Sukhumvit Road, Khlong Toei Sub-district, Khlong Toei District, Bangkok Metropolis 10110 Telephone: 02-267-2460 Fax: 02-267-2464
Financial Consultant	: KGI Securities (Thailand) Public Company Limited Asia Center Tower, 8-11th Floor, No. 173 Sathon Tai Road, Thung Maha Mek Sub-district, Sathon District, Bangkok Metropolis 10120 Telephone: 02-658-8888 Fax: 02-658-8000

5.3 Legal Disputes

As of 31 December 2022, the company has no legal disputes that might damage the company's assets by more than 5% of shareholders' equity, and there are no other legal disputes that might significantly impact the company's business.

5.4 Secondary Markets

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



Part 2

Corporate Governance

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

6. Corporate Governance Policy

6.1 Policy Overview and Corporate Governance Practice Guidelines

The company prepared the corporate governance policy in writing by firmly adhering to the principles of good corporate governance for listed companies of 2017 (CG Code) in order to have in place operating guidelines for the board of directors, executive directors, executives and all employees, with annual plan reviews while firmly committing to the good corporate governance principles of the Office of the Securities and Exchange Commission ("SEC Office") in 8 topics in order to create value for the company and sustainability in addition to building confidence among investors in a manner that leads to desirable governance outcomes. Accordingly, the company makes considerations within the following framework:

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

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

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

The board of directors sets the business plans, vision, missions and strategies that make up the primary goals for the organization's sustainable business operation. The board of directors accordingly monitors and ensures that the company operates business according

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

The board of directors has specified the Code of Conduct and Code of Ethics and specified them to be the duty and responsibility of all directors, executives and employees to acknowledge and comply with them. The board of directors is responsible for ensuring that directors and executives perform their duties responsibly and cautiously (with duty of care) and with honesty and integrity for the organization (duty of loyalty), in addition to overseeing actions in accordance with the laws, regulations and shareholder meeting resolutions primarily for the best interest of the company without expecting any other gains.

2. Specify business key objectives and goals for sustainability.

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

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

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

- Encourage every customer to have financial

literacy, financial security and strong financial immunity.

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

The board of directors supervises to ensure that the vision, missions and strategies are consistent with the effort to meet the company's key objectives and holds regular Executive Committee meetings to effectively monitor performance.

3. Empower an effective board of directors.

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

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

The board of directors stipulates for meetings to be held at least once every quarter with additional special meetings held as required. The board of directors also gives directors the opportunity to hold meetings among themselves without Management with meeting

results reported to the managing director for acknowledgement at least once annually. In addition, directors should attend at least 75% of all board meetings each year.

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

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

The board of directors has appointed the Nomination and Remuneration Committee to consider and specify the criteria for the recruitment of directors and high-ranking executives of the company and to prepare and review the succession plans of the company's high-ranking executives and report progress on succession plans to the board of directors at least once every year.

5. Promote innovations and responsible business operations.

The board of directors gives importance to and supports the development of innovations to create business value and bring about sustainable growth alongside creation of mutual benefits for the company, customers, trade partners and related persons while demonstrating corporate responsibility toward society and the environment and effective resource allocation and management.

6. Ensure the existence of an adequate risk management and internal control system.

The board of directors has established a Risk Management Committee to oversee the management, monitoring and reviewing of the organization's risks. The Risk Management Committee is required to hold meetings twice annually and report to the board of directors. Additionally, the Risk Management Work Group has also been established to assist the Risk Management Committee, which must hold meetings to assess risks and report to the Risk Management Committee.

The company's Audit Committee is responsible for auditing and reviewing to ensure that the

company has in place an internal control system and internal audit system that are adequate, appropriate and effective through supervision of the internal audit agency, which must report its audit findings regularly to the Audit Committee.

7. Maintain financial reliability and information disclosures.

The board of directors gives importance to disclosing financial information accurately, sufficiently and in a timely manner. As such, personnel related to the preparation and disclosures of information are supervised to ensure that they possess knowledge and capabilities suitable for their duties and responsibilities, and information disclosures have been assigned to be the responsibility of the managing director, deputy managing director of accounting, finance and budgets, and the company's secretary, who also works in investor relations.

The board of directors stipulates for disclosures of information, including financial statements, annual reports, Form 56-1 One-Reports, and management discussions and analyses (MD&A) that sufficiently reflect financial position and performance and encourages the adoption of information technology in disseminating company information.

The board of directors oversees and monitors reports of the company's adequacy of liquidity and debt coverage, whereby Management must report regularly to the board of directors and hold joint discussions involving Management and the board of directors to seek solutions whenever signs arise to indicate the presence of liquidity problems. Whenever the company faces financial difficulties or is likely to face them, the board of directors will take care to ensure that the company has in place corrective plans that are evaluated for their reasonability with consideration to creditors and the rights of all stakeholders.

The board of directors has specified a policy on the use of internal information by taking actions to ensure equality and fairness for all shareholders. As such, internal information or important news not yet disclosed to the

public are deemed to be secrets that related directors, executives and employees are required to maintain.

8. Support engagement and communication with shareholders.

The board of directors sets appropriate dates, times and places for shareholder meetings and prevents any actions that might hinder any person's ability to attend shareholder meetings. Accordingly, meeting invitation letters and information are sent ahead of meeting dates in accordance with the law, and the board of directors supports the use of technology in managing shareholder meetings, whether in counting votes or displaying results, to ensure accuracy, reliability and speed in information with meeting reports recorded and disclosed on the company's website.

For shareholder meetings, the company chairman serves to chair shareholder meetings and supervise meetings to ensure compliance with the law, regulations and other related laws, with opportunities given for inquiries to be made and recorded in meeting reports.

6.1.1 Policy and Practice Guidelines Related to the Board of Directors Nomination and Remunerations for Directors in the Board and Sub-committees

The board of directors has established the Nomination and Remuneration Committee ("Nomination Committee") to recruit suitably qualified persons to become company directors and high-ranking executives and to specify the remunerations for directors and high-ranking executives. The Nomination Committee is made up of at least 3 directors, with independent directors making up at least one half of the committee. In addition, when the vote on a meeting of the Nomination Committee is evenly split, the Chairman of the Nomination Committee has the right to cast 1 additional, deciding vote. The duties and responsibilities of the Nomination Committee in the area of nomination and specification of remunerations for company directors can be summarized in essence as follows:

- 1) Specify the criteria and policy for nominating company directors appropriately for their roles, duties and responsibilities and consider recruiting, selecting and nominating suitable persons to become company directors and present them to the board of directors for approval of appointment.
- 2) Evaluate the qualifications of persons who will become independent directors appropriately and consistently with the requirements specified by the SEC Office.
- 3) Consider the criteria for payment of remunerations to directors appropriately by reviewing the suitability of the existing criteria compared with information about remuneration payments by other companies in the same industry as the company, and set appropriate criteria to produce the expected work results while ensuring fairness and compensation for persons help ensure success in the company's work.
- 4) Review remuneration payment types such as regular remunerations and meeting attendance fees with consideration to existing practices in the same industry, the company's performance and business size and the responsibilities, knowledge, capabilities and experience of directors.
- 5) Specify the annual remunerations of company directors according to the considered criteria and present them to the board of directors and shareholder meetings for approval.

Nomination and Remunerations for Company Executives

The Nomination Committee works to recruit suitably qualified persons to hold position as the managing director and executives in key positions such as the company's deputy managing director of accounting, finance and budgets. The duties and responsibilities of the Nomination Committee in the area of nomination and remunerations of company directors can be summarized in essence as follows:

- 1) Specify the criteria and policy for the recruitment of the company's managing

director and high-ranking executives appropriately for their positions, roles, duties and responsibilities and consider recruiting, selecting and nominating such suitably qualified persons to the board of directors for approval of appointment.

- 2) Prepare and review the succession plan for the managing director and high-ranking executives to prepare for when the managing director or other high-ranking executives retire or can no longer perform their duties, in order to ensure uninterrupted work management.
- 3) Consider the remuneration payment criteria for the managing director and high-ranking executives of the company as appropriate and review the suitability of existing criteria compared with remuneration payment information of other companies in the same industry as the company and specify appropriate criteria to achieve expected work results while ensuring fairness and compensating persons who help ensure success in the company's work.
- 4) Specify the annual remunerations for the managing director and high-ranking executives according to considered criteria for making proposals to the board of directors for approval.

Development of Directors

The Nomination Committee will regularly consider plans to improve directors to develop the knowledge of existing directors and new directors to ensure that they understand the company's business, including the roles, duties, criteria and laws related to the company's business, in addition to developing new knowledge that might benefit company directors for use in improving the company. In doing so, a budget is allocated annually for director training plans.

Performance Evaluations of Directors

The Nomination Committee is tasked with reporting performance of duties to the board of directors on a regular basis and to report the duties performed in the past year in the

company's annual report and at shareholder meetings, including performance evaluations for the entire board of directors and sub-committees and performance evaluations of individual directors, with the performance evaluation guidelines covering considerations of various areas such as the structure and attributes of the board of directors; the roles, duties and responsibilities of the board of directors; the meetings and performance of duties by the board of directors; relations with Management and self-improvement of directors.

Oversight of Subsidiaries and Affiliated Companies

Although the company does not have subsidiaries and affiliated companies at the present, the company has specified a policy for supervising and managing the business affairs of subsidiaries and affiliated companies just in case the company has subsidiaries and/or affiliated companies in the future. The purpose is to set measures and direct and indirect mechanisms to enable the company to supervise and manage the business of subsidiaries and affiliated companies to ensure that they conform to the measures and policies of the company as well as related laws. The policy is summarized as follows:

1. The company will send persons who represent the company to serve as directors, executives or persons with control authority in each subsidiary and/or affiliated company according to the share ratio of each company, with the consideration and approval of the board of directors.
2. Company representatives have the duty of supervising and overseeing subsidiaries and/or affiliated companies to take actions consistently with the law, good corporate governance policy and other policies of each company in question and to conform to the company's policies. In cases where subsidiaries or affiliated companies have other investors, the persons representing the company must perform their duties to the best of their abilities to protect the company's interests.
3. The company will control subsidiaries and/or

affiliated companies to have in place an appropriate and adequately strict internal control system and ensure that transactions take place correctly according to the law and related requirements.

4. The board of directors will control subsidiaries and/or affiliated companies to disclose information about their financial position and performance to the company and closely ensure the preparation of performance reports as well as to present analyses and opinions or suggestions to the board of directors of the company and the board of directors of the subsidiaries or affiliated companies to accompany the consideration to set policies to improve and promote the business of subsidiaries and/or affiliated companies to achieve sustainable development and growth.

5. The company will control for subsidiaries and/or affiliated companies to have the duty to disclose connected transactions, acquisitions and disposals of assets, other important transactions, capital increase, capital decrease and discontinuation of subsidiaries or affiliated companies, etc.

6.1.2 Policy and Practice Guidelines Related to Shareholders and Stakeholders

The board of directors gives importance to the treatment of all related stakeholders. As such, the company has specified practice guidelines for directors and employees on every level of the company as they relate to shareholders and stakeholders in the Code of Conduct and Code of Ethics ("Code of Ethics") and has disclosed them on the company's

Rights and Equality of Shareholders

The company's business ethics stipulate for duties to be performed with honesty, integrity, caution and fairness to major and minor shareholders for the best interest of shareholders as a whole. As such, the company provides explanations about the company's status, performance, financial information and other reports on a regular basis and completely

according to facts to ensure acknowledgement by company shareholders and in line with the requirements of related agencies. Furthermore, the company gives opportunities for shareholders to report or complain to the board of directors about matters that might damage the company by doing so through the company's secretary, who is charged with gathering and screening preliminary facts for submission to the board of directors or related subcommittees.

Prevention of use of Internal Information

The company's Code of Ethics and policy for reporting holding of securities and use of internal company information require for directors, executives and persons related to financial information and statements to report changes in their holding of company securities within 3 business days from the date of trading in said securities by submitting a report to the company's secretary for reporting to the board of directors and to report to the SEC Office according to related requirements.

The company gives equal importance to the equality and justice of every shareholder. Therefore, the company has stipulated for all directors, executives and employees on every level of the company to maintain the confidentiality of internal information without disclosing publicly undisclosed information. In addition, company directors, executives and employees working in agencies related to information and persons connected to them are prohibited from trading in company securities in the 30-day period before financial statement disclosures and in the 24-hour period after the disclosure of said financial statements, and this extends to information that might impact the value of the company's securities. Furthermore, the company has specified disciplinary penalties for violations through use of internal information for personal gains, from written warning to pay deduction, temporary work suspension and dismissal from work, depending on the intentions and severity of the wrongdoing.

Prevention of Conflicts of Interest

The company's business ethics and interest and conflicts of interest policy specify the practice guidelines for preventing conflicts of interest that can be summarized as follows:

- Avoid actions that conflict with the company's interest, whether resulting from contact with persons commercially connected to the company or from opportunities or information obtained from being an employee of the company, in order to seek personal gains, nor engage in business competition with the company, nor perform other work aside from the company's work that would impact responsibilities and duties with the company.
- Stakeholders are prohibited from authorizing transactions or actions in the name of the company. This is to prevent potential conflicts of interest.
- The board of directors and executives must review conflicts of interest related to connected transactions between the company and persons potentially with conflicts of interest by reviewing them thoroughly with honesty within the framework of good conduct with consideration to the best interest of the company.
- Disclose information about transactions with potential conflicts of interest and connected transactions in annual reports, annual information disclosure forms and other report forms, depending on the case.

Responsibility to Stakeholders

Treatment of Customers:

- Provide services to customers under fair conditions on the basis of mutual fair remunerations.
- Devote to develop quality services in line with related requirements while offering reasonable prices that keep up with situations.
- Strictly comply with mutually-agreed agreements and terms.
- Maintain customer confidentiality, unless customers give written consent for disclosures

or information is disclosed to comply with the law.

Treatment of Trade Competitors

- Conduct within the rules of fair competition and not seek secret information from trade competitors by using dishonest or inappropriate means.
- Never damage the reputation of trade partners by making malicious accusations or attacking competitors without reasonable information.

Treatment of Trade Partners

- In processes involving trade partner contacts, such as in the purchasing and procurement process, the steps must be verifiable, transparent, fair and for the best interest of the company.
- Provide information equitably and accurately to trade partners without concealment, prejudice or discrimination.
- Never demand, accept or pay any commercially dishonest benefits to trade partners.
- Strictly comply with contract and agreement terms.

Treatment of Shareholders

- Perform duties honestly with integrity, cuation, thoroughness and fairness to all shareholders for the best overall interest of shareholders and make operational decisions according to professional principles.
- Set an appropriate dividend payment policy for shareholders.
- Give announcements and explain the company's situation, performance, financial information and other information on a regular basis

Treatment of Creditors

- Treat creditors fairly without demanding, accepting from or paying any commercially dishonest interests to creditors.
- Strictly comply with agreed terms and conditions. Whenever it might be impossible to comply with any term, swiftly notify creditors in advance to seek mutual solutions to the problem.

Treatment of Company Employees

- Give importance to maintaining a work environment that is safe to the life and property of employees and commit to strictly complying with labor laws.
- Give importance to human rights principles for employees of every level.
- Recruit employees fairly and treat all employees equitably without discrimination, and ensure that remunerations, appointment transfers, rewards and penalties occur out of honesty and fairness.
- Protect the confidentiality of employee personal information.
- Support for training and development of the company's personnel on a continuous basis to enhance employee's work capabilities enable professional development.
- Establish a provident fund for employees to support employees to save money in the long-term.

Responsibility to the Environment, Communities and Society

- Demonstrate responsibility and provide support in caring for the environment, education, religion, arts and culture and local traditions.
- Organize activities to build society, communities and the environment for a better quality of life and collaborate with the government and communities.
- Instill conscience about corporate social and environmental responsibility in the company and trade partners, and this extends to include the effective use of resources, materials and equipment.

Anti-Corruption

The company has an anti-corruption policy, and its anti-corruption practice guidelines can be summarized as follows:

- Company employees are to not display any behaviors or take any actions that fit the criteria for corruption such as the taking or

giving of bribes to stakeholders in order to acquire illegitimate gains.

- The company announces its anti-corruption policy extensively and clearly to employees on every level for acknowledgement and strict implementation.
- Penalties exist for persons who commit or participate in or contribute to corruptions in accordance with the law and company regulations.
- Fairness and protection are provided to employees who report clues about corruption including persons who provide information out of their honesty. The company will protect their names and other identifiable information of whistleblowers, unless disclosures are necessary in accordance with legal duties.
- Channels exist for allowing complaints and whistleblowing by persons inside and outside the company.

6.2 Business Ethics

The company has a Code of Conduct and Code of Ethics that primarily cover business conduct and ethics in various areas, including management of business conduct and ethics, the essential details of which can be summarized as follows:

Code of Conduct and Code of Ethics in Various Areas

1. Stakes and Conflicts of Interest

- Avoid actions that cause any conflict of interest with the company.
- Consider approving transactions with potential conflicts of interest thoroughly, cautiously and honestly.
- Persons holding stakes in transactions with potential conflicts of interest are now allowed to participate in the deliberation process to approve transactions.

2. Securities Trading and Use of Internal Information

- Directors, executives and employees are prohibited from using important company information that is not yet disclosed to the

public in order to obtain personal gains or gains for others.

- Persons responsible for reporting their holding of company securities are required to strictly comply with the requirements for reporting securities trading and the time prohibitions for trading in company securities.

3. Treatment of Customers, Trade Competitors, Trade Partners (Purchasing and Procurement), Shareholders and Creditors.

4. Responsibility to the Environment, Communities and Overall Society

5. Respect for Human Rights and Fair Labor Treatment

6. Giving and acceptance of gifts.

- Employees are required to not demand, accept or consent to accept monies, items or any other gains from persons with business connections to the company.

- Gifts can be given and accepted if done in a transparent or open manner. Accordingly, whenever there is a need to accept gifts or assets with a value greater than 3,000 baht, report to a supervisor according to the chain of command.

7. Use of information and communications technology.

- Promote and use only properly licensed equipment, tools and software in accordance with the law.

- Do not use company computer systems to disseminate morally inappropriate or illegal contents.

8. Non-Violation of Intellectual Property

9. Maintenance and Use of Company Assets

- Employees have the duty and responsibility to maintain company assets from becoming damaged and lost and are required to make effective use of such assets.

10. Management and Maintenance of Ethics

- All company employees are required to strictly follow ethical principles.

11. Anti-Corruption

Management of Conduct and Business Ethics

1. Manage to ensure that executives and employees have awareness. The company requires every employee to sign and certify that they acknowledge the contents of the company's Code of Conduct and Code of Ethics.

2. Actions that fit the criteria for violation of the Code of Conduct and Code of Ethics include failure to comply with the Code of Conduct and Code of Ethics; suggestions, encouragement or support for others to not comply with the Code of Ethics; neglect and idleness upon discovery of violation or non-compliance; and non-cooperation or obstruction of investigations or inquiries into facts suggesting that violations or non-compliance occurred.

3. Practice Guidelines for Discoveries of Violation of or Non-Compliance to the Code of Conduct and Code of Ethics—These include preparing a written report along with evidence documents and sending the complaint to a supervisor or manager of the Human Resources Department or the Chairman of the Audit Committee.

4. Management of Reports of Violations or Non-Compliance to the Code of Conduct and Code of Ethics

5. Disciplinary Penalties

6. Measures for Report Filers, Complaint Filers or Persons Cooperating in Reports

6.3 Significant Changes and Development in Policies, Practice Guidelines and Corporate Governance System in the Past Year

6.3.1 The company created a good corporate governance policy based on the good corporate governance principles for listed companies of 2017. The board of directors adapted this policy appropriately and consistently with the size of the organization, management and business operation of the company and has specified for monitoring of duties performed by directors and a review of the policy at least once annually. The board of directors

reviewed the good corporate governance policy most recently by the resolution of Board Meeting No. 2/2022 on 9 March and 14 November 2022.

6.3.2 Practices the Company Still Cannot Implement in the Organization

The board of directors gives importance to corporate governance and has applied the good corporate governance principles for listed companies of 2017 of the Stock Exchange of Thailand and the good corporate governance principles of listed companies of 2017 (CG Code) for appropriate use according to the context of the organization in order to achieve sustainability and raise the standards of corporate governance and conduct business in a transparent and effective manner. However, in 2022, the company remained unable to implement the good corporate governance principles for listed companies in the following areas:

1. Specification of a policy for the minimum meeting quorum for when directors cast board meeting votes for at least two-thirds of all directors to be present.

Practice Guideline

The Public Limited Companies Act, B.E. 1992, Section 80, and Company Regulation No. 25 specify for board meetings to require directors to be in attendance by at least one-half of all directors in order to form the meeting quorum. In 2021, the board of directors held meetings a total of 7 times, but the meeting quorum was formed only twice, whereby the meeting chairman was absent from the meeting and assigned the vice chairman to perform duties on his behalf, and directors holding stakes on any matter are prohibited from participating in deliberations and casting votes on the matters in question.

2. Nomination and Remuneration Directors

Practice Guideline

The Nomination and Remuneration Committee is to be made up of 4 directors, including 2 independent directors, with the chairman also being an independent director. All members of the board were knowledgeable and capable

and performed their duties independently, and directors holding stakes in matters were not involved in the deliberations and voting on said matters.

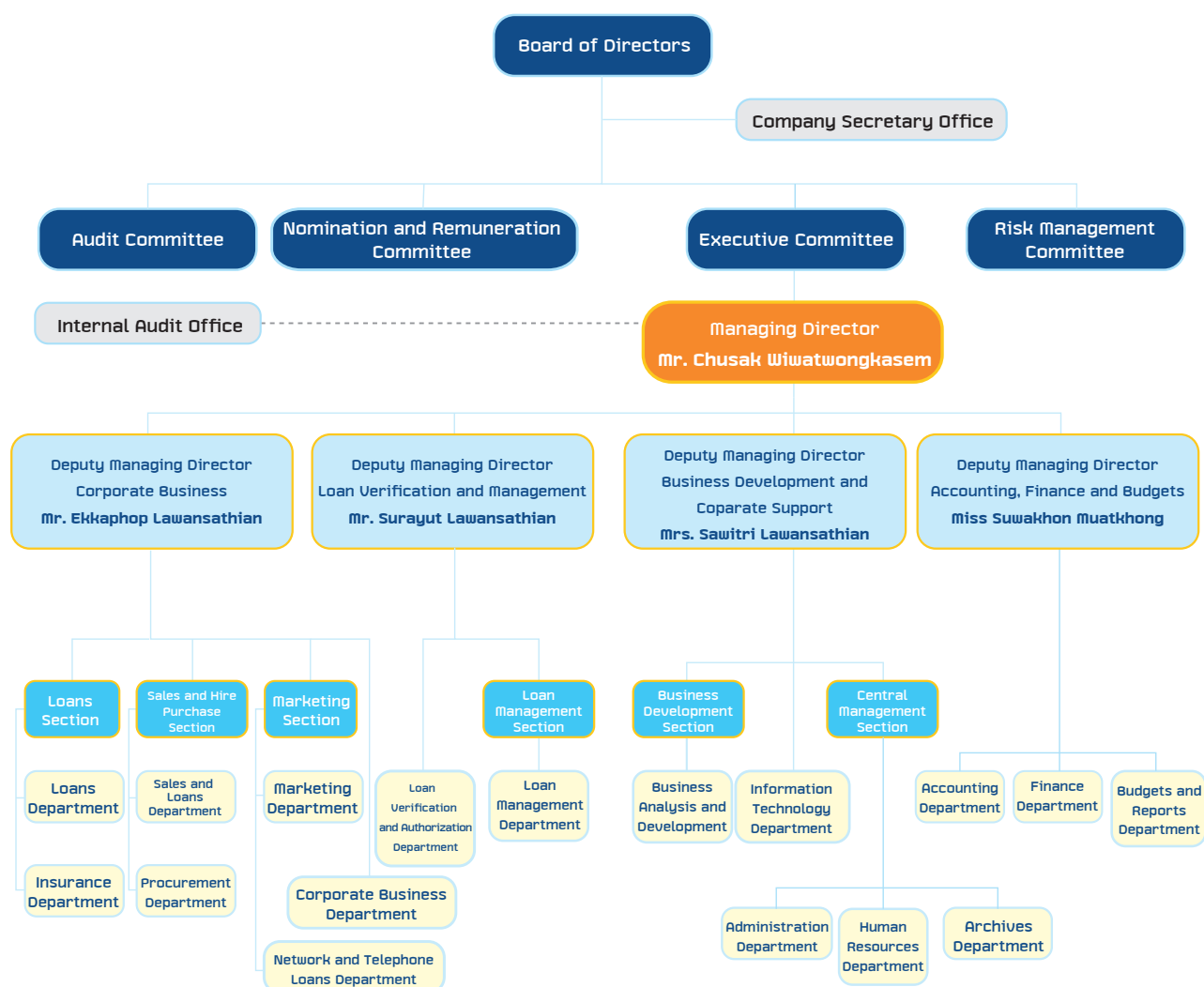
3. The board of directors may consider appointing an external consultant to help specify guidelines and propose issues for evaluating the performance of the board of directors at least every 3 years.

Practice Guideline

The company evaluated work performance in 2020–2022 by employing an external consultant to help specify guidelines and propose performance evaluation topics, with the company making considerations for year 2023 (at least every 3 years), but the company continuously evaluates the suitability of the composition of the board of directors.

7.1 Corporate Governance Structure

The company's corporate governance structure is as follows:



7.2 Information about the Board of Directors

7.2.1 Composition of the Board of Directors

The board of directors is composed of knowledgeable, able and experienced people in business who perform duties in setting the policies, vision, strategies, goals, missions, business plans and budgets of the company and supervises to ensure that executives manage work effectively and efficiently according to established policies and within the scope of the law, objectives, requirements, board meeting resolutions and shareholder meeting resolutions while demonstrating responsibility, integrity and caution in line with good practice principles to create maximum economic value for the business and maximum security for shareholders.

As of 11 April 2022, the board of directors consists of 9 directors total, of which 3 are independent directors, which is not fewer than one-third of all directors, and independent directors meet all the qualifications stipulated by related laws and requirements.

Information and details related to the board of directors are shown in Attachment 1 (Details about directors, executives, controlling persons, assigned persons with the highest responsibility in accounting and finance, persons assigned with direct responsibilities in controlling accounting and the company's secretary).

The company stipulates for the board of directors to follow the "Code of Conduct and Code of Ethics" according to the guidelines of the Stock Exchange of Thailand. As such, the board of directors is required to understand its roles, duties and responsibilities along with the guidelines for performing their duties according to various laws with primary consideration to benefits and stakeholders.

The structure of the board of directors for good corporate governance is as follows:

- The chairman of the board is an independent director and not the same person as the managing director, and he performs his duties independently with clearly separated duties and responsibilities.

- The Audit Committee is made up of 3 independent directors total and 2 audit directors, namely, Mr. Phinit Ngamsophi (Chairman) and Mr. Seni Watcharasiritham, who possess accounting knowledge and experience and can perform duties in auditing the reliability of the company's financial statements.

- The Audit Committee has roles and responsibilities in auditing the company's internal control system through the internal audit agency to ensure transparency, adequacy and effectiveness.

- The board of directors stipulates for monitoring of internal audit results to take place regularly every quarter along with reporting to the board of directors.

- The Nomination and Remuneration Committee consists of 4 people, of whom 2 are independent directors, and it has responsibilities in recruitment based on consideration of attributes such as knowledge and experience in line with the organization's strategies and objectives without violating related laws and specifications while being transparent and ensuring confidence that persons recruited can perform the duties of directors according to the principles of trust (fiduciary duty), and importantly, perform duties meticulously and cautiously (duty of care) and with honesty and integrity (duty of loyalty). The Nomination and Remuneration Committee has created a skill and knowledge matrix for directors as follows:

Special Knowledge and Expertise	Mr.Visit Ongpipat-tanakul	Mr.Pinit Ngam-sopee	Mr. Senee Vachara-siritham	Mr.Utit Lavan-sathien	Mr.Chusak Vivatwong-skasem	Mrs. Savitree Lavan-sathien	Mr. Surayut Lavan-sathien	Mr. Akeapop Lavan-sathien	Mr. Panukorn Chantara-prapab
Independent director	•	•	•						
Accounting and finance		•	•		•				•
Business	•			•	•	•	•	•	
Business laws	•		•	•				•	
Information technology		•	•			•			
Management and business expertise				•	•	•	•	•	
Chairman not being the same person as the managing director	• Chairman								
Economics Company director who is not an executive director									•

The board of directors reviews the skill matrix annually and has put in place a board diversity policy to provide guidelines for creating diversity in the structure of the board in terms of knowledge, experience, skills, special expertise, gender and age as required for management and for the best interest of the company. Accordingly, the company gives individual shareholders opportunities to nominate suitable persons to become directors by nominating persons for election to become directors through the email of the company's secretary, solossaya.kh@starmoney.co.th, or by sending original documents to the company by the end of January of each year. The

Nomination and Remuneration Committee accordingly judges the qualifications and suitability of applicants and allocates sufficient time for nomination to enable consideration and screening according to the process set by the board of directors ahead of shareholder meetings. In doing so, the company enters the names of persons approved by the board of directors into shareholder meeting agendas.

- The Risk Management Committee contains 4 members, composed of the chairman who is an independent director, and 3 executive directors. The committee works to set risk management policies and to assess

external and internal risk factors that impact the entire organization (corporate risks) and on the department level (department risks) and conducts control self-assessments.

- The Executive Committee has 5 members appointed by the board of directors. They are executives who work to control management in line with the policies set by the board of directors, and they report their performance to the board of directors, and their duties and responsibilities that might lead to corruption have been separated from each other.
- For the holding of securities by the board of directors, the company has set the

“policy on securities-holding and use of internal information” for use as a guideline on treating shareholders equally and transparently, by which the board of directors and executives as defined by the Office of the Securities and Exchange Commission (“SEC Office”) and employees in agencies connected to information are prohibited from trading in company securities at least in the 30-day period before disclosures of quarterly financial statements and annual financial statements and in the 24-hour period after the disclosures of said financial statements (black out period).

Report of Changes in Company Shares Held by Directors and Executives in 2022

No.	Name	Position	Shares As of 31 December 2021	Shares As of 31 December 2022	Changes in Shares Increase/ (Decrease)	Company Share Ratio
1	Mr. Visit Ongpipattanakul	Chairman of the Board, Independent Director, Audit Director	-	-	-	-
	Spouse and minor children					
2	Mr. Vitit Lavansthien	Deputy Chairman of the Board, Chairman of the Executive Committee	-	88,464,600	-	8.04%
	Spouse and minor children					
3	Mr. Pinit Ngamsoppee	Independent Director, Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee	-	1,000,000	-	0.09%
	Spouse and minor children					
4	Mr. Senee Vacharasiritham	Independent Director, Audit Director, Chairman of the Risk Management Committee, Nomination and Remuneration Director	-	600,000	-	0.05%
	Spouse and minor children					
5	Mr. Chusak Vivatwongskasem	Director, Managing Director, Nomination and Remuneration Director, Risk Management Director, Executive Director	-	3,180,000	-	0.29%
	Spouse and minor children					
6	Mrs. Savitree Lavansathien	Director, Executive Director, Nomination and Remuneration Director, Deputy Managing Director of Business Development and Corporate Support	-	24,720,000	-	2.25%
	Spouse and minor children					

No.	Name	Position	Shares As of 31 December 2021	Shares As of 31 December 2022	Changes in Shares Increase/ (Decrease)	Company Share Ratio
7	Mr. Surayut Lawansathien	Director, Executive Director, Risk Management Director, Deputy Managing Director of Loan Verification and Debt Management	-	11,760,000	-	1.07%
	Spouse and minor children					
8	Mr. Akeapop Lavansathien	Director, Executive Director, Risk Management Director, Deputy Managing Director of Corporate Business	-	34,703,400	-	3.15%
	Spouse and minor children					
9	Mr. Panukorn Chantaraprapab	Director	-	-	-	-%
	Spouse and minor children					
10	Miss Suwakhon Muadkhong	Deputy Managing Director of Accounting, Finance and Budgets	-	100,000	-	0.01%
	Spouse and minor children					
11	Mrs. Kritsana Wisamon	Manager of the Accounting Department	-	131,000	-	0.01%
	Spouse and minor children					

7.2.2 Information about Individual Company Directors

The board of directors contains 9 directors as follows:

Name	Position
1. Mr. Visit Ongpipattanakul	Chairman of the Board, Independent Director, Audit Director
2. Mr. Vitit Lavansthien	Deputy Chairman of the Board, Chairman of the Executive Committee
3. Mr. Pinit Ngamsopee ^{1/}	Independent Director, Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee
4. Mr. Senee Vacharasiritham	Independent Director, Audit Director, Chairman of the Risk Management Committee, Nomination and Remuneration Director
5. Mr. Chusak Vivatwongskasem	Director, Managing Director, Nomination and Remuneration Director, Risk Management Director, Executive Director
6. Mrs. Savitree Lavansathien	Director, Executive Director, Nomination and Remuneration Director, Deputy Managing Director of Business Development and Corporate Support.

Name	Position
7. Mr. Surayut Lawansathien	Director, Executive Director, Risk Management Director, Deputy Managing Director of Loan Verification and Debt Management
8. Mr. Akeapop Lavansathien	Director, Executive Director, Risk Management Director, Deputy Managing Director of Corporate Business
9. Mr. Panukorn Chantaraprapab ^{2/}	Director

Remarks : ^{1/} An audit director with sufficient knowledge and experience to audit the reliability of the company's financial statements.

^{2/}Appointed to be a company director by a resolution of Board Meeting No. 3/2022 on 11 April 2022.

The company directors with binding signatory authority include the following:

"Mr.Chusak Vivatwongskasem, Mrs. Savitree Lavansathien, Mr. Surayut Lawansathien, Mr. Akeapop Lavansathien, Mr.Vitit Lavanstien, whereby two out of the five directors mentioned can affix their signatures together along with the company's seal."

Mrs. Solasaya Khemsuk is the secretary of the board of directors.

She was appointed by Board Meeting No. 2/2022 on 28 January 2019.

7.2.3 Information about the Roles and Duties of the Board of Directors and the Managing Director

a) Scope of Powers and Duties of the Board of Directors

The board of directors has set the scope of authority and duties and responsibilities of the board of directors in the company's charter, which is reviewed regularly each year. Accordingly, the latest version was reviewed and authorized for use by the resolution of Board Meeting No. 2/2022 on 9 March 2022. Its essential contents are summarized as follows:

1. Perform duties in accordance with the laws, objectives and regulations of the company, including shareholder meeting resolutions.
2. Hold annual general shareholder meetings in accordance with the law.

3. Consider appointing and authorizing qualified persons without the prohibitions specified by the law and announcements, regulations and/or rules related to directors when there are vacancies for other reasons aside from directors leaving office according to term.

4. Consider and appoint the Executive Committee and subcommittees by choosing company directors and/or company executives and specifying the roles, duties and responsibilities of said committees.

5. Consider and appoint independent directors and audit directors based on qualifications without the prohibitions for independent directors and audit directors according to the law and related announcements, regulations and/or rules or make proposals to shareholder meetings for consideration of appointment of independent directors and audit directors for the company.

6. Consider specifying and changing the names of the directors authorized to take binding actions for the company.

7. Appoint other persons to perform tasks for the company under the control of the board of directors or grant powers to the aforementioned persons to authorize them and/or for time periods appropriately prescribed by the board of directors. The board of directors may cancel, revoke, change or amend such powers.

8. Consider authorizing transactions for the acquisition or disposal of company assets,

unless said transactions require the approval of a shareholder meeting. Considerations of authorization are to follow the related announcements, regulations and/or requirements.

9. Consider authorization of connected transactions, except in cases where said transactions require authorization from a shareholder meeting. Considerations of authorization are to follow the related announcements, regulations and/or requirements.

10. Consider authorization of payment of inter-period dividends to shareholders upon deeming that the company has sufficient profit to do so and report dividend payments to shareholder meetings for acknowledgement at subsequent shareholder meetings.

11. The board of directors has the duty to specify the vision, missions and strategies, goals, policies and operational direction of the company, including tasks and annual budgets and to supervise and oversee to ensure that Management takes actions in line with set policies in an effective and efficient manner in order to maximize economic value for shareholders and achieve sustainable growth.

12. Consistently take responsibility for shareholders by protecting the interest of shareholders and disclosing important information to investors in a complete, standardized and transparent manner.

13. Supervise to ensure that Management has in place an appropriate and effective risk management system.

14. Consider making decisions on important matters such as business plans, major investments, management powers, acquisitions and disposals of assets and other transactions in accordance with the law.

15. Specify the powers and levels of authorization for transactions and actions related to the company's work for groups of persons or persons as appropriate and in line with related specifications and laws by creating a manual of operational powers and review it at least once annually.

16. Ensure the existence of a reliable accounting,

financial reporting and auditing system and oversee and manage to ensure the presence of a process for evaluating the adequacy of the internal control system.

17. Approve appointments of auditors and consider annual audit fees to make proposals to shareholders for consideration of appointment.

18. Report the responsibilities of the board of directors in financial reports by showing them alongside the auditor's reports in annual reports and cover various important issues according to the policy on the good practices for the directors of listed companies of the Stock Exchange of Thailand.

19. Supervise and oversee the actions of various sub-committees according to the established charter.

20. The board of directors must perform individual and overall performance evaluations.

b) Scope of Powers and Duties of the Managing Director

The managing director will perform duties to manage the company's work according to the scope of powers and duties and responsibilities essentially summarized as follows:

1. Control and oversee operations and set strategic work plans and daily work management plans for the company.

2. The managing director has the power to issue orders, rules, announcements and records to ensure work in line with the policies and interest of the company and to maintain order and discipline in the organization's work.

3. Monitor the company's performance each day to prepare for and prevent potential risks from internal and external factors.

4. The managing director has the power to approve juristic acts related to the company's normal business transactions for the benefit of the company within the specified financial approval limits. The managing director also has the power to authorize other parties to perform the aforementioned actions to ensure flexibility in the company's operation.

5. The managing director has the power to take actions and present himself as a representative of the company to external parties and in related and necessary business activities and to conduct normal trade transactions for the benefit of the company.

6. Approve and appoint consultants in various areas as required for work and within the scope of powers specified by the board of directors in the regulations for authorization powers.

7. Take any other action as assigned periodically by the board of directors. The power to perform juristic actions that might create conflicts of interest between the managing director or stakeholders with the company in accordance with the law and the announcements of the Securities and Exchange Commission and the Stock Exchange of Thailand are not considered to be within the scope of the powers of the managing director to consider and cast votes in such juristic acts, whether by one's own judgement or through assignment of other persons to take actions on his own behalf. Such juristic actions must be presented for approval through the Audit Committee for further proposal to the board of directors and/or shareholder meeting according to the specifications of the board of directors and the law.

7.3 Information about Subcommittees

The company has 4 subcommittees as follows:

- (1) Audit Committee
- (2) Nomination and Remuneration Committee
- (3) Risk Management Committee
- (4) Executive Committee

The company has the Risk Management Work Group to perform duties in implementing the risk management policies approved by the board of directors and reporting work results to the Audit Committee and the board of directors.

7.3.1 Scope of Powers, Duties and Responsibilities of Subcommittees

(1) Scope of Powers, Duties and Responsibilities of the Audit Committee

A board meeting has already specified the scope of powers, duties and responsibilities of the Audit Committee in the Audit Committee's charter, which is reviewed regularly every year. The latest charter was reviewed and approved for use by the resolution of Board Meeting No. 2/2022 on 9 March 2022. Its essential contents are summarized as follows:

1. Audit to ensure that the company's financial reports are accurate and reliable with sufficient information disclosures.
2. Audit to ensure that the company has an adequate and effective internal control system and internal audit system, and evaluate the independence of the internal audit agency and give approval for the appointments, transfers and terminations of the head of internal audit or other agencies with responsibilities related to internal audits.
3. Audit to ensure that the company complies with securities and exchange laws, the specifications of the Stock Exchange and the laws related to the company's business operation.
4. Consider, select and nominate for the appointment of independent persons to perform duties as the company's auditor and propose audit remunerations to the board of directors and attend meetings with auditors without the attendance of Management at least once annually.
5. Consider connected transactions and transactions with potential conflict of interest according to the law and specifications of the SEC Office and the Stock Exchange to ensure that said transactions are reasonable and for the best interest of the company.
6. Evaluate and review the audit reports and recommendations of the auditor and internal auditor and monitor the work based on the recommendations of Management to ensure

effective internal control and timely problem corrections.

7. Prepare Audit Committee reports and disclose them in the company's annual reports. These reports must be signed by the Chairman of the Audit Committee and contain at least the following information:

- Opinions about the correctness, completeness and reliability of the company's financial statements.
- Opinions about the adequacy of the company's internal control system.
- Opinions about compliance to securities and exchange laws and the specifications of the Stock Exchange or other laws related to the company's business.
- Opinions about the suitability of auditors.
- Opinions about transactions with potential conflicts of interest.
- Number of Audit Committee meetings and meeting attendance by each audit director.
- Overall opinions or observations the Audit Committee receives from performing duties according to its charter.
- Other transactions which shareholders and general investors should have knowledge about within the scope of duties and responsibilities assigned by the board of directors.

8. Perform other tasks as assigned by the board of directors within the approval of the Audit Committee.

(2) Scope of Powers, Duties and Responsibilities of the Nomination and Remuneration Committee

A board meeting has specified the scope of powers, duties and responsibilities of the Nomination and Remuneration Committee ("Nomination Committee") in the Nomination Committee's charter, which is reviewed annually. The latest charter was reviewed and approved by a resolution of Board Meeting No. 2/2022 on 9 March 2022, and its essential contents can be summarized as follows:

Nomination:

1. Specify the criteria and policies for the

nomination of company directors, the managing director and other important positions such as the deputy managing director of accounting, finance and budgets; and high-ranking executives to ensure suitability to positions, roles, duties and responsibilities for the board of directors to consider for approval.

2. Consider, recruit, select and nominate suitable persons to become company directors and the managing director and submit them to the board of directors for consideration of appointment.

3. Consider, recruit, select and appoint executives in other important positions such as the deputy managing director of accounting, finance and budgets and the company's high-ranking executives.

4. Consider the attributes of the persons who will become independent directors to ensure suitability and consistency with the requirements of the SEC Office.

5. Prepare and review succession plans for the managing director and high-ranking executives to make preparations for when the managing director or any high-ranking executive retires or is unable to perform duties in order to ensure uninterrupted work management.

Remuneration Considerations:

1. Consider the remuneration payment criteria of the board of directors, managing director and other key positions such as the deputy managing director of accounting, finance and budgets; and high-ranking executives to ensure that they are appropriate, and review the suitability of existing criteria compared with the remuneration payment information of other companies in the same industry as the company and specify appropriate criteria to achieve expected work results, ensure fairness and compensate persons who help ensure success in the company's work.

2. Review remuneration payment types such as regular remunerations and meeting attendance fees with consideration to existing practices in the same industry, the company's

performance and business size and the responsibilities, knowledge, capabilities and experience of directors and high-ranking executives.

3. Consider the criteria for evaluating the performance of the board of directors, managing director and other important positions such as the deputy managing director of accounting, finance and budgets; and high-ranking executives as assigned by the board of directors and arrange for performance evaluations to take place.

4. Specify the annual remunerations of company directors according to the considered criteria and present them to the board of directors and shareholder meetings for approval of remunerations for the managing director and high-ranking executives. As for the board of directors, the board of directors is to make proposals to shareholder meetings.

The Nomination Committee is also responsible for evaluating the performance of the entire board of directors and subcommittees and the performance of individual directors and the managing director's performance. The Nomination Committee reports its performance to the board of directors regularly and a report of each year's performance is also included in the company's annual report at shareholder meetings.

(3) Scope of Powers, Duties and Responsibilities of the Risk Management Committee

A meeting of the board of directors has specified the scope of powers, duties and responsibilities of the Risk Management Committee in the Risk Management Committee's charter, which is reviewed regularly each year. The latest charter was reviewed and approved by a resolution passed by Board Meeting No. 2/2022 on 9 March 2022, and its essential contents can be summarized as follows:

1. Specify the risk management policy and framework consistently with the risk management guidelines of the Stock Exchange of Thailand for approval consideration by the board of directors.

2. Set strategies consistently with the risk management policy to enable assessment, monitoring and control of each type of risk within acceptable levels by involving various agencies in risk management and control.

3. Review risk management reports to monitor and assess each type of risk to ensure that risks remain within acceptable levels.

4. Review the risk management policy at least once annually and update it to ensure that it remains consistent with the company's current risk situation to ensure sufficient effectiveness and efficiency.

5. The Risk Management Committee has the power to specify the roles and duties of related persons to ensure risk management efforts in the duties and responsibilities of employees on each level as appropriate and for them to report to the Risk Management Committee to ensure risk management according to objectives.

6. Report risk management outcomes to the board of directors.

7. Create a risk management manual.

8. Identify risks in various areas and analyze and assess potential risks, along with trends, that impact the company.

9. Create a risk prevention or mitigation plan.

10. Assess outcomes and prepare risk management reports.

11. Establish an integrated risk management system through information system integration.

12. Perform other actions related to risk management as assigned by the board of directors.

(4) Scope of Powers, Duties and Responsibilities of the Executive Committee

The board of directors has specified the scope of powers, duties and responsibilities of the Executive Committee in the Executive Committee's charter, which is reviewed annually. The latest charter was reviewed and approved for use by a resolution passed by Board Meeting No.2/2022 on 9 March 2022. A summary of its essential contents is as follows:

1. Perform duties to control the company's work management in line with the policies set by the board of directors and report performance outcomes to the board of directors.
2. Consider the powers and level of authorization of each person appropriately and ensure that duties vulnerable to corruption are separated from each other, and specify the procedures and methods for conducting transactions with major shareholders, directors, executives and persons connected to the aforementioned persons as appropriate to prevent transfers of benefits, and make proposals to the board of directors for approvals in principle, and control to ensure adherence to the principles and specifications already approved.
3. Evaluate annual budgets and spending procedures to make proposals to the board of directors and control spending according to budgets approved by the board of directors.
4. Consider improvements to the company's business plans as appropriate for the benefit of the company.
5. Consider and approve investment and specify investment budgets according to the powers specified in the manual for delegation of authority.
6. Consider entering into contracts that bind the company according to the powers specified in the manual for delegation of authority.
7. Take responsibility for ensuring the sufficient availability of various important information

of the company to accompany the decisions of the board of directors and shareholders and prepare reliable financial reports that are transparent and in line with good standards.

8. Evaluate the company's profits and losses and make annual dividend payment recommendations to the board of directors.
9. Consider new business activities or business discontinuation for making proposals to the board of directors.
10. Oversee and ensure the presence of procedures for operators to immediately report irregular situations or actions or illegal activities to the Executive Committee, and in cases where such situations produce significant impacts, they must be reported to the board of directors for consideration of corrective actions within an appropriate time period.
11. Take actions to support the aforementioned activities or according to the opinions of the board of directors or as assigned by the board of directors.
12. Report on any matters that receive votes and/or approval from Executive Committee meetings to the board of directors for acknowledge at subsequent board meetings. The Executive Committee may not authorize transactions in which it or persons might have conflicts of interest or have conflicts of other benefits with the company.

7.3.2 Subcommittee Members

(1) Audit Committee

The company's Audit Committee is made up of 3 audit directors listed as follows:

Name	Position	Position in the Board of Directors
1. Mr. Pinit Ngamsopee	Chairman of the Audit Committee	Independent Director
2. Mr.Visit Ongpipattanakul	Audit Director	Independent Director
3. Mr. Senee Vacharasiritham	Audit Director	Independent Director

Accordingly, Mr. Pinit Ngamsopee is an audit director with knowledge and experience in auditing the company's financial statements. The details, attributes and experience of the 3 audit directors are shown in Attachment 1 (*Details about directors, executives, controlling persons, assigned persons with the highest responsibility in accounting and finance, persons assigned with direct responsibilities in controlling accounting and the company's secretary*).

Mrs. Siriporn Kiattithanakoon is the company's secretary as appointed by Board Meeting No. 2/2019 on 28 January 2019.

(2) Nomination and Remuneration Committee

The company's Nomination and Remuneration Committee consists of 4 nomination and remuneration directors listed as follows:

Name	Position	Position in the Board of Directors
1. Mr. Pinit Ngamsopee	Chairman of the Nomination and Remuneration Committee	Independent Director
2. Mr. Senee Uacharasiritham	Nomination and Remuneration Director	Independent Director
3. Mr. Chusak Uivatwongskasem	Nomination and Remuneration Director	Director
4. Mrs. Savitree Lavansathien	Nomination and Remuneration Director	Director

In cases where a resolution at a meeting of the Nomination Committee has votes evenly split, the Chairman of the Nomination Committee will have the right to cast 1 additional, deciding vote.

Mrs. Solasaya Khemsuk is the secretary of the Nomination and Remuneration Committee as appointed by Board Meeting No. 2/2019 on 28 January 2019.

(3) Risk Management Committee

The company's Risk Management Committee is made up of 4 risk management directors listed as follows:

Name	Position	Position in the Board of Directors
1. Mr. Senee Uacharasiritham	Chairman of the Risk Management Committee	Independent Director
2. Mr. Chusak Uivatwongskasem	Risk Management Director	Director
3. Mr. Surayut Lawansathien	Risk Management Director	Director
4. Mr. Akeapop Lavansathien	Risk Management Director	Director

Mrs. Solasaya Khemsuk is the secretary of the Risk Management Committee as appointed by Board Meeting No. 2/2019 on 28 January 2019.

(4) Executive Committee

The company's Executive Committee is made up of 5 executive directors listed as follows:

Name	Position	Position in the Board of Directors
1. Mr. Utit Lavansthien	Chief Executive Officer	Director
2. Mr. Chusak Vivatwongskasem	Executive Director	Director
3. Mrs. Savitree Lavansathien	Executive Director	Director
4. Mr. Surayut Lawansathien	Executive Director	Director
5. Mr. Akeapop Lavansathien	Executive Director	Director

Mrs. Solasaya Khemsuk is the secretary of the Risk Management Committee as appointed by Board Meeting No. 2/2019 on 28 January 2019.

Board Meetings

1. The company stipulates for the board of directors to hold a meeting at least once quarterly as scheduled in advance according to a calendar every year to permit time allocation and meeting attendance, and additional meetings are held to discuss special agendas as required. Furthermore, the managing director is given the opportunity to invite high-ranking executives to attend meetings to provide additional information, data and details as persons involved in the matters being discussed and to also allow the board to become acquainted with high-ranking executives as part of the consideration of succession plans. Additionally, the company supports the board of directors in requesting necessary information from the managing director, executives and the company's secretary.
2. For meetings, the company arranges for complete and sufficient documents to be submitted and sent to the board of directors at least 5 days ahead of time.
3. For the addition of other agendas after the delivery of documents, only highly necessary and urgent matters may be added and with the approval of the chairman of the board.
4. During meetings, every director is given the opportunity to hold discussions and express opinions openly, with the chairman of the board processing opinions and drawing meeting conclusions.
5. In cases where a director holds significant stakes in a matter being discussed, the director must leave the meeting room before the matter is discussed.

6. The company stipulates for independent directors to hold meetings on their own without Management and to report their outcomes to the managing director for acknowledge at least once annually.

7.4 Information about Executives

7.4.1 List of Executives

The company has 6 executives listed as follows:

Name	Position
1. Mr. Utit Lavanstien	Chairman of the Executive Committee
2. Mr. Chusak Vivatwongskasem	Managing Director
3. Mrs. Savitree Lavansathien	Deputy Managing Director of Business Development and Corporate Support
4. Mr. Surayut Lawansathien	Deputy Managing Director of Loan Verification and Management
5. Mr. Akeapop Lavansathien	Deputy Managing Director of Corporate Business
6. Miss Suwakhon Muadkhong	Deputy Managing Director of Accounting, Finance and Budgets

7.4.2 Criteria for Payment of Executives' Remunerations

The charter of the Nomination Committee prescribes the criteria for considering the remunerations for the company's directors and executives by considering remunerations based on comparison with remuneration payment information of other companies in the same industry as the company and appropriate considerations to ensure expected work results and remunerations that ensure that company executives achieve work success for the company. Accordingly, the types and remunerations are considered according to the practice guidelines used by the same industry along with the performance and business size of the company and the responsibilities, knowledge, abilities and experience of executives.

7.4.3 Overall Executives' Remunerations

(1) Monetary Remunerations

In 2022, the company paid remunerations in the form of salaries, bonuses, travel expense reimbursements, social security contributions, retirement compensation, etc. to 6 company executives for a total of 38.70 million baht.

(2) Other Remunerations

– Provident fund – The company has established a provident fund for executives, to which the company contributes at the rate of 2% of total salaries. In 2022, the company contributed to the provident funds of 6 executives for a total of 523,200 baht.

7.5 Employee Information

7.5.1 Number of Employees

As of 31 December 2022, the company has a total of 717 employees divided by line of work as follows:

Unit: People

Section/Department	As of December 2020	As of 31 December 2021	As of 31 December 2022
1. Loans Department	17	22	216
2. Insurance Department	3	8	7
3. Sales and Loans Department	350	365	239
4. Product Procurement Department	12	12	11
5. Marketing Department	11	11	13
6. Network and Telephone Loan Department	9	14	20
7. Corporate Business Department	2	3	3
8. Loan Management Department	54	52	60
9. Corporate Analysis and Development Department	17	16	6
10. Loan Verification and Authorization Department	4	3	18
11. Administration Department	12	12	12
12. Human Resources Department	13	11	14
13. Archives Department	14	12	14
14. Information and Technology Department	15	16	15
15. Accounting Department	27	24	28
16. Finance Department	9	10	10
17. Budgets and Reports Department	6	4	5
18. Corporate Management Department	8	8	10
19. Internal Audit Office	13	14	14
20. Company Secretary Office	4	2	2
Total	600	619	717

7.5.2 Significant Changes in Employee Numbers in the Past 3 Years

Over the past 3 years, the company experienced slight changes in its number of employees. In 2022, the number of Sales and Loans Department employees increased slightly from 2021. This increase in employees occurred in support of business growth. Meanwhile, other departments experienced only slight changes in employee numbers.

7.5.3 Overall Employee Remunerations

The company has 717 employees in total. In 2022, the company paid remunerations to

employees by a total of 212.51 million baht, consisting of salaries, overtime fees, position fees, per diem, living fees, travel fees, commission fees, compensation, social security contributions, provident fund contributions, etc.

7.5.4 Provident Fund

The company applied to join the provident fund of TISCO Master Fund and is already registered, effective as of 15 July 2019 only for the part of Star Money Co., Ltd. under the management of TISCO Asset Management Co., Ltd., which is registered with the Office of the

Securities and Exchange Commission. Accordingly, the company has a policy to contribute at the rate of 2% of employee salaries. As of 31 December 2022, the company employees participating in the provident fund protect make up 23% of all employees.

7.5.5 Significant Labor Disputes in the Past 3 Years

- None.-

7.5.6 Personnel Development Policy

The company has a policy to develop personnel with an emphasis on enhancing the company's personnel to have the capacity to enhance the organization's competitiveness, whether in terms of skill, knowledge, experience or ability to work as a team, including ethics, morals and positive attitudes toward work and the organization. The company's development guidelines are as follows:

- Provide training both in the form of inhouse training and public training to the organization's personnel by relying on external lecturers who possess expertise, experience, knowledge and abilities according to the needs of each agency.
- Encourage personnel to develop their own knowledge and capabilities through use of various electronic media by pushing toward the development of an organization of learning known as "Star Learning".
- Have work supervisors teach and share work techniques and encourage the sharing of knowledge among colleagues.
- On-the-job learning.
- Team creation by use of a "nanny" system with focus on creating "people" or "stars" in the organization to promote passing of knowledge from one generation to the next in order to draw out the capabilities of outstanding employees who subsequently become seniors.
- Job rotation or changes in duties and responsibilities.
- Enhancement of individual skills and capabilities for diversity and extraction of the

hidden potential of individuals by giving special work assignments and increasing work responsibilities.

7.6 Other Significant Information

7.6.1 Persons Assigned Direct Responsibilities in Overseeing Accounting, Company Secretary, and Outsourced Internal Auditor

(1) Persons Assigned Direct Responsibilities in Overseeing Accounting

Mrs. Kritsana Wisamon, the company's Accounting Department Manager, is the person assigned with direct responsibilities in overseeing the company's accounting. She works to supervise the company's account transactions to ensure effectiveness and compliance with the regulations, specifications and accounting policies of the company and accounting standards. The information about the person assigned with direct responsibilities in overseeing accounting is shown in Attachment 1 (*Details about directors, executives, controlling persons, assigned persons with the highest responsibility in accounting and finance, persons assigned with direct responsibilities in controlling accounting and the company's secretary*).

(2) Company Secretary

Board Meeting No. 2/2016 on 28 January 2019 passed a resolution to appoint Mrs. Solasaya Khemsuk to become the company's secretary. The qualifications of the company's secretary are shown in Attachment 1 (*Details about directors, executives, controlling persons, assigned persons with the highest responsibility in accounting and finance, persons assigned with direct responsibilities in controlling accounting and the company's secretary*).

(3) Outsourced Internal Auditor

The company has assigned I.A.P. Internal Audit Co., Ltd., which is an outsourced company, to be the company's internal auditor responsible

for inspecting the company's internal control system and giving recommendations regarding compliance. The qualifications of the outsourced internal auditor are shown in Attachment 2 (Details about the Head of Internal Audit and Head of Compliance).

7.6.2 Head of Investor Relations and Contact Information

The company has assigned Mrs. Solasaya Khemsuk, the company's secretary, to serve as the head of Investor Relations and to function as the hub of disclosure of important information to shareholders and investors, including financial information, performance information, etc. to shareholders and investors for their knowledge on a regular, equal, timely, correct and factually-accurate manner. Currently, the company is in the process of establishing an investor relations team to ensure that disclosures of company information occur accurately, swiftly and transparently. Channels for Contacting the Company's Head of Investor Relations:

Telephone : 061-393-9988

Email address : solossaya.kh@starmoney.co.th

Website : starmoney.co.th

7.6.3 Auditor Remunerations

Accordingly, the company's general meeting of shareholders on 1 April 2022 passed a resolution to appoint EY Office Co., Ltd. to be the company's auditor for the year 2022

(1) Audit fee

The audit fee for the financial statements ended December 31, 2022 was 3,550,000 baht. Persons or businesses related to the auditor and the audit office with which the auditor is affiliated include a) the spouse or dependent or supported children of the auditor; b) business with control authority over the audit business, businesses controlled by the audit office and businesses under the same control as the audit office, whether direct or indirect; c) businesses significantly under the influence of the audit office; d) partners or

equivalents of the audit office; e) spouses and dependent or supported children in d); and f) businesses that the auditor or persons in a) or e) have control authority or significant influence, either directly or indirectly.

- None in 2022.-

(2) Non-Audit Fees

- In 2022, there were no other service fees aside from audit fees. -

8. Report of Significant Performance in Corporate Governance

8.1 Performance Summary of the Board of Directors in the Past Year

In 2022, the board of directors performed its duties superbly within the framework of its duties and responsibilities set in the board of directors charter and good corporate governance principles. Additionally, the board of directors is determined to take care to ensure that the company can operate business on the basis of good conduct, integrity, transparency and verifiability with the ability to operate business according to the company's key plans, strategies, objectives and goals while creating sustainable value for customers, employees, stakeholders, community and society as a whole.

8.1.1 Nomination, Development and Evaluation of the Performance of the Board of Directors

In the past year, the Nomination and Remuneration Committee ("Nomination Committee") considered and expressed opinions for the appointment of directors to replace those leaving office according to term by making considerations based on qualifications and suitability for their roles, duties and responsibilities to make proposals to the board of directors for consideration of

appointment. The Nomination Committee approved a training plan for directors to develop the knowledge of directors and approved the training budget for directors for the years 2021 to 2023.

The details are summarized as follows:

In April 2019, the Nomination and Remuneration Committee passed a resolution to approve performance evaluation criteria and guidelines as follows:

- Managing director (Evaluator - Nomination and Remuneration Committee).
- Managing director (Evaluator - Self).
- Company directors - Individual (Evaluator - Nomination and Remuneration Committee).
- Company directors - By-committee (Evaluator - Individual members of the board of directors).
- Company directors - Individual (Evaluator - Self).
- Subcommittees - By-committee (Board of directors - Evaluator).
- Subcommittees - Individual (Board of directors - Evaluator).

Considerations were made by cross evaluation and considerations take place every year, with reports submitted to the board of directors in November. For the past year, the company's evaluation results were as follows:

Performance Evaluation

Position of Persons Evaluated for Performance	Average Score Year 2020	Score Level	Average Score Year 2021	Score Level	Average Score Year 2022	Score Level
Managing Director	95.65%	Excellent	95.83%	Excellent	98.43%	Excellent
Board of Directors						
Company Directors, Individual	95.52%	Excellent	96.09%	Excellent	98.48%	Excellent
Company Directors, by Committee	96.04%	Excellent	97.19%	Excellent	98.24%	Excellent

Position of Persons Evaluated for Performance	Average Score Year 2020	Score Level	Average Score Year 2021	Score Level	Average Score Year 2022	Score Level
Company Directors, by Committee (Self-Evaluation)	95.18%	Excellent	96.31%	Excellent	98.74%	Excellent
Subcommittees, by Committee	95.83%	Excellent	98.84%	Excellent	96.70%	Excellent
Subcommittees by Individual						
Audit Committee	96.11%	Excellent	96.50%	Excellent	98.91%	Excellent
Risk Management Committee	96.02%	Excellent	96.45%	Excellent	98.67%	Excellent
Nomination Committee	96.09%	Excellent	96.45%	Excellent	98.67%	Excellent
Evaluation Results for All Committees	95.79%	Excellent	96.38%	Excellent	98.49%	Excellent

(1) Independent Directors

The Nomination Committee evaluates the qualifications of persons who will become the independent directors of the company. These individuals must be qualified persons without the prohibitions according to laws governing public limited companies, securities and exchange laws and other related laws and not demonstrate characteristics that indicate lack of suitability for being entrusted with the management of a business of which the public make up its shareholders in line with the specifications announced by the Capital Market Supervisory Board. Accordingly, the board of directors has independent directors making up at least one-third of the total number of directors, and at least 3 independent directors are required to meet the qualifications for independence according to the company's specifications and in line with the guidelines of the announcements of the Capital Market Supervisory Board, the SEC Office and related laws as can be summarized as follows:

1) They are to hold shares by no more than one percent (1) of the total voting shares of the company, parent company, subsidiaries, affiliated companies, major shareholders or

controlling persons of the company, and this includes shares held by persons connected to the independent directors.

2) Not be nor have ever been directors involved in the management of work, workers, employees, salaried consultants, or controlling persons of the company, parent company, subsidiaries, affiliated companies, subsidiaries of the same level, major shareholders or those of controlling persons of the company, unless said persons have lost said status for at least 2 years before the date of appointment. Accordingly, these prohibitions do not include cases where an independent director was a civil servant or advisor of a government agency that is a major shareholder or controlling person of the company.

3) Not be persons with blood relations or legally-registered relations as a father, mother, spouse, sibling or child, nor spouse or children of other directors, executives, major shareholders, controlling persons, or persons to be nominated to become directors, executives or controlling persons of the company and subsidiaries.

4) Not have nor have had business relations with the company, parent company, subsidiaries, affiliated companies, major shareholders or controlling persons of the

company in a manner that might hinder exercising of independent judgement, and this includes not being and having not ever been significant shareholders or controlling persons of persons with business relations with the company, parent company, subsidiaries, affiliated companies, major shareholders and controlling persons of the company, unless said persons have lost the aforementioned status for at least 2 years before appointment. The aforementioned business relations includes normal commercial transactions for business operations, rent/lease and renting/leasing out of real estate or transactions related to assets or services or provision or acceptance of financial assistance through acceptance or giving of loans, guarantees or use of assets for debt guarantee, including other similar circumstances that cause the company or the trade partner to have debt obligations having to be paid to the other party by an amount of at least 3% of tangible assets or from 20 million baht or more, depending on whichever amount is lower. Accordingly, the calculation of the aforementioned debt obligations are to automatically follow the methods for calculation the value of connected transactions according to the announcements of the Capital Market Supervisory Board on the criteria for connected transactions, but the consideration of said debt obligations must also include debts created in the 1-year period before the date of establishing business relations with the same persons.

5) Not be nor have ever been an auditor of the company, parent company, subsidiary, affiliated company, major shareholder or controlling person of the company, nor be a significant shareholder or controlling person or partner of an audit office where an auditor of the company, parent company, subsidiary, affiliated company, major shareholder or controlling person of the company is affiliated, unless said persons have lost said status for at least 2 years before appointment.

6) Not be nor have ever been a provider of any professional services, including services as a legal consultant or financial consultant receiving service fees in excess of 2 million

baht per year from the company, a parent company, subsidiaries, affiliated companies, major shareholder or controlling persons of the company, nor be significant shareholders, controlling persons or partners of such professional service providers, unless said persons have lost the aforementioned status for at least 2 years before appointment.

7) Not be directors appointed to represent directors of the company, major shareholders or shareholders connected to a major shareholder.

8) Not operate business of the same nature and that is in significant competition with the company's business or subsidiaries, nor be significant partners in partnerships, nor be directors involved in the management of work, workers, employees, or salaried consultants or who holds shares exceeding 1% of the total eligible voting shares of other companies operating the same type of business and that is in significant competition with the company's business or subsidiaries.

9) Not have any other attributes that prevent independent expression of opinions concerning the company's business activities.

(2) Nomination of Directors and High-Ranking Executives

The Nomination Committee is responsible for specifying the criteria and policies for recruiting company directors, the managing director and the company's high-ranking executives and is the party responsible for considering and recruiting, selecting and nominating suitable persons to be come company directors and the managing director to the board of directors for approval of appointment. The attributes of the board of company directors can be summarized as follows:

1) Be persons with knowledge and capabilities along with honesty and integrity along with a code of ethics who can allocate sufficient time to devote their knowledge and abilities to perform duties for the company.

2) Be persons with the qualifications without the prohibitions pursuant to laws governing public limited companies, securities and

exchange laws and other related laws and not have any other characteristics that demonstrate lack of suitability to be entrusted with the management of a business whose shares are held by the public in line with the announcements of the Capital Market Supervisory Board.

3) Company directors can assume director positions in other companies. However, their director status in these other companies should not exceed 5 companies and must not hinder their ability to perform their duties as the company's directors and must conform to the guidelines of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

4) Company directors must not operate other businesses that is of the same nature as and is in competition with the company's business, nor to become partners in ordinary partnerships or liabilities-limited partnerships, nor be directors nor hold direct or indirect stakes in private companies or other companies operating business of the same nature and that is in competition with the company, whether for personal gains or for others, unless such activities are reported to a shareholder meeting before an appointment resolution is passed.

The Nomination Committee also has the responsibility to specify the criteria for the creation of succession plans for the positions of managing director and high-ranking executives such as deputy managing director of accounting, finance and budgets, with knowledge, skills and abilities in various areas specified as criteria for selection. Accordingly, the basic qualifications and required experience can be summarized as follows:

Managing Director

- Minimum education on the master's level in business administration, economics, marketing or another relevant field.
- Overall work experience of at least 10 years, with at least 3 years in the position of a high-ranking executive of the organization.
- Special skills such as visionary thinking, organization management, knowledge about sustainable organization development, etc.

Deputy Managing Director in Accounting, Finance and Budgets

- Master level education in financial management, accounting, economics or a related field.
- Overall work experience of at least 12 years, with at least 5 years in the position of an executive of the organization.
- Special skills such as analytical and systematic thinking, risk management skills, knowledge about financial reporting standards and various types of investments, etc.

The Nomination Committee has also specified the practice criteria for the nomination of executives in key company positions by having specified the basic attributes for the organization's key positions, professional leaders, and important positions according to the organization's structure, and the committee has specified the process for selection, work performance evaluation, potential evaluation and planning for the recruitment and development and training on the executive and employee levels, etc.

8.1.2 Meeting Attendance and Payment of Remunerations to Individual Board Members

8.1.2.1 Attendance of Company Board Meetings

For the meeting attendance by company directors for the year 2022 (from 1 January to 31 December 2022), the number of meetings attended/total number of meetings are detailed as follows:

Director's Name	Meeting	
	Board Meeting	General Shareholder Meeting
1. Mr. Visit Ongpipattanakul	5/7	1/1
2. Mr. Vitit Lavansathien	7/7	1/1
3. Mr. Pinit Ngamsopee	7/7	1/1
4. Mr. Senee Vacharasiritham	7/7	1/1
5. Mr. Chusak Uivatwongskasem	7/7	1/1
6. Mrs. Savitree Lavansathien	7/7	1/1
7. Mr. Surayut Lawansathien	7/7	1/1
8. Mr. Akeapop Lavansathien	7/7	1/1
9. Mr. Panukorn Chantaraprab ^{2/}	4/7	-

Remarks : ^{1/} Due to the Covid-19 situation, the company requested the cooperation of directors living in different localities to refrain from attending meetings. These were all 3 independent directors.

^{2/} Appointed to become company director by a resolution passed at Board Meeting No. 3/2022 on 11 April 2022.

8.1.2.2 Directors' Remunerations

Directors' remunerations are specified appropriately to be comparable with other companies in the same industry as the company and set appropriately to ensure the expected work results while being fair. The directors' remunerations for 2022 are shown as follows:

(1) Monetary Remunerations

Monetary directors' remunerations included monthly remunerations and meeting attendance fees paid by the number of meetings attended. Accordingly, directors holding executive positions receiving regular salaries received no monthly salaries but rather meeting attendance fees. The directors' remunerations for 2022 are shown in the following table:

Director's Name	Monthly Remunerations (THB)	Meeting Attendance Fees (THB)				Total Remunerations (THB)
		Board of Directors	Audit Committee	Nomination Committee	Risk Management Committee	
1. Mr. Visit Ongpipattanakul	600,000	225,000	120,000	-	-	945,000
2. Mr. Vitit Lavansathien	-	245,000	-	-	-	245,000
3. Mr. Pinit Ngamsopee	360,000	245,000	140,000	75,000	-	820,000
4. Mr. Senee Vacharasiritham	360,000	245,000	120,000	30,000	25,000	780,000
5. Mr. Chusak Uivatwongskasem	-	245,000	-	30,000	10,000	285,000
6. Mrs. Savitree Lavansathien	-	245,000	-	30,000	-	275,000
7. Mr. Surayut Lawansathien	-	245,000	-	-	10,000	255,000
8. Mr. Akeapop Lavansathien	-	245,000	-	-	10,000	255,000
9. Panukorn Chantaraprab ^{1/}	-	140,000	-	-	-	140,000
Total	1,320,000	2,080,000	380,000	165,000	55,000	4,000,000

Remarks : ^{1/} Appointed to become company director by a resolution passed at Board Meeting No. 3/2022 on 11 April 2022.

(2) Other Remunerations

–None.–

8.1.3 Oversight of Subsidiaries and Affiliated Companies

The company specified oversight of subsidiaries and affiliated companies in case the company has subsidiaries or affiliated companies in the future. The purpose is to set measures and mechanisms to enable the company to supervise and manage the business of subsidiaries and affiliated companies to ensure that they conform to the measures and policies of the company as well as related laws. The policy is summarized as follows:

1. The company will send persons who represent the company to serve as directors, executives or persons with control authority in each subsidiary and/or affiliated company according to the share ratio of each company, and the sending of persons who represent the company to serve as directors, executives or persons with control authority in each subsidiary and/or affiliated company require the consideration and approval of the board of directors.
2. Company representatives have the duty of supervising and overseeing subsidiaries and/or affiliated companies to take actions consistently with the law, good corporate governance policy and other policies of the company in question and to conform to the policies of the parent company. In cases where subsidiaries or affiliated companies have other investors, the persons representing the company must perform their duties to the best of their abilities to protect the company's interests.
3. The company will control subsidiaries and/or affiliated companies to have in place an appropriate and adequately strict internal control system and ensure that transactions take place correctly according to the law and related requirements.
4. The company will control subsidiaries and/or affiliated companies to disclose information about their financial position and performance to the company and closely ensure the preparation

performance monitoring of subsidiaries and/or affiliated companies as well as to present analyses and opinions or suggestions to the board of directors of the company and the board of directors of the subsidiaries or affiliated companies to accompany the consideration to set policies to improve and promote the business of subsidiaries and/or affiliated companies to achieve sustainable development and growth.

5. The company will control for subsidiaries and/or affiliated companies to have the duty to disclose connected transactions, acquisitions and disposals of assets, other important transactions, capital increase, capital decrease and discontinuation of subsidiaries or affiliated companies, etc.

8.1.4 Monitoring to Ensure Practice in Line with Corporate Governance Policies and Practice Guidelines

The company gives importance to good corporate governance. As such, the company has specified related policies and practice guidelines in the company's corporate governance policy and the Code of Ethics and encourages actual practice in order to ensure confidence in all stakeholders.

(1) Adherence to the Conflict-of-Interest Prevention Policy

The board of directors has specified a policy for stake-holding and conflicts of interest to ensure the existence of clear guidelines for considering transactions with potential conflict of interest to protect the company's interest and the interest of company shareholders. Accordingly, the company adheres to the practices, criteria and specifications of the Capital Market Supervisory Board, SEC Office and Stock Exchange of Thailand and correctly discloses transaction information. This policy was approved by Board Meeting No. 6/2018 on 26 September 2018 and is reviewed at least once annually. The latest review occurred at Board Meeting No. 2/2022 on 9 March 2022.

(2) Adherence to the Policy on Use of Internal Information for Gains

The company is determined to treat all shareholders equitably and transparently in line with the good corporate governance principles. As such, the board of directors has created a policy for reporting the holding of securities and use of internal information that is approved by Board Meeting No. 6/2018 on 26 September 2018, which is reviewed at least once annually. The latest review occurred at Board Meeting No. 2/2022 on 9 March 2022. The essential contents of the policy are summarized as follows:

- Directors, executives and persons holding executive positions in accounting or finance or equivalent positions in the company are required to report their holding of company securities within 7 business days from the date of appointment by submitting their reports to the company's secretary. These reports are to also include spouses and minor children.
- Directors, executives and persons holding executive positions in accounting or finance or equivalent positions in the company are required to report changes in their holding of company securities within 3 business days from the date of trading in securities by submitting their reports to the SEC Office. These reports are to include their spouses and minor children. Furthermore, copies are to be submitted to the company's secretary for the company secretary to prepare a report to be submitted to the chairman of the board and the Chairman of the Audit Committee within 7 business days from the date of receiving said reports before subsequently submitting a report to the board of directors for acknowledgement at the next upcoming meeting.
- Company directors, executives and employees in agencies connected to important information relating to changes in company securities that is not yet disclosed to the public (including their spouses and minor children)

are prohibited from trading in the company's securities for at least 30 days before disclosures of quarterly financial statements and annual financial statements and for a period of 24 hours after the disclosure of said financial statements.

In cases of other important non-financial statement information, said persons are required to not trade in company securities until 24 hours have passed since the disclosure of all of said information to the public.

- The company has specified disciplinary penalties for violations through use of internal information for personal gains, from written warning to pay deduction, temporary work suspension without pay and dismissal from work, depending on the intentions and severity of the wrongdoing.

(3) Adherence to the Anti-Corruption Policy

The company is determined to operate business transparently and fairly with responsibility for all stakeholders. As such, the company has established a policy to combat corruption in every form and requires the company's personnel to follow this policy. This policy was approved by Board Meeting No. 6/2018 on 26 September 2018 and is reviewed annually. The latest review occurred at Board Meeting No. 2/2022 on 9 March 2022. A summary of the anti-corruption guidelines is provided as follows:

- Do not display any behaviors or take any actions that fit the criteria for corruption such as the taking or giving of bribes to stakeholders in order to acquire illegitimate gains.
- Persons who commit or participate in or are involved with corruption are to be subjected to disciplinary penalties according to company regulations and possibly also legal penalties.
- The company announces its anti-corruption policy extensively and clearly to employees on every level for acknowledgement and strict implementation.

- Employees are required to not remain negligent or idle upon discovery of actions that fit the criteria for corruption connected with the company. Employees must report such cases to their supervisors or the persons in charge and cooperate in fact-finding investigations.
- The company will give fairness and protection to employees who report clues about corruption related to the company.
- Company directors, executives and employees who engage in corruption will be deemed in breach of the company's Code of Ethics, for which disciplinary considerations must occur according to company regulations, along with possibly legal penalties if such actions are illegal.
- Employees are required to not use their positions, duties and responsibilities at the company to seek illegitimate gains for external persons, whether directly or indirectly.
- In cases where it is necessary to receive gifts or assets with a value exceeding 3,000 baht, report to a supervisor according to the chain of command.
- The company has stated its intention to join Thailand's Private Sector Collective Action Coalition Against Corruption ("CAC") on

11 August 2022 and became a certified member of the project on 7 September 2022. The company's recent actions were in line with the anti-corruption policy.

(4) Whistleblowing

The company's anti-corruption policy contains specifications for whistleblowing and filing of complaints as follows:

1. Matters of whistleblowing or complaint:

- Actions fitting the criteria for corruption connected directly or indirectly to the company.
- Actions impacting the interest or reputation of the company.
- Actions in violation of the law, morals and Code of Ethics.
- The matters reported must be based on actual facts and not contrived by dishonest intentions to slander or harass others.

2. Channels for Whistleblowing or Complaints

- Contact Channels for Internal Persons: Report through an internal program which every employee can access for use. Information will be submitted to the Human Resources Department. If the matter is not corrected, the filer can directly report to the managing director.

- Contact Channels for External Persons: Contact the assistant managing director of human resources or the managing director via the following channels:

Telephone: 038-677-018; 061-393-9988

Address: Star Money Public Company Limited
No. 204/1-8, Sukhumvit Road, Thang Kwian Sub-district,
Klaeng District, Rayong Province 21110

Email info@starmoney.co.th

- If it is desired to submit a complaint to a director or high-ranking executive, the complaint can be submitted to the Chairman of the Audit Director via the following channels:

Telephone: 061-393-9988

Address: Star Money Public Company Limited
No. 204/1-8, Sukhumvit Road, Thang Kwian Sub-district,
Klaeng District, Rayong Province 21110

Email info@starmoney.co.th

The company has guidelines for protecting whistleblowers. However, whistleblowers are required to be complaint filers or informants who took their actions out of honesty, due to which the company will guarantee protection that their actions will not be cause for termination of employment, punishment or any adverse actions against them. Furthermore, in order to protect the rights of whistleblowers and complaint filers and persons providing information out of honest intentions, the company will conceal the names, addresses

and identifiable information of report filers, by which the agencies receiving their complaints will maintain the confidentiality of their information and evidence documents and not disclose them to outside parties who do not duties related to them, unless doing so is required by law.

Corruption or Violations of Corporate Governance Policies and Practice Guidelines in the Past Year

-None.-

8.2 Performance Report of the Audit Committee in the Past Year

8.2.1 Number of Meetings and Meeting Attendance of the Audit Committee by Individual

The details on the meeting attendance of the Audit Committee for 2022 as shown by the number of attendance/total number of meetings are as follows:

Name	Position	2022
1. Mr. Pinit Ngamsopee	Chairman of the Audit Committee	4/4
2. Dr. Visit Ongpipattanakul	Audit Director	4/4
3. Mr. Senee Vacharasiritham	Audit Director	4/4

8.2.2 Performance of the Audit Committee

According to the meeting report of the Audit Committee in 2022, the Audit Committee performed its duties as specified in the Audit Committee's charter by exercising its knowledge and abilities cautiously and thoroughly while being independent in the performance of duties and receiving excellent information and cooperation from the company's Management. The Audit Committee worked to oversee and audit the following areas:

- The work performed by the internal auditor to ensure that the company has an adequate, strict and effective internal control and internal audit system without any significant errors that can impact the company's financial statements and business operation.
- The preparation of financial reports and questioning of executives and the company's auditor to ensure that the company's financial reports are correct according to generally-accepted accounting standards, with complete and sufficient disclosure of important information.
- Compliance to related laws, specifications and regulations as appropriate, and consideration of transactions with potential conflict of interest and consideration of connected transactions.

Accordingly, the Audit Committee's report is shown in Attachment 6 (Audit Committee's Report).

8.3 Summary of the Performance of Other Subcommittees

8.3.1 Number of Meetings and Meeting Attendance of Subcommittees

(1) Nomination and Remuneration Committee

The details about the meeting attendance of the Nomination and Remuneration Committee for 2022 as shown by the number of meetings attended/total number of meetings are as follows:

Name	Position	2022
1. Mr. Pinit Ngamsoppee	Chairman of the Nomination Committee	3/3
2. Mr. Senee Vacharasiritham	Nomination Director	3/3
3. Mr. Chusak Uivatwongskasem	Nomination Director	3/3
4. Mrs. Savitree Lavansathien	Nomination Director	3/3

(2) Risk Management Committee

The details about the meeting attendance of the Risk Management Committee in 2022 as shown by the number of meetings attended/total number of meetings are as follows:

Name	Position	2022
1. Mr. Senee Vacharasiritham	Chairman of the Risk Management Committee	1/1
2. Mr. Chusak Uivatwongskasem	Risk Management Director	1/1
3. Mr. Surayut Lawansathien	Risk Management Director	1/1
4. Mr. Akeapop Lavansathien	Risk Management Director	1/1

3) Executive Committee

The details about the meeting attendance of the Executive Committee for 2021 as shown by the number of meetings attended/total number of meetings are as follows:

Name	Position	2022
1. Mr. Utit Lavansathien	Chief Executive Officer	14/15
2. Mr. Chusak Uivatwongskasem	Executive Director	15/15
3. Mrs. Savitree Lavansathien	Executive Director	15/15
4. Mr. Surayut Lawansathien	Executive Director	15/15
5. Mr. Akeapop Lavansathien	Executive Director	15/15

8.3.2 Performance of Assigned Subcommittees

(1) Nomination and Remuneration Committee

In 2022, the Nomination and Remuneration Committee considered important matters summarized as follows:

- Considered and gave opinions about the remunerations for directors and executives for the year 2022.
- Considered and gave opinions about the training and development of directors and training budget for the years 2022-2023 and prepared director development plan to improve the knowledge of existing directors and new directors to understand the business, roles, duties, criteria and laws related to the company's business.
- Considered and reviewed the succession plan, which is reviewed at least once annually.
- Considered and approved the reappointment of directors back into office after leaving according to term.

(2) Risk Management Committee

In 2022, the Risk Management Committee considered important matters summarized as follows:

- The Risk Management Committee acknowledged the risk management report covering various risks in the period from August 2020 to June 2021 and from January to December, with the representatives of the Risk Management Work Group preparing the report. The Risk Management Committee gave recommendations for further action and approved the report for later submission to the board of directors for acknowledgment.
- The Risk Management Committee passed a resolution to revise the risk management manual according to the review and improvements submitted by the Risk Management Work Group to ensure suitability for the company's current situation.

(3) Executive Committee

In 2022, the Executive Committee considered important matters summarized as follows:

- Considered and approved an environmental announcement for use as guideline for environmental efforts to be undertaken by employees.
- Considered and approved debtor assistance during Covid-19 in line with announcements made by the Bank of Thailand.
- Acknowledged the performance of various departments, including the company's performance report.
- Considered and approved company activities according to approval powers such as announcements adopted in work, commission fee structure, branch sites, hub launches, establishment of a welfare committee in the place of business, loan consideration criteria and conditions, etc.
- Considered the company's business plan.
- Considered and approved actions according to the Personal Data Protection Act.
- Considered and approved a policy and regulations on anti-money laundering and counter terrorism financing and proliferation of weapons of mass destruction and assessed related risks for submission to the board of directors.

9.1 Internal Control

9.1.1 Opinions of the Board of Directors on Internal Control

The board of directors gives importance to the internal control system and has, therefore, established an internal control system that covers finances, management and effective and efficient operation in line with related laws, requirements and regulations, with emphasis on continuous development in line with the COSO guidelines (The Committee of Sponsoring Organization of Treadway Commission) to apply them for more complete internal control and risk management to maximize the company's operational effectiveness and efficiency in various areas.

Accordingly, the company has the Risk Management Committee that is made up of independent directors and executive directors, with the Risk Management Work Group existing to provide work support. The Risk Management Committee functions to specify the risk management policy and framework for the board of directors to give authorization and to identify and analyze risks as well as evaluate, monitor and control each type of risks to maintain them within acceptable levels, not to mention preparing the risk management manual and risk management reports, including reporting and monitoring of risk management outcomes to the board of directors and to supervise various agencies in the company to participate in risk management and control.

Furthermore, Board Meeting No. 2/2021 on 12 November 2021 evaluated the adequacy of the internal control system in line with the guidelines of the Office of the Securities and Exchange Commission ("SEC Office"), which system contained an internal risk control system covering 5 different areas, namely, organization and environment, risk management, management operational control, information system and data communication and

monitoring system, rendered the opinion was that the company's internal control system was adequate and appropriate.

The company appointed I.A.P. Internal Audit ("IAP") to serve as the company's internal auditor (outsourced internal auditor), with internal control system assessment work commencing as of the 1st quarter of 2018, and to audit the company's internal control system according to plans every quarter and to issue reports on encountered risk topics and present recommendations for resolving said risks, and the company applied the recommendations to improve work systems and prevent risks. Accordingly, the internal auditor monitors corrective actions for issues encountered in previous quarters and releases reports on the monitoring of outstanding issues to Audit Committee meetings every quarter, with the latest report made to Audit Committee Meeting No. 1/2022 on 28 February 2022. Accordingly, the internal auditor audited 17 of the company's work systems, namely, the debt collection system, payment income system, debtor and payment acceptance system, permanent asset management system, purchasing/procurement and internal use system, debt setting and payment system, post-sale service system, warehouse management system, human resources management system, account closing and financial report preparation system, information technology system, investment and budget management system, petty cash/advance payment system, product sales system, hire purchase and financial loan system, branch work and asset management system, central registration and document repository system and marketing and corporate image system.

The major issues encountered in 2020 and 2021 and correction progress based on auditing of the internal control system are described as follows:

	Issue	Risk Level	Recommendations/Corrective Action/Outcome Monitoring Results
Branch Work and Asset Management System			
1)	The company lacks a process for making copies of customer agreement documents to record and store them in the company's database. Previously, documents were only stored in the document repository.	High.	<p>Recommendation: A policy and work procedure for storing documents and customer information in the database should be created to benefit immediate queries and uses and to reduce risk of damage from storing documents in only a single location.</p> <p>Correction: The company created a procedure for scanning customer agreement documents to record in the Star Money software system.</p> <p>Status: Completed in the 1st quarter of 2021.</p>
Capital and Budget Management System			
2)	The company should consider adopting the Star Money software system in budget-management-system-related work processes such as budget requests, budget spending, budget spending monitoring and analysis, etc.	Medium.	<p>Recommendation: Develop the Star Money software system in parts related to the budget management system to benefit usage queries and data analysis.</p> <p>Correction: The company developed the Star Money software system to cover the operational procedure related to the budget management system such as budget setting, budgetary spending and related reports in budgetary spending summaries and analyses, etc.</p> <p>Status: Currently, the Budget Department supervises and coordinates tasks related to the management of the company's budgets as follows:</p> <ol style="list-style-type: none"> 1. For requesting budgetary allocations, the supervising department has to make preparations according to a specified form and attach related details to present them to the Budget Department for compilation and presentation at board meetings for consideration of approval. 2. For spending, a spending form must be created with reference to the approved budget according to the work plan to submit to the Budget Department to make budgetary deductions and verify budgetary spending through a control book prepared by the Budget Department. 3. The Budget Department functions to inspect and monitor budgetary spending to ensure that it remains within the approved scope, whereby budgetary spending and actual expenses are summarized every month. <p>auditor has a plan to perform an audit in the However, the internal auditor recommended for the company to implement the Star Money software system with the budgets section to provide additional benefits in usage queries and</p>

	Issue	Risk Level	Recommendations/Corrective Action/Outcome Monitoring Results
			developing the Star Money software for the budgets section as requested by a form submitted by the Budgets and Reports Department, with completion and start of use expected to be in the 2nd quarter of 2022. Accordingly, the internal auditor has a plan to perform an audit in the 2 nd quarter of 2022.
Central Registration and Document Repository System			
3)	The Star Money software system in the archives work page does not provide notifications for outstanding documents from incomplete agreement document sets to be stored in the repository, whereby the Archives Department reports outstanding documents by using MS Excel to log and monitor documents.	Medium.	<p>Recommendation: The Star Money software system should be developed to be capable of providing notifications and displaying a list of outstanding documents or documents being followed-up on by related sections for storage in the repository.</p> <p>Correction: The company has developed the Star Money software system to feature status notifications for agreement documents to facilitate recording and follow-ups on outstanding documents or pending documents from related agencies for storage in the document repository.</p> <p>Status: Currently, the Archives Department inspects and accepts agreement documents along with submission forms received from branches by making records and having the person performing document inspection sign in acceptance to issue a controlled document code (ID). However, when documents are incomplete, the Archives Department prepares a report of outstanding documents by MS Excel to help record and follow-up on documents from branches. Accordingly, the internal auditor recommended for the company to develop the Star Money software system to aid in the monitoring of document statuses, and the Systems and Software Development Department is currently developing the Star Money software system in the archives section to display the statuses of agreement documents as requested by the Archives Department, with usage commencing in the 1st quarter of 2022 and the issuefollow-up report expected to be obtained in the 2nd quarter of 2022.</p>
Marketing and Corporate Image System			
4)	An interview with persons involved in the marketing and corporate image work process found that no clear marketing and corporate image system manual has been made in writing.	High.	<p>Recommendation: A work manual should be clearly created in writing consistently with actual practice guidelines.</p> <p>Correction: The company already created a work manual covering key work processes such as authorization and organization of marketing activities, procedure for purchasing premium products and stock elimination, procedure for inspecting and controlling distribution of premium products or sales promotion discount coupons, etc.</p> <p>Status: Completed in the 3rd quarter of 2021.</p>

	Issue	Risk Level	Recommendations/Corrective Action/Outcome Monitoring Results
5)	The company prepared and presented information via the official LINE application but lacks a procedure for specifying consent agreements for customers or data owners to give consent for the collection or disclosure of personal information in line with the Personal Data Protection Act (PDPA) to take effect on June 2022.	High.	<p>Recommendation: The relevant work procedures should be added according to the Personal Data Protection Act such as for the creation of a document specifying the agreement for expressing consent to disclose personal data, etc.</p> <p>Correction: The company is in the process of reviewing and making preparations for work procedures related to the Personal Data Protection Act, which will become effective as of June 2022 and onward.</p> <p>Status: Ongoing and expected to be completed in May 2022, with the internal auditor planning to inspect in the 2nd quarter of 2022 before the Personal Data Protection Act becomes effective.</p>
Hire Purchase and Financial Loan System			
6)	An interview with persons involved in the product sales process found that the company did not have an operational manual for the nano-financing section, which is a business the company planned to commence in 2022.	High.	<p>Recommendation: A clear work manual should be specified in writing consistently with actual practice guidelines.</p> <p>Correction: The company already created a work manual covering important work processes such as the loan application and approval process, agreement-making process, financial document and information verification process and payment process, etc.</p> <p>Status: Status: Completed in the 2nd quarter of 2021.</p>
7)	The company did not specify the minimum income for customers as part of the loan consideration process. Based on examination of system data on 28 February 2022 found that there were 16 hire purchase agreement customers, or 0.08% of all debtors, and 102 financial loan agreement customers or 0.49% of all debtors whose recorded income in the system was not sufficient to make monthly debt repayments.	High.	<p>Recommendation: Add specifications on minimum income before loan approval to guarantee debtors' repayment capabilities.</p> <p>Correction: The company specified minimum income as part of the loan consideration criteria with specifications divided clearly by product type and applied loan value.</p> <p>Status: Completed in the 3rd quarter of 2021.</p>
8)	The company specified the criteria for commission payments by using sales figures of the current month to calculate commissions for the sales department without consideration to debt collection capabilities.	Medium.	<p>Recommendation: Specify criteria for payment of commission fees for the Sales Department with accompanying consideration to the total debt already collected.</p> <p>Correction: The company reviewed the criteria for payment of commission fees by making debt collection totals from loans and hire purchases part of the conditions to accompany the calculation of monthly commission fees to be paid to the Sales Department.</p> <p>Status: Completed in the 4th quarter of 2021.</p>

	Issue	Risk Level	Recommendations/Corrective Action/Outcome Monitoring Results
Debt Collection System			
9)	Random document inspections found that expenses were not added to lawsuit capital such as fines, collection expenses, court fees, etc., which are not consistent with the terms stated in financial loan agreements made with customers that specified for customers to be responsible for paying for expenses and damages caused by breach of agreement.	High.	Recommendation: Create criteria for calculating actual expenses to be included in the litigated assets. Correction: The company reviewed the work manual by adding the criteria for specifying various important expenses as part of the litigated assets and already included important expense details in the assets involved in the case complaint. Status: Completed in the 3 rd quarter of 2021.
10)	Random inspections of litigation summary reports from 2020 to 2021 found a case for one agreement that was dismissed by the court for which the attorney did not prepare documents to request for the court to deliberate upon and to file an appeal within the required legal timeframe.	High.	Recommendation: Clearly specify the criteria in writing for filing appeals in cases involving case dismissal by court. Correction: The company reviewed the work manual by clearly specifying the criteria for filing appeals and for appeals to be filed within 30 days from the date of reading of the court rulings in accordance with the law. Status: Completed in the 3 rd quarter of 2021.
11)	From interviews with operators and random inspections of documents related to debt collection after lawsuits, it was found that the company did not have clearly specified criteria for providing discounts and closing agreements after litigation to ensure uniform actual work practices.	Medium.	Suggestions: The criteria and conditions for approval in the case of giving discounts and closing the contract after litigation should be clearly and in writing. Actions: The Company has reviewed the related operational manuals by clearly prescribing the criteria for giving discounts to close accounts after litigation. Status: Completed during the 3 rd quarter of 2021
Debt and payment system			
12)	The Human Resources and Compliance Departments are not involved in the formulation of the debt collection commission payment policy, prepared by the debt collection department	High.	Recommendation: Specify for the Human Resources Department and the Oversight Department to be involved in the specification of various policies related to the work of company employees. Correction: The company reviewed the commission payment policy approved by Executive Committee Meeting No. 14/2021 on 24 November 2021. Status: Completed in the 4 th quarter of 2021.
13)	From random document inspections on 31 October 2021, two transactions in the category of accrued-other expenses were encountered with a value of 500,000 baht with the creditor age exceeding 365 days. Additional inquiries found that the aforementioned transactions had expenses and	Medium.	Recommendation: Specify collection of Specify monitoring of unusually long-accrued debts to verify the existence and correctness of said accrued transactions. Correction: The company reminded the persons in charge to inspect accrued debt transactions, especially abnormally long-accrued debts to specify appropriate collection and management guidelines.

	Issue	Risk Level	Recommendations/Corrective Action/Outcome Monitoring Results
	payments recorded but the personnel had made a misunderstanding and, therefore, did not delete of the accrued expenses.		Status: Completed in the 4 th quarter of 2021.
14)	The company lacked reviews of the remuneration policy and wage structure consistently with existing salary payments, which caused the calculation of employee salaries and remunerations in certain items such as the salary base, position fees and per diem to not comply with set policies.	Medium.	Recommendation: The wage structure policy and framework should be reviewed to ensure consistency with current salary calculations. Correction: The company reviewed the salary policy and framework to ensure that they are up to date and specified the approval process for cases where employee remunerations are inconsistent with set policies. Status: Completed in the 4 th quarter of 2021.

9.1.2 Auditor's Remarks

EY Office Company Limited ("EY"), which has been the Company's auditor (Auditor) since 2018, has audited the Company's financial statements. For the year ended December 31, 2022, the auditor conducted the audit in accordance with the auditing standards, which requires the auditor to comply with ethical requirements and to plan and perform the audit to obtain reasonable assurance that the financial statements as a whole are free from material misstatement. The audit methods selected depend on the auditor's discretion and the practitioner's observation and suspicion throughout the audit. This includes an understanding of internal control relevant to the audit, to design audit procedures to suit the situation but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Based on the performance of the auditor for the year ended December 31, 2022, the auditor has issued recommendations from the audit to the Company, and presented the audit report to the Audit Committee and the Board of Directors for acknowledgment in the Audit Committee Meeting No. 1/2023 and the Board of Directors Meeting No. 1/2023 respectively, which can be Summary of observations and recommendations for outstanding issues are as follows:

	Notice	Suggestion
1)	From 621 randomly sent letters confirming the company's receivable balance as of December 31, 2022, it was found that there were 45 bounced confirmation letters (representing 7% of the total number sent). Moved to unknown address, unclear address, etc.	Suggestions: The company should randomly check the accuracy of the debtor's address information and the supporting documents for credit approval. Including updating the address of the debtor to be always up to date.

corrective action The company has set up a manual of operations. Regarding the work process for checking and correcting the debtor's address as follows:

Debt Classification	Work processes and procedures	Responsible
X-DAY / new debtor	<p>1. Check after contract 5 days to confirm the accuracy. Debtor address information after re-contracting</p> <p><u>Process</u></p> <p>1. Supervisor or department manager Selection of daily tasks for staff</p> <p>2. The officer made a phone call to confirm his identity, and current location information and the document delivery address of the debtor.</p> <p>3. If there is a change in information Staff will ask for information to Make changes to your current address and document delivery address in the system.</p> <p>4. In case of unable to contact the debtor more than 3 times with recording of the call result, the X-DAY system will send information to the branch department. in order to visit the area to verify address and phone number information.</p> <p>2. The branch brought the information received from the X-DAY event to the area to inspect and collect the results of the corrective information contained in the system.</p> <p><u>Process</u></p> <p>1. In the case of a branch that calls, can contact the debtor The staff will confirm their identity and ask for information. and record the call result in the system</p> <p>2. In the event that the telephone branch cannot contact the debtor Make a visit to the area according to the address in the system. bring the results to the area recorded in the system</p> <p>3. Submit a report summarizing the results of the field visits to the X-DAY department every 15 days.</p> <p>"For debtors with normal payments or with advance payments</p> <p>Sales and Credit / Sales Support Department by telephone</p> <p>There will be a random phone call to check and confirm the debtor's address every quarter. By retrieving information at the end of the month to ensure that the debtor is still at the address. Original as informed to the company or if the debtor has notified the change at at the branch must take corrective action."</p>	<p>Sales and credit/ department Telephone sales support</p> <p>branch</p>

Debt Classification	Work processes and procedures	Responsible
DO due debtors	<p>1. The staff call to inquire about the address and notified before the due date.</p> <p>2. In case the debtor has notified a change of address Officers must log into the system to request permission to change the address.</p> <p>3. Head / Branch Manager Enter the system to check the information and approve the correction of the information.</p> <p>4. In case of unable to contact the debtor more than 3 times with a record of the result of the call The branch staff will deliver the report to the Debt Collection and Acceleration Department. weekly in order to make a field visit to verify the information Phone number and address.</p> <p>5. Accelerator and Debt Collection Department Verify all debtor's information received from the branch's work. to confirm the correct information If it is found that the information has changed, the information must be corrected within 1 week from the date of receiving the information.</p> <p><u>work process steps</u></p> <p>5.1 The Collection department hastened to the call to the debtor in the CALL CENTER.</p> <p>5.2 Apply for approval to change the debtor's address according to the information that the debtor has informed and confirmed.</p> <p>5.3 The head of the debt collection department examines and approves the correction of the information.</p> <p>5.4 The Debt Consolidation Department summarizes the results of the correction and sends the file to the branch.</p> <p>weekly</p> <p>6. If unable to contact Delivered to the debt collection department.</p> <p><u>6.1 In case of visiting the area where the debtor is found do as follows</u></p> <p>6.1.1 Debt Collection Department or Debt Acceleration Department records the results of the field visits in the system.</p> <p>6.1.2 Debt Collection Department or Debt Acceleration Department requesting approval to amend the information in the system.</p> <p>6.1.3 Debt Collection Head/Debt Collection Manager checks the information and approves the correction.</p>	branch (1-4)
DO due debtors	<p>6.1.1 Debt Collection Department or Debt Acceleration Department records the results of the field visits in the system.</p> <p>6.1.2 Debt Collection Department or Debt Acceleration Department requesting approval to amend the information in the system.</p> <p>6.1.3 Debt Collection Head/Debt Collection Manager checks the information and approves the correction.</p>	intensive and Debt tracking (5- 6)

Debt Classification	Work processes and procedures	Responsible
D1 overdue accounts receivable	<p><u>6.2 In the case of visiting the area and not finding the debtor do as follows</u></p> <p>6.2.1 debtor has moved address, must notify the debt collection administration department to request a change of address for delivery of documents. According to the house registration or ID card.</p> <p>6.2.2 If it is found that it cannot be determined that the debtor has changed the address due to lack of clear information or cannot be verified to visit the area to check the information again.</p> <p>6.2.3 Debt Collection Head/ Debt Collection Manager checks and approves the correction of the data.</p> <p>6.2.4 The Debt Collection Administrative Department delivers field visits and corrections to the Credit Support Manager.</p> <p>7. The branch prepares a report summarizing the results of the field visits every month.</p> <p><u>Address Verification Procedure and the phone number of the debtor who cannot be contacted</u></p> <p>1. The head of debt accelerators collects reports of debtors who cannot be contacted every week.</p> <p>2. Select the item that the caller cannot contact. Choose a reason for not being able to contact.</p> <p>2.1. service suspension number</p> <p>2.2. Number not in service</p> <p>2.3. Wrong number/not a debtor's number</p> <p>3. The debt collection department delivers the information to the debt collection department.</p> <p>4. The debt collection department receives information from the debt collection department. and check live address information Document delivery address, phone number.</p> <p>5. The debt collection department sends information back to the debt collection department on the 25th day of the month.</p> <p>6. The debt collection department checks the accuracy of the information and corrects the information.</p> <p>When the overdue debtor meets the conditions for issuing a letter of demand or a letter of notice and termination of the contract Debt Collection Administrative Officer sends a debt collection letter. and terminated the contract to the debtor and the letter bounced back due to various reasons as specified in the acknowledgment form.</p>	Branch (7)
		Accelerate and track debt
D2 and above overdue accounts receivable		Accelerate and track debt

Debt Classification	Work processes and procedures	Responsible
D2 and above overdue accounts receivable	<p>The administrative officers follow up on debts. Bounced letters will be taken. Let's check the result record and do the sorting every day. By separating according to the reason for the bounce that the post office has specified the reasons under various topics in the receipt and collecting information for the debt collection department to contact the address and collect debt with the following guidelines</p> <p><u>verification algorithm Fix bounced mail information</u></p> <ol style="list-style-type: none"> 1. The Debt Collection Administrative staff extracts the contract information that the bounced letter sends to the Debt Collection Department every 3 days. 2. The debt collection department makes a phone call or checks the address of all debtors who have bounced letters. and make a request to correct the information within 1 week. <ol style="list-style-type: none"> 2.1 The head of the debt collection department examines and approves the correction of the information. 2.2 The debt collection department summarizes the results of the correction of the data sent to the file. also the administrative department to follow up on debts. 3. Debt Collection Administrative Department summarizes reports of debtors who cannot be contacted. <p><u>In case of going to the area to find the debtor do as follows.</u></p> <ol style="list-style-type: none"> 1. Debt Collection Department or Debt Acceleration Department records the results of the field visits in the system. 2. The Debt Collection Department or the Debt Collection Department requests for approval to amend the information in the system. 3. The head of the debt collection department examines and approves the correction of the information. <p><u>In the case of visiting the area and not finding the debtor</u></p> <ol style="list-style-type: none"> 1. Submit the information to the Legal Department for lawyers to copy the Civil Registration (Thor Rhor. 14). 	Acceleration and Debt Collection Department / Legal Department

Debt Classification	Work processes and procedures	Responsible
	<p>2. Administrative law officers collect information from civil registration. to send to the Debt Collection Department to visit the area to inspect.</p> <p>3. When the tracking officer goes on the ground to check the address confirmation information, proceed to apply for approval to change the address information and document delivery address according to the Civil Registration (Thor Ror 14).</p> <p>4. Debt Collection Head/ Debt Collection Manager checks and approves the correction of the data.</p> <p>5. The Legal Administrative Officer summarizes the results of the inspection, corrects the address information. sent to the administrative department for debt collection.</p> <p>Debt Collection Administrative Department summarizes the result of checking, correcting address information. All submitted to the Debt Collection and Acceleration Manager for acknowledgment marks the end of the address review process.</p> <p><u>note</u> THE PROCESS OF CHECKING AND REVIEWING BOUNCED ADDRESSES OF LETTERS WILL BE CONDUCTED BY THE COMPANY EVERY 2 MONTHS.</p>	

9.1.3 Head of the Company's Internal Audit

IAP Internal Audit Co., Ltd. ("IAP") has been appointed to function as the company's internal auditor since 2018. Currently, IAP has assigned Mr. Thanasarn Wasun, Internal Audit Department Manager, to be the person primarily responsible for performing duties as the company's internal auditor.

The Audit Committee evaluated the qualifications of IAP and Mr. Thanasarn Wasun and holds the opinion that they are appropriate for performing their duties due to their independence, experience in performing internal audits for a variety of businesses, and Mr. Thanasarn Wasun's prior training in courses related to internal auditing such as the Internal Audit Certification Project (IACP) under the Federation of Accounting Professions under Royal Patronage, the Standard of Internal Control Program of the Institute of Internal Auditors of Thailand and the Report Internal Audit Program by the Institute of Internal Auditors of Thailand, etc.

Accordingly, considerations for appointment, approval, appointment and dismissal of the company's internal auditor require the authorization (or approval) of the Audit Committee, and the qualifications of the internal auditor are shown in Attachment 3.

9.2 Connected Transactions

In the accounting year ending on 31 December 2022, the company conducted connected transactions with persons with potential conflicts of interest according to the information summarized as follows:

9.2.1 Connected Persons and Nature of Relationships

Persons with Potential Conflicts of Interest	Nature of Relationship
1) THANATIWAT COMPANY LIMITED	Major shareholder of the company holding 31.27% of registered capital.
2) Mr. Vitit Lavansthien	Vice chairman and company shareholder holding 8.04% of registered capital.
3) Mr. Akeapop Lavansathien	Company director, executive, and shareholder holding 3.15% of registered capital.
4) Mrs. Savitree Lavansathien	Company director, executive and shareholder holding 2.25% of registered capital.
5) Mr. Surayut Lawansathien	Company director, executive and shareholder holding 1.07% of registered capital.
6) Mr. Chusak Uivatwongskasem	Company director and managing director and shareholder holding 0.29% of registered capital.
7) Mr. Tinnakorn Lawunsathien	Son of Mr. Withit Lawansathian and company shareholder holding 3.21% of registered capital.
8) Miss. Nichanun Lawansathian	Daughter of Mr. Withit Lawansathian and company shareholder holding 3.21% of registered capital.
9) Mr. Wirat Lawansathian	Older brother of Mr. Withit Lawansathian and company shareholder holding 0.68% of registered capital.
10) Mrs. Pannee Lawansathian	Spouse of Mr. Withit Lawansathian.
11) Mrs. Suchada Lavansathien	Older sister of Mrs. Sawitri Lawansathian/Mr. Surayut Lawansathian and company shareholder holding 0.82% of registered capital.
12) Mr. Natapon Lawansathien	Younger brother of Mrs. Sawitri Lawansathian/Mr. Surayut Lawansathian and company shareholder holding 1.18% of registered capital.
13) Mr. Nutchapon Lavansathien	Younger brother of Mrs. Sawitri Lawansathian/Mr. Surayut Lawansathian and company shareholder holding 0.95% of registered capital.
14) Miss. Ketkarn Lawansathien	Spouse of Mr. Surayut Lawansathian and company shareholder holding 1.07% of registered capital.
15) Mr. Danuwat Lawansathien	Son of Mrs. Sawitri Lawansathian and company shareholder holding 2.02% of registered capital.
16) THANAARTHORN COMPANY LIMITED	Mr. Vitit Lavansthien is a company director and shareholder holding 18.69% share of the registered capital. Business Type: Pawnshop

9.2.2 Details of Connected Transactions

9.2.2.1 Goods Transactions (cash)

For the accounting year ending on 31 December 2022, the company conducted transactions involving the sale of goods to persons with potential conflicts of interest. These were normal company business transactions that were done in cash without installment payments or hire purchases. In addition, the prices were the same as those offered to ordinary customers, and the special privileges were the same as those offered to ordinary customers. The company has a policy to conduct such product sale transactions in the future because they are part of the company's business activities. These transactions are summarized as follows:

Unit : Million Baht

Buyer	Nature of Transaction	Transaction Value	Need and Reasonability of Transaction
		Year 2022	
1) Mr. Tinnakorn Lawunsatrain	Revenue from electrical appliance sales.	45,600.00	<u>Need for Transaction</u> The product sales were part of the normal business transactions of the company and had the same conditions as those offered to ordinary customers.
2) Mrs. Savitree Lavansathien	Revenue from electrical appliance sales.	85,056.07	
3) Mr. Nutchapon Lavansathien	Revenue from electrical appliance sales.	57,542.06	<u>Price Reasonability</u> The sales price and sales conditions were the same as those normally offered to ordinary customers.
4) Mr. Danuwat Lawansathien	Revenue from electrical appliance sales.	3,168.22	
5) THANAARTHORN COMPANY LIMITED	Revenue from electrical appliance sales.	35,452.34	<u>Opinion of the Audit Committee</u> Because they were revenues from product sales made up of transactions that were part of the normal business of the company with normal trade prices and conditions and the same actions taken as for the case of transactions conducted with external parties and because they had no conditions that caused the company to lose advantage, the Audit Committee's opinion is that the transactions were reasonable.

9.2.2.2 Land and Building Rent/Lease Transactions

For the accounting year ending on 31 December 2022, the company has partial rent/leases of buildings and structures from Thanathiwat Co., Ltd. for use in business, for which an office building lease contract was made specifying 16 leased asset items.

Unit: THB

Lessor	Nature of Transaction	Transaction Value	Need and Reasonability of Transaction
		2022	
THANATHIWAT COMPANY LIMITED	Lease expenses The company has accounting records related to the lease contract in line with the 16th Thai Financial Reporting Standards as follows:	24,929,448.00	<u>Need for Transaction</u> The leasing of the aforementioned office buildings were leases for use of main office, branch offices, goods warehouse, document storage and parking spaces, which were normal uses as part of the company's business operation.
	Net Outstanding Use Rights Assets (Assets)	49,526,621.66	<u>Price Reasonability</u> The lease rate agreed between the company and lessor (in the contract) was a rate equal to the lease rate assessed by Sasiratchada Co., Ltd., which was an independent appraiser listed in the asset appraisers in the capital market and a primary appraiser approved by the SEC Office. (A summary of the details of appraised items is provided in Attachment 4 on the assets used to operate business and details about asset value appraisal.)
	Outstanding Lease Contract Debts (Debts)	51,456,639.73	
		2,563,846.46	
	Interest Expenses (Expenses - Profit/Loss)	23,235,637.69	
	Depreciation (Expenses - Profit/Loss) The leased assets include a main office, branch offices, a goods warehouse, document storage and parking spaces for a total of 16 items and 6,531.7 square wa total lease area with the lease fee at 2,077,454.00 baht/month.		<u>Opinion of the Audit Committee</u> Because the building lease transaction was a transaction necessary for business with a lease rate matching that appraised by an independent appraiser listed by the SEC Office, and because there were no conditions that caused the company to lose advantage, the Audit Committee's opinion was that the transaction was reasonable and followed normal market prices and conditions.

9.2.2.3 Loan Transactions

For the accounting year ending on 31 December 2022, the company's directors, executives and shareholders guaranteed and pledged assets to use as guarantee for the company's financial loans that were obtained from financial institutes, and they did so without charge to the following details:

Unit: THB

Guarantor/Pledger	Guarantee	Security/ Pledge	Total Amount As of 31 December 2022	Total Spent As of 31 December 2022	Need and Reasonability of Transaction
THANATIWAT COMPANY LIMITED	✓	✓	2,342.00	1,867.53	These were guarantees by companies/persons and/or use of assets belonging to companies/persons such as land title deeds, savings account deposits, etc. to guarantee the company's financial institute loans without charge and/or pledges of assets that followed the conditions for the company to obtain financial institute loans for use in normal business operations, which made them transactions that were beneficial to the company's business.
Mr. Vitit Lavansathien		✓	1,942.00	1,562.53	
Mr. Surayut Lawansathien	✓	✓	1,942.00	1,562.53	
Mr.Chusak Uivatwongskasem	✓		1,660.00	1,432.26	
Mrs. Savitree Lavansathien	✓	✓	1,600.00	1,335.67	
Miss. Nichanun Lawansathain	✓	✓	1,460.00	1,295.73	
Mr. Akeapop Lavansathien	✓	✓	1,400.00	1,210.55	
THANAARTHORN COMPANY LIMITED	✓		1,400.00	1,210.55	
Mr.Tinnakorn Lawunsatrain	✓	✓	1,200.00	1,074.02	
Mrs. Suchada Lavansathien		✓	1,160.00	995.73	
Miss. Ketkarn Lawansathien	✓		900.00	774.02	
Mrs. Pannee Lawansathain	✓	✓	900.00	774.02	
Mr. Wirat Lawansathian		✓	260.00	221.71	
Mr. Danuwat Lawansathien	✓		200.00	125.12	
Mr. Natapon Lawansathien		✓	200.00	125.12	

The Audit Committee approved the need and reasonability of the aforementioned transactions, since they were guarantees according to loan or credit conditions as part of the normal business operations of financial institutes without any guarantee charge, and the transactions were beneficial to the company's business. However, the Audit Committee's opinion was also that the company's Executive Committee should negotiate with the loan-granting financial institutes to release the aforementioned persons and juristic persons from their guarantee obligations following registration in the Stock Exchange.

9.2.2.4 Non-Life Insurance Guarantee Transactions

For the accounting year ending on 31 December 2022, the company's directors consented to becoming guarantors for performance of insurance broker duties for the company's making of a juristic person non-life insurance broker contract with an insurance company in line with the practice requirements for the aforementioned company with the insurance broker according to the following details:

Unit: THB

Guarantor	Guarantee Amount As of 31 December 2022	Need and Reasonability of Transaction
Mrs.Savitree Lavansathien	300,000.00	These were personal guarantees to guarantee the company's performance of non-life insurance broker duties, which required for the presence of duties performance guarantors according to a specified monetary amount. The guarantees support the company's insurance broker business and occurred without charge. Moreover, the aforementioned guarantees followed the conditions for becoming an insurance broker and were meant for the company to be able to conduct business as normal. Therefore, the transactions were beneficial to the company's business.
Mr. Surayut Lawansathien	100,000.00	
Mr.Chusak Uivatwongsaksem	100,000.00	
Mr. Akeapop Lavansathien	500,000.00	

The Audit Committee approved the need and reasonability of the aforementioned transactions, because they were personal guarantee transactions according to the conditions to become an insurance broker and had no guarantee fees whatsoever. As such, the Audit Committee viewed that the transactions occurred to support the company's insurance broker business and were transactions that were beneficial to the company's business.

9.2.3 Criteria and Procedures for Conducting Connected Transactions

The company gives importance to controlling and supervising transactions with potential conflicts of interest as they are conducted or made between the company and company directors, executives, major shareholders or other persons with potential conflicts of interest in line with the announcements of the SEC Office. Accordingly, the criteria for conducting connected transactions were as follows:

1) For connected transactions between the

company and persons with potential conflicts of interest, it is necessary to comply with the requirements for connected transactions as specified by the Stock Exchange, the Capital Market Supervisory Board and the SEC Office.

2) The company will use trade conditions and prices that are similar to the market prices or selling prices for ordinary customers. In cases where no reference prices exist, the company will employ an independent appraiser to appraise the value of such transactions. However, transactions for giving or receiving financial assistance must occur according to necessity, reason, suitability and the best interest of the company, and stake-holding directors are not authorized to vote on these transactions.

3) The board of directors has established a process for authorizing transactions with potential conflicts of interest according to the principles of justice, ethics and transparent operation to ensure information verifiability and primary consideration to the interest of the company and shareholders.

Process for Conducting Connected Transactions

Case 1 – For normal trade transactions such as transactions to purchase and sell products and services sold or served by the company, the company can conduct these transactions with persons with potential conflict of interest if these transactions have the same trade prices and conditions as ordinary persons would specify for ordinary contract partners in the same situation, with trade negotiation powers free from the influence of positions held in the company and with the principle approval of the board of directors. Accordingly, the company summarizes a report of these transactions to the Audit Committee and the board of directors every quarter.

Case 2 – For other connected transactions aside from Case 1, the company has specified for the Audit Committee to consider and render opinions about the need to conduct such transactions, including the suitability of prices and conditions relative to prices offered to external parties consistent with fair prices and reason, and verifiability. In cases where the Audit Committee lacks the expertise to evaluate a potential connected transaction, the company will appoint an independent appraiser to render opinions about the connected transaction to accompany the consideration of the Audit Committee and the board of directors. Accordingly, the conducting of the aforementioned connected transactions requires the consideration of the Audit Committee and the approval of the board of directors, which must be attended by the Audit Committee. Furthermore, in the casting of votes at meetings, stake-holding directors are not allowed to cast votes.

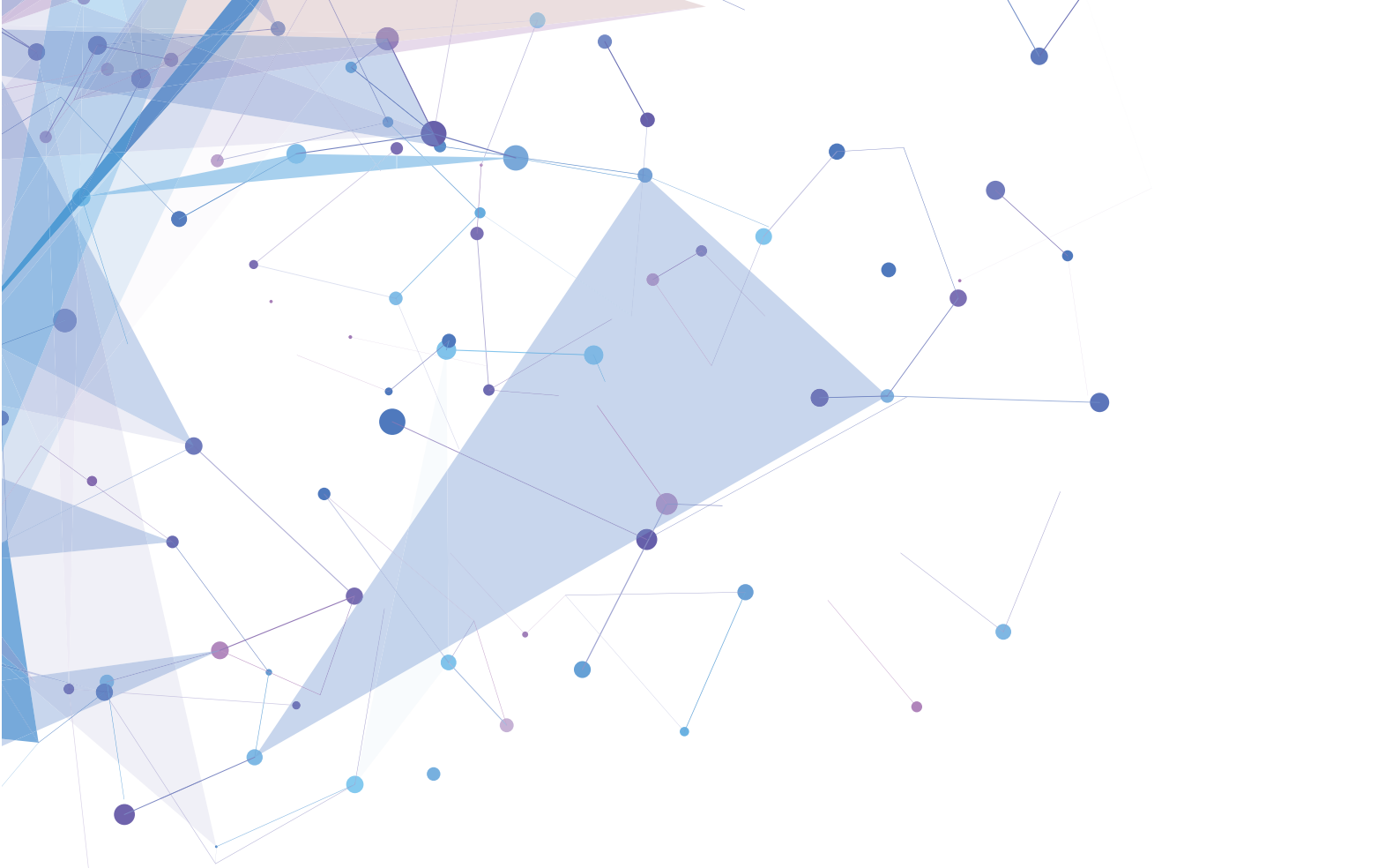
The board of directors will accordingly control and supervise to ensure compliance with the laws governing securities and exchange and the regulations, announcements and specifications related to conducting connected transactions as stipulated by the Stock Exchange and the SEC Office. Furthermore, the company discloses such transaction reports in the financial annotations audited

by the company's auditor, the 56-1 report form and/or annual report form or other information according to the specifications of the Stock Exchange and related agencies.

9.2.4 Trend for Future Connected Transactions

If in the future the company has a need to conduct connected transactions with persons with potential conflicts of interest, the company will take the following actions:

- 1) For normal trade connected transactions, they need to be reasonable and have the purpose of achieving the greatest benefits for the company with reference to market prices and market terms. In any case, they have to be appropriate, fair, verifiable, reported and feasible to conduct.
- 2) For future connected transactions, the criteria and process the company set in the policy for connected transactions in Clause 9.2.3 above must be followed along with securities and exchange laws and regulations, announcements, orders and specifications connected to the connected transactions of the Stock Exchange and the SEC Office.
- 3) The company must disclose information about connected transactions according to the requirements set by the Stock Exchange, the Capital Market Supervisory Board, SEC Office and transactions connected to the company according to accounting requirements and standards.



Part 3

Financial Statements

Star Money Public Company Limited
(Formerly known as “Star Money Company Limited”)
Report and financial statements
31 December 2022



EY Office Limited
 33rd Floor, Lake Rajada Office Complex
 193/136-137 Rajadapisek Road
 Klongtoey, Bangkok 10110
 Tel: +66 2264 9090
 Fax: +66 2264 0789-90
 ey.com

บริษัท สำนักงาน อีวาย จำกัด
 ชั้น 33 อาคารเลคไรดา
 193/136-137 ถนนรัชดาภิเษก
 คลองเตย กรุงเทพฯ 10110
 โทรศัพท์: +66 2264 9090
 โทรสาร: +66 2264 0789-90
 ey.com

Independent Auditor's Report

To the Shareholders of Star Money Public Company Limited
 (Formerly known as "Star Money Company Limited")

Opinion

I have audited the accompanying financial statements of Star Money Public Company Limited (the Company), which comprise the statement of financial position as at 31 December 2022, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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



Key Audit Matters

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

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

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

Allowance for expected credit losses for hire purchase and loan receivables

As discussed in Note 8 and 9 to the financial statements, as at 31 December 2022, the Company had net hire purchase and loan receivables totaling Baht 2,308 million (accounting for 72 of total assets) and allowances for expected credit losses amounting to Baht 133 million, which are amounts material to the financial statements. In determining an allowance for expected credit losses on hire purchase and loan receivables, the Company has developed a model for calculating allowance for expected credit losses for hire purchase and loan receivables. The model is complex and its development involves the use of significant management judgements and estimates, the identification of criteria for assessment of a significant increase in credit risk since initial recognition, the probability of default, the loss given default, the exposure at default, the calculation of allowance for expected credit loss, the selection of the future economic variables to be incorporated in the models and the management overlay used to adjust of the allowance for expected credit losses due to the limitations of the model.

Due to the materiality and the use of management's significant judgement and estimates, I addressed the adequacy of allowances for expected credit losses of hire purchase and loan receivables as a key audit matter.



I gained an understanding of, assessed and tested the internal controls relating to loan origination, loan repayment, the assessment of probability of default and loss given default, exposure at default and the calculation of allowance for expected credit losses of hire purchase and loan receivables and tested the relevant controls over the information technology systems. Moreover, I assessed and tested the reasonableness of the expected credit loss model, the rules and criteria applied by the Company in the assessment of significant increase in credit risk, including data used in the model design, the effectiveness of model for significant group of receivables, the governance process over the model development, reviewed the model development documentation and tested, on a sampling basis, the accuracy of the data used in model development. I also assessed the methods and assumptions applied by the Company in the calculation, ways to further improve adjustments after the calculation due to limitations of the model in the current economic and market situation. In addition, I assessed the reasonableness of macroeconomic factors and probability-weighted in each scenario. In addition, I compared the accounting policies of the Company with financial reporting standards and assessed the adequacy of disclosure in accordance with the relevant financial reporting standards.

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

Recognition of revenue from sales

For the year 2022, the Company recognised revenue from sales and service amounting to Baht 846 million (accounting for 60 percent of total revenue), I identified the recognition of revenue from sales as an area of significant risk in the audit because revenue from sales is the most significant account in the statement of comprehensive income of the Company. In addition, sales transactions were undertaken with a large number of retail customers. There is therefore a risk with respect to the timing of revenue recognition.



I have examined the recognition of revenue from sales of the Company by gaining an understanding of, assessing, and testing the internal controls and relevant controls over the information technology systems relating to revenue cycle, by inquiring of responsible executives to gain an understanding and selecting representative samples to test operations of the designed controls. On a sampling basis, I also examined supporting documents for sales transactions occurring during the year and near the end of the accounting period and reviewed credit notes that the Company issued after the period-end. In addition, I performed analytical review procedures on disaggregated data to identify possible irregularities in sales transactions and examined, on a sampling basis, significant adjustments made through journal vouchers.

Recognition of interest income from hire purchase and loan receivables

For the year 2022, the Company recognised interest income from hire purchase and loan receivables amounting to Baht 495 million (accounting for 35 percent of total revenue), which is considered significant to the Company's total revenue. The Company recognised interest income using the effective interest method, which was generated from loans provided to a large number of customers and high volume of transactions. The recognition of interest income relies primarily on data processed by information technology systems. I therefore have paid attention to the measurement of interest income from hire purchase and loan receivables in accordance with financial reporting standards as a key audit matter.

I gained an understanding of, assessed, and tested the internal controls relating to loan origination, interest income recognition and cash receipts, including related computer-based controls, by inquiring of management to gain an understanding and assessing the methods applied by the management as well as testing, on a sampling basis, the accuracy of the data and the calculation. In addition, I applied a sampling method in selecting hire purchase and loan receivable agreements to determine whether the recording of hire purchase and loan receivables transactions and the recognition of income had been made to reflect effective interest rate in accordance with the income recognition policy of the Company and relevant financial reporting standards. I also performed analytical procedures on interest income and examined, on a sampling basis, significant adjustments made through journal vouchers.



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Other Information

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

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

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

When I read the annual report of the Company, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charge with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

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

I am responsible for the audit resulting in this independent auditor's report.



Ratana Jala

Certified Public Accountant (Thailand) No. 3734

EY Office Limited

Bangkok: 27 February 2023

Star Money Public Company Limited
(Formerly known as "Star Money Company Limited")
Statement of financial position
As at 31 December 2022

		(Unit: Baht)	
	Note	2022	2021
Assets			
Current assets			
Cash and cash equivalents	6	518,645,433	21,170,585
Deposits at banks with restrictions	7	5,572,979	12,386,876
Current portion of hire purchase receivables	8	238,033,521	162,745,521
Current portion of loan receivables	9	828,988,648	756,957,964
Trade and other receivables	10	17,581,026	14,230,222
Inventories	11	106,754,835	96,727,277
Other current financial assets		1,000,000	1,000,000
Other current assets	12	29,225,857	24,212,773
Total current assets		1,745,802,299	1,089,431,218
Non-current assets			
Hire purchase receivables - net of current portion	8	8,181,728	5,447,277
Loan receivables - net of current portion	9	1,233,043,797	1,017,808,868
Assets foreclosed	13	25,651,747	26,081,657
Leasehold improvements and equipment	14	55,053,221	61,849,827
Intangible assets	15	7,065,633	6,341,146
Right-of-use assets	20	90,319,104	45,076,780
Deferred tax assets	16	37,302,710	39,725,208
Other non-current assets		7,465,041	6,265,638
Total non-current assets		1,464,082,981	1,208,596,401
Total assets		3,209,885,280	2,298,027,619

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

Star Money Public Company Limited

(Formerly known as "Star Money Company Limited")

Statement of financial position (continued)

As at 31 December 2022

		(Unit: Baht)	
	Note	2022	2021
Liabilities and shareholders' equity			
Current liabilities			
Short-term loans from financial institutions	17	1,428,240,000	1,176,660,000
Trade and other payables	18	76,211,491	70,301,098
Current portion of long-term loans from financial institutions	19	109,920,000	74,260,000
Current portion of lease liabilities	20	41,298,532	34,414,674
Income tax payable		2,820,303	3,031,833
Other current financial liabilities		97,359	1,111,013
Other current liabilities	21	28,303,821	35,201,293
Total current liabilities		1,686,891,506	1,394,979,911
Non-current liabilities			
Lease liabilities - net of current portion	20	50,628,416	13,561,330
Long-term loans from financial institutions - net of current portion	19	320,200,000	332,200,000
Provision for long-term employee benefits	22	39,655,425	42,346,900
Other non-current liabilities		1,156,077	987,977
Total non-current liabilities		411,639,918	389,096,207
Total liabilities		2,098,531,424	1,784,076,118

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

Star Money Public Company Limited
(Formerly known as "Star Money Company Limited")
Statement of financial position (continued)
As at 31 December 2022

		(Unit: Baht)	
	Note	2022	2021
Shareholders' equity			
Share capital	23		
Registered			
1,100,000,000 ordinary shares of Baht 0.5 each			
(2021: 4,000,000 ordinary shares of Baht 100 each)		550,000,000	400,000,000
Issued and fully paid up			
1,100,000,000 ordinary shares of Baht 0.5 each			
(2021: 4,000,000 ordinary shares of Baht 100 each)		550,000,000	400,000,000
Share premium	23, 24	466,251,200	-
Retained earnings			
Appropriated - statutory reserve	25	21,960,000	12,800,000
Unappropriated		78,997,010	109,012,144
Other components of shareholders' equity		(5,854,354)	(7,860,643)
Total shareholders' equity		1,111,353,856	513,951,501
Total liabilities and shareholders' equity		3,209,885,280	2,298,027,619

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

Directors

Star Money Public Company Limited

(Formerly known as "Star Money Company Limited")

Statements of comprehensive income

For the year ended 31 December 2022

		(Unit: Baht)	
	Note	2022	2021
Profit or loss:			
Revenues			
Sales and service income	27	845,788,915	722,260,966
Hire purchase interest income		85,121,061	58,327,020
Loan interest income		409,407,010	410,395,098
Fee and service income		13,962,001	14,587,620
Other income		45,157,169	31,850,329
Total revenues		<u>1,399,436,156</u>	<u>1,237,421,033</u>
Expenses			
Cost of sales		722,507,499	619,397,659
Selling expenses		13,901,078	7,024,796
Administrative expenses		400,323,045	338,469,033
Expected credit losses		72,382,060	74,516,285
Loss on impairment and disposals of assets foreclosed	28	15,577,709	12,177,222
Total expenses		<u>1,224,691,391</u>	<u>1,051,584,995</u>
Profit before finance cost and income tax expenses		<u>174,744,765</u>	<u>185,836,038</u>
Finance cost	29	(69,006,678)	(57,306,429)
Profit before income tax expenses		<u>105,738,087</u>	<u>128,529,609</u>
Income tax expenses	16.2	(24,593,221)	(25,590,535)
Profit for the year		<u>81,144,866</u>	<u>102,939,074</u>
Other comprehensive income:			
<i>Items to be reclassified to profit or loss in subsequent periods:</i>			
Gain on cash flow hedges		1,013,654	1,960,072
Add : Income taxes		(202,731)	(392,014)
Items to be reclassified to profit or loss in subsequent periods			
- net of income tax		<u>810,923</u>	<u>1,568,058</u>
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>			
Actuarial gain		1,494,207	2,822,747
Add : Income taxes		(298,841)	(564,549)
Items not to be reclassified to profit or loss in subsequent periods			
- net of income tax		<u>1,195,366</u>	<u>2,258,198</u>
Other comprehensive income for the year		<u>2,006,289</u>	<u>3,826,256</u>
Total comprehensive income for the year		<u>83,151,155</u>	<u>106,765,330</u>
Earnings per share	31		
Basic earnings per share		<u>0.10</u>	<u>0.13</u>
Weighted average number of ordinary shares (Shares)		<u>814,794,520</u>	<u>800,000,000</u>

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

Star Money Public Company Limited
(Formerly known as "Star Money Company Limited")
Statement of changes in shareholders' equity
For the year ended 31 December 2022

	Note	Other components of shareholders' equity							(Unit: Baht)
		Retained earnings			Other comprehensive income				
		Issued and fully paid-up share capital	Share premium	Appropriated - statutory reserve	Unappropriated	Actuarial gain (loss)	Gain (loss) on cash flow hedge	Total	
Balance as at 1 January 2021		400,000,000	-	9,800,000	66,073,070	(9,230,031)	(2,456,868)	(11,686,899)	464,186,171
Profit for the year		-	-	-	102,939,074	-	-	-	102,939,074
Other comprehensive income for the year		-	-	-	-	2,258,198	1,568,058	3,826,256	3,826,256
Total comprehensive income for the year		-	-	-	102,939,074	2,258,198	1,568,058	3,826,256	106,765,330
Dividend paid	26	-	-	-	(57,000,000)	-	-	-	(57,000,000)
Statutory reserve	25	-	-	3,000,000	(3,000,000)	-	-	-	-
Balance as at 31 December 2021		400,000,000	-	12,800,000	109,012,144	(6,971,833)	(888,810)	(7,860,643)	513,951,501
Balance as at 1 January 2022		400,000,000	-	12,800,000	109,012,144	(6,971,833)	(888,810)	(7,860,643)	513,951,501
Profit for the year		-	-	-	81,144,866	-	-	-	81,144,866
Other comprehensive income for the year		-	-	-	-	1,195,366	810,923	2,006,289	2,006,289
Total comprehensive income for the year		-	-	-	81,144,866	1,195,366	810,923	2,006,289	83,151,155
Increase share capital	23	150,000,000	466,251,200	-	-	-	-	-	616,251,200
Dividend paid	26	-	-	-	(102,000,000)	-	-	-	(102,000,000)
Statutory reserve	25	-	-	9,160,000	(9,160,000)	-	-	-	-
Balance as at 31 December 2022		550,000,000	466,251,200	21,960,000	78,997,010	(5,776,467)	(77,887)	(5,854,354)	1,111,353,856

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

Star Money Public Company Limited
(Formerly known as "Star Money Company Limited")

Cash flow statement

For the year ended 31 December 2022

	(Unit: Baht)	
	2022	2021
Cash flows from operating activities		
Profit before income tax	105,738,087	128,529,609
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	57,473,380	51,707,856
Expected credit losses	72,382,060	74,516,285
Reversal reduction of inventory to net realisable value	(13,284)	(57,647)
Impairment loss on assets foreclosed	3,217,199	3,622,427
Loss (gain) on write-off and disposals of leasehold improvements and equipment	(9,247)	22,024
Loss (gain) from lease modification	18,953	(23,126)
Provision for long-term employee benefits	5,429,732	3,873,208
Interest income	(494,528,071)	(468,722,118)
Finance cost	69,006,678	57,306,429
Share-based payment expenses	19,584,000	-
Loss from operating activities before changes in operating assets and liabilities	(161,700,513)	(149,225,053)
Decrease (increase) in operating assets		
Deposits at banks with restrictions	6,813,897	(8,168,663)
Hire purchase receivables	(124,817,550)	(75,695,071)
Loan receivables	(352,613,734)	(67,031,608)
Trade and other receivables	(3,350,804)	(3,195,827)
Inventories	(10,299,411)	(14,725,038)
Other current assets	(5,016,585)	(7,217,470)
Assets foreclosed	49,428,389	44,973,508
Other non-current assets	(1,199,403)	1,116,189
Increase (decrease) in operating liabilities		
Trade and other payables	6,084,794	11,464,274
Other current liabilities	(6,973,707)	9,562,339
Provision for long-term employee benefits	(6,627,000)	(14,533,334)
Cash flows used in operating activities	(610,271,627)	(272,675,754)
Cash received from interest	481,568,361	467,109,583
Cash paid for income tax	(19,050,626)	(22,556,677)
Net cash flows from (used in) operating activities	(147,753,892)	171,877,152

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

Star Money Public Company Limited

(Formerly known as "Star Money Company Limited")

Cash flow statement (continued)**For the year ended 31 December 2022**

	(Unit: Baht)	
	2022	2021
Cash flows from investing activities		
Cash paid for acquisitions of leasehold improvements and equipment	(9,734,445)	(9,152,147)
Cash paid for acquisitions of intangible assets	(1,490,718)	(303,101)
Cash received from disposals of leasehold improvements and equipment	9,346	377,124
Net cash flows used in investing activities	(11,215,817)	(9,078,124)
Cash flows from financing activities		
Increase in short-term loans from financial institutions	251,580,000	72,374,525
Repayment of lease liabilities	(44,618,265)	(37,927,170)
Cash received from long-term loans from financial institutions	100,000,000	-
Repayment of long-terms loans from financial institutions	(76,340,000)	(79,920,000)
Cash received from share capital increase	612,000,000	-
Cash payment for direct costs related to share offering	(19,166,000)	-
Cash paid on interest	(65,011,178)	(54,543,820)
Dividend paid	(102,000,000)	(57,000,000)
Net cash flows from (used in) financing activities	656,444,557	(157,016,465)
Net increase in cash and cash equivalents	497,474,848	5,782,563
Cash and cash equivalents at beginning of year	21,170,585	15,388,022
Cash and cash equivalents at end of year	518,645,433	21,170,585

Supplemental cash flows information**Non-cash transactions**

Transfer from hire-purchase receivables and loan receivables to assets foreclosed	52,720,870	66,932,290
Transfer from assets foreclosed, other current assets and inventories to leasehold improvements and equipment	911,930	871,141
Increase in right-of-use assets	84,630,993	5,511,987

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

Star Money Public Company Limited
(Formerly known as “Star Money Company Limited”)
Notes to financial statements
For the year ended 31 December 2022

1. General information

1.1 General information of the Company

Star Money Public Company Limited (“the Company”) is a company incorporated and domiciled in Thailand. On 7 April 2022, the Company registered as a Public Company Limited with the Ministry of Commerce and changed its name from “Star Money Company Limited” to “Star Money Public Company Limited”. Its major shareholder is Thanathiwat Company Limited, which was incorporated in Thailand. The Company is principally engaged in the distribution of electric appliance and a credit provider. The registered office of the Company is at 204/1-8, Sukhumvit Road, Thang Kwian Sub-district, Klaeng District, Rayong. The Company has totaled 98 branches (2021: 85 branches).

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is adversely impacting various businesses and industries. This situation may bring uncertainties, and have impact on the environment in which the Company operates. The Company’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, as well as the cash flow management of the Company, and has used estimates and judgement in respect of various issues as the situation has evolved.

2. Basis for the preparation of financial statements

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

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

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

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

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

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

However, the Company has adopted the temporary reliefs in accordance with TFRS 9 Financial Instruments and TFRS 7 Disclosure of Financial Instruments, which apply to transactions directly affected by interest rate benchmark reform, including changes to contractual cash flows or hedging relationships arising from the replacement of the referenced interest rate benchmark with an alternative benchmark rate.

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

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

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

3.3 Accounting Guidance on Guidelines regarding the Provision of Financial Assistance to Debtors Affected by COVID-19

The Federation of Accounting Professions has announced Accounting Guidance on Guidelines regarding the Provision of Financial Assistance to Debtors Affected by COVID-19. Its objectives are to provide temporary relief measures and an alternative for all entities providing assistance to debtors in accordance with guidelines of the Bank of Thailand. The accounting guidance is applicable for provisions of assistance to such debtors made during the period from 1 January 2022 to 31 December 2023 or until the Bank of Thailand makes changes.

Under this accounting guidance, the Company may elect to adopt accounting treatments consistent with the circular of the Bank of Thailand No. BOT.RPD2.C.802/2564 dated 3 September 2021 "Guidelines regarding the Provision of Financial Assistance to Debtors Affected by COVID-19 (sustainable debt resolution)". The assistance to debtors can be classified into 2 groups by debt restructuring method as follows:

1. For debt restructuring for the purpose of reducing the debt burden of debtors that involves more than just a payment timeline extension, the Company may elect to apply the temporary relief measures relating to staging assessment and setting aside of provisions (Assistance type 1) as follows:
 - Loans that are not yet non-performing (Non-NPL) are classified as loans with no significant increase in credit risk (Performing or Stage 1), provided that the payment terms and conditions are clearly stated in the debt restructuring agreement and the debtor is considered able to comply with the debt restructuring agreement.
 - Non-performing loans (NPL) are classified as performing loans or stage 1 if the debtor is able to make payment in accordance with the debt restructuring agreement for 3 consecutive months or installments, whichever is the longer period.
 - Additional loans provided to a debtor for use as additional working capital or to increase liquidity to enable the debtor to continue its business operations during the debt restructuring are classified as performing loans or stage 1 if the debtor is considered able to comply with the debt restructuring agreement.
 - Loans are classified as loans with significant increase in credit risk (Under-performing or Stage 2) only when principal or interest payments are more than 30 days past due or 1 month past due.
 - A new effective interest rate is applied to determine the present value of loans that have been restructured if the debt restructuring causes the existing effective interest rate to no longer reflect the estimated cash inflows from the loan.
2. For debt restructuring involving only a payment timeline extension, e.g. an extension of payment period, a provision of grace period on principal and/or interest payments, a conversion of short-term debts into long-term debts, the Company is required to perform staging assessment and set aside provisions in accordance with the related financial reporting standards (Assistance type 2). However, the Company may elect to adopt treatments regarding significant increase in credit risk according to the appendix to the circular of the BOT No. BOT.RPD2.C.802/2564 to assess whether a debtor is to move to under-performing stage or Stage 2.

The Company considered providing both types of assistance to debtors. For assistance type 1, the Company has elected to apply all temporary relief measures under this accounting guidance relating to staging assessment and setting aside of provisions. For assistance type 2, the Company is required to perform staging assessment and set aside provisions in accordance with the relevant financial reporting standards.

4. Significant accounting policies

4.1 Revenue recognition

a) Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts.

When a contract provided a customer with a right to return the goods within a specified period, the Company recognises the amount ultimately expected they will have to return to customers as a refund liability and recognise the right to recover the goods expected to be returned by customers as a right of return asset in the statement of financial position. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

b) Interest income from hire purchase and loan

The Company recognises interest income from hire purchase and loan on an accrual basis, using the effective interest rate method over the contract period.

When the hire purchase and loan receivables become credit-impaired, subsequent to initial recognition, interest income from hire purchase and loan is calculated by applying the effective interest rate method to the net carrying amount of its receivables (gross carrying amount net of allowance for expected credit losses). If the receivables are no longer credit-impaired, then the calculation of interest income from hire purchase and loan reverts to the gross basis.

c) Fee and service income

Fee and service income is recognised when services have been rendered and fee income from late payment is recognised when received.

d) Insurance brokerage commission income

Insurance brokerage commission income is recognised when services have been rendered and the insurance policy comes into effect.

4.2 Expense recognition

a) Finance cost

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

b) Commission expenses and direct expenses charged on loan

Commission expenses and initial direct expenses at the inception of a loan arrangement are deferred and amortised using the effective interest method, with amortisation deducted from interest income throughout the contract period, in order to reflect the effective rate of return on the contracts.

Unearned income is presented net of income and direct cost initial on the inception of the contracts.

4.3 Cash and cash equivalents

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

4.4 Financial instruments

The Company initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

4.4.1 Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

Hire purchase receivables and loan receivables

Hire purchase receivables are stated at the contract value net of unearned income.

Loan receivables are stated at the contract value net of unearned income, which is presented after netting deferred fee income, commission expenses and direct cost initial on the inception of the contract.

4.4.2 Classification and measurement of financial liabilities

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

4.4.3 Derecognition of financial instruments

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

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

4.4.4 Impairment of financial assets

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

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

Hire purchase and loan receivables

The Company recognises expected credit losses of hire purchase and loan receivables using the General Approach. The Company determines the changes in credit risk of hire-purchase and loan receivables into 3 stages as follow.

Stage 1: Hire purchase and loan receivables where there has not been a significant increase in credit risk (Performing). The Company recognises expected credit losses at the amount equal to the expected credit losses in the next 12 months. The Company will use a probability of default that corresponds to remaining maturity for hire purchase and loan receivables with a remaining maturity of less than 12 months.

Stage 2: Hire purchase and loan receivables where there has been a significant increase in credit risk (Under-Performing). The Company recognises expected credit losses at the amount equal to the lifetime expected credit losses of hire purchase and loan receivables.

Stage 3: Hire purchase and loan receivables that are credit-impaired (Non-Performing). The Company recognises expected credit losses at the amount equal to the lifetime expected credit losses of hire purchase and loan receivables.

At every reporting date, the Company assesses whether there has been a significant increase in credit risk of hire purchase and loan receivables since initial recognition by comparing the risk of default over the expected lifetime at the reporting date with the credit risk at the date of initial recognition. In determining whether credit risk has increased significantly since initial recognition, the Company uses internal quantitative and qualitative indicators, and forecasts information to assess the deterioration in credit quality of hire purchase and loan receivables such as overdue more than 30 days or 1 installment, and forbearance status for debt restructuring agreements, etc.

The Company assesses whether the credit risk has increased significantly from the date of initial recognition on an individual or collective basis. In order to perform collective evaluation of impairment, the Company classifies hire purchase and loan receivables on the basis of shared credit risk characteristics, taking into account type of collateral, month on book, and other relevant factors.

Hire purchase and loan receivables are assessed to be credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the hire purchase and loan receivables have occurred. Evidence of credit-impaired hire purchase and loan receivables includes arrears of over 90 days past due or having indications that the borrower is experiencing significant financial difficulty, a breach of contract, bankruptcy, legal status, vehicle seizure status before over 90 days past due or distressed restructuring.

Hire purchase and loan receivable that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be significant increase in credit risk or credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

The Company considers its historical loss experience, adjusts this for current observable data and plus on the reasonable and supportable forecasts of future economic conditions, including appropriate use of judgement, to estimate the amount of an expected credit losses. The Company determines both current and future economic scenario, and probability-weighted in each scenario (base scenario, best scenario and worst scenario) for calculating expected credit losses. The Company has established the process to review and monitor methodologies, assumptions and forward-looking macroeconomics scenarios on a yearly basis. Furthermore, expected credit loss was included management overlay for the factors which are not captured by the model.

Increase (decrease) in an allowance for expected credit losses is recognised as expenses during the year in profit or loss. Bad debts are written off when incurred.

Trade receivables

The Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

In addition, the Company has adopted the accounting guidance in determining the staging and the provisioning of hire purchase receivables and loan receivables for debtors meeting the criteria for relief measures in accordance with the BOT's circulars, as described in Note 3.3 to the financial statements.

4.4.5 Offsetting of financial instruments

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

4.5 Financial assets with modifications of terms/Debt restructuring

When a financial asset's terms of repayment are renegotiated or modified, or debt is restructured, or an existing financial asset is replaced with a new financial asset because a debtor is having financial difficulties, the Company assesses whether to derecognise the financial asset and measures the expected credit losses, as follows:

- If the modification of terms does not result in derecognition of the financial asset, the Company calculates the gross book value of the new financial asset based on the present value of the new or modified cash flows, discounted using the original effective interest rate of the financial asset, and recognises a gain or loss on modification of terms in profit or loss.
- If the modification of terms results in derecognition of the financial asset, the fair value of the new financial asset is the latest cash flows of the original financial asset as at the date of derecognition. The difference between the book value and the fair value of the financial asset is recognised in profit or loss.

In cases where debt restructuring does not result in derecognition, a debtor is classified in the stage where there has been a significant increase in credit risk (Stage 2) or that is credit-impaired (Stage 3) until the repayment is made in compliance with the new debt restructuring agreement for not less than 12 months from the restructuring date. The financial asset is therefore classified in the stage where there has not been a significant increase in credit risk (Stage 1). If the debt restructuring results in a derecognition, the new financial asset is considered a financial asset with no significant increase in credit risk (Performing or Stage 1).

However, for debtors which the Company provides assistance to in accordance with measures as specified in the circulars of the BOT, the Company does not consider whether modification of terms results in derecognition, but if the existing effective interest rate does not reflect the estimated cash flows that are expected to be recoverable, it will apply a newly calculated effective interest rate to determine the present value of the restructured loans and to recognise interest income. The Company is allowed to recognise interest income on the basis of this new effective interest rate during the grace period, as described in Note 3.3 to the financial statements.

4.6 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the specific cost method.

4.7 Assets foreclosed

Assets foreclosed are stated at the lower of cost or net realisable value.

Gain (loss) on disposals of assets foreclosed are recognised in profit or loss upon disposal. Loss on impairment (if any) is recognised as an expense in profit or loss.

4.8 Leasehold improvements and equipment and depreciation

Leasehold improvements and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of leasehold improvements and equipment is calculated by reference to their costs on a straight-line basis over the following estimated useful lives:

Leasehold improvements	2 - 20 years
Motor vehicles, furniture and fixtures and office equipment	2 - 5 years

Depreciation is included in determining income. No depreciation is provided on assets under construction and installation.

Leasehold improvements and equipment are derecognised upon disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss arising on disposal of an asset is recognised in profit or loss when the assets are derecognised.

4.9 Intangible assets and amortisation

The Company initially recognised intangible assets at cost. Following the initial recognition, the intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses (if any).

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

The intangible assets of the Company are computer software that have useful lives of approximately 10 years.

4.10 Related party transactions

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

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

4.11 Leases

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

The Company as a lessee

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

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Leashold improvements and equipments	1 - 10 years
Motor vehicles	3 years

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

Lease liabilities

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

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

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

4.12 Impairment of non-financial assets

At the end of each reporting period, the Company performs impairment reviews in respect of leasehold improvements and equipment, right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset is less than the carrying amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The Company recognises impairment loss as expenses in profit or loss.

4.13 Employee benefits***Short-term employee benefits***

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

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

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

Actuarial gain or loss arising from defined benefit plans are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognises restructuring-related costs.

4.14 Provisions

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

4.15 Share-based payment transactions

The Company recognised share-based payment transactions as at the grant date, based on the difference between the fair value of the share price and the selling price, as an expense and recorded as "share premium" in shareholders' equity.

4.16 Income tax

Income tax represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

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

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

The Company records deferred tax directly to equity if the tax relates to items that are recorded directly to equity.

4.17 Derivatives and hedge accounting

The Company uses interest rate swaps to hedge its movements in interest rates.

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

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

Hedge accounting

The Company applies hedge accounting for cash flow hedges that associated with a recognised liability.

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

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

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

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

The Company uses a hedging that meet all of the qualifying criteria for hedge accounting are accounted for, as described below:

Cash flow hedges

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

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

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

4.18 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

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

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

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

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

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

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures and actual results could differ from these estimates. Significant judgements and estimates are as follows:

5.1 Allowance for expect credit loss on hire purchase receivables and loan receivables

Management is required to exercise judgment in determining the allowance for expected credit losses of hire purchase receivables, loan receivables, accrued interest and trade and other receivables. The calculation of allowance for expected credit losses of the Company are based on the criteria of assessing if there has been a significant increase in credit risk, the development of complex expected credit losses model with a series of underlying assumptions, including the choice of inputs the forecasted future economic variables. The estimation has various relevant factors; therefore, the actual results may differ from estimates.



5.2 Allowance for impairment of assets foreclosed

In determining allowance for impairment of assets foreclosed, the management exercises judgement in estimating the anticipated loss on such assets, based on analysis of various factors, including net realisable value, historical sales data, the age of the assets and the prevailing economic conditions.

5.3 Leasehold improvements and equipment and depreciation

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

In addition, the management is required to review leasehold improvements and equipment for impairment on a periodical basis and record impairment loss when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

5.4 Deferred tax assets

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

5.5 Post-employment benefits under defined benefit plans

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

5.6 Leases - The Company as a lessee

Determining the lease term with extension and termination options

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

Estimating the incremental borrowing rate

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

5.7 Fair value of financial instruments

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

6. Cash and cash equivalents

	(Unit: Thousand Baht)	
	2022	2021
Cash	1,365	1,139
Bank deposits - saving accounts	500,979	14,027
Bank deposits - current accounts	16,301	6,005
Cash and cash equivalents	518,645	21,171

As at 31 December 2022, bank deposits in savings accounts carried interest at rates between 0.15 - 0.35 percent per annum (2021: between 0.05 - 0.15 percent per annum).

7. Deposits at banks with restrictions

The outstanding balance represents banks deposits for premiums that the Company received from policy holders. Under the brokerage contracts, the Company have to transfer these premiums to insurers, and not use or exploit from premiums or deduct any expenses, except for the interest or other benefits arising from deposits at banks.

8. Hire purchase receivables

8.1 As at 31 December 2022, hire purchase receivables have general term of agreements between 3 and 84 installments (2021: between 3 and 84 installments) and are payable in equal installment, with interest charged at fixed rates throughout the contracts. The balances of hire purchase receivables are classified by due date per the contract, as follows:

(Unit: Thousand Baht)

	2022						
	Amounts due under lease agreements						
	Over 1 year but not over 1 year ⁽¹⁾	Over 2 years but not over 2 years	Over 3 years but not over 3 years	Over 4 years but not over 4 years	Over 5 years but not over 5 years	Over 5 years	Total
Hire purchase receivables	291,495	9,501	485	272	273	23	302,049
Less: Unearned income	(34,009)	(1,333)	(163)	(98)	(43)	(1)	(35,647)
Present value of the minimum lease payment receivables	257,486	8,168	322	174	230	22	266,402
Less: Allowance for expected credit losses	(19,453)	(477)	(68)	(77)	(102)	(10)	(20,187)
Hire purchase receivables - net	238,033	7,691	254	97	128	12	246,215

⁽¹⁾ The balance of hire purchase receivables due within 1 year includes credit-impaired receivables.

(Unit: Thousand Baht)

	2021						
	Amounts due under lease agreements						
	Over 1 year but not over 1 year ⁽¹⁾	Over 2 years but not over 2 years	Over 3 years but not over 3 years	Over 4 years but not over 4 years	Over 5 years but not over 5 years	Over 5 years	Total
Hire purchase receivables	192,031	5,564	1,501	287	273	295	199,951
Less: Unearned income	(20,054)	(1,248)	(322)	(141)	(99)	(43)	(21,907)
Present value of the minimum lease payment receivables	171,977	4,316	1,179	146	174	252	178,044
Less: Allowance for expected credit losses	(9,231)	(242)	(94)	(71)	(87)	(126)	(9,851)
Hire purchase receivables - net	162,746	4,074	1,085	75	87	126	168,193

⁽¹⁾ The balance of hire purchase receivables due within 1 year includes credit-impaired receivables.

The Company entered into scheme to provide assistance to debtors affected by COVID-19. As at 31 December 2022, hire purchase receivables participating in the scheme amounting to Baht 0.08 million, or 0.03 percent of total hire purchase receivables (2021: Baht 0.22 million, or 0.11 percent). The Company apply Accounting Guidance on Guideline regarding the Provision of Financial Assistance to Debtors Affected by COVID-19, as issued by the Federation of Accounting Professionals. The Company therefore has performed staging assessment and set aside provision in accordance with the relevant accounting guidance and financial reporting standards.

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

	2022		2021	
	Hire purchase receivables - net of unearned income	Allowance for expected credit loss	Hire purchase receivables - net of unearned income	Allowance for expected credit loss
Hire purchase receivables with no significant increase in credit risk (Performing)	221,609	6,097	162,964	5,199
Hire purchase receivables with significant increase in credit risk (Under - performing)	29,293	5,245	10,595	1,915
Hire purchase receivables with credit - impaired (Non - performing)	15,500	8,845	4,485	2,737
Total	266,402	20,187	178,044	9,851

8.3 Allowance for expected credit losses (ECL)

Movement of allowance for expected credit losses (ECL) of hire purchase receivables for the years ended 31 December 2022 and 2021 are as follows:

(Unit: Thousand Baht)

	For the year ended 31 December 2022			
	Allowance for expected credit losses			
	Financial assets where there has not been a significant increases in credit risk	Financial assets where there has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Beginning balance	5,199	1,915	2,737	9,851
Add (Less): Stage changes	(408)	(519)	927	-
Add (Less): Changes due to revaluation of allowance for credit loss	(308)	(117)	4,154	3,729
Add: New financial assets acquired	6,006	4,689	22,135	32,830
Less: Derecognition of financial assets	(4,392)	(723)	(519)	(5,634)
Less: Bad debt written-off during the year	-	-	(20,589)	(20,589)
Ending balance	6,097	5,245	8,845	20,187

(Unit: Thousand Baht)

	For the year ended 31 December 2021			
	Allowance for expected credit losses			
	Financial assets where there has not been a significant increases in credit risk	Financial assets where there has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Beginning balance	5,901	751	1,229	7,881
Add (Less): Stage changes	(264)	(183)	447	-
Add (Less): Changes due to revaluation of allowance for credit loss	(414)	46	1,427	1,059
Add: New financial assets acquired	5,071	1,727	3,833	10,631
Less: Derecognition of financial assets	(5,095)	(426)	(327)	(5,848)
Less: Bad debt written-off during the year	-	-	(3,872)	(3,872)
Ending balance	5,199	1,915	2,737	9,851

8.4 As at 31 December 2022, hire purchase receivables amounting to Baht 266 million (net of unearned income) were pledged to secured credit facilities from commercial banks (2021: Baht 178 million), as discussed in Note 17 to the financial statements.

9. Loan receivables

9.1 As at 31 December 2022, loan receivables have general term of agreements between 3 and 144 installments (2021: between 3 and 144 installments) and are payable in equal installment, with interest charged at fixed rates throughout the contracts. The balances of loan receivables are classified by due date per the contract are as follows:

(Unit: Thousand Baht)

	Amounts due							
	Within 1 year ⁽¹⁾		Over 1 year but not over 5 years		More than 5 year		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Loan receivables	851,432	805,316	1,190,901	980,538	85,780	79,950	2,128,113	1,865,804
Less: Unearned income ⁽²⁾	(5,232)	(5,607)	1,845	(2,866)	156	(297)	(3,231)	(8,770)
Add: Accrued interest	49,552	36,811	-	-	-	-	49,552	36,811
Present value of the minimum payment receivables	895,752	836,520	1,192,746	977,672	85,936	79,653	2,174,434	1,893,845
Less: Allowance for expected credit loss	(66,763)	(79,562)	(40,691)	(36,799)	(4,947)	(2,717)	(112,401)	(119,078)
Loan receivables - net	828,989	756,958	1,152,055	940,873	80,989	76,936	2,062,033	1,774,767

⁽¹⁾ The balance of loan receivables due within 1 year includes credit-impaired receivables.

⁽²⁾ Presented net of deferred fee income, commission expenses and initial direct cost.

The Company entered into schemes to provide assistance to debtors affected by COVID-19 and applied the Accounting Guidance on Guidelines regarding the Provision of Financial Assistance to Debtors Affected by COVID-19.

As at 31 December 2022, loan receivables participating in the scheme amounting for 10.82 percent of total loan receivables which consisted of the receivables below:

- a) The receivables provided with assistance during the year 2020 - 2022 under the scheme with suspensions payments and debt restructuring by means of extension of the repayment period or reduction of the monthly installment amounts. As at 31 December 2022, loan receivables participating in the scheme amounting to Baht 215.10 million, or 10.11 percent of total loan receivables. The Company applied the Guidelines regarding the Provision of Financial Assistance to Debtors Affected by COVID-19 (Assistance type 2), whereby the Company assessed staging and set aside provisions in accordance with the related financial reporting standards (2021: The loan receivables participating in the scheme amounting to Baht 379.17 million, or 20.32 percent of total loan receivables).

- b) The receivables provided with assistance during the year 2022 that are not yet non-performing (Non-NPL) loan receivables and involve more than just extending the payment timeline where the Company immediately reclassified them to performing receivables (Stage 1) when they have negotiated with the debtors, analysed their status and business and determined that they were able to comply with the debt restructuring agreement. As at 31 December 2022, loan receivables participating in the scheme amounting to Baht 15.14 million, or 0.71 percent of total loan receivables.

However, because the COVID-19 pandemic is impacting on Thai economy at present, the Company's management has taken into account forecasts of the impact in estimating expected credit losses and exercised management's judgement in applying a management overlay on top of the amounts derived from the existing model to cover an increase in defaults by debtors affected by the COVID-19 pandemic.

- 9.2** As at 31 December 2022 and 2021, the balances of loan receivables classified by credit risk and allowance for expected credit losses are as follows:

	2022		(Unit: Thousand Baht) 2021	
	Loan receivables - net of unearned income	Allowance for expected credit loss	Loan receivables - net of unearned income	Allowance for expected credit loss
Loan receivables with no significant increase in credit risk (Performing)	1,682,775	27,690	1,528,530	48,289
Loan receivables with significant increase in credit risk (Under - performing)	411,427	59,336	299,382	48,036
Loan receivables with credit - impaired (Non - performing)	80,232	25,375	65,933	22,753
Total	2,174,434	112,401	1,893,845	119,078

9.3 Allowance for expected credit losses (ECL)

Movement of allowance for expected credit losses (ECL) of loan receivables for the years ended 31 December 2022 and 2021 are as follows:

(Unit: Thousand Baht)

	For the year ended 31 December 2022			
	Allowance for expected credit loss			
	Financial assets where there has not been a significant increases in credit risk	Financial assets where there has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Beginning balance	48,289	48,036	22,753	119,078
Add (Less): Stage changes	(1,745)	(2,578)	4,323	-
Add (Less): Changes due to revaluation of allowance for credit loss	(17,058)	11,569	19,414	13,925
Add: New financial assets acquired	17,926	20,011	6,485	44,422
Less: Derecognition of financial assets	(19,722)	(17,702)	(5,763)	(43,187)
Less: Bad debt written-off during the year	-	-	(21,837)	(21,837)
Ending balance	27,690	59,336	25,375	112,401

(Unit: Thousand Baht)

	For the year ended 31 December 2021			
	Allowance for expected credit loss			
	Financial assets where there has not been a significant increases in credit risk	Financial assets where there has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Beginning balance	30,191	56,901	51,537	138,629
Add (Less): Stage changes	6,858	(10,658)	3,800	-
Add (Less): Changes due to revaluation of allowance for credit loss	(7,314)	5,375	30,320	28,381
Add: New financial assets acquired	31,015	19,216	10,202	60,433
Less: Derecognition of financial assets	(12,461)	(22,798)	(17,572)	(52,831)
Less: Bad debt written-off during the year	-	-	(55,534)	(55,534)
Ending balance of the year	48,289	48,036	22,753	119,078

- 9.4** As at 31 December 2022, loan receivables amounting to Baht 2,174 million (net of unearned income) were pledged to secured credit facilities from commercial banks (2021: Baht 1,894 million), as discussed in Note 17 to the financial statements.

10. Trade and other receivables

	(Unit: Thousand Baht)	
	2022	2021
Trade receivables	129	54
Other receivables	17,452	14,176
Total	17,581	14,230

11. Inventories

	(Unit: Thousand Baht)					
	Cost		Reduce cost to net realisable value		Inventories-net	
	2022	2021	2022	2021	2022	2021
Electric appliance	97,024	85,082	(85)	(120)	96,939	84,962
Mobile phone	7,067	8,559	(26)	(5)	7,041	8,554
Computer	1,855	2,845	(1)	-	1,854	2,845
Others	921	366	-	-	921	366
Total	106,867	96,852	(112)	(125)	106,755	96,727

12. Other current assets

	(Unit: Thousand Baht)	
	2022	2021
Prepaid expenses	3,531	3,880
Accrued income	23,208	18,717
Other current assets	3,287	2,416
Total	30,026	25,013
Less: Allowance for impairment	(800)	(800)
Other current assets - net	29,226	24,213

13. Assets foreclosed

	(Unit: Thousand Baht)	
	2022	2021
Assets foreclosed - cost	35,430	32,642
Less: Allowance for impairment	(9,778)	(6,561)
Assets foreclosed - net	25,652	26,081

14. Leasehold improvements and equipment

	(Unit: Thousand Baht)					
	Leasehold improvements	Motor vehicles	Furniture and fixtures	Office equipment	Assets under construction and installation	Total
Cost						
1 January 2021	39,445	26,876	40,466	39,142	258	145,987
Additions	20	584	5,823	2,150	1,059	9,636
Disposals/write off	(67)	(916)	(664)	(5)	-	(1,652)
Transfer in (transfer out)	1,292	-	4	21	(1,317)	-
31 December 2021	40,690	26,344	45,629	41,308	-	153,971
Additions	1,276	688	3,047	5,139	372	10,522
Disposals/write off	-	-	-	(10)	-	(10)
Transfer in (transfer out)	-	-	68	-	(68)	-
31 December 2022	41,966	27,032	48,744	46,437	304	164,483
Accumulated depreciation						
1 January 2021	3,502	20,525	28,411	24,384	-	76,822
Depreciation for the year	4,036	2,685	4,616	5,206	-	16,543
Depreciation for disposals/ write off	(19)	(592)	(631)	(1)	-	(1,243)
31 December 2021	7,519	22,618	32,396	29,589	-	92,122
Depreciation for the year	4,949	1,945	5,257	5,167	-	17,318
Depreciation for disposals/ write off	-	-	-	(10)	-	(10)
31 December 2022	12,468	24,563	37,653	34,746	-	109,430
Net book value						
31 December 2021	33,171	3,726	13,233	11,719	-	61,849
31 December 2022	29,498	2,469	11,091	11,691	304	55,053
Depreciation charged for the years ended 31 December						
2021						16,543
2022						17,318

As at 31 December 2022, certain items of equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounting to approximately Baht 65 million (2021: Baht 50 million).



15. Intangible assets

(Unit: Thousand Baht)

	Computer software	Computer software in process	Leasehold	Total
Cost				
1 January 2021	3,214	3,768	95	7,077
Additions	107	211	33	351
Transfer in (transfer out)	3,874	(3,874)	-	-
31 December 2021	7,195	105	128	7,428
Additions	46	1,445	-	1,491
Transfer in (transfer out)	988	(988)	-	-
31 December 2022	8,229	562	128	8,919
Accumulated amortisation				
1 January 2021	480	-	81	561
Amortisation during the year	511	-	15	526
31 December 2021	991	-	96	1,087
Amortisation during the year	750	-	17	767
31 December 2022	1,741	-	113	1,854
Net book value				
31 December 2021	6,204	105	32	6,341
31 December 2022	6,488	562	15	7,065
Amortisation recognised for the years ended 31 December				
2021				526
2022				767

16. Deferred tax assets/deferred tax liabilities and income tax expenses

16.1 Deferred tax assets/ deferred tax liabilities

As at 31 December 2022 and 2021, the components of deferred tax assets and deferred tax liabilities are as follows:

			(Unit: Thousand Baht)	
			Changes in deferred tax	
			for the years ended	
	31 December		31 December	
	2022	2021	2022	2021
Deferred tax assets				
Allowance for expected credit loss	26,678	25,946	732	(3,589)
Allowance for impairment of assets foreclosed	1,955	1,312	643	724
Loss on confiscation of assets foreclosed	634	3,264	(2,630)	(1,710)
Allowance for diminution in value of inventories	22	25	(3)	(11)
Provision for long-term employee benefits	4,923	4,545	378	(1,201)
Differences in income recognition for accounting and tax purposes	1,763	3,227	(1,464)	(2,251)
Others	2,192	1,670	522	(16)
Total deferred tax assets	38,167	39,989		
Deferred tax liabilities				
Differences in expense recognition for accounting and tax purposes	(865)	(264)	(601)	5
Total deferred tax liabilities	(865)	(264)		
Deferred tax assets - net	37,302	39,725		
Total changes in deferred tax assets/ liabilities			(2,423)	(8,049)
Recognised in:				
Profit or loss			(1,921)	(7,092)
Other comprehensive income			(502)	(957)
Total			(2,423)	(8,049)

16.2 Income tax expenses

Income tax expenses for the years ended 31 December 2022 and 2021 were as follows:

	(Unit: Thousand Baht)	
	2022	2021
Current income tax:		
Corporate income tax for the years	22,672	18,498
Deferred income tax:		
Relating to origination and reversal of temporary differences	1,921	7,092
Income tax expenses reported in profit of loss	24,593	25,590

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)	
	2022	2021
Deferred tax relating to actuarial gain	299	565
Deferred tax on gain on cash flow hedges	203	392
	502	957

The amounts of income tax recognised directly in shareholders' equity for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)	
	2022	2021
Current income tax:		
Corporate income tax on transaction costs for issue a share capital (Note 23)	(3,833)	-

The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)	
	2022	2021
Accounting profit before tax	105,738	128,529
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by applicable tax rate	21,147	25,706
Effects of		
Non-deductible expenses	4,071	212
Additional expenses deductions allowed	(119)	(288)
Others	(506)	(40)
Income tax expenses reported in profit or loss	24,593	25,590

17. Short-term loans from financial institutions

As at 31 December 2022 and 2021, the following is short-term loans in the form of promissory notes from financial institutions in Thailand:

(Unit: Thousand Baht)

Loan facility / Repayment schedule	Interest rate (percentage per annum)	2022	2021
Promissory notes repayable within 3 months from the drawdown date, carrying interest payable monthly	MLR-1.00	1,428,240	1,176,660

Bank overdraft are secured by the mortgage of land and a building owned by major shareholders of the Company and short-term loans from financial institutions are secured by the registration of collection rights as business collateral. The Company is required to comply with loan covenants such as the maintenance of a debt to equity ratio as specified in the loan agreements.

As at 31 December 2021, the Company was not able to comply with loan covenants regarding the maintenance of the debt to equity ratio specified in a loan agreement. The Company had received waiver letters from such bank to waive the requirement to maintain the debt to equity ratio until 31 December 2022.

As at 31 December 2022, bank overdrafts and short-term credit facilities from financial institutions, that have not yet been drawn down amounting to Baht 297 million (2021: Baht 348 million).

18. Trade and other payables

(Unit: Thousand Baht)

	2022	2021
Trade payables	58,901	48,695
Other payables	13,753	16,896
Advance received	3,557	4,710
Total	76,211	70,301

19. Long-term loans from financial institutions

(Unit: Thousand Baht)

	2022	2021
Long-term loans from financial institutions	430,120	406,460
Less: Current portion	(109,920)	(74,260)
Long-term loans from financial institutions - net of current portion	320,200	332,200

Movement of long-term loans account for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)	
	2022	2021
Beginning balance	406,460	486,380
Add: Additional borrowings	100,000	-
Less: Repayments	(76,340)	(79,920)
Ending balance	430,120	406,460

Long-term loans from banks consist of various credit facilities totalling of Baht 600 million, which carry interest at THBFIX plus 2.15%, MLR-1.50% and the deposit interest rate plus 1%. The principal and interest is repayable in monthly installments and the loans mature in November 2026, These loans are secured by saving accounts and the mortgage of land and a building owned by major shareholders of the Company and guaranteed by the Company's directors. The Company is required to comply with loan covenants such as the maintenance of a debt to equity ratio and the good port to funded debt ratio as specified in the loan agreements.

As at 31 December 2022, the Company was not able to comply with loan covenants regarding the maintenance of the good port to funded debt ratio as specified in the loan agreements. However, the Company had received waiver letters from such banks to waive the good port to funded debt ratio until 30 June 2024.

As at 31 December 2021, the Company was not able to comply with loan covenants regarding the maintenance of the debt to equity ratio and the good port to funded debt ratio as specified in the loan agreements. However, the Company had received waiver letters from such banks to waive the requirement to maintain the debt to equity ratio and the good port to funded debt ratio until 31 December 2022 and 30 June 2023, respectively.

As at 31 December 2022, the Company has commitments of Baht 27.2 million (2021: 68.9 million) under interest rate swap agreements with lending banks that swap floating interest rates to fixed interest rates throughout the term of the loans. The interest rate swaps will gradually expire within the year 2024, in line with the repayment schedules for the long-term loans.

20. Leases

The Company as a lessee

The Company has lease contracts for various items of assets used in its operations. Leases generally have lease terms between 1 - 10 years.

a) Right-of-use assets

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

(Unit: Thousand Baht)

	Leasehold improvements	Motor vehicles	Total
1 January 2021	74,204	-	74,204
Changes in contract term	(1,466)	-	(1,466)
New contract	6,978	-	6,978
Amortisation during for the year	(34,639)	-	(34,639)
31 December 2021	45,077	-	45,077
Changes in contract term	48,904	-	48,904
New contract	26,979	8,748	35,727
Amortisation during for the year	(37,699)	(1,690)	(39,389)
31 December 2022	83,261	7,058	90,319

b) Lease liabilities

Lease liabilities as at 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	2022	2021
Lease payments	97,611	50,443
Less: Deferred interest expenses	(5,684)	(2,467)
Total	91,927	47,976
Less: Current portion	(41,299)	(34,415)
Lease liabilities - net of current portion	50,628	13,561

Movement of the lease liabilities account during the years ended 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	2022	2021
Beginning balance	47,976	77,637
Additions	35,727	6,978
Accretion of interest	3,919	2,777
Repayments	(44,618)	(37,927)
Increase (decrease) from changes/terminated lease contracts	48,923	(1,489)
Ending balance	91,927	47,976

A maturity of lease payments is disclosed in Note 36.2 to the financial statements, under the liquidity risk.



c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)	
	2022	2021
Amortisation expense of right-of-use assets	39,389	34,639
Interest expense on lease liabilities	3,919	2,777

d) Others

The Company had total cash outflows for leases for the year ended 31 December 2022 of Baht 45 million (2021: Baht 38 million).

21. Other current liabilities

	(Unit: Thousand Baht)	
	2022	2021
Accrued special business tax	2,930	2,363
Accrued output tax	835	1,407
Accrued withholding tax	774	208
Accrued expense	23,142	30,100
Other current liabilities	623	1,123
Total	28,304	35,201

22. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, were as follows:

	(Unit: Thousand Baht)	
	For the years ended 31 December	
	2022	2021
Provision for long-term employee benefits at beginning of year	42,347	55,829
Recognised in profit or loss:		
Current service cost	4,634	3,351
Interest cost	795	522
Recognised in other comprehensive income:		
Actuarial (gain) loss arising from		
Demographic assumption changes	131	-
Financial assumption changes	(3,339)	(4,333)
Experience adjustments	1,714	1,511
Benefits paid during the year	(6,627)	(14,533)
Provision for long-term employee benefits at end of year	39,655	42,347

As at 31 December 2022, the Company has expect to pay long-term employee benefits during the next year approximately Baht 5.1 million (2021: Baht 9.9 million)

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefit is 13.55 years (2021: 13.80 years).

Significant actuarial assumptions are summarised as follows:

	(Units: Percentage per annum)	
	2022	2021
Discount rate	2.77	1.88
Future salary increase rate	6.00	6.00
Turnover rate	4.00 - 24.00	4.00 - 23.00

The result of sensitivity analysis for significant assumptions that affect the present value of long-term employee benefit obligation as at 31 December 2022 and 2021 are summarised below:

	(Unit: Thousand Baht)			
	2022			
	Increase rate		Decrease rate	
	Provision increase		Provision increase	
	Percentage	(decrease)	Percentage	(decrease)
Discount rate	0.5	(2,110)	0.5	2,279
Future salary increase rate	0.5	2,165	0.5	(2,027)
Turnover rate	10.0	(2,225)	10.0	2,429

	(Unit: Thousand Baht)			
	2021			
	Increase rate		Decrease rate	
	Provision increase		Provision increase	
	Percentage	(decrease)	Percentage	(decrease)
Discount rate	0.5	(2,144)	0.5	2,322
Future salary increase rate	0.5	2,074	0.5	(1,939)
Turnover rate	10.0	(2,217)	10.0	2,439

23. Share capital

23.1 On 1 April 2022, the 2022 Annual General Meeting of the Company's shareholders passed the following resolutions:

1. Approved a change in a par value of the Company's ordinary shares from Baht 100 each to Baht 0.50 each. As a result, the Company's registered and paid-up share capital amounts to Baht 400 million, comprising 800 million ordinary shares with a par value of Baht 0.50 each.
2. Approved an increase in the Company's registered share capital of 300 million shares for the initial public offering including the offering to related persons and benefactors. As a result, the Company's registered share capital increased from Baht 400 million (800 million ordinary shares with a par value of Baht 0.50 each) to Baht 550 million (1,100 million ordinary shares with a par value of 0.50 each).

The Company registered such changes with the Ministry of Commerce on 7 April 2022.

23.2 During 8 - 9, 13 December 2022, the Company made an initial public offering of 300 million newly issued ordinary shares with a par value of Baht 0.50 each, at an offering price of Baht 2.04 per share, amounting to Baht 612 million with share premium of Baht 446.7 million (net of offering expenses and related income tax amounting to Baht 15.3 million). Subsequently on 14 December 2022, the Company has received full payment of the additional capital and then registered the increase of its issued and paid-up share capital from Baht 400 million (800 million ordinary shares with a par value of Baht 0.50 each) to Baht 550 million (1,100 million ordinary shares with a par value of Baht 0.50 each) with the Ministry of Commerce on 14 December 2022. The Stock Exchange of Thailand approved 550 million ordinary shares with a par value of Baht 0.50 each as listed securities, with trading permitted on 20 December 2022.

As at 31 December 2022 and 2021, the Company had registered and paid up share capital as follows:

	2022		2021	
	Number of shares (million shares)	Amount (million Baht)	Number of shares (million shares)	Amount (million Baht)
Issued and paid-up capital				
Issued and paid-up capital at the beginning of the year	4	400	4	400
Share splitting (from 4 million ordinary shares with a par value of Baht 100 each to 800 million ordinary shares with a par value of Baht 0.50 each)	796	-	-	-
Increase in capital (300 million ordinary shares with a par value of Baht 0.50 each)	300	150	-	-
Issued and paid-up capital at the end of the year	1,100	550	4	400

24. Share-based payment

On 1 April 2022, the Company's major shareholders entered into an agreement with an investor to sell 64 million ordinary shares of the Company with a par value of Baht 0.50 each, which stipulated that the selling price of the ordinary shares is equal to the price after a 15 percent discount on the price offered to the initial public offering, amounting to Baht 19.6 million. The transaction was deemed a share-based payment, during which the Company's ordinary shares begin trading on the Stock Exchange of Thailand on the first date. The transaction was recognised as Company's expenses in profit or loss, together with share premium.

25. Statutory reserves

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

26. Dividends

Dividends	Approved by	Dividend paid (Thousand Baht)	Dividend per share (Baht)
Final dividends for the year 2021	Annual General Meeting of the shareholders on 1 April 2022	102,000	25.50
Interim dividends for the year 2021	Board of Directors' meeting on 12 November 2021	57,000	14.25

27. Sales and service income

Type of goods or service:	(Unit: Thousand Baht)	
	For the years ended 31 December	
	2022	2021
Sale of electric appliance	831,713	701,336
Sale of motorcycle	1,459	7,081
Installation services	12,617	13,844
Total	845,789	722,261



28. Loss on impairment and disposals of assets foreclosed

(Unit: Thousand Baht)

	For the years ended 31 December	
	2022	2021
Impairment loss of assets foreclosed	3,217	3,622
Loss on disposals of assets foreclosed	12,361	8,555
Total	15,578	12,177

29. Finance cost

(Unit: Thousand Baht)

	For the years ended 31 December	
	2022	2021
Interest expense on borrowings	64,208	52,507
Interest expense on lease liabilities	3,919	2,777
Interest expense from derivatives designated as hedging instruments in cash flow hedge	880	2,022
Total	69,007	57,306

30. Expenses by nature

For the years ended 31 December 2022 and 2021, significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

	For the years ended 31 December	
	2022	2021
Salary, wages and other employee benefits	245,818	216,116
Sales promotion	13,901	7,025
Depreciation and amortisation	57,473	51,708
Office rental expenses	23,176	21,445
Professional fee	11,018	13,914
Special business tax and other taxes	17,211	16,836

31. Earnings per share

Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the number of ordinary shares proportionately to the change in the number of shares as a result of the change in the par value of the ordinary shares.

On 1 April 2022, the 2022 Annual General Meeting of the Company's shareholders approved to change in par value of ordinary shares from Baht 100 each to Baht 0.50 each for calculating earnings per share, the number of ordinary shares is adjusted as if the change in number of shares had occurred at the beginning of the earliest period reported.

	For the years ended 31 December	
	2022	2021
Profit for the year (Thousand Baht)	81,145	102,939
Weighted average number of ordinary shares (Thousand shares)	814,794	800,000
Basic earnings per share (Baht per share)	0.10	0.13

32. Provident fund

On July 2019, the Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Employees contribute to the fund monthly at the rate of 2 - 15 percent of basic salary and the Company contribute to the fund monthly at the rate of 2 percent of basic salary. The fund, which is managed by TISCO Asset Management Company Limited will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2022 amounting to approximately Baht 1.8 million were recognised as expenses (2021: Baht 0.8 million).

33. Financial information classified by operating segment

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company is organised into business units based on its products and services and has four reportable segments as follows: (1) Sales (2) Hire purchase (3) Lending business and (4) Others.

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

Revenue, profit and total assets of the Company presented by operating segment for the years ended 31 December 2022 and 2021 are as follows:

(Unit: Thousand Baht)

For the year ended 31 December 2022				
	Sales	Hire purchase	Lending business	Total
Revenue from external customers				
Sales	845,789	-	-	845,789
Hire purchase interest income	-	85,121	-	85,121
Loan interest income	-	-	409,407	409,407
Other income	4,234	6,654	26,720	37,608
Total income	850,023	91,775	436,127	1,377,925
Cost of sales	(722,507)	-	-	(722,507)
Finance cost	(5,906)	(19,950)	(43,151)	(69,007)
Expected credit losses	-	(43,872)	(28,510)	(72,382)
Loss on impairment and disposals of assets foreclosed	-	(1,001)	(14,577)	(15,578)
Operating expenses	(48,131)	(30,086)	(132,329)	(210,546)
Segment profit before income tax	73,479	(3,134)	217,560	287,905
Unallocated income				21,511
Unallocated operating expenses				(203,678)
Income tax expenses				(24,593)
Profit for the year				81,145

(Unit: Thousand Baht)				
For the year ended 31 December 2021				
	Sales	Hire purchase	Lending business	Total
Revenue from external customers				
Sales	722,261	-	-	722,261
Hire purchase interest income	-	58,327	-	58,327
Loan interest income	-	-	410,395	410,395
Other income	3,534	5,257	20,561	29,352
Total income	725,795	63,584	430,956	1,220,335
Cost of sales	(619,398)	-	-	(619,398)
Finance cost	(6,165)	(16,668)	(34,473)	(57,306)
Expected credit losses	(800)	(10,360)	(63,356)	(74,516)
Loss on impairment and disposals of assets foreclosed	-	(488)	(11,689)	(12,177)
Operating expenses	(39,952)	(23,811)	(116,437)	(180,200)
Segment profit before income tax	59,480	12,257	205,001	276,738
Unallocated income				17,086
Unallocated operating expenses				(165,295)
Income tax expenses				(25,590)
Profit for the year				102,939

Segment assets of the Company as at 31 December 2022 and 2021 are as follows:

(Unit: Thousand Baht)		
	2022	2021
Segment assets		
Sales	139,957	122,048
Hire purchase	247,949	168,823
Lending business	2,094,943	1,808,915
Unallocated assets	727,036	198,242
	3,209,885	2,298,028

Geographic information

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

Major customers

For the years 2022 and 2021, the Company have no major customer with revenue of 10 percent or more of an entity's revenues.

34. Related party transactions

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

Name of related party	Relationship with the Company
Thanathiwat Company Limited	Major shareholders

Significant transactions for the years ended 31 December 2022 and 2021 with related parties are as follows:

	(Unit: Thousand Baht)		
	For the years ended 31 December		Transfer Pricing Policy
	2022	2021	
Transactions with major shareholder			
Office rental expense	24,929	23,992	Contractually agreed
Transactions with related persons			
Sales and service income			Market price
Directors and shareholders	85	8	
Shareholders	73	149	
Relate to shareholders	84	33	
Relate to executives	6	227	
Sale of assets			Auction price
Relate to executives	118	84	

As at 31 December 2022 and 2021, the balances of the accounts between the Company and those related parties are as follows:

	(Unit: Thousand Baht)	
	2022	2021
Major shareholder		
Lease liabilities	51,457	28,351

Directors and management's benefits

During the years ended 31 December 2022 and 2021, the Company had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)	
	For the years ended 31 December	
	2022	2021
Short-term employee benefits	45,639	40,207
Post-employment benefits	3,591	891
Total	49,230	41,098

35. Commitments and contingent liabilities

35.1 Long-term service agreements commitments

As at 31 December 2022 and 2021, future minimum fee required under these long-term service agreements are as follows:

	(Unit: Thousand Baht)	
	2022	2021
Payable:		
Within 1 year	5,376	7,676
1 to 5 years	3,297	5,931

35.2 Guarantees

As at 31 December 2022, there were outstanding bank guarantees of approximately Baht 4.17 million (2021: Baht 4.08 million) issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business.

36. Financial instruments

36.1 Derivatives and hedge accounting

	(Unit: Thousand Baht)	
	2022	2021
Derivative liabilities		
Derivatives liabilities designated as hedging instruments		
Interest rate swap	97	1,111
Total other current financial liabilities	97	1,111

Derivatives designated as hedging instruments

Cash flow hedges

The Company uses interest rate swaps as hedging instruments to hedge cash flows on floating rate loan.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the interest rate swap match the terms of the fixed rate loan (i.e., notional amount, maturity, payment and reset dates). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risks of interest rate swaps are identical to the hedged risk components.

The Company is holding the following derivatives as hedging instruments as at 31 December 2022 and 2021:

	(Unit: Thousand Baht)					
	Carrying amount		Hedge item		Notional amount	
	2022	2021	2022	2021	2022	2021
Interest rate swaps						
Currency: Baht	97	1,111	Borrowing (Baht)	Borrowing (Baht)	27,200	68,960

	(Unit: Thousand Baht)							
	Maturity							
	Less than 1 year		1 - 5 years		Over 5 years		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Interest rate swaps								
Contract amount (Thousand Baht)	24,960	41,760	2,240	27,200	-	-	27,200	68,960
Average fixed rate (Percentage)	4.50	4.50	4.50	4.50	-	-	4.50	4.50

During the year 2022, the effective portion of the gain on interest rate swap is recognised in other comprehensive income amounting to Baht 0.81 million (2021: Baht 1.57 million) for cash flow hedge reserve in equity. There is no ineffectiveness was recognised in profit or loss. In addition, the Company transferred cash flow hedge reserve amount of Baht 0.08 million (2021: Baht 0.89 million) to profit or loss which was presented under the caption of finance cost.

36.2 Financial risk management objectives and policies

The Company's financial instruments principally comprise cash and cash equivalents, deposits at banks with restrictions, hire purchase receivables, loan receivables, trade and other receivables, fixed deposits, short-term loans from financial institutions, trade and other payables, lease liabilities and long-term loans from financial institutions. The financial risks associated with these financial instruments and how they are managed is described below.

36.2.1 Credit risk

The Company are exposed to credit risk primarily with respect to hire purchase receivables, loan receivables, trade and other receivables and cash deposits at financial institutions. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Company's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Hire purchase receivables, loan receivables and trade and other receivables

The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company does not have high concentrations of credit risk since it has a various and large customer base.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Company classifies customer segments by product type, customer type, calculating expected credit loss used probability-weighted amount, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Cash deposits

The Company manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings.

The table below shows the credit quality of financial assets exposed to credit risk. The amounts presented for financial assets are the gross carrying amount (before netting allowance for expected credit losses). Explanations of the 12-month expected credit losses, lifetime expected credit losses - not credit impaired, and lifetime expected credit losses - credit impaired are included in Note 4.4 to the financial statements.

(Unit: Thousand Baht)

	2022			
	Financial assets where there has not been a significant increase in credit risk (12-mth ECL)	Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit- impaired (Lifetime ECL - credit impaired)	Total
Cash and cash equivalents				
Investment grade	518,645	-	-	518,645
Total	518,645	-	-	518,645
Less: Allowance for expected credit losses	-	-	-	-
Net carrying amount	518,645	-	-	518,645
Hire purchase receivables				
No past overdue	178,597	277	14	178,888
1 - 30 days overdue	43,012	871	41	43,924
31 - 60 days overdue	-	16,844	57	16,901
61 - 90 days overdue	-	11,301	222	11,523
Over 90 days overdue	-	-	15,166	15,166
Total	221,609	29,293	15,500	266,402
Less: Allowance for expected credit losses	(6,097)	(5,245)	(8,845)	(20,187)
Net carrying amount	215,512	24,048	6,655	246,215
Loan receivables				
No past overdue	1,326,628	8,036	144	1,334,808
1 - 30 days overdue	356,147	19,206	94	375,447
31 - 60 days overdue	-	243,152	636	243,788
61 - 90 days overdue	-	141,033	1,255	142,288
Over 90 days overdue	-	-	78,103	78,103
Total	1,682,775	411,427	80,232	2,174,434
Less: Allowance for expected credit losses	(27,690)	(59,336)	(25,375)	(112,401)
Net carrying amount	1,655,085	352,091	54,857	2,062,033

(Unit: Thousand Baht)

	2021		
	Financial assets where there has not been a significant increase in credit risk (12-mth ECL)	Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit- impaired (Lifetime ECL - credit impaired)
			Total
Cash and cash equivalents			
Investment grade	21,171	-	21,171
Total	21,171	-	21,171
Less: Allowance for expected credit losses	-	-	-
Net carrying amount	21,171	-	21,171
Hire purchase receivables			
No past overdue	137,722	184	137,917
1 - 30 days overdue	25,242	610	25,865
31 - 60 days overdue	-	6,440	6,467
61 - 90 days overdue	-	3,361	3,528
Over 90 days overdue	-	-	4,267
Total	162,964	10,595	178,044
Less: Allowance for expected credit losses	(5,199)	(1,915)	(2,737)
Net carrying amount	157,765	8,680	168,193
Loan receivables			
No past overdue	1,161,416	2,553	1,164,249
1 - 30 days overdue	367,114	5,421	373,956
31 - 60 days overdue	-	229,853	231,829
61 - 90 days overdue	-	61,555	62,037
Over 90 days overdue	-	-	61,774
Total	1,528,530	299,382	1,893,845
Less: Allowance for expected credit losses	(48,289)	(48,036)	(22,753)
Net carrying amount	1,480,241	251,346	1,774,767

Collateral and any operations to increase creditability

The Company holds collateral and any operations to increase the creditability of its exposure to credit risk. Details of the collateral held by the Company for each type of financial asset are as follows:

(Unit: Million Baht)

	Exposure to risk with collateral		Type of collateral
	2022	2021	
Hire purchase receivables and loan receivables	2,164	1,891	Motor vehicles, motorcycles and land

36.2.2 Market risk

Market risk is the risk that changes in interest rates, foreign exchange rates and securities prices may have an effect on the financial positions of the Company. As the Company has no foreign currency assets and liabilities and no investments in securities, market risk therefore consists of only interest rate risk.

Interest rate risk

The Company's exposure to interest rate risk relates primarily to its long-term loans. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Company manages its interest rate risk by enters into interest rate swaps in which it agrees to exchange, at specified intervals, between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

As at 31 December 2022 and 2021, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Thousand Baht)

	2022						
	Fixed interest rate			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	Maturity or repricing date						
	Within 1 year	1 - 5 years	Over 5 years				
	Financial assets						
Cash and cash equivalents	-	-	-	500,979	17,666	518,645	0.15 - 0.35
Deposits at banks with restrictions	-	-	-	5,573	-	5,573	0.35
Hire purchase receivables	257,486	8,894	22	-	-	266,402	20.33 - 51.55
Loan receivables	895,752	1,192,746	85,936	-	-	2,174,434	12.47 - 28.00
Trade and other receivables	-	-	-	-	17,581	17,581	-
Other current financial assets	1,000	-	-	-	-	1,000	0.375
Financial liabilities							
Short-term loans from financial institutions	-	-	-	1,428,240	-	1,428,240	4.75 - 4.85
Trade and other payables	-	-	-	-	76,211	76,211	-
Lease liabilities	41,299	47,686	2,942	-	-	91,927	3.72 - 5.70
Long-term loans from financial institutions	-	-	-	430,120	-	430,120	1.35 - 4.50

(Unit: Thousand Baht)

	2021						
	Fixed interest rate						
	Maturity or repricing date			Floating	Non-		Effective
	Within		Over	interest	interest		interest rate
	1 year	1 - 5 years	5 years	rate	bearing	Total	(% per annum)
Financial assets							
Cash and cash equivalents	-	-	-	14,027	7,144	21,171	0.05 - 0.15
Deposits at banks with restrictions	-	-	-	12,387	-	12,387	0.125
Hire purchase receivables	171,977	5,815	252	-	-	178,044	22.00 - 51.73
Loan receivables	836,520	977,672	79,653	-	-	1,893,845	10.00 - 26.79
Trade and other receivables	-	-	-	-	14,230	14,230	-
Other current financial assets	1,000	-	-	-	-	1,000	0.375
Financial liabilities							
Short-term loans from financial institutions	-	-	-	1,176,660	-	1,176,660	4.00 - 4.34
Trade and other payables	-	-	-	-	70,301	70,301	-
Lease liabilities	34,415	11,164	2,397	-	-	47,976	3.86 - 5.00
Long-term loans from financial institutions	-	-	-	406,460	-	406,460	1.125 - 4.50

Interest rate sensitivity analysis

The following table demonstrates the sensitivity of the Company's profit before tax to a reasonably possible change in interest rates on that portion of floating rate loans affected as at 31 December 2022 and 2021.

Currency	2022		2021	
	Increase/decrease	Effect on	Increase/decrease	Effect on
	(%)	profit before tax (Thousand Baht)	(%)	profit before tax (Thousand Baht)
Baht	+1	(4,301)	+1	(4,065)
	-1	4,301	-1	4,065

36.2.3 Liquidity risk

Liquidity risk is the risk that the Company will be unable to liquidate their financial assets and/or procure sufficient funds to discharge their obligations in a timely manner, resulting in the incurrence of a financial loss.

The Company has a policy to manage liquidity risk with appropriate short-term loan and long-term funding structure. Moreover, the Company has a policy in maintaining the liquidity to ensure that there is sufficient liquidity for the current and in the future.

The table below summarises the maturity profile of the Company's non-derivative financial liabilities and derivative financial instruments as at 31 December 2022 and 2021 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	2022			
	On demand	Less than 1 year	1 - 5 years	Over 5 years
Non-derivatives				
Short-term loans from financial institutions	-	1,428,240	-	-
Trade and other payables	-	76,211	-	-
Lease liabilities	-	41,299	47,686	2,942
Long-term loans from financial institutions	-	109,920	320,200	-
Total non-derivatives	-	1,655,670	367,886	2,942
Derivatives				
Derivative liabilities: net settled	-	97	-	-
Total	-	97	-	-

(Unit: Thousand Baht)

	2021				
	On demand	Less than 1 year	1 - 5 years	Over 5 years	Total
Non-derivatives					
Short-term loans from financial institutions	-	1,176,660	-	-	1,176,660
Trade and other payables	-	70,301	-	-	70,301
Lease liabilities	-	34,415	11,164	2,397	47,976
Long-term loans from financial institutions	-	74,260	332,200	-	406,460
Total non-derivatives	-	1,355,636	343,364	2,397	1,701,397
Derivatives					
Derivative liabilities: net settled	-	1,111	-	-	1,111
Total	-	1,111	-	-	1,111

36.3 Fair values of financial instruments

As at 31 December 2022 and 2021, except for derivatives, the Company had no financial assets or financial liabilities that were measured at fair value. The estimated fair value of financial instruments, in comparison with the related amounts carried in the statement of financial position, is as follows:

(Unit: Thousand Baht)

	Book value	2022			
		Fair value			
		Total	Level 1	Level 2	Level 3
Financial assets for which fair value are disclosed					
Cash and cash equivalents	518,645	518,645	518,645	-	-
Deposits at banks with restrictions	5,573	5,573	5,573	-	-
Hire purchase receivables	246,215	239,907	-	-	239,907
Loan receivables	2,062,033	2,044,284	-	-	2,044,284
Trade and other receivables	17,581	17,581	-	-	17,581
Other current financial assets	1,000	1,000	1,000	-	-
Financial liabilities for which fair value are disclosed					
Short-term loans from financial institutions	1,428,240	1,428,240	-	-	1,428,240
Trade and other payables	76,211	76,211	-	-	76,211
Lease liabilities	91,927	91,927	-	-	91,927
Long-term loans from financial institutions	430,120	430,120	-	-	430,120
Financial liabilities measured at fair value					
Other current financial liabilities - derivatives	97	97	-	97	-

(Unit: Thousand Baht)

	2021				
		Fair value			
	Book value	Total	Level 1	Level 2	Level 3
Financial assets for which fair value are disclosed					
Cash and cash equivalents	21,171	21,171	21,171	-	-
Deposits at banks with restrictions	12,387	12,387	12,387	-	-
Hire purchase receivables	168,193	185,063	-	-	185,063
Loan receivables	1,774,767	1,737,707	-	-	1,737,707
Trade and other receivables	14,230	14,230	-	-	14,230
Other current financial assets	1,000	1,000	1,000	-	-
Financial liabilities for which fair value are disclosed					
Short-term loans from financial institutions	1,176,660	1,176,660	-	-	1,176,660
Trade and other payables	70,301	70,301	-	-	70,301
Lease liabilities	47,976	47,976	-	-	47,976
Long-term loans from financial institutions	406,460	406,460	-	-	406,460
Financial liabilities measured at fair value					
Other current financial liabilities - derivatives	1,111	1,111	-	1,111	-

Fair value hierarchy for financial assets and liabilities as at 31 December 2022 and 2021 is stipulated in Note 4.18 to the financial statements.

The methods and assumptions used by the Company estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, deposits at banks with restrictions, trade and other receivables, fixed deposits, short-term loans from financial institutions, trade and other payables, their carrying amounts in the statement of financial position approximate their fair value.
- For hire purchase receivables and loan receivable, fair value is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions.
- For long-term loans from financial institutions and lease liabilities carrying interest cost at floating rate with interest rate approximates to market rate, its carrying amount in the statement of financial position approximates its fair value.
- Interest rate swap contract was presented as "other current financial liabilities" and measured at fair value, which was referenced by the counterparty bank.

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

37. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the loan agreements.

As at 31 December 2022, the Company's debt-to-equity ratio was 1.89:1 (2021: 3.47:1).

38. Events after the reporting period

On 27 February 2023, a meeting of the Company's Board of Directors No. 1/2023 passed a resolution to propose to the Annual General Meeting of shareholders for approval dividend payment to the shareholders from operating results for 2022 at Baht 0.04 per share, totalling Baht 44 million.

39. Reclassifications

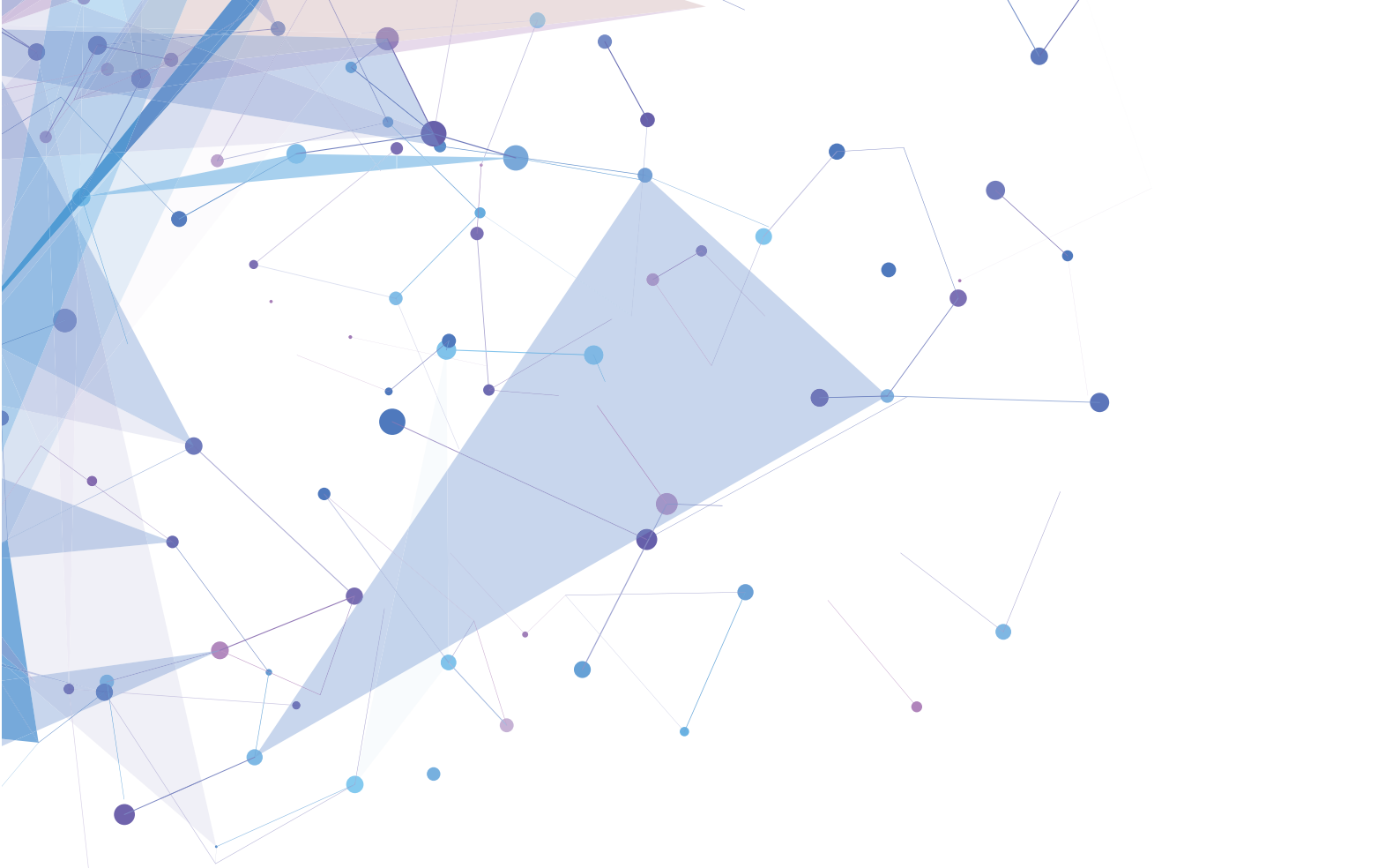
Certain amounts in the statement of comprehensive income for the year 2021 have been reclassified to conform with the current year's classification as follows.

	(Unit: Thousand Baht)	
	As reclassified	As previously reported
Other income	31,850	34,269
Selling expenses	7,025	10,172
Administrative expenses	338,469	337,741

The reclassifications had no effect to previously reported profit or shareholders' equity.

40. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2023.



ATTACHMENT

Attachment 1

Details about Directors, Executives, Controlling Persons, Assigned Persons with the Highest Responsibility in Accounting and Finance, Persons Assigned with Direct Responsibilities in Controlling Accounting and the Company's Secretary

1. Information about Directors, Executives and Controlling Persons (if any) and Company Secretary

1.1 Information about Directors, Executives, Controlling Persons of the Company and Company Secretary

First-Last Name and Position ⁽¹⁾	Age (Year)	Education and Training	Company Shares Held ⁽²⁾	Relationship with Other Directors/ Executives	Work History for the Past 5 Years		
					Time Period	Position	Agency/Company Name
1. Dr. Visit Ongpipattanakul Chairman of the Board / Audit Director/ Independent Director	59	- Doctor of Business Administration, Asian Institute of Technology	-0-	None.	Feb 2019 -Present	Chairman of the Board	Star Money Public Company Limited
		- Master of Business Administration, University of Florida, United States of America			2017 -Present	Director	Chin Saechiang Limited Partnership
		- Master of Arts-Business Law, Chulalongkorn University			2011 -Present	Director	Engchin Saechiang Registered Ordinary Partnership
		- Bachelor of Pharmacology, Chulalongkorn University			2010 - Present	Managing	Trinity Wathana Public Company Limited
		- DCP Program, Class 185/2557			2015 - Present	Director/Director	Trinity Securities Co., Ltd.
		- DAP Program, Class 20/2547			2018 - Present	Chairman of the Audit Committee/ Chairman of the Nomination Committee/ Independent	Capital Engineering Network Public Company Limited
		- Audit Committee Program, Class 15/2557			2013 - 2017	Director	Trinity One Co., Ltd.
		- Corporate Governance for Capital market Intermediaries Program, Class 15/2559				Director	Inter Far East Engineering Public Company Limited
						Audit Director/ Independent	
						Director	



First-Last Name and Position ⁽¹⁾	Age (Year)	Education and Training	Company Shares Held ⁽⁴⁾	Relationship with Other Directors/ Executives	Work History for the Past 5 Years		
					Time Period	Position	Agency/Company Name
2. Mr. Utit Lavansthien Director/ Vice Chairman of the Board/ Chief Executive Officer/ Director with Binding Signatory Authority by Certificate	72	- Primary School, Ruamruedithaya School - DAP Program, Class 159/2562	8.04	Father of Mr. Ekkaphop	2019 – Present	Vice Chairman of the Board	Star Money Public Company Limited
					2016 – Present	Director	Star Money Public Company Limited
					1991 – 2017	Director Chairman of the Board	Thanathiwat Co., Ltd.
					1991 – Present	Chairman of the Board	Thana-athon Co., Ltd.
3. Mr. Chusak Uvivatwongkasem Director/ Managing Director/ Risk Management Director/ Nomination and Remuneration Director/ Director with Binding Signatory Authority by Certificate	63	- Master of Business Administration, University of the Thai Chamber of Commerce - Bachelor of Accounting, Thammasat University - DCP Program, Class 279/2562 - DAP Program, Class 157/2562 - S8M Program, Class 8/2563 - BNCP Program, Class /2564	0.29	Nephew of Mr. Witit	2016 – Present	Director	Star Money Public Company Limited
					1991 – 2017	Managing Director	Thanathiwat Co., Ltd.
					1991 – 2017	Managing Director	Thana-athon Co., Ltd.

First-Last Name and Position ⁽¹⁾	Age (Year)	Education and Training	Company Shares Held ⁽¹⁾	Relationship with Other Directors/ Executives	Work History for the Past 5 Years		
					Time Period	Position	Agency/Company Name
4. Mr. Pinit Ngamsopsee Chairman of the Audit Committee/ Chairman of the Nomination and Remuneration Committee/ Independent Director	67	<ul style="list-style-type: none"> - Master of Accounting, Thammasat University - Bachelor of Accounting, Thammasat University - DAP Program Class 159/2562 	0.09	None.	Feb 2019 – Present	Director	Star Money Public Company Limited
					1990 – Present	Director	Human Resources Management Consultant Co., Ltd.
					2016	Consultant	Central Marketing Group Co., Ltd.
					1997 – 2015	Deputy Managing Director of Accounting and Finance	Central Marketing Group Co., Ltd.
5. Mr. Senee Uacharasiritham Chairman of the Risk Management Committee/ Independent Director/ Audit Director/Nomination and Remuneration Director	66	<ul style="list-style-type: none"> - Master of Marketing, Thammasat University - Bachelor of Accounting, Chulalongkorn University - DAP Course, Class 159/2562 - Advanced Audit Committee Program, 39/2563 - Public Director Institute Program, King Prajadhipok's Institute, Class 22 	0.05	None.	Feb 2019 – Present	Director	Star Money Public Company Limited
					2022 – Present	Director	Keha Sukpracha Public Company Limited
					2021– Present	Director in Legal Considerations, Appeals, Corporate Governance Regulation	National Housing Authority
					2021– Present	Revisions and Special Audits for Board Resolutions	National Housing Authority
					2020– Present	Consultant	National Housing Authority
					2020–2021	Chairman of the Audit Committee	Office of the Government Pawnshop
					2019–Present	Steering Director Audit Director	Srisavarindhira Thai Red Cross Institute of Nursing
					2012–2017	Information Technology Audit	Siam Commercial Bank Public Company Limited

First-Last Name and Position ⁽¹⁾	Age (Year)	Education and Training	Company Shares Held ^(*)	Relationship with Other Directors/ Executives	Work History for the Past 5 Years		
					Time Period	Position	Agency/Company Name
6. Mrs. Savitree Lavansathien Director/Deputy Managing Director of Corporate Support/Executive Director/Nomination and Remuneration Director/ Director with Binding Signatory Authority by Certificate	61	<ul style="list-style-type: none"> - Vocational Certificate, St. John's Vocational College - DCP Program, Class 278/2562 - DAP Program, Class 157/2562 - BNCP Program, Class 11/2564 	2.25	Older sister of Mr. Surayut	2016 – Present	Director	Star Money Public Company Limited
					1991 – 2017	Chief Executive Officer	Thanathiwat Co., Ltd.
					1991 – 2017	Chief Executive Officer	Thana-athon Co., Ltd.
7. Mr. Surayut Lawansathien Deputy Managing Director of Loan Verification and Management/Risk Management Director/ Director with Binding Signatory Authority by Certificate	59	<ul style="list-style-type: none"> - Bachelor of Marketing, Dhurakij Pundit University - DCP Program, Class 278/2562 - DAP Program, Class 157/2562 	2.14	Younger brother of Mrs. Savitree.	2016 – Present	Director	Star Money Public Company Limited
					1998 – 2017	Director	Thanathiwat Co., Ltd.
					1998 – 2017	Director	Thana-athon Co., Ltd.
8. Mr. Akeapop Lavansathien Director/ Deputy Managing Director of Corporate Business/ Risk Management Director/ Director with Binding Signatory Authority by Certificate	49	<ul style="list-style-type: none"> - Faculty of Political Science Chulermkhanjana University - DCP Program, Class 279/2562 - DAP Program, Class 157/2562 	3.15	Son of Mr. Vittit.	2016 – Present	Director	Star Money Public Company Limited
					1998 – 2017	Director	Thanathiwat Co., Ltd.
					1998 – 2017	Director	Thana-athon Co., Ltd.

First-Last Name and Position ⁽¹⁾	Age (Year)	Education and Training	Company Shares Held ⁽²⁾	Relationship with Other Directors/ Executives	Work History for the Past 5 Years		
					Time Period	Position	Agency/Company Name
9. Mr. Panukorn Chantaraprapab Director	47	- Doctor of Business Administration, University of Manchester	-0-	-	2022 – Present	Director	Star Money Public Company Limited
		- Master of Business Administration, State University of New York at Buffalo			2011 – Present	Vice Chairman of the Board	Bangkok Bank Public Company Limited
		- Master of Arts in Economics and International Finance, Chulalongkorn University			2016 – Present	Director	Bualuang Ventures Co., Ltd.
		- Bachelor of Business Administration in Finance and Banking, Thammasat University			2022 – Present	Director	New Paradigm Co., Ltd.
		- DCP Program, Class 286/2562			2021 – Present	Director	Bangkok SMBC Consulting Co., Ltd.
		- Advanced Audit Committee Program, Class 29/2561			2016 – 2020	Acting Managing Director	Bualuang Ventures Co., Ltd.
		- DAP Program, Class 138/2560			2006 – 2011	Director of Instruments	Manulife Asset Management (Thailand)
					2002 – 2006	Fund Manager Instrument Management Department	One Asset Management Co., Ltd.
10. Miss Suwakhon Muadkhong Deputy Managing Director of Accounting, Finance and Budgets/ Person with Highest Responsibility in Accounting and Finance	50	- Master of Finance and Banking, Ramkhamhaeng University	0.01	None.	2019 – Present	Deputy Managing Director of Accounting, Finance and Budgets	Star Money Public Company Limited
		- Bachelor of Finance and Banking, Ramkhamhaeng University			Aug-Dec 2018	Assistant Director of Accounting and Finance	BAF (Thailand) Co., Ltd.
		- Bachelor of Accounting, University of the Thai Chamber of Commerce			2017 – July 2018	Financial Project Manager	Thiensurat Public Company Limited
		- CFO's Orientation Course for New IPOs, Class 3/2562			2009 – 2017	Assistant Director of Accounting and Finance	Krungthai Bank Leasing Co., Ltd.



First-Last Name and Position ⁽¹⁾	Age (Year)	Education and Training	Company Shares Held ⁽²⁾	Relationship with Other Directors/ Executives	Work History for the Past 5 Years		
					Time Period	Position	Agency/Company Name
11. Mrs. Solossaya Khemsuk Company Secretary	46	<ul style="list-style-type: none"> - Ongoing doctoral studies in Social, Business and Political Leadership. Rangsit University - Master of Management, St. John's University - Bachelor of Management, St. John's University - Corporate Secretary (CSP) Program, Class 63/2558 - EMT Program, Class 35/2559 - Advance for Corporate Program, Class 2/2561 - Anti-Corruption Practice Guide (ACPG) Program, Class 50/2562 	-0-	None.	Feb 2019 – Present	Company Secretary	Star Money Public Company Limited
					2013 – Present	Company Secretary	McTRIC Public Company Limited
					2017 – 2019	Company Secretary	Sonic Interfreight Public Company Limited
					Mar-Aug 2017	Company Secretary	DOD Biotech Public Company Limited
					2012-2013	Company Secretary	Polaris Capital Public Company Limited
12. Mrs. Kritsana Wisamon Responsibilities in Controlling Accounting	41	<ul style="list-style-type: none"> - Bachelor of Accounting, Chulermkarnchana University 	-0-	None.	January 2018 – Present	Accounting Department Manager	Star Money Public Company Limited
					2014 – 2017	Accounting Department Manager	Thanathiwat Co., Ltd.

Remarks : * The company's share proportions above includes direct and indirect shares, including shares held by spouses.

1.2 Responsibilities of the Company's Secretary

The company's secretary is required to perform duties responsibly, cautiously and with integrity and honesty in line with the Securities and Exchange Act (No. 4), B.E. 2008, which prescribed the roles, duties and responsibilities of company secretaries as follows:

1. Report resolutions and policies of the board of directors and shareholders to relevant executives and provide consultation and basic recommendations to the board of directors according to the practice regulations, policies and requirements of the company and appropriate practices in corporate governance.
2. Prepare and keep the following documents:
 - (a) Registration of directors.
 - (b) Board meeting invitation letters, board meeting reports and company annual reports.
 - (c) Shareholder meeting invitation letters and shareholder meeting reports.
3. Take actions to ensure that company directors and executives prepare reports of their stake-holding and those of connected persons according to legal specifications, and keep said reports and submit copies to the company chairman and the Chairman of the Audit Committee.
4. Organize shareholder meetings, company board meetings and subcommittee meetings in accordance with the law, company regulations and the charter of each committee, including appropriate practices, and record meeting reports and monitor adherence to meeting resolutions.
5. Supervise to ensure information disclosures and information reports in the areas under responsibility to relevant agencies.
6. Contact and communicate with ordinary shareholders to inform them about shareholders' various rights.
7. Supervise the business of the board of directors and coordinate work between the board of directors and executives, and provide news and information to directors concerning matters related to the company's business operation and report significant changes to directors.
8. Arrange performance evaluations of the board of directors and all subcommittees and individual performance evaluations, and report evaluation outcomes to the board of directors.
9. Perform other related actions to comply with the specifications of the Capital Market Supervisory Board, securities and exchange laws and other related laws and requirements.
10. Perform other tasks as assigned by the board of directors.

Attachment 2

Information about Directors and Executives in Connected Companies

Company	Dr. Visit Ongpipattanakul	Mr. Utit Lavansthien	Mr. Chusak Vivatwongskasem	Mr. Pinit Ngamsopae	Mr. Senee Uacharasiritham	Mrs. Savitree Lavansathien	Mr. Surayut Lawansathien	Mr. Akeapop Lavansathien	Dr. Panukorn Chantaraprab	Mrs. Suwakhon Muadkhong
1. Star Money Public Company Limited	C/ID/AC	D	D/MD	ID/AC	ID/AC	D	D	D	D	M
Connected Companies										
2. Trinity Wathana Public Company Limited	/	-	-	-	-	-	-	-	-	-
3. Trinity Securities Co., Ltd.	/	-	-	-	-	-	-	-	-	-
4. Trinity One Co., Ltd.	/	-	-	-	-	-	-	-	-	-
5. Capital Engineering Network Co., Ltd.	/	-	-	-	-	-	-	-	-	-
6. Human Resources Management Consultant Co., Ltd.	-	-	-	/	-	-	-	-	-	-
7. Bualuang Ventures Co., Ltd.	-	-	-	-	-	-	-	-	/	-
8. New Paradigm Co., Ltd.	-	-	-	-	-	-	-	-	/	-
9. Bangkok SMBC Consulting Co., Ltd.	-	-	-	-	-	-	-	-	/	-
10. Thana-athon Co., Ltd.	-	/	-	-	-	-	-	-	-	-

Remarks : C-Chairman

D-Director

ID-Independent Director

AC-Audit Director

MD-Managing Director

M-Manager/Executive

Attachment 3

Information about the Head of Internal Audit and Head of Operational Oversight of the Company

The company employed and outsourced agency to serve as the company's internal auditor. Accordingly, I.A.P. Internal Audit Co., Ltd. ("IAP") worked to audit and evaluate the sufficiency of the internal control system in various work processes, by which IAP has been serving consecutive as the internal auditor hired by the company ever since the first quarter of 2018, and has monitored, revised and corrected various issues that arose. Accordingly, the details about the person assigned to be the head of internal audit are as follows:

Company Affiliation	I.A.P. Internal Audit Co., Ltd.
Name of Person Assigned as Supervisor	Mr. Thanasarn Wasun
Position	Manager of the Internal Audit Department.
Education	<ul style="list-style-type: none"> ▪ Ongoing doctoral level education (College of Innovative Business and Accountancy: DPU). ▪ Fast Mini MBA, Kasetsart University (KU). ▪ Internal Audit Program: Prepared Course for Certified Internal Auditor (Pre-CIA), Chulalongkorn University. ▪ Master's degree in Accountancy Program, Dhurakij Pundit University. ▪ Bachelor's degree in Accountancy Program, Dhurakij Pundit University.
Training	<ul style="list-style-type: none"> ▪ CEO Club Thailand (CEOC): Road Map to IPO Program. ▪ Internal Audit Certificate Program (IAPC) by the Federation of Accounting Professions under Royal Patronage. ▪ Standard of Internal Control, Institute of Internal Auditors, Thailand. ▪ Business Management for Internal Audit, Federation of Accounting Professions under Royal Patronage. ▪ "Expert on China (EOC)" Certificate, College of Business Administration, Innovation and Accounting, Dhurakit Pundit University. ▪ "Quality Accounting Office Sapling" Certificate, Department of Business Development, Ministry of Commerce.
Work Experience	<p>2018 – Present Managing Director: Accounting Thai Co., Ltd.</p> <p>2015 – Present Internal Audit Department Director: I.A.P. Internal Audit Co., Ltd.</p> <p>2014 – Present Managing Director: Best Enterprise Group Co., Ltd.</p> <p>2011 – 2014 Internal Audit Department Manager: I.A.P. Plus Co., Ltd.</p> <p>2009 – 2011 Licensed Assistant Auditor: A.C. Club Co., Ltd.</p> <p>Special instructor and lecturer at public and private universities.</p>

Head of Operational Oversight

The company does not have an agency to provide operational oversight. However, the company has the internal audit office working to supervise the company's business activities in line with the related laws, regulations, requirements, policies and specifications of government agencies such as the Bank of Thailand, the Office of Insurance Commission (OIC) or other official agencies related to the company's business operation.

Outsourced Services

–None.–

Attachment 4

Assets Used in Business

Please see additional details on the assets used in business in Clause 2.2.1 of the company's structure and operation. The details about the appraised value of assets leased from Thanathiwat Co., Ltd. encompass 16 items as follows:

Appraised Asset	Asset Location	Appraised Purchase Price (THB)	Appraised Lease Price (THB/Year)	Primary Appraiser	Method of Appraisal	Asset Value Appraisal Date
1. Land and 4-story commercial building with 8 units	No. 204/1-8, Sukhumvit Road (Highway No.3), Thang Kwan Sub-district, Klaeng District, Rayong Province	37,100,000	1,008,000	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Market approach and revenue analysis by using the cost approach.	4/8/2021
2. Land and product showroom building with 4-story office	No. 239, Sukhumvit Road (Highway No.3), Thang Kwan Sub-district, Klaeng District, Rayong Province	37,824,000	2,269,419.50	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach. ¹	3/8/2021
3. Land and product showroom building with 4-story office with rooftop, 1 building, and 1 storage building	No. 235, Sukhumvit Road (Highway No.3), Noen Phra Sub-district, Mueang Rayong District, Rayong Province	57,676,000	3,460,576.20	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach ¹	3/8/2021
4. Land and product showroom building with 1-story office	No. 888/8, Village No. 1, Sukhumvit Road (Highway No.3), Hong Din Sub-district, Klaeng District, Rayong Province	15,093,000	905,581.98	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach. ¹	3/8/2021
5. Land and product showroom building with 3-story office, 1 building	No. 44/21, Sukhumvit Road (Highway No.3), Map Ta Phut Sub-district, Mueang Rayong District, Rayong Province	13,713,000	822,750	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach. ¹	3/8/2021
6. Land and 3-story commercial building (with mezzanine) with addition, 6 units.	No. 10/35-37, 10/41-43, 10/47, Rak Sak Chamun Road (Highway No. 316), Tha Chang Sub-district, Mueang Chanthaburi District, Chanthaburi Province	16,600,000	768,000	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Market approach and revenue analysis by using the cost approach.	5/8/2021

Appraised Asset	Asset Location	Appraised Purchase Price (THB)	Appraised Lease Price (THB/Year)	Primary Appraiser	Method of Appraisal	Asset Value Appraisal Date
7. Land with 3-story commercial building with mezzanine and 4 units	No. 269/37-39, Sai Ban Bueng-Klaeng Road (Highway No. 344), Chum Saeng Sub-district, Wang Chan District, Rayong Province	3,000,000	336,000	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Market approach and revenue analysis by using the cost approach.	3/8/2021
8. Land and product showroom building with 2-story office.	No. 57, Village No. 3, Sukhumvit Road (Highway No. 3), Thung Bencha Sub-district, Tha Mai District, Chanthaburi Province.	16,294,000	977,636.34	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach. ¹	4/8/2021
9. Land and product showroom building with 2-story office.	No. 68/9, Sukhumvit Road (Highway No. 3), Bang Phla Sub-district, Ban Chang District, Rayong Province	50,578,000	3,034,656	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach. ¹	2/8/2021
10. Land and product showroom building with 2-story office.	No. 631, Thetsaban Phatthana Road, Pluak Daeng Sub-district, Pluak Daeng District, Rayong Province	23,758,000	1,425,492	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach. ¹	2/8/2021
11. Land and showroom building with single-story office and single-story warehouse.	No. 89, Maharat Road, Wat Mai Sub-district, Mueang Chanthaburi District, Chanthaburi Province	82,042,000	4,922,514.72	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach. ¹	4/8/2021
12. Land and product showroom building with 2-story office.	No. 226, Sai Pluak Daeng-Huai Prap Road (Highway No. 3013), Map Yang Phon Sub-district, Pluak Daeng District, Rayong Province	47,071,000	2,824,272	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach. ¹	2/8/2021
13. Land and 1 warehouse building with office.	No. 156, Village No. 2, Sak Farang 5 Alley, Thap Ma Sub-district, Mueang Rayong District, Rayong Province	7,464,000	447,834.48	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach. ¹	3/8/2021

Appraised Asset	Asset Location	Appraised Purchase Price (THB)	Appraised Lease Price (THB/Year)	Primary Appraiser	Method of Appraisal	Asset Value Appraisal Date
14. Land and parking garage	No. 4/84, Sunthon Wohan 7 Alley, Sunthon Wohan Road, Thang Kwian Sub-district, Klaeng District, Rayong Province	2,227,000	133,603.08	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach. ¹	3/8/2021
15. Land and 2-story document storage building	No. 200/1-4, Sukhumvit Road (Highway No. 3), Thang Kwian Sub-district, Klaeng District, Rayong Province	19,113,000	1,146,789.60	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach. ¹	3/8/2021
16. Land and single-story storage warehouse and external restrooms	No. 4/36, Sunthon Wohan 7 Alley, Sunthong Wohan Road, Thang Kwian Sub-district, Klaeng District, Rayong Province	7,948,000	476,887.58	Sasiratchada Co., Ltd. by Mr. Phongsan Kaeophonsawan	Revenue analysis by the cost approach. ¹	3/8/2021

Remarks 1 : The appraiser did not compare appraisal approaches due to having been unable to find rent information in the market with similar characteristics to permit market rent value analysis.

Attachment 5

Corporate Governance Policy and Business Ethics

(Code of Conduct and Code of Ethics) (Unabridged)

Corporate Governance Policy

The board of directors announced for use the “Corporate Governance Policy” for directors, executives and employees on every level and reviews it every year. The Corporate Governance Work Committee has been assigned to preliminary review and evaluate it and to present it to the board of directors for consideration of approval.

Preparation of the Corporate Governance Policy

The board of directors prepares it in writing for it to serve as the operating guidelines for the board of directors, Executive Committee, executives and every employee in line with the good corporate governance principles of the Office of the Securities and Exchange Commission. The policy contains 8 principles as follows:

- Principle 1** Have awareness about the roles and responsibilities of the board of directors as organization leaders who create sustainable value for business.
- Principle 2** Specific business key objectives and goals for sustainability.
- Principle 3** Empower an effective board of directors.
- Principle 4** Recruit and develop high-ranking executives and manage personnel.
- Principle 5** Promote innovations and responsible business operations.
- Principle 6** Ensure the existence of an adequate risk management and internal control system.
- Principle 7** Maintain financial reliability and information disclosures.
- Principle 8** Support engagement and communication with shareholders.

The company’s corporate governance policy adheres to 8 principles by creating sustainable value for the company in addition to establishing confidence among investors, with the board of directors striving toward governance outcomes. At the very least, the board of directors makes considerations according to the following framework:

- Competitiveness and good returns with consideration to long-term impacts.
- Ethical business operation with respect for the right rights and responsibilities of shareholders and stakeholders.
- Benefits for society and improvements for or mitigation of negative impacts on the environment.
- Ability to adapt under changing circumstances.

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

The board of directors sets the business plans, vision, missions and strategies that make up the primary goals for the organization’s sustainable business operation. The board of directors

accordingly monitors and ensures that the company operates business according to the aforementioned objectives. In addition, the board of directors specifies for there to be reviews of the vision and missions of the organization at least annually to ensure that the company operates business according to its primary objectives of achieving sustainable development according to set plans.

The board of directors and Management works together to set the business direction and short-term and long-term strategic plans every 5 years on a continuous basis. Accordingly, the board of directors has appointed and assigned the managing director to be responsible for operating business, making improvements and implementing strategies. His powers, duties and responsibilities are clearly specified according to the Delegation of Authority Table to distribute management powers to subordinate executives with checks and balances and effective verification under the management of resources to achieve set objectives, with monitoring, evaluations and adaptation in line with current situations.

The board of directors gives importance to operating business for the best interest of shareholders in a structured manner under the principles of good corporate governance. As such, the company has specified the Code of Conduct and Code of Ethics that cover business morals and ethics in a number of areas such as interest and conflicts of interest, stock-trading and use of internal information to ensure clarity among directors and executives. In addition, employees are aware of the practice standards expected by the company and adheres to them as practice guidelines for all work that involves stakeholders such as customers, trade competitors, procurement, trade partners, shareholders, creditors, along with overall responsibility for the environment, community and society, and this has been specified as the duties and responsibilities of all directors, executives and employees to acknowledge, understand and follow the Code of Conduct and Code of Ethics, by which every person must sign in acknowledgement and follow them, which are publicized via the company's internal electronic systems and activities continuously organized to promote understanding, to ensure that employees know about and understand the importance of adhering to them. Accordingly, the organization's line-level executives are required to oversee the responsibility of ensuring that their subordinates know and understand and seriously implement them, and employees on every level are required to conduct themselves as good examples.

The board of directors has clearly specified missions that show its operating guidelines through the vision and missions stated as follows:

- 1) Competitiveness and good returns with consideration to long-term impacts. The company specifies medium-term and long-term business plans to ensure operational clarity.
- 2) Ethical business operation with respect for the rights and responsibilities of shareholders and stakeholders:
 - Encourage every customer to have financial knowledge, financial security and strong financial immunity.
 - The company gives importance to cautiously overseeing and managing risks and collecting debts according to good governance principles.
 - The company commits to an organizational culture that is honest and transparent to create sustainable value for customers, shareholders, employees and society.
- 3) Benefits for society and improvements for or mitigation of negative impacts on the environment.
 - The company will firmly commit to returning benefits to the communities where the company is established by creating mutual and lasting value.

4) Ability to adapt under changing circumstances:

- The company will give importance to designing products and services that meet customers' needs by using technologies and databases.

The board of directors is responsible for ensuring that directors and executives perform their duties responsibly and cautiously (with duty of care) and with honesty and integrity for the organization (duty of loyalty), in addition to overseeing actions in accordance with the laws, regulations and shareholder meeting resolutions primarily for the best interest of the company without expecting any other gains.

Each member of the board of directors understands his or her own attributes, structure, components and duties and responsibilities as well as those of the rest of the board.

The board of directors has clearly specified the scope of duties and responsibilities of the managing director and Management of the company and monitors the performance of duties by the managing director and Management in a systematic and verifiable manner.

Principle 2 Specific business key objectives and goals for sustainability.

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

Vision

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

Missions

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

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

The board of directors supervises to ensure that the vision, missions and strategies, goals and annual key performance indicators (KPIs) are consistent with the effort to meet the company's objectives and consider social and environmental responsibility and acceptable risk levels through the adoption of appropriate and safe technologies and databases. Furthermore, the

board of directors, disseminates its vision, missions, strategies and objectives and specifies KPIs annually and holds regular monthly Executive Committee meetings to effectively monitor performance in the aforementioned areas.

Principle 3 Empower an effective board of directors.

The board of directors specifies and reviews the structure of the board in regards to its size, composition, proportion of independent directors appropriately and as required in order to meet set objectives and goals according to the company's vision, missions, strategies, goals and KPIs as summarized as follows:

- The board of directors arranges for there to be an appropriate number of directors to the size of the company's business, by which there are to be no fewer than 5 directors and no more than 12 directors total.
- The board of directors is to be made up of independent directors by at least one-third of the total number of directors but not fewer than 3 independent directors. The attributes of independent directors are also to comply with the requirements of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. Additionally, care is taken to ensure that independent directors can work together with the rest of the board in an effective manner and that they can express their opinions independently. Furthermore, the chairman of the board is required to be an independent director appointed by the board of directors and be a person who benefits the company's business operation.
- The board of directors discloses its policy on specifying the composition of the board of directors along with information about directors such as age, sex, education history, experience, share ratio and the number of years of directors' tenures and provisions for being directors in other listed companies in the company's annual reports and website.
- A directors' skills matrix is created to ensure that directors overall are appropriately and fully qualified and are suitable for the company.

The board of directors established the Nomination and Remuneration Committee to have the responsibility of considering the requirements and procedures for nominating persons in order to obtain qualified directors who will provide the board of directors with the appropriate composition of knowledge and skills, and the company is responsible for expressing its opinions to the board of directors before making proposals to shareholder meetings for the appointment of directors.

The board of directors has assigned the Nomination and Remuneration Committee to consider the criteria for the remunerations of directors and high-ranking executives in order to ensure suitability, with a review of the appropriateness of existing criteria relative to information about remuneration payments in other companies in the same industry as the company, in addition to setting appropriate requirements for achieving expected work outcomes, ensuring fairness and compensating persons who work to ensure the company's success. In addition, the board of directors is responsible for making proposals to shareholder meetings for the approval of directors' remunerations with considerations based on the company's short-term and long-term vision, mission, strategies, goals and KPIs.

The board of directors has assigned the company's secretary to perform the duty of creating a calendar table with meeting dates, times and agendas specified in advance by at least 1 year in order to allow directors to allocate time and evaluate their duties in advance.

The board of directors has stipulated for the chairman of the board to be a different person from the chief executive officer/managing director, with clearly separated roles, powers and duties in order to establish checks and balances between management and good corporate governance.

The board of directors has specified for independent directors to be able to remain in their tenure consecutively for no more than 9 years as stated in the board of directors' charter.

The board of directors has provided specifications for situations where the chairman of the board and chief executive officer and/or managing director are not clearly distinguished from each other, such as in cases where the chairman of the board and chief executive officer and/or managing director are the same person and cases where the chairman of the board is not an independent director, the chairman of the board or the chief executive officer and/or the chairman of the board belong to the same family, and the chairman of the board is also a member of the executive committee or work group or is assigned with management responsibilities. In such cases, the board of directors should encourage checks and balances between the board of directors and Management by considering (1) the composition of the board of directors, by which independent directors should make up more than one-half thereof, or (2) the appointment of one independent director to consider the specification of the meeting agendas of the board of directors. These specifications are stated in the board of directors' charter.

The board of directors has appointed sub-committees to consider specific issues, filter information and propose consideration guidelines before presenting them to the board of directors for consideration. These sub-committees include the Audit Committee, Risk Management Committee and Nomination and Remuneration Committee, etc.

The board of directors stipulates for a meeting to be held at least once every quarter and that meetings are to be specified in advance in the calendar table every year to allow directors to allocate time to attend them. In addition, special meetings can be held as required, with the managing director supported and given the opportunity to invite high-ranking executives to participate in board meetings to provide additional information, data and details as persons directly involved in the matters in question and to create opportunities for becoming acquainted with high-ranking executives to benefit succession plan considerations and to support the board of directors by allow the board of directors to view data/information as required from the managing director, executives and company secretary without violating the company's policy. Furthermore, the board of directors gives directors the opportunity to hold meetings on their own without the involvement of Management, and for them to inform the managing director about such by at least once annually.

The board of directors organizes board meetings and has specified the following guidelines:

Specify meeting agendas clearly with complete and sufficient meeting documents and deliver them to the board of directors at least 5 days in advance to allow the board to have sufficient time to study information before attending meetings.

Additions of other meeting agendas after document deliveries are possible only for matters that are highly necessary or urgent, for which approval must be obtained from the chairman of the board.

Every director present at meetings have the opportunity to hold discussions and express opinions openly, with the chairman of the board being the person who processes the opinions and conclusions obtained from each meeting.

In the event that a director significantly holds stakes in an agenda under consideration, the director must remove himself or herself from the meeting while the agenda is being considered.

Meeting records are to be made in writing, and after they are certified by the meeting, all document copies must be signed and certified for correctness by the chairman of the board and secretary of the company.

Documents stored include meeting records that are stored in original document folders and scanned photocopies thereof for the convenience of directors and other persons involved in examining and verifying them. In addition, documents are also stored in electronic form, and this includes meeting agenda documents, meeting records and meeting documents at least 5 years of retrospective traceability, and the storage system is also secured from content changes and disaster risks.

The board of directors has stipulated that there is to be a company secretary who must be a graduate with a degree in law or accounting and/or someone who completed a court related to performing secretarial duties for the company in line with the Securities and Exchange Act (No. 4), B.E. 2551 (2008), Section 89/15, which stipulates for the board of directors to appoint a company secretary to perform various duties related to overseeing board meetings, shareholder meetings and other activities of the board of directors to allow the board of directors to comply with related laws and regulations and to support corporate governance in line with good corporate governance standards as follows:

Components and Attributes

- ☐ The person must possess knowledge and understanding about the laws and regulations of the Stock Exchange of Thailand, securities and exchange laws, public limited company laws and other related laws, regulations or requirements, including the announcements and specifications of the Capital Market Supervisory Board.
- ☐ The person must possess knowledge and understanding about the principles of good corporate governance and good business oversight practices.
- ☐ The person must demonstrate honesty, integrity, diligence and meticulousness and disclose the experiences of being the company's secretary in the company's annual reports and on the company's website.

The board of directors supports all directors to possess knowledge and understanding and to develop their skills about their roles and duties, nature of business and related laws.

The board of directors is responsible for the consolidated financial statements of the company and subsidiaries and financial information appearing in annual reports. In addition, these annual reports must be prepared in line with the generally-accepted accounting standards in Thailand, which are based on international standards, through use of appropriate policies that are consistently adopted, with regular review of the suitability of adopted policies in the preparation of financial statements. The board of directors accordingly reminds persons preparing these statements to exercise caution in their preparation and for sufficient important information to be disclosed in financial statement annotations and assigned the Audit Committee to be responsible for overseeing the quality of financial reports and the internal control system, and the opinions of the Audit Committee on these matters appear in the Audit Committee's reports, which are presented in the company's annual reports, to ensure that reports are correct, complete, adequate and reliable.

The board of directors gives authorization as appropriate based on the Nomination and Remuneration Committee for the appointment of directors and the highest-ranking executives based on the qualifications specified for the board of directors and independent directors, by which company directors must have the following qualifications:

- 1) Be persons with knowledge and capabilities along with honesty and integrity along with a code of ethics who can allocate sufficient time to devote their knowledge and abilities to perform duties for the company.
- 2) Be persons with the qualifications without the prohibitions pursuant to laws governing public limited companies, securities and exchange laws and other related laws and not have any other characteristics that demonstrate lack of suitability to be entrusted with the management of a business whose shares are held by the public in line with the announcements of the Capital Market Supervisory Board.
- 3) Company directors can assume director positions in other companies. However, their director status in these other companies must not hinder their ability to perform their duties as the company's directors and must conform to the guidelines of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.
- 4) Company directors must not operate other businesses that is of the same nature as and is in competition with the company's business, nor to become partners in ordinary partnerships or liabilities-limited partnerships, nor be directors nor hold direct or indirect stakes in private companies or other companies operating business of the same nature and that is in competition with the company, whether for personal gains or for others, unless such activities are reported to a shareholder meeting before an appointment resolution is passed.

In the recruitment of company directors, priority is given to persons with knowledge, experience and good work history who exhibit leadership skills and a broad vision along with morals and justice and a positive attitude toward the organization and who can devote sufficient time to benefit the company's business operations. Additionally, considerations are given to the suitability and consistency with the components and structure of the company's directors in line with the company's business strategies, and the company has a transparent process in place for this to ensure confidence in shareholders. Accordingly, the Nomination and Remuneration Committee has been assigned to perform recruitment tasks.

For the criteria for directors to hold positions in other companies, directors who intends to become directors in other companies are required to obtain prior approval from the board of directors, and, when combined, they should not be directors in more than 5 listed companies.

For directors' remunerations, the board of directors has appointed the Nomination and Remuneration Committee to consider and present guidelines and criteria for specifying directors' remunerations in order to express opinions to the board of directors. The policy and criteria for specifying remunerations are as follows:

- Pay remunerations to directors and high-ranking executives appropriately by reviewing suitability with existing criteria compared with information about remuneration payments in other companies in the same industry, and specify appropriate criteria to achieve desired work results, ensure fairness and reward persons who help successfully carry out the company's work.
- The company has specified for each type of remunerations that directors and executives receive to be disclosed in annual reports.
- The company has specified for the board meeting attendance rate of each director to be at least 75% of all meetings taking place each year.

The company has established a policy for overseeing work, policy for overseeing investment and policy for overseeing work in subsidiaries, affiliated companies and trade partners (if they exist in the future) in order to ensure oversight of the operations of subsidiaries and affiliated

companies according to conduct guidelines along with regulations, goals and business strategies with continuous monitoring of the operations of subsidiaries and affiliated companies as follows:

Policy for Management and Oversight of the Operations of Subsidiaries and Affiliated Companies

Policy Aspect

- The company respects rights and treats stakeholders equitably and demonstrates responsibility in its decision making and takes actions that can be described and explained (accountability).
- company arranges for transparent and verifiable disclosures of information.
- The company ensures firm commitments to its Code of Conduct and Code of Ethics as the basic principles for operating business.
- The company builds toward growth in subsidiaries and affiliated companies and creation of long-term added value for shareholders with consideration to the rights of other stakeholders and maintenance of good balance among the differences of each stakeholder group and the company while ensuring fairness to every party.
- The company is conscious about its duties and obligations and performs its duties to the fullest extent of its capabilities when it comes to its own actions affecting various stakeholders, especially shareholders (responsibility).

Management

- The company considers sending suitably qualified persons to represent the company as directors and/or executives in subsidiaries and affiliated companies at least according to the company's share ratio in order to have these people oversee and control business activities, and the sending of these representatives as well as their qualifications are reported to the board of directors for acknowledgement.
- The company supervises business to ensure that actions follow the authorization and operating powers and that information disclosures and other actions comply with securities and exchange regulations and the regulations, announcements, orders and specifications of the Stock Exchange of Thailand, and this includes following the requirements concerning disclosures of information about connected transactions and/or asset acquisitions and disposals.
- The activities of subsidiaries and affiliated companies are summarized and reported to the board of directors every quarter, and, for important issues in these companies, such as capital increase/decrease and company discontinuation, they are to be submitted to the board of directors for consideration of approval.

The board of directors has a policy to support and facilitate development in knowledge. As such, each director and executive are required to attend training sessions organized by various agencies to augment their knowledge and provide them with new perspectives on a continuous basis, and the Nomination and Remuneration Committee has been assigned to consider these activities and to disclose them in annual reports.

As for reports of stakes held by directors and executives, in order to comply with Section 89/1/4 of the Securities and Exchange Act (No. 4), B.E. 2008, and Capital Market Supervisory

Board Announcement No. ThorChor.2/2009 on the Reporting of Stakes Held by Directors, Executives and Connected Persons, the board of directors reports the assets in their possession as well as those of their spouses and minor children to the board of directors at following meetings after each director in question is elected to become a company director. In addition, if afterwards any company director or spouse or minor child conducts transactions to trade in securities, the director concerned will always report the securities trading to the upcoming board meeting.

Principle 4 Recruit and develop high-ranking executives and manage personnel.

The board of directors has appointed the Nomination and Remuneration Committee to consider the recruitment process and to specify the criteria and recruitment process for other important positions aside from company directors, such as managing director, deputy managing director in accounting, finance and budgets and/or high-ranking executives to ensure suitability to positions, duties and nature of business.

The board of directors has appointed the Nomination and Remuneration Committee to prepare and review succession plans for the managing director and high-ranking executives to prepare for when the managing director or any high-ranking executive retires or is no longer able to perform his or her duties, in order to ensure continuous work management. Furthermore, the managing director has been tasked with reporting the implementation of succession plans to the board of directors at least once annually.

The board of directors has created a personnel recruitment and selection policy to ensure the existence of a fair and transparent personnel recruitment and selection policy that prioritizes identification of experienced, knowledgeable, able and high-potential people who meet the qualifications prescribed by regulations in addition to being suitably qualified for their work positions. As such, open opportunities are given to recruit persons from within the organization as appropriate to fill vacancies, and, if internal employees cannot be recruited to do so, external personnel are sought as appropriate. The recruitment process is implemented systematically according to a set schedule, and applicants enter the selection process to be tested for their knowledge and abilities as well as their position-specific skills and basic knowledge in various areas according to specifications. After completing the assessment process, they are interviewed by the board of directors, after which the board of directors will select appropriate persons who meet all qualifications and review the background information of applicants, including criminal background, to consider whether or not to accept said persons for work.

The board of directors supervises to ensure the specification of an appropriate remuneration structure and evaluation of high-ranking executives with consideration to adequacy for performance of duties, responsibilities, and approximate equivalency with remuneration levels within the industry, as well as the company's performance and the performance and capabilities of each executive.

The board of directors takes care to ensure that the shareholder structure and relationships do not hinder the board of directors' ability to perform duties. Whenever there are changes in directors or new directors, the nature of business and the company's business operation guidelines are introduced to the new directors, various pieces of information affecting control are disclosed, and an agreement format is specified for the internal family business.

The board of directors prescribes orientation for every new director such that new directors will know the company's expectations from the roles, duties and responsibilities of the board

of directors, including the corporate governance policies and practice guidelines of the company, and develop knowledge and understanding about the business and various activities of the company in order to prepare directors for their duties. Additionally, the company has a policy to promote new knowledge and perspectives in every director in terms of corporate governance, developments within the industry and new businesses, technologies and innovations, etc. in order to support the effective performance of duties by directors.

The board of directors has specified for monitoring and oversight of management and for company personnel development to occur in line with business plans, vision, missions and strategies to ensure adequate numbers, knowledge, skills and experience and has put in place mechanisms for caring for employees. Accordingly, the company has established a provident fund and provides knowledge and understanding about financial management and selects risk-appropriate investment policies for company employees.

Principle 5 Promote innovations and responsible business operations.

The board of directors gives importance to and supports the development of innovations to create business value and bring about sustainable growth alongside creation of mutual benefits for the company, customers, trade partners and related persons while demonstrating corporate responsibility toward society and the environment and effective resource allocation and management. The board of directors supports innovations and monitors and supervises Management in the use thereof as part of business plans, vision, missions and strategies to specify formats, perspectives and work process improvements while also managing information technology and overseeing risks to sustainably meet objectives, business plans, vision, missions and strategies. Furthermore, the company has in place information technology system security measures covering confidentiality, integrity and availability of data in compliance with the laws, regulations, manuals, requirements and standards related to information systems according to the company's budget and human resources.

Accordingly, the company has specified practice guidelines for stakeholders and defined stakeholders to mean directors, executives, employees, stake-holding employees and connected persons who might be involved in transactions with potential direct or indirect conflicts of interest that might lead to transfers of company benefits as follows:

Treatment of Customers

- Services are provided to customers under fair conditions on the basis of mutual fair remunerations.
- The company's employees must devote themselves and strive to develop quality services in line with related requirements while offering reasonable prices that keep up with situations.
- Strictly comply with mutually-agreed agreements and terms.
- Maintain customer confidentiality, unless customers give written consent for disclosures, or comply with the law, and refrain from seeking benefits for the self and others from customer information.

Treatment of Trade Competitors

- Directors, executives, managers and employees are to conduct themselves within the rules of fair competition.

- Never seek trade competitors' secret information by using dishonest or inappropriate means.
- Never damage the reputation of trade partners by making malicious accusations or attacking competitors without reasonable information.

Purchasing, Procurement and Treatment of Trade Partners

- In the purchasing and procurement process, the steps must be verifiable, transparent, fair and for the best interest of the company.
- Company employees must purchase and procure products and services with consideration to needs, value, prices and quality and provide information equitably and accurately to trade partners without concealment, prejudice or discrimination of trade partners.
- In contacts with trade partners, persons making contact are to keep evidence of negotiations, contract drafts, contract-making and contract compliance as proof for potential use according to the specified legal timeframes.
- Never demand, accept or pay any commercially dishonest benefits to trade partners.
- Strictly comply with agreement terms. Upon discovering inability to comply with agreements or trade partners' potential inability to comply with agreements or other reasons that might prevent agreements from being performed, report to a supervisor for immediate consultation to seek solution guidelines.

Treatment of Shareholders

- Perform duties honestly with integrity, caution, thoroughness and fairness to major and minor shareholders for the best overall interest of shareholders and make operational decisions according to professional principles.
- Set an appropriate dividend payment policy for shareholders, with dividend payments potentially varying depending on the performance, financial position and investment plans of the company.
- Establish the board of directors and sub-committees to give approval on setting business direction, objectives, business plans and annual budgets with primary consideration to the best interest of the company, shareholders and stakeholders.
- Give announcements and explain the company's situation, performance, financial information, accounting information and other reports on a regular basis and completely according to facts and the requirements of related agencies.
- Shareholders and stakeholders can report or file complaints to the board of directors on matters that could potentially damage the company by doing so through the company's secretary for initial compilation and screening of facts for subsequent presentation to the board of directors or a sub-committee.

Treatment of Creditors

- Treat creditors fairly without demanding, accepting from or paying any commercially dishonest interests to creditors.
- Strictly comply with agreed terms and conditions. Whenever it might be impossible to comply with any term, swiftly notify creditors in advance to seek mutual solutions to the problem.

Responsibility to the Environment, Communities and Overall Society

- Demonstrate responsibility and commitment to and provide support in caring for the environment, education, religion, arts and culture and local traditions where the company is established for business.
- Organize activities to build society, communities and the environment for the communities where the company is located to have a better quality of life. Do this either alone or in collaboration with the government and communities.
- Give importance to preventing accidents in the company to remain within levels deemed acceptable by standards and in line with the requirements of related agencies.
- The company instills conscience about corporate social and environmental responsibility in the company and trade partners, and this extends to include the effective use of resources, materials and equipment.

Respect for Human Rights and Fair Labor Treatment

- Give importance to maintaining a work environment that is safe to the life and property of employees and commit to strictly complying with labor laws.
- Do not support use of unfair labor practices, child labor and illegal migrant workers.
- Give importance to human rights principles for employees of every level.
- The company recruits employees for employment to various positions fairly with consideration to the qualifications for each work position, education, experience and other specifications as required for work and treats all employees equitably without discrimination on the basis of sex, age, ethnicity, religion, education or other statuses not directly related to work.
- Appointments, transfers and rewards and penalties of employees are to occur out of honesty and on the basis of the knowledge, competence and suitability of the employees in question.
- The company will maintain the confidentiality of employees' personal information, such as biography, education, family history, health history, work history, etc. Disclosures and transfers of employee personal information are permissible only with the approval of the employees in question.
- Provide remunerations that are fair and appropriate to duties and responsibilities.
- Provide orientation and employee manuals to all new employees for knowledge and understanding about the fair and ethical rights that employees receive from their employment in various areas and commit to strictly complying with labor laws.
- Strive to develop and provide training for directors, executives and employees continue to enhance employee's work capabilities for greater effectiveness and encourage employees to develop professionally.
- Establish a provident fund for employees to support employees to save money in the longterm for themselves and their families upon resignation from work, retirement, disability or death.

Giving and Acceptance of Gifts

- Company executives and employees are required to not demand, accept or consent to accept monies, items or any other gains from persons with business connections to the company.

- Company executives and employees may accept or give gifts that do not impact to any business decision of the people who receive them.
- Whenever there is a need to accept gifts or assets with a value greater than 3,000 baht, report to a supervisor according to the chain of command.
- Gifts can be given and accepted if done in a transparent, open or disclosable manner.
- Company executives and employees can accept business accommodation parties to benefit the company's business operation according to the authorization powers of company employees and should avoid acceptance of accommodation parties that are excessive in nature or beyond normal relations from other persons connected to the company or who might become a future trade partner.

In the company's business operations, the company specifies sustainability performance indicators by specifying annual KPIs and annual performance goals from the level of executives to operational employees, and the company has integrated sustainability into the organization's culture (shared value) and instills it as an organizational culture by disclosing management processes and performance to stakeholders through appropriate channels on a regular basis and specifying the company's missions as follows:

"The company will commit to an organizational culture of honesty and transparency to create sustainable value for customers, shareholders, employees and society."

The company recognizes that employees are an immensely valuable factor for success. Therefore, the company has specified a policy and treatment guidelines for employees in manuals, requirements and practice regulations to ensure fair treatment of employees, whether at the main office of branch offices, and announces them in the company's information system, and these specifications exceed the minimum legal requirements.

Principle 6 Ensure the existence of an adequate risk management and internal control system.

The board of directors has established a Risk Management Committee to perform duties in support of the board of directors in supervising the company. The components of the Risk Management Committee as well as its duties and responsibilities are specified in the Risk Management Committee's charter.

The board of directors has appointed a Risk Management Work Group to oversee risks and specify a risk management policy framework as follows:

1. Promote risk management to develop understanding, conscience and shared responsibility toward risks and impacts of risks on the company in management processes and all of the company's operations.
2. Manage risks in the most effective manner and maintain them within acceptable levels and have all employees be involved in the risk management process.
3. Have in place risk management processes, guidelines and measures that have a suitable quality in line with international standards and are adequate and identify, analyze, assess, order, manage, control, monitor, report, evaluate and communicate information about risks on a continuous and regular basis with practices taking place across the entire company.
4. Focus on managing risks that impact the company's objectives, policies, reputation and image.



5. Create written work regulations for executives and operators to practice in order to control operation risks.

The board of directors gives importance to risk management and has established the Risk Management Committee and Risk Management Work Group to manage risks and monitor and review risks as follows:

- ☐ The Risk Management Committee holds a meeting twice annually to report and obtain approval for the risk management policy from the board of directors.
- ☐ Risk Management Committee holds a meeting to assess risks once every quarter.

The board of directors has established an Audit Committee and specified the composition of the Audit Committee to include at least 3 independent directors who are qualified and assigned with the duties in line with the requirements of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. The board of directors has stated the duties of the Audit Committee in writing (Audit Committee's charter), which include at least the following duties:

- ☐ Audit the company to ensure that financial statements are correct and reliable with sufficient information disclosures.
- ☐ Audit the company to ensure the presence of an appropriate and effective internal control and internal audit system and evaluate the independence of the internal audit agency and give approval for appointments, transfers, terminations of the head of Internal Audit or other agencies with internal audit-related responsibilities.
- ☐ Audit to ensure that the company complies with securities and exchange laws and the specifications of the Stock Exchange and laws related to the company's business.
- ☐ Consider, select and nominate for the appointment of independent persons to perform duties as company auditors and propose auditors' remunerations to the board of directors, and attend meetings with auditors without Management by at least once annually.
- ☐ Consider connected transactions and transactions with potential conflicts of interest in line with the law and requirements of the Stock Exchange to ensure that such transactions are reasonable and for the best interest of the company.
- ☐ Consider and review audit results and the recommendations of auditors and internal auditors and monitor the work and proposals of Management to ensure effective internal control and timely problem corrections.
- ☐ Prepare Audit Committee reports disclosed in the company's annual reports. These reports must be signed by the Chairman of the Audit Committee and contain at least the following information:
 - Opinions about the accuracy, completeness and reliability of the company's financial reports.
 - Opinions about the adequacy of the company's internal control system.
 - Opinions about compliance with securities and exchange laws and stock exchange specifications.
 - Securities and laws related to the company's business.

- Opinions regarding the suitability of auditors.
 - Opinions about transactions with potential conflicts of interest.
 - Number of meetings held by the Audit Committee and meeting attendance by each audit director.
 - Overall opinions or observations obtained by the Audit Committee from performing duties according to its charter.
 - Other transactions shareholders and ordinary investors should have knowledge about within the scope of duties and responsibilities assigned by the board of directors.
- Perform other tasks as assigned by the board of directors with the approval of the Audit Committee.

The board of directors has specified for the company's secretary to be the person in charge of keeping stake reports submitted by directors and executives.

The board of directors has created channels for reporting clues and complaints (whistle blowing) such that complaints can be submitted to the Audit Committee. Information about complaints is kept strictly confidential, and company personnel are required to follow the anti-corruption policy in line with the principles of good corporate governance and ethics of the company, along with related regulations, specifications and laws to ensure secure and sustainable business operation.

Principle 7 Maintain financial reliability and information disclosures.

The board of directors gives importance to disclosing financial information accurately, sufficiently and in a timely manner. As such, personnel related to the preparation and disclosures of information are supervised to ensure that they possess knowledge and capabilities suitable for their duties and responsibilities, and information disclosures have the managing director, Chief Executive Officer of Finance and the company's secretary, who also works in investor relations, to be responsible for communicating with shareholders and other stakeholders appropriately, equitably and in a timely manner, and the company's information, whether financial information or general company information, is disclosed to shareholders, securities analysts, credit-rating companies and related government agencies through various channels such as reports to the Stock Exchange of Thailand, the Office of the Securities and Exchange Commission and the company's website.

The board of directors stipulates for disclosures of information, including financial statements, annual reports, Form 56-1, and management discussions and analyses (MD&A) that sufficiently reflect financial position and performance.

The board of directors oversees and monitors reports of the company's adequacy of liquidity and debt coverage, whereby Management must report regularly to the board of directors and hold joint discussions involving Management and the board of directors to seek solutions whenever signs arise to indicate the presence of liquidity problems.

Whenever the company faces financial difficulties or is likely to face them, the board of directors will take care to ensure that the company has in place corrective plans that are evaluated for their reasonability with consideration to creditors and the rights of all stakeholders.

The board of directors promotes adoption of information technology in information disclosures, and the company gives importance to regular information disclosures to ensure that shareholders receive news regularly through the company's information, which must be updated regularly.

The board of directors has assigned the managing director to be responsible for providing information to external parties, since the managing director has excellent understanding about business as well as the vision, missions, strategies and goals of the company and can communicate effectively with the capital market and effectively set the direction for and support investor relations work to ensure effective communication and disclosures.

The board of directors has specified a policy on the use of internal information. The company gives enormous importance to taking actions to ensure equality and fairness for all shareholders. As such, important information and news not yet disclosed to the public are deemed to be internal information for use in business and company secrets that will impact the company when disclosed, and all directors, executives and employees on every level are required to maintain the confidentiality of internal information.

Principle 8 Support engagement and communication with shareholders.

The board of directors sets appropriate dates, times and places for meetings to not hinder any person's ability to attend shareholder meetings.

The board of directors supports the use of technology in shareholder meetings, whether in counting votes or displaying results, to ensure reliability, speed, accuracy and precision in information with records and disclosures shown on the company's website.

The board of directors encourages the chairman of the board to chair shareholder meetings and supervise meetings to ensure compliance with the law, regulations and other related laws.

The board of directors takes care to ensure the meeting resolutions and shareholder meeting reports are prepared and disclosed accurately and fully according to related requirements and that opportunities are given for inquiries, with records made in meeting reports.

The board of directors will take care to ensure that shareholders participate in the important decisions of the company. In doing so, the company delivers meeting invitation letters along with related documents and publishes them on the company's website ahead of meeting dates according to the timeframe specified by the law or related requirements to ensure that shareholders have enough time to study information ahead of meetings.

The board of directors specifies the criteria for minor shareholders to propose additional meeting agendas and nominate persons to become directors.

The board of directors takes care to ensure that all directors and related executives attend meetings such that shareholders can submit inquiries openly regarding any matter in an orderly fashion.

The board of directors arranges for the announcement of the number and ratio of shareholders attending the meeting in person and attending by proxy along with the regulations, meeting procedures, voting procedures and vote-counting procedures before the start of each shareholder meeting.

The company arranges for agendas that contain multiple items to be separated from each other by meetings, such as in the appointment of individual directors.

The company arranges for every agenda to require voting to pass a resolution, and individuals are encouraged to be independent, count votes and disclose voting results.

The company provides the following:

- Meeting invitation letters containing at least the information required by the Stock Exchange of Thailand as follows:
 - The date, time and place of each shareholder meeting.
 - Meeting agendas that are specified as agendas for acknowledgement or agendas requiring approval, with each agenda being clearly divided by topic.
 - The objectives, reasonings and opinions of the board of directors for each meeting agenda presented, including the following:
 - Agendas for approving dividend payments – Dividend payment policies, dividend payment rates and reasonings and accompanying information. In cases of proposals for suspension of dividend payments, the accompanying reasoning and information should be provided.
 - Agendas for appointing directors – Stated include the name, age, education background and work history along with the listed company and regular companies in which each person is director, along with the criteria and procedures for recruiting the directors nominated. In cases of nominating existing directors back into office, also stated is information about the past year's meeting attendance and the company director appointment date.
 - Agendas for approving directors' remunerations – The policies and criteria for specifying the remunerations of directors in each position and every form of directors' remunerations, whether in monetary form or other benefits.
 - Agendas for appointing auditors – The names of auditors, affiliated companies, work experience, independence of auditors, audit fees and other services fees.
 - A proxy appointment letter according to the form prescribe by the Ministry of Commerce.
 - Other information to accompany the meeting such as voting procedures, vote-counting and voting result announcements, rights of each share type in voting, information about independent directors proposed by the company to serve as proxies for shareholders, documents shareholders must present before meetings, documents to accompany proxy appointments and map to the meeting location, etc.
- Meeting invitations are delivered to shareholders by at least 28 days in advance.
- Meeting invitations are made in Thai and English.
- Shareholders are given the opportunity to submit their questions ahead of the meeting date according to the criteria that are disclosed on the company's website.
- Shareholder meeting resolutions along with voting results are disclosed the following day via the system of the Stock Exchange of Thailand.
- Shareholder meeting reports are prepared and submitted to the Stock Exchange of Thailand within 14 days after each shareholder meeting.
- Meeting reports must contain at least the following information:
 - The names of directors and executives attending the meeting.
 - The ratio of directors attending the meeting to directors not attending.
 - The voting procedures and vote-counting procedures.
 - Questions and answers along with the first-last names of shareholders and persons who gave answers.

Code of Conduct and Code of Ethics

Definitions and Glossary of Terms

Definitions

Conduct means behaviors adopted as practices for appropriate behaviors with foundations in laws, morals, norms, traditions and cultures of people in each society.

Ethics means the appropriate behaviors demonstrating the desirable virtues and conduct in the professional setting which the company expects from employees to maintain the reputation and enhance the prestige of the self and the company.

Glossary

Company	means	Star Money Public Company Limited.
Stakeholder	means	A/An director, executive, employee, stake-holding employee or connected person whose transaction may cause a direct or indirect conflict of interest and might lead to a transfer of the company's interests.
Executive	means	The managing director and executives.
Security	means	An ordinary share, warrant or other transferrable instrument of the company as existing today or might come into existence in the future.
Connected person	means	<p>A close relative, meaning a person with close blood relations (spouse, father, mother or adopter, sibling, child or adopted child, including spouse of sibling or child with control authority), such as the following:</p> <ul style="list-style-type: none"> - A juristic person in which a person or juristic person, actor or agent holds more than 25% of its voting shares, whether directly or indirectly; - A juristic person in which a person or juristic person, actor or agent holds control authority to appoint and remove up to one-half or more of all directors. - A juristic person in which a person or juristic person is a director.
Competitor	means	A person or company operating business in the same industry that offers similar and/or the same products or services as the company.
Trade partner	means	A supplier or vendor who supplies products and services to the company and its branches.
Internal information	means	Information not disclosed to the public and that is important information that affects the value of securities.

Part 1 Business Conduct and Ethics in Various Aspects

1.1 Stakes and Conflicts of Interest

- Avoid actions that conflict with the company's interest, whether resulting from contact with persons commercially connected to the company such as trade partners, customers or competitors or from opportunities or information obtained from being an employee of the company, in order to seek personal gains, nor engage in business competition with the company, nor perform other work aside from the company's work that would impact responsibilities and duties with the company.
- Stake-holding company employees are prohibited from authorizing transactions or actions in the name of the company. This is to prevent potential conflicts of interest. In addition,

whenever conducting business with the company, whether in personal capacity or the capacity of a family or any juristic person in which the employee has the power to take actions, the employee must disclose the employee's stakes to the company before conducting such transactions.

- The board of directors and executives must review conflicts of interest related to connected transactions between the company and persons or juristic persons who can be considered to have conflicts of interest by reviewing them thoroughly with honesty, integrity, reason and independence within the framework of good conduct with consideration to the best interest of the company.
- Directors and executives are required to report connected transactions related to the business management of the company or subsidiaries.

1.2 Trading in Securities and Use of Internal Information

- Directors, executives and company employees on every level must not use internal information (inside information) of the company that is significant and not yet disclosed to the public for personal gains or those of others at least until it is already disclosed to the public for 24 hours.
- Company employees on every level are required to maintain and not disclose customer information and trade information that is confidential. Company employees are required to not disclose confidential information belonging to fellow employees or unrelated external parties, unless they are doing so due to legal requirement for disclosure for litigation purposes or following the board of directors' written authorization for disclosure.
- Directors, executives, company employees and persons connected to information are prohibited from disclosing or transferring company information or secrets to uninvolved persons, and this includes family members, relatives, friends and others.
- Information disclosed must be disclosed by executives or company employees who are authorized to do so. Ordinary employees do not have responsibilities in disclosing information, and when they receive inquiries to disclose information that they are not responsible for disclosing, they are to recommend the inquirers to submit their inquiries to the persons responsible for disclosing such information to ensure accurate and consistent information disclosures.
- Refrain from giving recommendations or advice in trading company securities, unless doing so is related to their duties or work responsibilities assigned by the company.
- Directors, executives and employees in agencies that come into awareness of internal information and company directors are prohibited from trading in company securities in the 30 day period before disclosures to the public of financial statements, whether quarterly or annual, including information affecting the price of securities, and in the 24-hour period after the disclosures of said company financial statements and information to related agencies.
- Directors, executives, managers and employees in accounting and finance agencies, upon trading in company securities, are to report their trade transactions within 3 business days to the company's secretary for further action in line with regulations.

After the date of trading in company securities, the changes in securities must be reported to the Office of the Securities and Exchange Commission (SEC Office) within the required time period as follows:

- After the date of trading in company securities, the changes in securities must be reported to the Office of the Securities and Exchange Commission (SEC Office) within the required time period as follows:
 - Report shareholding within 7 days if the person is a director or executive not listed in the system.
- Directors, executives, managers and employees in the accounting and finance agencies must report their securities-holding and those of their connected persons according to the requirements of the Securities and Exchange Act on a quarterly basis to the company's secretary.

1.3 Treatment of Customers

- Provide service to customers according to fair conditions and on the basis of mutual fair remunerations.
- Company employees are required to dedicate themselves and strive to develop high-quality services in line with related requirements with appropriate and reasonable prices that keep up with situations.
- Strictly comply with agreed terms and conditions. Whenever it might be impossible to comply with any term, swiftly notify trade partners and/or creditors in advance to seek mutual solutions.
- Maintain the confidentiality of customers' information, unless customers give written consent for disclosures, in accordance with the law and do not seek gains for the self or related persons from use of customer information.

1.4 Treatment of Trade Competitors

- Directors, executives, managers and employees are to conduct themselves within the rules of fair competition.
- Never seek trade competitors' secret information by using dishonest or inappropriate means.
- Never damage the reputation of trade partners by making malicious accusations or attacking competitors without reasonable information.

1.5 Purchasing, Procurement and Treatment of Trade Partners

- In the purchasing and procurement process, the steps must be verifiable, transparent, fair and for the best interest of the company.
- Company employees must purchase and procure products and services with consideration to needs, value, prices and quality and provide information equitably and accurately to trade partners without concealment, prejudice or discrimination of trade partners.
- In contacts with trade partners, persons making contact are to keep evidence of negotiations, contract drafts, contract-making and contract compliance as proof for potential use according to the specified legal timeframes.
- Never demand, accept or pay any commercially dishonest benefits to trade partners.
- Strictly comply with agreement terms. Upon discovering inability to comply with agreements or trade partners' potential inability to comply with agreements or other reasons that might prevent agreements from being performed, report to a supervisor for immediate consultation to seek solution guidelines.

1.6 Treatment of Shareholders

- Perform duties honestly with integrity, caution, thoroughness and fairness to major and minor shareholders for the best overall interest of shareholders and make operational decisions according to professional principles.
- Set an appropriate dividend payment policy for shareholders, with dividend payments potentially varying depending on the performance, financial position and investment plans of the company.
- Establish the board of directors and sub-committees to give approval on setting business direction, objectives, business plans and annual budgets with primary consideration to the best interest of the company, shareholders and stakeholders.
- Give announcements and explain the company's situation, performance, financial information, accounting information and other reports on a regular basis and completely according to facts and the requirements of related agencies.
- Shareholders and stakeholders can report or file complaints to the board of directors on matters that could potentially damage the company by doing so through the company's secretary for initial compilation and screening of facts for subsequent presentation to the board of directors or a sub-committee.

1.7 Treatment of Creditors

- Treat creditors fairly without demanding, accepting from or paying any commercially dishonest interests to creditors.
- Strictly comply with agreed terms and conditions. Whenever it might be impossible to comply with any term, swiftly notify creditors in advance to seek mutual solutions to the problem.

1.8 Responsibility to the Environment, Communities and Overall Society

- Demonstrate responsibility and commitment to and provide support in caring for the environment, education, religion, arts and culture and local traditions where the company is established for business.
- Organize activities to build society, communities and the environment for the communities where the company is located to have a better quality of life. Do this either alone or in collaboration with the government and communities.
- Give importance to preventing accidents in the company to remain within levels deemed acceptable by standards and in line with the requirements of related agencies.
- The company instills conscience about corporate social and environmental responsibility in the company and trade partners, and this extends to include the effective use of resources, materials and equipment.

1.9 Respect for Human Rights and Fair Labor Treatment

- Give importance to maintaining a work environment that is safe to the life, arts and culture and property of employees and commit to strictly complying with labor laws.
- Do not support use of unfair labor practices, child labor and illegal migrant workers.
- Give importance to human rights principles for employees of every level.
- The company recruits employees for employment to various positions fairly with consideration to the qualifications for each work position, education, experience and other specifications

- as required for work and treats all employees equitably without discrimination on the basis of sex, age, ethnicity, religion, education or other statuses not directly related to work.
- Appointments, transfers and rewards and penalties of employees are to occur out of honesty and on the basis of the knowledge, competence and suitability of the employees in question.
- The company will maintain the confidentiality of employees' personal information, such as biography, education, family history, health history, work history, etc. Disclosures and transfers of employee personal information are permissible only with the approval of the employees in question.
- Provide remunerations that are fair and appropriate to duties and responsibilities.
- Provide orientation and employee manuals to all new employees for knowledge and understanding about the fair and ethical rights that employees receive from their employment in various areas and commit to strictly complying with labor laws.
- Strive to develop and provide training for directors, executives and employees continuously to enhance employee's work capabilities for greater effectiveness and encourage employees to develop professionally.
- Establish a provident fund for employees to support employees to save money in the longterm for themselves and their families upon resignation from work, retirement, disability or death.

1.10 Giving and Acceptance of Gifts

- Company executives and employees are required to not demand, accept or consent to accept monies, items or any other gains from persons with business connections to the company.
- Company executives and employees may accept or give gifts that do not impact to any business decision of the people who receive them.
- Whenever there is a need to accept gifts or assets with a value greater than 3,000 baht, report to a supervisor according to the chain of command.
- Gifts can be given and accepted if done in a transparent, open or disclosable manner.
- Company executives and employees can accept business accommodation parties to benefit the company's business operation according to the authorization powers of company employees and should avoid acceptance of accommodation parties that are excessive in nature or beyond normal relations from other persons connected to the company or who might become a future trade partner.

1.11 Use of Information and Communications Technology

- The company has a policy to promote and use properly licensed equipment, tools and software in accordance with the law.
- Do not use company computer systems to disseminate inappropriate information that is in violation of morals, customs, norms, traditions or the law.
- In cases where company employees request their supervisor to permit external operators to use the company's information system, the company employees performing the request must control said use by the external operators and take responsibility for any damage that occurs due to the use of said information system.
- The company has the right to inspect, search, monitor, investigate and control use the information system by company employees in order to secure the company's information system.

1.12 Non-Violation of Intellectual Property

- Works created while performing duties are deemed intellectual property of the company.
- The company has a policy to not take any actions that violate intellectual property rights, whether in terms of copyrights, patents, trademarks, trade secrets or other intellectual property in accordance with the law.

1.13 Maintenance and Use of Company Assets

- Company employees have the duty and responsibility to maintain company assets from becoming deteriorated, missing and damaged and are required to make effective use of such assets. Employees are required to study and understand the usage methods and safety recommendations for such assets and make use of them fully for the company's interest and not use company assets for personal benefits or those of others.
- All company employees are strictly required to refrain from disclosing or deriving benefits from use of confidential information.
- All company employees are required to maintain appropriate information confidentiality.

1.14 Management and Maintenance of Ethics

- All company employees are required to strictly follow ethical principles. Upon discovery of actions that violate or breach ethics, the company will consider penalties based on the nature of the wrongdoing as appropriate to the circumstance.
- Executives and supervisors are required to act as good role models in regards to adherence to ethical principles and have the duty to inspect, oversee and support for subordinates to comply with set ethical principles.
- In seeking for exemptions for adherence to ethical principles for employees, directors must obtain the written approval of the board of directors.
- Every company employee is required to sign in acknowledgement of this Code of Ethics at the commencement of their employment and whenever there are changes to the code.

1.15 Anti-Corruption

- Provide training to employees to give knowledge about the company's anti-corruption policies and practice guidelines.
- Give support to and cooperate with organizations, the public sector, the private sector and supervisory agencies and every sector of Thai society in order to reduce corruption and promote the development of the nation.
- Prohibit directors, executives and employees from accepting any form of corruption, whether directly or indirectly, including acceptance and giving of gifts, presents, accommodation parties, fund solicitations, donations and other benefits for the self from persons conducting business with the company.

Accordingly, the company has open channels for stakeholders to report directly to the board of directors clues, recommendations or complaints about corruption cases and actions that do not meet the company's requirements by sending mail using the following address information:

- Submit reports or complaints to the company by phone by dialing 038-677018.
To – The assistant managing director, Human Resources Section, or the Managing Director.



- Contact the call center by dialing 061-393-9988.
- By mail:
Attn: Managing Director
Star Money Public Company Limited
House No. 204/1-8, Sukhumvit Road, Thang Kwian Sub-district, Klaeng District, Rayong Province 21110
- E-Mail : info@starmoney.co.th
- If a complaint is to be filed against a director or high-ranking executive, the complaint can be filed with the Chairman of the Audit Committee through the following channels:
 - Telephone : 061-393-9988
 - E-mail : info@starmoney.co.th
 - Mail:
Attn: Chairman of the Audit Committee
Star Money Public Company Limited
House No. 204/1-8, Sukhumvit Road, Thang Kwian Sub-district, Klaeng District, Rayong Province 21110

Part 2 Management of Conduct and Business Ethics

2.1 Management to Ensure Awareness in Executives and Employees

In order to ensure that the company's executives and employees have awareness about the practice guidelines on conduct and business ethics, all company employee are required to sign and certify that they acknowledge the contents of the company's Code of Conduct and Code of Ethics.

All new employees are required to sign in a form to confirm that they have read and understand the company's Code of Conduct and Code of Ethics and to consent to adhere to the specifications of the Code of Ethics. New employees may not claim not having read and signed the form as an excuse for non-compliance.

These Code of Conduct and Code of Ethics are improved regularly and need to be updated to keep up with changes in requirements. Thus, additions and cancellations of any item in the Code of Ethics, must be submitted to the board of directors.

2.2 Actions Fitting the Criteria for Violation of the Code of Conduct and Code of Ethics

1. Failure to comply with the Code of Conduct and Code of Ethics.
2. Suggestions, encouragement or support for others to not comply to the Code of Ethics.
3. Neglect and idleness upon discovery of violation to or non-compliance of the Code of Ethics in cases where one has awareness or should have awareness thereof due to it being related to one's work responsibilities.
4. Non-cooperation or obstruction of investigations or inquiries into facts suggesting that violations or non-compliance occurred.

2.3 Practice Guidelines for Discoveries of Violation of or Non-Compliance to the Code of Conduct and Code of Ethics

All company directors, executives and employees are required to give importance to business conduct and ethics. Upon discovery of any violation of business conduct or ethics, company employees must report potential violations of conduct and ethics as they discover such violations of or non-compliance to them or if they are forced to commit any action that violate the Code of Conduct and Code of Ethics. To do so, employees can file complaints by following the procedures below:

Report Steps and Procedure

- | | |
|---------------|---|
| Step 1 | Prepare a written report about the ethical violation or non-compliance or pressure/coercion to perform any action that violates the Code of Conduct or Code of Ethics according to the attached form. |
| Step 2 | Prepare and attach other accompanying documents (if any). |
| Step 3 | Send the complaint by email to a complaint handler as follows: <ul style="list-style-type: none"> - The Human Resources Department Manager; or - A supervisor in the chain of command on any level; or - The Chairman of the Audit Committee and/or the company secretary. |

2.4 Management of Reports of Violations of or Non-Compliance to the Code of Conduct and Code of Ethics

Gather facts.

The complaint handler must complete actions and produce a preliminary summary within 30 days after receiving report documents.

Screen information.

The complaint handler will present the matter to a representative of Management. Representatives of Management who will participate in the deliberation process include the following:

1. A representative of executives from an agency on the level of manager and above in the chain of command of the person who filed the complaint. Said representative must have no conflicts with or any interests connected with the complaint filer.
2. A representative from executives of the Human Resources Department.
3. A company secretary or head of Internal Audit.

Measures for Ending Violations of or Non-Compliance to the Code of Conduct and Code of Ethics

The Management representative(s) attending the deliberation process will set measures for ending the violation or non-compliance to the Code of Conduct or Code of Ethics and provide remediation for the damage suffered by the affected party with consideration to the nature of the damage that occurred by reporting actions to the highest-ranking supervisor of the affected person and the highest-ranking executive.



2.5 Disciplinary Penalties

The company will consider setting penalties appropriately to the nature and situation of each type of ethical violation. The severity of each penalty will vary according to the severity of the wrongdoing.

If the ethical violation is minor or a first occurrence, the company will first issue a warning letter. In doing so, the person(s) taking actions in 2.4 will summarize the outcome and penalty and present them to the chief executive officer/managing director for approval.

For severe ethical violations, violators may be subjected to severe penalties that include the following:

- Work suspension without pay.
- Termination of employment.
- Civil and criminal legal actions.

The representative(s) of Management participating in the deliberation process will summarize the outcome and penalty and present them to the chief executive officer/managing director for approval.

2.6 Measures for Protecting Report Filers, Complaint Filers or Persons Cooperating in Reports of Violations of or Non-Compliance to the Code of Conduct and Code of Ethics (Whistleblower Protection)

1. The company will maintain the confidentiality of information and the identity of report filers, complaint filers and persons who cooperate in reports of violations and non-compliance to the Code of Ethics.
2. The company will disclose information only as required with consideration to the safety of and damage to report filers, information sources and related persons.
3. Damaged persons will receive damage compensation through an appropriate and fair process.

Part 3 Certificate of Compliance to the Code of Conduct and Code of Ethics

I hereby certify that

- ☐ I have received and read the Code of Conduct and Code of Ethics in full.
- ☐ I understand the contents of the Code of Conduct and Code of Ethics and will adhere to the principles of these codes as practice guidelines in any duties I perform for the company to the fullest extent of my abilities.
- ☐ In year I fully adhered to the codes.
- ☐ I do not understand the contents of a topic.

(Specify)

Accordingly, my family and I (Please specify),

- ☐ **do not** conduct business in personal capacity or family capacity or on behalf of any juristic person with the company's group.

☐ **do** conduct business in personal capacity or family capacity or on behalf of a juristic person with the company's group.

Please specify the details.

Name of Company/ Business	Relationship	Nature of Business
1.		
2.		

Part 4 Form for Signing in Acknowledgement and Practice

Signed X.....

First-Last Name

Section/Department/
Affiliation

Date/Month/Year / /

Contact Information: E-Mail Solossaya.kh@starmoney.co.th Telephone: 061-393-9988

Part 5 Form for Reporting Violations or Non-Compliance to the Code of Conduct and Code of Ethics

Form for Reporting Violations or Non-Compliance to the Code of Conduct and Code of Ethics

Date Month..... Year

Attn

I, position:

Agency/Department Affiliation

Direct Supervisor

Would like to report a violation or non-compliance to the Code of Conduct and Code of Ethics as follows:

☐ Violation or non-compliance to the Code of Conduct and Code of Ethics.



Name of Violator

Agency (Section)/Department Affiliation

Has committed an act of violation of non-compliance to the Code of Conduct and Code of Ethics according to the facts as follows:

(1)

(2)

(3)

☐

Pressure/coercion to perform actions that violate the Code of Conduct and Code of Ethics by

Mr./Mrs./Miss.....

Agency (Section)/Department Affiliation.....

Who pressured/coerced me to perform actions that violated the Code of Conduct and Code of Ethics as follows:

(1)

(2)

(3)

As such, I have attached documents or evidence (if any) to accompany your consideration.

No Pages The description is as

follows:.....

.....

Attachment 6

Audit Committee Report

The Audit Committee of Star Money Public Company Limited (“company”) performed its duties independently and transparently primarily to protect the interest of the company and to fulfill its obligations stated in the Audit Committee’s charter. Accordingly, the Audit Committee gives importance to reviewing financial statements, internal control and connected transactions that are important to the business and good corporate governance of the company and to ensure trust in the shareholders and stakeholders of the company.

The board of directors has assigned the Audit Committee to evaluate and review the effectiveness of the internal control system established by Management. The Audit Committee examined the audit results of the internal audit agency and the opinion of the external auditor about the company’s internal control system and held meetings with executives, the internal auditor and external auditor to obtain information, hold discussions and exchange opinions and specify appropriate measures. In 2021, and the first quarter of 2022, the Audit Committee held meetings summarized in essence as follows:

1. The Audit Committee audited the company’s financial statements for the accounting period ending on 31 December 2020, 31 December 2021 and 31 December 2022 that had already been reviewed and audited by the external auditor by reviewing numeric figures and important information in financial statements along with significant issues and special transactions and received explanations and confirmation from the auditor and Management regarding use of information for preparing financial statements and audited disclosures of financial statement annotations to ensure confidence that the specifications of the law and financial reporting standards were properly followed. Accordingly, the Audit Committee approved the aforementioned financial statements that were audited and/or reviewed by the external auditor.
2. The Audit Committee audited the internal control system on a quarterly basis to ensure confidence in the adequacy and effectiveness of the company’s internal control system by evaluating the audit results of the internal auditor, which was an outsourced company, and monitoring improvements and corrections in various areas by the company to ensure that Management took actions to make improvements in line with the proposals made by the internal auditor within the required timeframe. The aforementioned audit allowed by Audit Committee to render the opinion that the overall internal control system of the company was appropriate and adequate, and there were no significant faults that affected the company’s financial statements.
3. The Audit Committee examined and audited the scope of work, obligations, duties and responsibilities along with performance according to the annual work plan of the internal auditor sourced from an external company to ensure that the company’s internal control and internal audit system were appropriate, strict and effective without significant faults that affected the company’s financial statements and business performance.
4. The Audit Committee considered selected, nominated for appointment and proposed the fees for the auditor for year 2021 and 2022 to the board of directors and shareholder meetings for approval.
5. The Audit Committee reviewed, audited and expressed approval toward the company’s related

policies before they were proposed to the board of directors such as connected transactions policy and good corporate governance policy to ensure effective work coverage, transparency, verifiability and responsibility for all stakeholders and other related persons while creating lasting value for the business and complying with related specifications and requirements.

6. The board of directors audited connected transactions on a quarterly basis to ensure their completeness and correctness, reason and fairness and compliance to the related specifications and requirements. Accordingly, the Audit Committee's opinion was that the connected transactions that took place were reasonable and for the benefit of the company's business operations.
7. The Audit Committee audited the company's work performance in line with related specifications and laws as they pertain to the company's business operation to ensure confidence that the company conducted business correctly, transparently and reasonably to build confidence among shareholders. Accordingly, the Audit Committee's opinion was that the company supervised and reviewed the work of various agencies to ensure that they complied with related specifications and requirements.
8. The Audit Committee audited the company's risk management process to ensure confidence that risk management guidelines followed the same direction as the company's missions and business plans and covered every work procedure, with consideration from evaluation of risk management by the Risk Management Committee. The Audit Committee's opinion was that the company's risk management system was adequate and effective.

In conclusion, the Audit Committee performed its duties as stated in the Audit Committee's charter by relying on knowledge and abilities, caution and thoroughness while exhibiting independence in the performance of duties, and the committee received excellent cooperation from Management. Accordingly, the Audit Committee's opinions were that the company (1) had correct financial reports according to generally-accepted accounting standards and disclosed complete and sufficient essential information; had an effective, adequate and strict internal control and internal audit system that contained no important errors that might impact the company's financial statements and business operation; (3) had sufficient reason to conduct connected transactions; had an effective and adequate corporate risk management system; and (5) appropriately complied with related laws, specifications and regulations.

Mr. Pinit Ngamsopee

(Mr. Pinit Ngamsopee)
Chairman of the Audit Committee



Star Money

Star Money Public Company Limited Headquarter

204/1-8 Sukhumwit Road, Thang Kwian Tumbon Klaeng District, Rayong, 21110

✉ info@starmoney.co.th

☎ 061-393-9988