



**Form 56-1**

**One Report 2022**

**CHASE ASIA PUBLIC COMPANY LIMITED**



**Annual Registration Statement / Annual Report 2022  
(Form 56-1 One Report)  
Chase Asia Public Company Limited**

In the event that this Annual Registration Statement / Annual Report 2022 (Form 56-1 One Report) has referred to information disclosed on the Company's website, it is deemed that the said information disclosed on the Company's website is part of this Form 56-1 One Report. The Board of Directors is responsible for the accuracy and completeness of such referred information likewise presenting information in this Form 56-1 One Report

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**Message from the Board Chairman and the Chief Executive Officer**

The fast-paced, ever-changing circumstances caused by the coronavirus disease 2019 (COVID-19) pandemic and various contributing factors from 2020 to the present day, have dramatically affected the economic and industrial conditions, including business interruptions resulting from lockdown measures, which have caused some businesses to discontinue, and some to downsize, pushing the unemployment rate and household debts higher, and leading to more non-performing debts accordingly. Such increased household debts correspond with the substantial decline in debt-serviceability, making it extremely challenging for our Group. However, amidst these situations, we have envisaged the business opportunity to bid for and acquire non-performing debts since 2021 until now.

We are confident that the volume of non-performing debts will continue to rise despite a clear tendency towards Thailand's economic recovery, and as a result, people's income and business sectors' revenues in each industry would start to return to normal, although at the same time, there remain some vulnerable groups of people who have not fully recovered, and as such, some debtors would continue to have problems with their debt payments and are in need of assistance from financial measures.

For the debt collection and recovery services, the Company has prepared for increased workloads in the future by recruiting more personnel and providing personnel training to develop their potential, knowledge, and competency on a regular basis. The Company is confident in the quality of services and committed to fully dedicating our contribution to the provision of services in the best interests and to the satisfaction of the Company's clients. Moreover, the Company values and understands our clients' needs in order to strengthen their businesses on the basis of mutual growth with our clients, which is the Company's main goal for sustainable growth.

It is our intention and commitment to uplift the business operations under the social, economic, and environmental responsibility in parallel with corporate governance to promote knowledge and discipline and improve the quality of life for those debtors with their debt management problems to become good debtors to return to society with sustainability.

On this occasion, we would like to thank our shareholders, clients, business partners, management and all staff members for being essentially instrumental in supporting our operations, and give our words that we will operate businesses on the basis of professionalism, and continue to develop our corporate competency to align with the policy on social responsibility and our awareness and commitment to the environmental, social and governance (ESG) framework for sustainability by equally taking into account the interests of stakeholders both inside and outside the organization.

Mr. Pradit Leosirikul  
Chairman of the Board of Directors

Mr. Pracha Chaisuwan  
Chief Executive Officer

## Part 1 Business Operations and Operating Results

## 1. Group Structure and Operations

### 1.1 Policy and Business Overview

Chase Asia Public Company Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) operate two core businesses, namely (1) debt collection and recovery services; and (2) management of non-performing assets. In the past, the Group used to operate the business of lending loans, although the Group has considered discontinuing such business by stopping the consideration and approval of new loans since December 31, 2022, whereas the Group is still monitoring the debtors’ outstanding debt repayments under the agreed upon terms and conditions accordingly.

#### 1.1.1 Vision

The Group’s vision in its business operations is “to be a full-service debt management center by counseling, knowledge and discipline for debt management towards debt resolution.”

#### 1.1.2 Mission

The Company’s main mission includes:

- To build reliable, honest and attentive services to debtors and concerned parties;
- To manage debts professionally on a full-scale service as required by applicable rules and regulations to ensure the utmost satisfaction of trading partners;
- To regularly improve the quality of services and personnel to build personnel specializing in providing the services with new ideas for sustainable growth;
- To create an opportunity for debtors to start a new life;
- To manage and supervise business by “taking into account concerned parties” on the basis of corporate governance, ethics and morality.

#### 1.1.3 Goals and Business Strategies of the Group

The Group is committed to developing the organization to become a leader in the full-service debt management for financial institutions subject to the business operations on the basis of corporate governance and the code of ethics to drive the Company’s business towards sustainability, and to be number one in counseling for debtors.

##### 1.1.3.1 Business Strategies of the Group

#### (A) Expansion of Credit Portfolios for Non-Performing Assets

The Group aims to acquire credit portfolios for non-performing assets worth not less than Baht 2,550 million by 2024, and primarily focuses on credit portfolios for unsecured non-performing assets, such as, personal loan debts, hire-purchase debts, etc., as a type of portfolios in which the Group specializes with long-time experience, and which requires less investment when compared with secured debts, and with a good profit margin. The Group regularly monitors news on non-performing asset auctions from financial institutions and attempts to attend as many such auctions as possible so that the Company receives information about non-performing assets available for sale from financial institutions. In addition, the Group may consider acquiring credit portfolios for secured non-performing assets should the Group view that such acquisition would derive a good return on investment within a risk tolerance limit to distribute and minimize the business risks.

#### (B) Debt Collection and Recovery Team Expansion to Support Increasing Demand for Debt Collection

The Group believes that the debt collection and recovery services still look highly promising since in the past, the Group has been approached by several employers, both financial and non-financial institutions, but by personnel constraints, the Group was not in a position to provide the debt collection and recovery services to every offer so received. Moreover, the Group also believes that the demand for debt collection tends to increase from the rising volume of non-performing debts in the Thai financial institution system, and the financial institutions tend to outsource more debt collection tasks to specialized service providers in order to utilize resources for their core businesses. Therefore, the Group plans to expand its debt collection and recovery teams to accommodate such services which remain high in demand from both current and potential clients.

Furthermore, the Group also plans to reduce costs and enhance the efficiency in the debt collection services by using an Auto Dialer to assist in dialing telephone numbers from database, and automatically transfer the call to a debt collector once such call has been answered. The Company believes that this system would help enhance the debt collection efficiency, shorten the collection period, and reduce staff costs. At present, the Group is reviewing proposals from several suppliers, and it is expected to start using the system by 2023.

**(C) Creation of More Opportunities to Reach Long-Term Investment Portfolios by Building Good Relationships with Trading Partners**

The Group believes that it can continue expand its asset base thanks to the long-time experience and good relationships with trading partners, both financial and non-financial institutions, thereby enabling the Group to promptly receive news on non-performing asset auctions through regular communications.

Moreover, the Group seeks an opportunity to enter into a joint venture with financial institutions or any business alliance to help create more opportunities for growth of credit portfolios for non-performing assets, and long-term opportunities for debt collection and recovery services, as well as minimize risks from the ability to sufficiently acquire non-performing assets at reasonable prices. However, at present, the Group has no clear plan for joint venture with financial institutions or business alliance.

**(D) Improvement of the Efficiency of Services and Addition of Online Communication Channel**

The Group focuses on improvement of the efficiency in the debt collection and recovery services and debts accepted by the Company for management. The Group's debt collectors must undergo training from the Debt Collection Business to Financial Institution Association (the "**Association**"), and review their knowledge on a yearly basis to ensure that the Group's staff is knowledgeable, understands and complies with applicable rules. Staff undergoing training must pass the test from the Association, and receive a training participation and completion certificate. In addition, the Group regularly provides its staff with training to gain new knowledge and learn such rules to be updated for staff's compliance. The Group believes that improving the debt collectors' potential would help the Group to recover debtors' payments more rapidly.

Besides, the Group plans to use online systems to add more effective communication channels with clients, and also plans to add channels for payment and sale of non-performing assets via the Company's website, and launch the Group's Mobile Application by 2023 as an additional communication channel to facilitate clients' access to information and execution of transactions, in line with the current behavioral changes of clients who more tentatively execute transactions online. In this respect, the Group's clients may check their debt balances, interest rates, payment records from the Mobile Application in real-time, provided that such system will apply only to the non-performing asset management business.

Other than that, the Group intends to use its website as a channel for sale of non-performing assets and communication of promotional activities for non-performing assets. Those interested may conveniently search for the Group's non-performing assets. The Company anticipates that such additional channel for payment and sale of non-performing assets will enable the Group to receive payments from debtors or liquidate the non-performing assets faster.

**1.1.3.2 Competitive Advantages of the Company**

The Company believes that it has the following competitive advantages:

**(A) The Group is one of the leading full-service debt management service providers.**

The Group believes that as one of the leading full-service debt management service provider, it will help facilitates its trading partners, both financial and non-financial institutions. The Group can provide the collection services of debts which have not yet been classified as non-performing debts to lessen trading partners' burdens to follow up in order to fully contribute time for their core business operations. Should such debts change the status as non-performing debts, the Group may accept transfer of such debts for further management in order to shorten the duration and procedures for searching and/or getting to know debtors, which will render the management transition to proceed seamlessly.

The Group's business operations which cover both the debt collection and recovery services for trading partners, and the debt collection services from credit portfolios for non-performing assets will enable the Group to utilize its resources efficiently.

**(B) The Group has long-time experience and expertise in the industry.**

The Group has over 20 years of experience in the debt negotiation and recovery services, and as such, the Company has staff who specializes in the debt collection steps and procedures, and is well aware of and understand applicable rules and regulations. In addition, the Group's over 20 years of experience have brought about good and long-standing relationships with financial institutions, and understanding of credit portfolios for non-performing assets sold by each of the financial institutions, and as such, the Group is capable of reasonably determining purchase prices and selecting appropriate portfolios for management.

Moreover, the performance of the Group's top management is well recognized and accepted in the non-performing asset management industry, thanks to their long-time experience in the field through multiple financial crises, namely from the 1997 Asian financial crisis (Tom Yam Kung crisis), the 2008 subprime mortgage crisis (Hamburger

crisis), up to the financial crisis caused by the coronavirus disease 2019 (“COVID-19”) pandemic. They are knowledgeable and understand the business cycle very well and capable of properly adapting to changing situations and economic conditions, not to mention that Khun Pracha Chaisuwan, the Group's founder, is the President of the Debt Collection Business to Financial Institution Association.

**(C) The Group has a number of personnel with legal knowledge and expertise in the debt collection.**

As of December 31, 2022, the Group has 110 legal personnel with expertise in the debt collection law and the law enforcement procedure, which enable the Group to pursue non-performing debtors requiring the legal procedure. Such ability allows the Group to accept a more variety of jobs as it can recover debts in every status in the debt collection and recovery services. Moreover, the debt collection services for non-performing debtors requiring the legal procedure would be charged at a higher service rate than debts in other status. As for the management of non-performing assets, such ability for law enforcement in the efficient debt collection also enables the Group to recover more debts accordingly.

**(D) The Group manages its assets efficiently as evidenced by the outstanding operating results and profitability as a front-runner in the industry.**

The Group's operating results are outstanding. During the fiscal years ended December 31, 2020, 2021 and 2022, the Group's interest income and service and professional fee income amounted to a total of Baht 730.2 million, Baht 729.50 million, and Baht 671.71 million, respectively, with the net profit margins at 23.4 percent, 36.93 percent, and 21.3 percent, respectively.

Furthermore, the Group's financial position is strong, and as at December 31, 2020, 2021 and 2022, the Group's debt to equity ratio amounted to 0.71 times, 0.31 times, and 0.42 times, respectively, reflecting the possibility for additional borrowing for the Group's business expansion.

**(E) The Group has experience in debt collection and management of non-performing debts, both unsecured and secured loans.**

The Group has experience in debt collection and management of non-performing debts, both unsecured and secured loans, and as such, the Group's business structure is flexible, namely, it is capable of accepting transfer of non-performing assets, both unsecured and secured loans, to increase the opportunity for growth of credit portfolios for non-performing assets during the economic downturn while the supply of non-performing assets in the Thai financial institution system is increasing. As at December 31, 2022, the Group extended credits for non-performing assets in the form of unsecured loans (before accrued interest and allowance for expected credit losses) in the amount of approximately Baht 2,011.40 million or representing around 92.61 percent of total credits for non-performing assets of the Group, and extended credits for non-performing assets in the form of secured loans (before accrued interest and allowance for expected credit losses) in the amount of approximately Baht 160.60 million or representing around 7.39 percent of total credits for non-performing assets of the Group.

**(F) The Group's major shareholder is reputable and has a variety of businesses as its alliances.**

The Group is in alliance with RS Public Company Limited (“RS”), as in 2021, RS envisaged that the Group's business had potential and opportunities for high growth, both during economic growth and downturns, and as such, R Alliance Co., Ltd., a subsidiary of RS, acquired 35.0 percent of issued and paid-up shares in the Company from the existing shareholders. On November 16, 2022, RS Public Company Limited restructured its internal shareholding structure by having R Alliance Co., Ltd. transfer the Company's shares to RS Mall Co., Ltd. and RS LiveWell Co., Ltd., subsidiaries of RS Public Company Limited.

RS is reputable and has a good management system with corporate governance. In 2021, RS was awarded an Excellent CG Scoring from the Corporate Governance Report of Thai Listed Companies, and concurrently included in the 2021 Thailand Sustainability Investment (I) which is accepted and successfully and rapidly adapting to changes in innovations and consumers' behavior. Having RS as its shareholder helps promoting the Group to have an audit mechanism through supervision and management in the capacity as directors and executive directors to check and counterbalance the operations by the Group's management, which would ensure the Company's corporate governance to improve continuously.

Apart from that, RS has a strong financial position and is a listed company on the SET, with various channels for access to sources of funds and financial tools, which would help the Group to be flexible for its capital restructuring and financial strategies to support the Group's business expansion.



#### 1.1.4 Material Changes and Developments

The Company was founded in 1998 by Khun Pracha Chaisuwan and the management team to provide the debt collection and recovery services which were high in demand as a result of the 1997 financial crisis. Initially, the Group provided such services to financial institutions encountering problems in the collection of non-performing assets. Moreover, the Group also provided the debt collection and recovery services to other clients, e.g., clients in mobile phone companies and other service providers whose customers failed to settle the service charges.

Thereafter, Khun Pracha Chaisuwan foresaw the opportunity for debt management business for financial institutions, and thus founded Resolution Way Co., Ltd. (“**RWAY**”) in 2003 to acquire non-performing debts in the form of unsecured loans from Cetelem (Thailand) Limited, which operated the hire-purchase consumer credit business, and RWAY was regarded as one of the first private companies in Thailand that acquired non-performing assets in the form of unsecured loans. In addition, in 2012, RWAY obtained a license to operate personal loan business under the regulation of the Bank of Thailand.

With the commitment to developing the Group to become a full-service non-performing debt management service provider, Khun Pracha Chaisuwan and the management team then founded CF Asia Asset Management Co., Ltd. (“**CFAM**”) to accept transfer of non-performing assets from financial institutions in 2012, and obtained a license to operate an asset management business under the Emergency Decree on Asset Management Company B.E. 2541 (1998) (as amended) (the “**Emergency Decree on Asset Management Company**”) in 2013.

In 2015, Khun Pracha Chaisuwan acquired COURTS Megastore (Thailand) Co., Ltd. (“**COURTS**”) to operate a lending business under the Civil and Commercial Code (the “**CCC Loans**”). However, by resolution of the Board of Directors’ Meeting No. 2/2022 on November 14, 2022, the Group plans to discontinue the consideration and approval of new loans since December 31, 2022.

In 2020, the Group acquired 100.0 percent of their issued and paid-up shares in RWAY, CFAM and COURTS from the existing shareholders as part of the Group’s shareholding restructuring to prepare for an initial public offering (IPO) and listing of the Company’s ordinary shares on the SET.

In 2021, R Alliance Co., Ltd., a subsidiary of RS Public Company Limited, envisaged that the Group’s business had potential and could give rise to business opportunities under every economic circumstance, and as such, acquired 35.0 percent of issued and paid-up shares in the Company from the existing shareholders. In 2022, RS Public Company Limited restructured its internal shareholding structure by having R Alliance Co., Ltd. transfer the Company’s shares to subsidiaries of RS Public Company Limited, namely RS Mall Co., Ltd. in the amount of 308,954,600 shares, and RS LiveWell Co., Ltd. in the amount of 240,000,000 shares.

Milestones and highlights of the Group may be summarized as follows:

Year	Highlights
1998	Khun Pracha Chaisuwan and the management team founded the Company with a registered capital of Baht 1.0 million to provide the debt collection and recovery services.
2001	The Company opened the first branch office located in Nakhon Ratchasima Province.
2003	RWAY was founded with a registered capital of Baht 1.0 million, which was subsequently increased to Baht 10 million to acquire non-performing accounts receivable.
2005	The Company was engaged by American Expressway Co., Ltd. to provide the debt collection and recovery services for the first year, which continues until now.
2012	<ul style="list-style-type: none"> <li>CFAM was founded with a registered capital of Baht 40.0 million to accept transfer of non-performing assets from financial institutions in 2012.</li> <li>The Company opened its 10<sup>th</sup> branch office located at Hat Yai District, Songkhla Province.</li> </ul>
2015	COURTS was acquired from the existing shareholders to carry on the CCC Loans business.
2020	The Company acquired shares in RWAY, CFAM and COURTS from the existing shareholders as part of the Group’s shareholding restructuring to prepare for an initial public offering (IPO) and listing of the Company’s ordinary shares on the SET, thereby causing the Company to hold 100.0 percent of issued and paid-up shares in the subsidiaries.
2021	R Alliance Co., Ltd., a subsidiary of RS Public Company Limited, acquired 35.0 percent of issued and paid-up shares in the Company from the existing shareholders.
2022	<ul style="list-style-type: none"> <li>The Extraordinary General Meeting of Shareholders No. 1/2022, which was held on August 5, 2022, resolved to approve the following transactions: <ul style="list-style-type: none"> <li>The Company was converted from a limited company to a public limited company for listing on the SET.</li> <li>The par value was change from Baht 100.0 per share to Baht 0.5 per share.</li> <li>The Company’s registered capital was increased by issuing 417.0 million newly issued ordinary shares with a par value of Baht 0.5 per share.</li> </ul> </li> </ul>

- The allocation of the Company's newly issued ordinary shares was approved for an initial public offering (IPO).
- The Company's shares were approved for listing on the SET.
- RS Public Company Limited restructured its internal shareholding structure by having R Alliance Co., Ltd. transfer the Company's shares to RS Mall Co., Ltd. and RS LiveWell Co., Ltd., subsidiaries of RS Public Company Limited.
- The Company considered the risks of debtors' debt-serviceability from Hope Loan, and resolved to suspend Hope Loan extension, provided that such loans would be approved only for debtors who had already consulted with the Group and been in the course of negotiation with the existing creditors, and the consideration and approval of new loans would be discontinued since December 31, 2022. For accounts receivable in the loan business currently with outstanding balances, the Group would continue to monitor all debtors' debt repayments under the agreed upon terms and conditions accordingly.

## 1.2 Nature of Business

### 1.2.1 Revenue Structure

The Group generates revenue from (1) debt collection and recovery services; and (2) management of non-performing assets.

The Group's revenue structure for the fiscal years ended December 31, 2020, 2021 and 2022 may be classified by business category as follows:

Revenue by Business Category	For the fiscal years ended December 31,					
	2020		2021		2022	
	Million Baht	percent <sup>1</sup>	Million Baht	percent <sup>1</sup>	Million Baht	percent <sup>1</sup>
Debt collection and recovery services	348.53	47.73	276.27	37.87	226.43	33.71
Management of non-performing assets	325.99	44.64	375.26	51.44	415.38	61.84
- Interest income	314.20	43.03	306.89	42.07	408.33	60.79
- Gain from derecognition of loans to non-performing assets <sup>2</sup>	11.79	1.61	68.37	9.37	7.05	1.05
Others <sup>2</sup>	55.67	7.63	77.97	10.69	29.90	4.45
- Interest income from Hope Loan <sup>3</sup>	55.64	7.62	77.06	10.57	29.49	4.39
- Interest income from bank deposits	0.04	0.01	0.91	0.12	0.41	0.06
<b>Total interest income and service and professional fee income</b>	<b>730.20</b>	<b>100.00</b>	<b>729.50</b>	<b>100.00</b>	<b>671.71</b>	<b>100.00</b>

Remarks: <sup>1</sup> percent of total interest income and service and professional fee income

<sup>2</sup> Gain on derecognition of loans to non-performing assets occurs from debt refinance by CFAM/RWAY debtors borrowing loans from COURTS

<sup>3</sup> The Company considered the risks of debtors' debt-serviceability from Hope Loan, and resolved to suspend Hope Loan extension, provided that such loans would be approved only for debtors who had already consulted with the Group and been in the course of negotiation with the existing creditors, and the consideration and approval of new loans would be discontinued since December 31, 2022. For accounts receivable in the loan business currently with outstanding balances, the Group would continue to monitor all debtors' debt repayments under the agreed upon terms and conditions accordingly.

### 1.2.2 Information on Products or Services

#### 1.2.2.1 Characteristics of Products or Services and Supply of Products or Services

The Group's business operations may be divided into two businesses, namely (1) debt collection and recovery services; and (2) management of non-performing assets, with the details as follows:

##### (A) Debt Collection and Recovery Services

In the past, the Group has provided debt collection and recovery services to financial institutions (commercial banks) and non-financial institutions (collectively, the "Employers") to follow up and demand debtors to pay their debts under the conditions as designated by the Employers. There are a variety of debts which the Group provides the debt collection and recovery services to financial institutions, such as, personal loan debts, credit card debts, etc. The majority of debts which the Company provides the debt collection and recovery services to the Employers, which are non-financial institutions, involve such service providers whose customers owed the service charges. Other than the debt collection and recovery services, the Group also provides litigation services on a full-scale basis to the Employers, which include service of notices, filing of lawsuits against debtors, and legal execution of

court judgments against debtors, etc. As of December 31, 2022, the Company has only clients which are financial institutions and their affiliated companies.

In order to ensure that the Group's debt collection services comply with its rules and regulations, and the Bank of Thailand's rules and regulations, the Company has a policy to have all debt collectors undergo training from the Debt Collection Business to Financial Institution Association, or related knowledge training hosted by the Group. Moreover, all debt collectors of the Group are also registered with the Lawyers Council of Thailand.

The Group earns remuneration from the debt collection and recovery services at the rates agreed upon with the Employers, depending on the debt complications, based on the percentage of the sums collected and recovered by the Group, and remuneration from the litigation services in the form of professional fees per case.

The following table demonstrates revenue from the debt collection and recovery services for the fiscal years ended December 31, 2020, 2021 and 2022, by type of services:

Type of Services	For the fiscal years ended December 31,					
	2020		2021		2022	
	Million Baht	percent <sup>1</sup>	Million Baht	percent <sup>1</sup>	Million Baht	percent <sup>1</sup>
Debt collection and recovery	262.3	75.3	215.3	77.9	182.38	80.5
Litigation	86.2	24.7	60.9	22.1	44.05	19.5
<b>Total service and professional fee income</b>	<b>348.5</b>	<b>100.0</b>	<b>276.3</b>	<b>100.0</b>	<b>226.43</b>	<b>100.0</b>

Remark: <sup>1</sup> percent of the service and professional fee income

The following table demonstrates the success rate and the commission rate on average for the fiscal years ended December 31, 2020, 2021 and 2022:

Particulars	Unit	For the fiscal years ended December 31,		
		2020	2021	2022
Total debt balance under the debt collection services (end of period)	Million Baht	18,141.9	19,290.2	15,390.1
Total debt balance collected (during the period)	Million Baht	1,134.3	959.5	846.3
Revenue from services	Million Baht	262.3	215.4	182.4
Success rate	percent	6.6	5.1	4.9
Average commission rate	percent	23.1	22.4	21.6

#### Debt Collection and Recovery Services

From its past experience and reputation well recognized in the industry, the Company has been regularly approached by financial institutions and the Employers which are non-financial institutions. The Company considers accepting jobs by taking into account the business category and nature of products of the Employers, including the Company's sufficient personnel. For instance, should the Company's personnel be insufficient, the Company would consider primarily accepting jobs from financial institutions, which by its nature, the Company has long-time experience in the debt collection. However, should the Company's personnel be sufficient, the Company would consider providing services to other operators which regularly require the debt collection and litigation services.

Upon receipt of contact by an Employer, and should the Company consider accepting the job, the Company would enter into an engagement agreement with the Employer to obtain debtors' information from the Employer accordingly. Once the Company receives debtors' information from the Employer, the Company would then thoroughly check the completeness of such information before entering the same into the Company's debt collection and management system.

The Company would sort the list of debtors into groups and assign its debt collectors to contact debtors according to such information provided by the Employer within 48 hours or in accordance with the conditions and policy of the Employer. The Company's staff would use such information provided by the Employer, and their experience and expertise in data search to contact debtors. In the event where any debtor cannot be contacted, the Company would inform the Employer accordingly. Should the engagement agreement include the litigation services, the Company would use the court proceedings as the next step. However, should the engagement agreement not cover the litigation services, the Company would suggest the Employer to grant approval for the Company to represent it in the legal proceedings for the purpose of debt collection for the Employer.

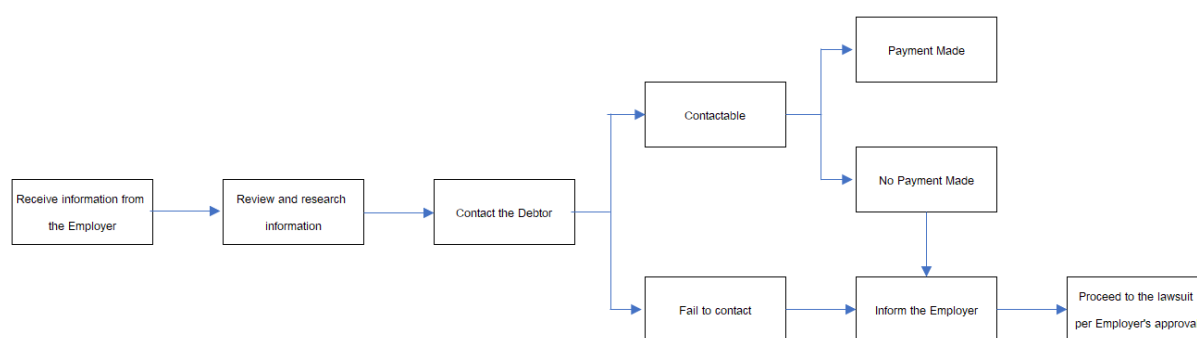
Prior to proceeding with the debt collection, the debt collector in charge will inform the debtor every time of his/her full name according to the identification card, the Company's name, and the Employer's name, as well as the debts

under the Company's assignment for the debt collection, and the debt collector will always verify the debtor's identity before proceeding with the debt collection, e.g., asking and confirming the debtor's full name, etc.

The debt collectors are obliged to contact, negotiate, offer counseling and solution with debtors in order for them to settle their debts owed to the Employers. The Company has a policy for its staff to contact debtors based on such information provided by the Employers only via the Company's telephone system, which will record all telephone conversation between the Company's staff and debtors, and keep such data as agreed upon with the Employers for submission to the Employers for review of the Company's operations at the Employers' request. In addition, the Company will submit a summary of the debt collection by the Company according to the timeline as designated by each Employer.

Debtors will make payments to the Employer directly only through the channels designated by the Employer, since the Company has no policy to receive any debt payments for further remittance to the Employer at a later date. The Employer will send a daily report on the debt payments to the Company to confirm debtors' payment status for the Company to obtain up-to-date debtors' payment status in order to avoid any repeated collection and prevent any complaints.

The procedures for the Company's debt collection and recovery services may be summarized as follows:



## (B) Management of Non-Performing Assets

The Group operates the business of management of non-performing assets mostly transferred from financial institutions in Thailand, both secured and unsecured, through its two subsidiaries, namely CFAM which is licensed by the Bank of Thailand to operate the business under the Emergency Decree on Asset Management Company, and RWAY. CFAM focuses on acquiring non-performing accounts receivable from sellers which are financial institutions under the regulation of the Bank of Thailand, while RWAY focuses on acquiring non-performing accounts receivable from sellers which are not financial institutions under the regulation of the Bank of Thailand.

The Group accepts transfer of non-performing assets, both secured and unsecured, from financial and non-financial institutions, for debt collection and recovery, by way of counseling for debt resolution to debtors and/or counseling for debt restructuring, using its experience in the debt collection and recovery services to manage non-performing assets to the maximum benefits.

### Management of Non-Performing Assets

The Group always monitors information and searches for opportunities to acquire non-performing assets from financial and non-financial institutions (the "Sellers"). Generally, the Sellers would offer non-performing assets for sale by way of auction or direct negotiation with asset management companies. Should the Company find any non-performing assets offered by any Seller for auction or sale attractive, the Group would express its intention to attend such auction or enter into negotiation and execute a confidentiality agreement with the Seller to obtain such documents regarding information of non-performing assets offered for sale so as to proceed with a due diligence investigation and data analysis to determine a reasonable purchase price. In the course of the due diligence investigation, the Group's strategic planning team would essentially consider the justification of the rate of return on investment and risks thereof from key factors, namely, debts by right of claim, debtors' historical backgrounds, cash flow forecast expected to be derived by the Group from all debtors, litigation status, types and quality of collateral, etc. Should the non-performing assets offered for sale be secured non-performing assets, the strategic team would consider the collateral values in order to determine a purchase price before submission to the authorized person for further approval of such acquisition.

In general, the Group will pay for such assets acquired from financial institutions on the date of the Groups execution of the relevant purchase and sale of non-performing assets, provided that the payment terms shall be as agreed upon between the Group and the Seller.

As at December 31, 2020, 2021 and 2022, the Group has loans to non-performing assets (before deduction of allowance for expected credit losses and addition of accrued interest) per the Group's consolidated financial

statements in the amount of Baht 840.2 million, Baht 1,640.0 million, and Baht 2,172.0 million, respectively, which may be divided by collateral and type of loans, as follows:

Loans to Non-Performing Assets by Collateral	As at December 31,					
	2020		2021		2022	
	Million Baht	percent <sup>1</sup>	Million Baht	percent <sup>1</sup>	Million Baht	percent <sup>1</sup>
Secured	-	-	172.7	10.5	160.6	7.4
Unsecured	840.2	100.0	1,467.3	89.5	2,011.4	92.6
<b>Total</b>	<b>840.2</b>	<b>100.0</b>	<b>1,640.0</b>	<b>100.0</b>	<b>2,172.0</b>	<b>100.0</b>

Remark:<sup>1</sup> percent of loans to non-performing assets (before deduction of allowance for expected credit losses and addition of accrued interest)

The following table demonstrates loans to non-performing assets (before deduction of allowance for expected credit losses and addition of accrued interest) per the Group's consolidated financial statements by type of loans as of December 31, 2020, 2021 and 2022:

Loans to Non-Performing Assets by Type of Loans	As at December 31,					
	2020		2021		2022	
	Million Baht	percent <sup>1</sup>	Million Baht	percent <sup>1</sup>	Million Baht	percent <sup>1</sup>
Personal loan debts	482.0	57.4	896.2	54.6	1,058.4	48.7
Hire-purchase debts	358.2	42.6	571.1	34.8	953.0	43.9
Housing loan debts	-	-	172.7	10.5	160.6	7.4
<b>Total</b>	<b>840.2</b>	<b>100.0</b>	<b>1,640.0</b>	<b>100.0</b>	<b>2,172.0</b>	<b>100.0</b>

Remark: <sup>1</sup> percent of loans to non-performing assets (before deduction of allowance for expected credit losses and addition of accrued interest)

#### Management of Non-Performing Assets

Once the Group has entered into the purchase and sale agreements for non-performing assets from financial institutions, the Group would obtain debtors' information and then thoroughly check the completeness of such information before entering the same into the Group's debt collection and management system.

The Group will contact debtors, guarantors and mortgagors and send them a notice of assignment of claims informing the debtors of the Group's status as creditor by virtue of the assignment of claims from the Seller, the debts, contact and payment channels of the Group. In the event where the Group cannot contact any debtors, the Group may consider using the court proceedings to take legal actions against such debtors.

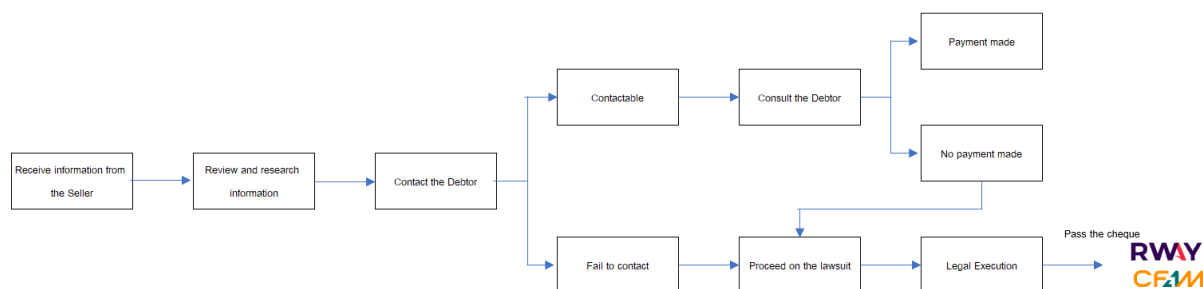
Once the Group has contacted the debtors, the Group will provide them with counseling and solutions, and may consider granting discounts to the debtors, taking into account their payment records, income, careers, collaterals, etc., for submission to the authorized person for further consideration and approval. However, should any debtor fail to negotiate or settle the debts, the Group may take the legal proceedings for further actions.

#### Payment Channels

At present, the Group uses the Bill Payment System to receive payments from debtors, whereby the Group's debtors will receive payment form in order to scan barcode or QR Code to make payments at (1) payment service points at all Lotus's branches; (2) Mobile Banking Application of all banks; or (3) payment orders or money transfer from the debtors' bank accounts to the Group's bank account via any branch of commercial banks or ATM machines.



The procedures for management of non-performing assets of the Group may be summarized as follows:



### (C) Other Business

In the past, the Group (COURTS and RWAY) engages in the personal loan business under the regulation of the Bank of Thailand and the CCC Loans business to non-performing debtors, both debtors of the Group (CFAM and RWAY) and non-performing debtors of other financial institutions, under the product name Hope Loan (the “**Hope Loan**”), with the main purpose of affording non-performing debtors with debt-serviceability potential an opportunity to resolve their debt problems on the basis of debt consolidation, reduction and resolution. In this regard, the Company will provide advice to debtors to resolve their debt problems by extending Hope Loan to non-performing debtors (both such debts of CFAM and RWAY and those of other financial institutions) whom the Company believes that they are capable of repaying the loans. The Company will check the applicants’ payment records of other loans from the Credit Bureau reports, consider their debt-serviceability, monthly installment plan, and in case an applicant is a new external customer without any payment records with the Group, the applicant must be accompanied by a co-borrower and/or collateral, etc. Should the Company consider approving the applicant’s application, Company will prepare only a cheque payable to the order of the original financial institution in order to close the original debt account on the date the Company and the debtor execute the loan agreement. COURTS started to operate the Hope Loan business since 2017 and RWAY discontinued extending Hope Loan since 2020.

However, the Company considered the risks of debtors’ debt-serviceability from Hope Loan, and resolved to suspend Hope Loan extension, provided that such loans would be approved only for debtors who had already consulted with the Group and been in the course of negotiation with the existing creditors, and the consideration and approval of new loans would be discontinued since December 31, 2022. For accounts receivable in the loan business currently with outstanding balances, the Group would continue to monitor all debtors’ debt repayments under the agreed upon terms and conditions accordingly.

Even though COURTS and RWAY have discontinued the consideration and approval of new loans since December 31, 2022, the Group initially continues to earn interest income from Hope Loan due to monitoring of debt repayments by debtors whom COURTS and RWAY previously extended the loans under the agreed upon terms and conditions. Moreover, RWAY plans to use proceeds from the Hope Loan debt collection to bid for non-performing assets portfolio accordingly.

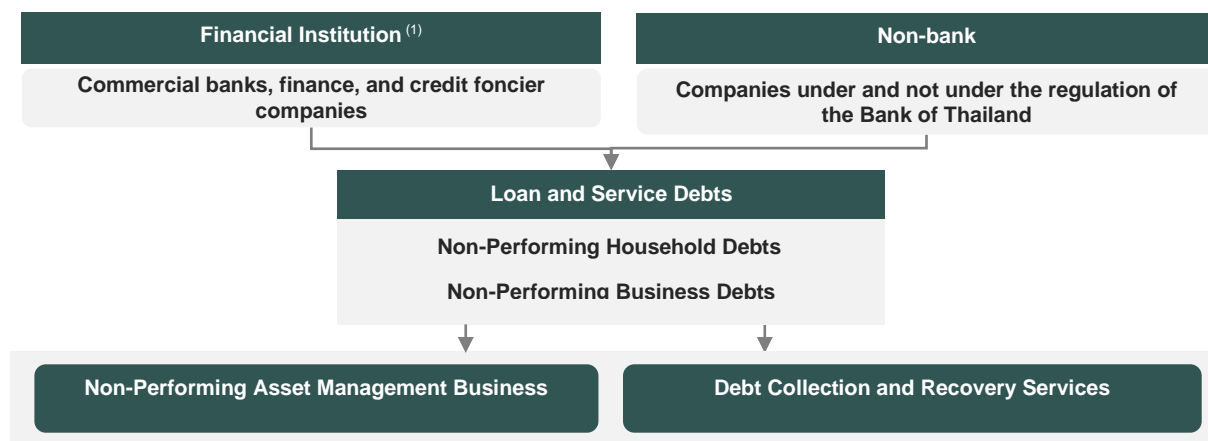
#### 1.2.2.2 Marketing and Competition

Asset management companies play a key role in the national economic development, as a mechanism for non-performing debt resolution, with the duty to acquire or accept transfer of non-performing secured and unsecured assets for management, debt restructuring and negotiations under such measures as set out by law. The disposal or transfer of such responsibility for non-performing asset management to asset management companies which particularly specialize in non-performing asset development will help reduce the volume of non-performing debts in the Thai financial institution system, and also reduce the financial institutions’ non-performing debt forecast, which serves as a good solution to financial restructuring for financial institutions, enables them to focus on lending transactions towards the credit system development, and strengthen Thailand’s economy to grow with quality and sustainability. However, each of financial institutions or non-bank service providers manage their non-performing debts differently in three major directions as follows:

- (1) An internal unit is delegated to proceed with negotiations and provide the debt collection and recovery services in respect of delinquent accounts and non-performing debts, which may incur high costs and lack efficiency should the personnel in charge have no direct expertise in the debt collection. Moreover, as long as financial institutions or non-bank service providers continue to hold non-performing debts, they would be required to establish provisions/allowances as required by applicable rules and regulations.
- (2) A third party is engaged to proceed with negotiation, and provide the debt collection and recovery services, including litigation services, which would help improve the efficiency in the non-performing debt management, as a popular alternative particularly among financial institutions, e.g., commercial banks and personal loan business, etc. However, given that the Employers continue to hold non-performing debts, they would be required to establish provisions/allowances as required by applicable rules and regulations.

- (3) Non-performing debts are sold at a discounted price to asset management companies, which serves as an alternative to afford the lenders versatility to control their non-performing loans at an appropriate level, reduce costs and expenses in the debt collection, and alleviate their burden to establish provisions/allowances as required by applicable rules and regulations. At the same time, such asset management companies would be required to manage and assume the risks of collection of such debts acquired, although there are opportunities to generate profits from successful debt collection.

Chart of Relationships of Non-Performing Business Debts and Non-Performing Consumer Debts with Non-Performing Asset Investment and Management and Debt Collection and Recovery Services



Remark : Thailand's financial institutions under the Bank of Thailand's notification include: (1) depository corporations, e.g., commercial banks, saving cooperative and credit unions, credit foncier companies and finance companies, etc.; and (2) non-depository corporations, e.g., mutual funds, insurance companies, provident funds, credit companies, asset management companies, and securities companies, etc. (Source: The Bank of Thailand)

#### (1) Thailand's Economic Overview

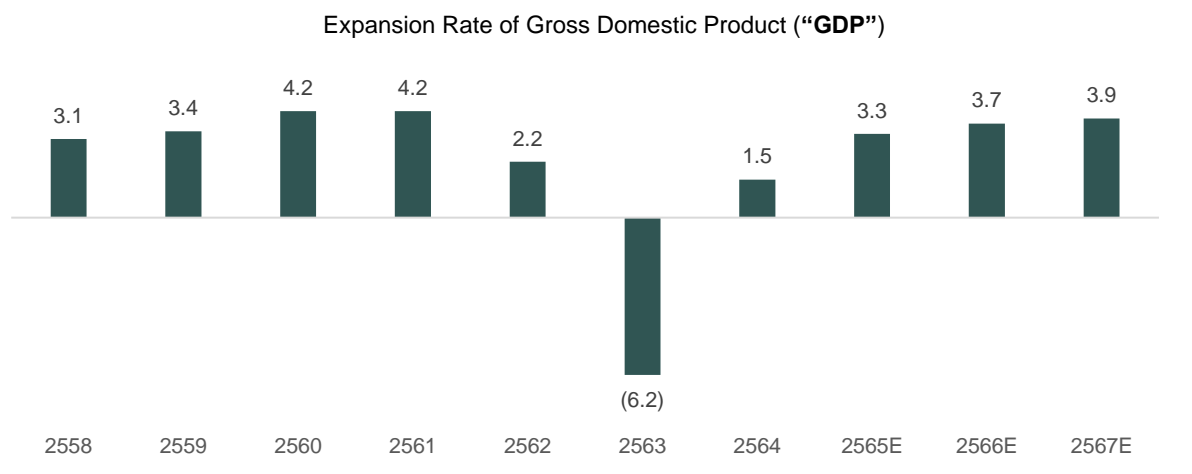
Thailand's economic overview is gradually recovering from 2020 in which the gross domestic product ("GDP") dropped by 6.2 percent from the previous year, or representing the biggest decline in 22 years from the Tom Yam Kung crisis during 1997-1998, caused by the impact of the coronavirus disease 2019 (COVID-19) pandemic and the government preventive measures which restricted certain business activities, e.g., no dine-in services in restaurants during the widespread COVID-19 pandemic. However, in 2021, Thailand's GDP rebound by 1.5 percent from the ease of certain measures to control the pandemic, the private investment growth and government spending by 18.8 percent, the consumption growth by 0.3 percent, and the increased exports by 3.4 percent.

Thailand's economic status in the third quarter of 2022 increased by 4.5 percent from the third quarter in 2021, due to the expansion of private consumption expenditure by 9.0 percent from the same quarter of the previous year, the increased private investment by 11.0 percent from the same quarter of the previous year, while the export value of goods increased by 6.7 percent and the government investment decreased by 7.3 percent from the same quarter of the previous year. However, in the third quarter of 2022, the Thai economy suffered an inflation rate at 7.3 percent as a result of the rising prices of crude oil in the world market, thereby passing through to domestic costs to be distributed in commodities, and directly affecting the cost of living and consumer confidence. The Office of the National Economic and Social Development Council forecast that the GDP of the Thai economy in 2022 would grow by 3.2 percent, and the Bank of Thailand anticipated that in 2022 and 2023, the economic growth rate would be 3.3, 3.7 and 3.9, respectively. The economic outlook in 2023 would be supported by (1) the recovery of domestic demand and production sector from the relaxation of the COVID-19 measures, which would allowed people expenditure to return to normal; (2) the recovery of international tourism sector from the increased number of foreign tourists following the speedy reopening of Thailand and other countries; (3) the continual expansion of exports in line with the global economic and trade recovery, which estimated the export value of goods in USD to expand by 1.0 percent; and (4) the expansion of private consumption and investment which are expected to increase by 2.6 percent and 2.4 percent, respectively. The headline inflation is expected to be in a range of 2.5 – 3.5 percent.

Moreover, the Thai economy in 2022 and 2023 remains uncertain by (1) the risk of the emergence of new COVID-19 variants which may intensify and lead to stringent measures by various countries' governments; (2) the risk of the higher-than-expected global economic slowdown and higher volatility in global financial market; (3) the Russia – Ukraine conflict; (4) the increased headline inflation which would negatively affect trading partners' economies and purchasing power; and (5) the tentative aggressive monetary policy tightening by raising policy interest rates by the major central banks, particularly the US Federal Reserve, to mitigate rising inflationary pressure which may

be higher than forecast to the extent resulting in an economic slowdown and highly likely leading to severe economic recession.

Sources: The Bank of Thailand and the Gross Domestic Product: Q4/2021 and Q3/2022 Reports, and the Thai Economic Performance Reports in Q4/2021 and Q3/2022 by the Macroeconomic Strategy and Planning Division, Office of the National Economic and Social Development Council



Sources: The Bank of Thailand and the Office of the National Economic and Social Development Council

## (2) Non-Performing Asset Management Industry

The non-performing asset management industry relies mainly on the needs of clients, both financial and non-financial institutions, and demands from the volume of non-performing debts held by financial institutions or lenders, particularly commercial banks, which are required to establish provisions according to the Bank of Thailand's regulations. Such industry grows in the direction opposite to the country's economic conditions. That is, at the time of an economic slowdown with an increasing volume of non-performing debts in the Thai financial institution system, it would be a good timing for the non-performing debt management business to acquire more debts.

The majority of non-performing debts from financial institutions mainly comprises non-performing debts from loans to small and medium enterprises (SME) and household loans (Source: Article Titled “Asset Management Company” released by the Bank of Thailand on March 18, 2019), which may be divided into two categories, namely unsecured and secured debts. Secured debts require higher investment costs than unsecured debts as collateral can be seized and enforced by legal proceedings, and can be sold at auction for debt repayments, e.g., housing loans, etc.

### Factors with Impact on Non-Performing Asset Management Business Growth

#### (2.1) Macroeconomic Factors

Key factors which may affect the industry are the Thai economic growth and expansion. At the time of an economy downturn or a negative economic growth rate (GDP), private investment would slow down. In addition, the global economy also directly affects Thailand's industry in export and tourism sectors, which would negatively affect the employment rate, and as such, the debt-serviceability would be at the risk of debtors' default, which would increase the non-performing debts to the loan volume in the economic system. On the contrary, at the time of a continued economic expansion or growth, the non-performing debts to the loan volume in the system would decline as the public and private expenditures would stimulate employment, thereby strengthening debtors' debt-serviceability. Besides, during an economic expansion, the loan volume in the system may increase in line with private investment and household consumption expenditure, which may result in growing volume of non-performing loans in line with the increased loan volume in the system accordingly.

#### (2.2) Legal and Regulatory Factors

As of January 1, 2020, a new Thai Financial Reporting Standards 9 (TFRS 9) came into force, whereby the basis of provision established by financial institutions has changed and become more stringent than that of the existing accounting standards which require a provision to be established from incurred loss, to expected loss, in order to cover events in the future which may affect debtors. Therefore, the operating costs of financial institutions tend to increase and may be required to recognize provisions faster according to debtors' changing status at any given time, and as such, it is likely for financial institutions to sell more non-performing debts to the system to minimize their burden of establishing such provisions.



### (3) Debt Collection and Recovery Service Industry

The debt collection and recovery service industry rely mainly on the needs from the same group of clients in the non-performing asset management industry, namely financial and non-financial institutions. The demands of the debt collection and recovery services originate from the volume of non-performing debts which are not available for sale in the financial institution system, and non-financial institutions whose customers owed the service charges. Therefore, at the time of an economy downturn or an increasing volume of debts in the system, the accumulation of the outstanding loans or debts from purchase of goods and services may increase, thereby resulting in increasing demand for the debt collection and recovery as well as litigation services accordingly.

The factors which affect the Group's business operations mainly originate from commercial banks' employment for collection of household loans, e.g., hire-purchase loans, personal loans, etc. Therefore, the volume of household loans of commercial banks and the volume of non-performing debts from such loans held by commercial remain the key factors to the debt collection business.

#### Factors with Impact on Debt Collection and Recovery Service Industry

##### (3.1) Macroeconomic Factors

The debt collection and recovery services rely on the economic conditions. That is, at the time of an economic slowdown or downturn, the confidence in private investment and household consumption expenditure may decline, which will negatively affect revenues of business operators and their employees, and result in unemployment, thereby causing commercial banks and service providers to encounter problems in respect of loan repayments or payments for goods and services by debtors.

##### (3.2) Legal and Regulatory Factors

#### The Debt Collection Act B.E. 2558 (2015)

On November 21, 2019, the Debt Collection Supervisory Committee issued a notification on the number of times of contact for debt collection in addition to the Debt Collection Act B.E. 2558 (2015) to properly control the debt collection and to prevent any serious infringement of privacy, and as such, the debt collectors may not contact for debt collection more than once a day. In this connection, financial institutions with their own debt collection units may not be able to use their personnel to the full capacity due to the restricted number of times of contact, and the risk of lawsuits should any debt collector fail to strictly comply with the applicable laws and rules. Moreover, on September 13, 2021, the Debt Collection Supervisory Committee issue another notification on rates of fees or expenses in the debt collection charged to debtors to prevent any collection of the debt collection fees from debtors at unfair rates. Such notification prescribes a fixed fee rate per collection, and as such, the debtor collectors may not collect any collection fees exceeding the prescribed rate, despite the fact that such costs actually incurred may be higher. In this respect, the demand for third party debt collection and recovery services tends to increase among clients unable to reasonably manage their debt collection costs. The majority of the debt collection costs charged by third party services is in the form of commission and success fee, which will allow clients to properly manage their operating costs and minimize fixed costs in their business, e.g., staff costs.

However, the Company's volume of jobs from the Employers is not affected by such measures since clients' demand for the services exceeds the Company's capacity. Moreover, the Group's long experience in the debt collection under the rules and legal provisions in fairness to debtors has enabled the Group to continue its business operations as usual without any legal disputes or complaints from debts until now.

#### Debt Relief Measures for Retail Debtors Affected by COVID-19 Pandemic

The Bank of Thailand launched the first debt relief measures to assist debtors during the COVID-19 pandemic on March 26, 2020, followed by subsequent debt relief measures from time to time. Most recently on September 3, 2021, the Bank of Thailand announced the third phase of its debt relief measures to assist retail debtors, whereby the affected debtors may register for assistance during May 17 – December 31, 2021. Such measures included principal payment suspension and partial interest payment, extension of payment period and installment plan or suspension of installment payments, depending on loan categories, which may cause debtors to prolong their debt payments, and affect revenue in the debt collection services which in part rely on success of the debt collection.

### (4) Competition

The Group is a non-bank business operator and provides full-scale financial services covering two core businesses, namely the debt collection and recovery services, and the management of non-performing assets. At present, there are multiple players in the asset management and debt collection businesses. However, only a handful of business operators are capable of engaging both businesses such as the Group.

When compared with new operators which may be the Company's potential competitors, the Company has personnel with more than 20 years of experience in the debt collection and recovery services and the management of non-performing assets, and over 10 branches available for service nationwide. Therefore, the Company's management services are closely accessible to clients in every region, and from the competitive context, a relatively high level of investment would be required to compete in the market. Moreover, the Company also has a management team with expertise and long-time experience to justify our competitive advantage.

### 1.2.2.3 Assets Used in Business Operations

As at December 31, 2022, the Group's fixed assets used in its business operations based on the net book value less accumulated depreciation in the consolidated financial statements amounted to Baht 408.4 million or representing 13.9 percent of total assets. Fixed assets mainly used in the Group's business operations per the consolidated financial statements comprise land, building and building improvements, office equipment. *(Please see more details of the assets used in business operations in Annex 4 Assets Used in Business Operations and Details on Property Valuation.)*

Moreover, as at December 31, 2022, the Group's net right-of-use assets amounted to Baht 11.9 million or representing 0.4 percent of total assets. The majority of the Group's right-of-use assets include buildings and office equipment used by the Group in its business operations.

As at December 31, 2022, the Company and its subsidiaries had a total of 16 offices, with the Group's head office located at Vibhavadi Rangsit Road, Bangkok. The details of the head office and branch offices of the Company and its subsidiaries are described below.

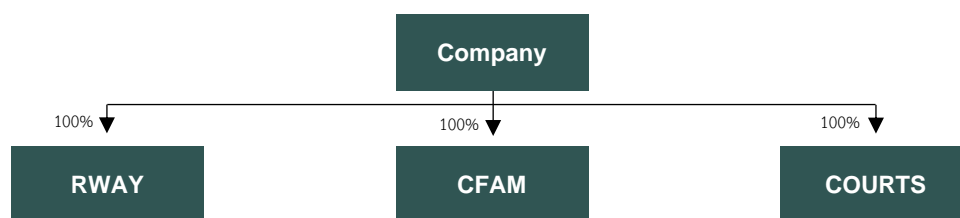
Head/Branch Office	Company	Scope of Services
1. Head Office	Company	Debt Collection, Litigation, Enforcement, and Issuance of Termination Letter
2. Chiangrai Branch	Company	Debt Collection and Enforcement
3. Khon Kaen Branch	Company	Debt Collection and Enforcement
4. Chiangmai Branch	Company	Debt Collection and Enforcement
5. Nakhon Ratchasima Branch	Company	Debt Collection and Enforcement
6. Chonburi Branch (Mueang Pattaya)	Company	Debt Collection and Enforcement
7. Prachuap Khiri Khan Branch (Hua Hin District)	Company	Debt Collection and Enforcement
8. Surat Thani Branch	Company	Debt Collection and Enforcement
9. Phuket Branch	Company	Debt Collection and Enforcement
10. Kanchanaburi Branch	Company	Debt Collection and Enforcement
11. Songkhla Branch (Hat Yai District)	Company	Debt Collection and Enforcement
12. Head Office (Lak Si District, Bangkok)	RWAY	Management of NPL and Loan Services
13. Sub-Branch (Vibhavadi Rangsit Road)	RWAY	Management of NPL
14. Head Office (Lam Luk Ka District, Pathum Thani Province)	CFAM	Management of NPL
15. Head Office (Mueang Phuket District, Phuket Province)	COURTS	Loan Services <sup>(1)</sup>
16. Sub-Branch (Pathum Thani Province)	COURTS	Loan Customer Services <sup>(1)</sup>

Remark: <sup>(1)</sup> The Group plans to discontinue the consideration and approval of new loans since December 31, 2022. However, for accounts receivable in the loan business currently with outstanding balances, the Group would continue to monitor all debtors' debt repayments under the agreed upon terms and conditions accordingly.

### 1.3 Structure of the Company

#### 1.3.1 The Company's Shareholding Structure

The chart of the Group's shareholding structure as at December 31, 2022 is as follows:



#### 1.3.2 Subsidiaries of the Company

As at December 31, 2022, the Company holds shares in its subsidiaries with the details as follows:

Company Name	Nature of Business	Registered Capital (Million Baht)	Paid-up Registered Capital (Million Baht)	Net Book Value of Investment as at December 31, 2022 <sup>1</sup> (Million Baht)	Shareholding (percent)
Resolution Way Co., Ltd. ("RWAY") Office No. 102/10, Moo 4, Soi 5 Alley 1, Kamphaengphet 6 Road, Talat Bang Khen Subdistrict, Lak Si District, Bangkok Tel.: 0 2821 1055 (effective as of March 7, 2023)	Personal loan business under BOT's regulation, and acceptance of transfer of non-performing assets from financial and non-financial institutions	520.0	520.0	711.2	99.99
CF Asia Asset Management Co., Ltd. ("CFAM") Office No. 1/755, Moo 17, Soi Phahon Yothin 60, Phahon Yothin Road, Khu Khot Subdistrict, Lam Luk Ka District, Pathum Thani Province Tel.: 0 2826 5377 (effective as of March 7, 2023)	Management of non-performing assets from acceptance of transfer of non-performing assets under the Emergency Decree on Asset Management Company	170.5	170.5	203.7	99.99
COURTS Megastore (Thailand) Co., Ltd. ("COURTS") Office No. 128/49, Moo 5, Pracha Uthit Road, Ratsada Subdistrict, Mueang Phuket District, Phuket Province	Loan business under the Civil and Commercial Code	367.1	367.1	184.9	99.99

Tel.: 0 2857 5188 (effective as of March 7, 2023)					
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Remark: <sup>1</sup> Based on the historical cost in the Company's separate financial statements for the year ended December 31, 2022.

### 1.3.3 Shareholders

#### (1) Major Shareholders

The list of top 10 shareholders as of February 17, 2023 is as follows:

No.	Name	Number of Shares	Shareholding (Percent)
1.	Mr. Pracha Chaisuwan	1,019,487,200	51.23
2.	RS LiveWell Co., Ltd.	240,000,000	12.09
3.	RS Mall Co., Ltd.	163,954,600	8.26
4.	BNP MELLON NOMINEES LIMITED	70,000,000	3.53
5.	BTS Group Holdings Co., Ltd.	50,000,000	2.52
6.	Mr. Suksan Yasasin	31,260,000	1.57
7.	Mr. Sura Kanittaweekul	20,093,000	1.01
8.	Mr. Chot Chetchotisak	20,000,000	1.01
9.	Mr. Apichet Srivaddhanaprabha	20,000,000	1.01
10.	Mr. Chanyuth Laoraddecha	20,000,000	1.01
11.	Miss Aroonroong Srivaddhanaprabha	20,000,000	1.01
<b>Total</b>		<b>1,672,394,800</b>	<b>84.25</b>

### 1.4 Registered and Paid-up Capital

As at February 17, 2023, the Company's registered capital is Baht 992,720,900, Baht 992,720,900 of which has been paid-up, divided into 1,985,441,800 ordinary shares, with a par value of Baht 0.5 per share.

### 1.5 Issuance of Other Securities

- None -

### 1.6 Dividend Policy

The Company primarily regards the benefits of all groups of stakeholders, and concurrently realizes the significance of the rights of shareholders, as both investors and owners of the Company. Therefore, in order to increase value to the shareholders in the long run, the Company has set out the dividend policy in respect of the Company and its subsidiaries as follows:

#### (1) Dividend Policy of the Company

The Company has a policy to pay dividend to the shareholders at the rate not less than 40.0 percent of the net profit from the separate financial statements less corporate income tax and legal reserve as required by law and its articles of association. Such dividend rate is subject to change, depending on financial position, operating results, financial liquidity, cash flows and working capital requirements for management and business expansion of the Group, economic conditions, contractual conditions, restrictions and obligations, as well as other factors relating to the Group's operations, as the Board of Directors and/or shareholders of the Company may deem reasonable.

The annual dividend payment must be approved by the Shareholders' Meeting, except for interim dividend, which may be approved by the Board of Directors from time to time as justified by the Group's profit, in which case, such dividend payment shall be reported to the next Shareholders' Meeting for information.

#### (2) Dividend Policy of the Subsidiaries

The consideration of any dividend payment of the subsidiaries is subject to approval of their respective boards of directors and shareholders' meeting. Each subsidiary's board of directors may consider declaring its annual dividend, which must be approved by its shareholders' meeting, except for interim dividend, which may be approved by the board of directors from time to time as justified by the subsidiary's profit, in which case, the subsidiary's board of directors shall report such dividend payment to the next shareholders' meeting for information.

The subsidiaries' boards of directors shall consider declaring dividends by mainly taking into account various factors to the shareholders' benefits, e.g., financial position, operating results, liquidity, cash flows, additional investment requirements, business expansion, reserve for loan repayments or working capital for their management and business expansion, economic conditions, contractual conditions, restrictions and obligations, as well as other factors relating to their operations, as the board of directors and/or shareholders of the subsidiaries may deem reasonable, and in compliance with the Company's governance of the subsidiaries.

## 2. Risk Management

### 2.1 Risk Management Policy and Plan

The Group realizes the importance of risk management as part of its good governance, and as a cornerstone of achieving the objectives or goals in the Company's business operations. Risk identification and management will help support the Company to make informed decisions and grasp opportunities as well as mitigate impact from material events which may occur to the Group's businesses, and which may affect shareholders, investors and other stakeholders of the Company. The Company therefore has arranged for risk management and set out a business risk management policy, which has been approved by the Board of Directors' Meeting No. 9/2021 on November 12, 2021, and the Board of Directors' Meeting No. 1/2022 (after its conversion) on August 11, 2022, as summarized below.

#### 2.1.1 Risk Management Framework

The Company puts in place a risk management system and process within the Company and its subsidiaries in line with business strategies and goals that meet international standards by assessing its risk appetite which covers, among others, strategic risk, operational risk, financial risk, compliance risk, IT risk and corruption risk.

#### 2.1.2 Risk Management Structure and Accountability

All executives and staff of the Company and its subsidiaries are risk owners who are accountable to identify and assess risks in their responsible units, as well as designate appropriate measures for risk management, and the Company shall manage risks within its risk appetite or not exceeding the risk tolerance.

#### 2.1.3 Risk Management Process

All risks to the achievement of objectives of the Company and its subsidiaries must be managed as follows:

- (1) To identify risks in a timely manner;
- (2) To assess the likelihood and the impact of risk occurrence;
- (3) To manage risks in compliance with the risk management criteria, taking into account associated expenses and expected benefits from such risk management;
- (4) To regularly monitor and review the risk management to ensure that the Company's or its subsidiaries' risks are properly managed;
- (5) To report all high and highest risks to the business plans and strategies of the Company or its subsidiaries to the Audit Committee, the Executive Committee and the Board of Directors for acknowledgment.

The Company will regularly report to the Board of Directors on the risk performance in respect of material risks to financial position, operating results, corporate governance, sustainability and image which may jeopardize the confidence of clients, investors and parties concerned, and continue to improve the efficiency and effectiveness of the risk management implementation.

Should there be any material and urgent change of events, the risk management unit will conduct a risk management review to determine essential measures and promptly report such occurrence as a special agenda to the Board of Directors for acknowledgment.

### 2.2 Risk Factors to the Company's Business Operations

The Company and its subsidiaries engage in two core businesses, namely (1) debt collection and recovery services; and (2) management of non-performing assets, which the Company believes that both businesses have different risk exposures by business category as follows:

#### 2.2.1 Risks to the Debt Collection and Recovery Services

##### 2.2.1.1 Risk from Debt Collection Lower than Employers' Targets

The Company's debt collection capacity depends on a variety of factors beyond the Company's control, e.g., the domestic economic conditions, debtors' financial position, etc. These factors may render the Company unable to achieve the debt collection to meet the Employers' targets, which may result in the Company's loss of future assignments from the Employers, and may negatively and materially affect the Group's businesses, cash flows, operating results, financial position and business opportunities.

However, the Company regularly monitors the progress of its debt collection services by instructing supervisors to review and check performance of their team of staff at the end of the day, and designating success of the debt collection as one of the key performance indicators in the debt collectors' performance review. As a result, in the

past, the Company has been able to achieve the debt collection to meet the targets or to the Employers' satisfaction.

#### **2.2.1.2 Risk from Declining Debts of Certain Financial Institutions' Change of Direction from Use of the Debt Collection and Litigation Services to Increased Sale of Non-Performing Asset Portfolios**

The Company has a risk from the event where financial institutions change their debt collection direction or policies to sell more non-performing asset portfolios or carry on the debt collection themselves, which may negatively and materially affect the Group's businesses, cash flows, operating results, financial position and business opportunities.

However, the Company believes that the majority of financial institutions still need to engage the debt collection and litigation services to lessen their burdens and costs, let alone their limited personnel in the legal and litigation areas for the debt collection.

In addition, the Group also has certain major risks which may negatively affect the businesses, financial positions, operating results and business opportunities of the Company and its subsidiaries, as well as the value of the Company's ordinary shares, as summarized below.

#### **2.2.1.3 Risk from Data Leakage**

In the provision of the debt collection and recovery services, the Company is required to keep such information provided by the Employers in compliance with the conditions as agreed upon with the Employers in the confidentiality agreement and the engagement agreements, and ensure that the Company's staff shall not disclose any information of the Employers and their debtors. Therefore, the Company has a risk from the fact that its staff may disclose such information to third parties, in which case, the Company may be prosecuted for damages, which may incur additional expenses to the Company, jeopardize its reputation, and lose the Employers' trust and future engagement for the services. These events may also negatively and materially affect the Group's operations, business opportunities, cash flows, operating results, and financial position.

The Company has a policy on prevention of use of inside information and strict regulations on the debt collection, which clearly impose punishments on staff or those who violate and breach the relevant rules and regulations. Furthermore, the Group has introduced the information technology system to authorize access to debtors' information, whereby staff or persons concerned shall not be authorized or permitted to record and export any information out of the Group's information technology system. Moreover, the Company does not permit staff to bring any electronic devices to their workstations in order to prevent them from recording and exporting any information out of the Company's information technology system. Besides, all debt collectors of the Company must sign a confidentiality agreement with the Company.

#### **2.2.1.4 Risk from Unlawful Debt Collection**

The debt collection is subject to regulation by the Debt Collection Supervisory Committee, and as such, the Company's debt collection must comply with the Debt Collection Act B.E. 2558 (2015) and the Debt Collection Supervisory Committee's Notification Re: Rules on Debt Collection Business Conduct, including other applicable notifications. In the event where the Company's staff fails to comply with the legal provisions, such as, any debt collection outside the time of contact designated by law, threatening or use of profane language, the Company may be complained or prosecuted by debtors, which may incur additional expenses to the Company, jeopardize the Group's reputation, and lose the Employers' trust and future engagement for the services. These events may also negatively and materially affect the Group's operations, business opportunities, cash flows, operating results and financial position.

Nevertheless, the Company realizes the risk from unlawful debt collection, and thus clearly prepares and announces the regulations on the debt collection for staff's information. In addition, the Company is committed to having staff undergo training from the Debt Collection Business to Financial Institution Association to make sure that they are knowledgeable, understand and comply with applicable rules. Moreover, the Company regularly holds staff training to provide them with updated knowledge and rules for compliance, and also randomly checks all staff's voice recordings on a monthly basis to ensure that the Company's debt collectors comply with applicable laws. In the past, the Company has never encountered any material problems relating to violation of the laws, rules and regulations, nor is there any disputes from the debt collection which may materially affect the Company's business operations, operating results and financial position.



## **2.2.2 Risks to the Non-Performing Asset Management Business**

### **2.2.2.1 Risk from Acquisition of Adequate Non-Performing Assets at Reasonable Prices**

The ability to sufficiently acquire non-performing assets at reasonable prices is one of the key factors to support a sustainable growth of the non-performing asset management business. However, successful acquisition of non-performing assets depends on various factors beyond the Group's control, e.g., competition conditions in the bidding for non-performing assets from financial institutions and/or the Legal Execution Department, volume and categories of non-performing assets in the Thai financial institution system, etc. Moreover, the ability to acquire such assets also relies on the Group's liquidity and access to sources of funds. Therefore, should the Group fail to acquire non-performing assets in adequate value and at reasonable prices according to its business plan, the Group's business opportunities may be materially affected.

The Group regularly monitors news on non-performing asset auctions from financial institutions and attempts to attend such auctions or negotiate for acceptance of transfer of non-performing assets from financial institutions which are suitable for the Group as much as possible so that the Group receives information about non-performing assets available for sale from financial institutions. The Group has a mechanism to conduct an in-depth due diligence investigation of non-performing assets every time before proposing purchase prices to financial institutions, particularly in respect of debt categories, ages, litigation status, average debt values, cash flows expected to generate from management of non-performing assets, collateral (in case of bidding for secured debts), etc., to make certain that the Group accepts non-performing assets suitable for it and determines reasonable purchase prices.

### **2.2.2.2 Risk from Lack of Liquidity and Access to Sources of Funds**

The non-performing asset management business requires a relatively high investment to bid for non-performing debts and assets. Basically, financial institutions will classify non-performing assets of similar characteristics into groups, and purchasers will accept transfer of all non-performing assets in the group, and as such, the Group requires a huge investment for each acquisition. Therefore, the liquidity and access to sources of funds are key factors to acquisition of non-performing debts and assets, which are mainly instrumental in a sustainable growth in this industry. Should the Group have insufficient liquidity and fail to secure sufficient funds for acquisition of non-performing debts or assets, the Group's business opportunities, cash flows, operating results and financial position may be negatively and materially affected.

In the past, the Group has utilized cash from operating activities, loans from financial institutions, and funds from shareholders to acquire non-performing debts and assets. As at December 31, 2022, the Group's debt to equity ratio is equal to 0.42 times, in compliance with the debt to equity ratio requirements under the credit facility agreement with financial institutions, whereby the debt to equity ratio must not exceed 2.00 times.

### **2.2.2.3 Risk from Debt Collection from Debtors Lower than Targets**

The Company has a risk in respect of cash receipts from debtors for the non-performing asset management business, depending on several factors, including the Group's ability to efficiently collect debts and manage non-performing assets within reasonable period, and debtors' debt-serviceability which is beyond the Group's control. Should the Group fail to collect debts from debtors to meet targets, the Group's business operations, cash flows, operating results and financial position may be negatively affected. In addition, should debtors' debt-serviceability change from the Group's initial forecast, the Group may need to establish allowance for expected credit losses, and recognize expected credit losses in addition to the forecast allowance, which may negatively and materially affect the Group's operating results and financial position.

However, the Group prepares a daily summary of the debt collection and conducts a monthly assessment of the debt collection from debtors to analyze their debt-serviceability and action plan to handle the respective debtors accordingly.

### **2.2.2.4 Risk from Debtors' Complaints or Lawsuits**

The Group's non-performing asset management business involves the debt collection, litigation and/or enforcement of collateral, which may give rise to conflicts with debtors from time to time. The Group is thus at the risk of being complained or prosecuted by debtors, which may jeopardize the Company's reputation and incur additional costs to the Group, and may negatively and materially affect the Group's operations, business opportunities, cash flows, operating results and financial position. However, in the past, the Group has never been complained or prosecuted by its debtors.



### 2.2.3 Risks Relating to Loans to Debtors

#### 2.2.3.1 Risk from Debtors' Debt-Serviceability of Hope Loan

Despite the Group's plan to discontinue the consideration and approval of new loans since December 31, 2022, the Group still has debtors from Hope Loan, which in the past, the Group extended Hope Loan to non-performing debtors for the sole purpose of affording non-performing debtors an opportunity to resolve their debts. As at December 31, 2022, the Group's net loans to debtors amounted to Baht 351.9 million, which the Group is still monitoring the debtors' debt repayments under the agreed upon terms and conditions accordingly, and such debtors are regarded as high risk. Therefore, the likelihood for the Group to receive the debtors' repayments to meet its targets depends on various factors, including the efficient analysis and consideration of loans at the time of the Group's approval of such loans, the Group's ability to efficiently collect the debts, and the debtors' debt-serviceability subject to factors outside the Group's control, e.g., the domestic economic conditions, debtors' financial position, etc. Should the debtors fail to repay the loans under the agreed upon terms in the agreements, whether in whole or in part, the business, cash flows, operating results and financial position may be negatively and materially affected. In addition, in the event where the Group is unable to collect the debts upon due and has long-time outstanding debts, the Group's debtors status may be problematic, which may affect the allowance for expected credit losses, not to mention that the Group may incur additional operating costs due to its inability to collect the debts, or may incur additional costs for litigation, which may further affect the Group's operating results, financial position and business opportunities.

However, the Group regularly assesses the debt collection from the debtors to analyze their debt-serviceability and prepare a daily summary of the debtors' payments. Should the debtors default, the loan staff will contact and remind all the debtors to make payments before the due dates, and communicate with them for close monitoring. However, the Group manages such risk of loan extension by planning for repayments in line with debtors' income and expenditure, requiring co-borrowers or collateral (if any), to mitigate the risk of default. Moreover, the Group also has a legal team of over 100 personnel who specialize in litigation, and as such, the Group may efficiently apply the laws to debtors' default which necessitates law enforcement.

#### 2.2.3.2 Risk from Debtors' Complaints or Lawsuits

The debt collection in respect of loans extended by the Group involves the debt collection, litigation and/or enforcement of collateral, which may give rise to conflicts with debtors from time to time. The Group is thus at the risk of being complained or prosecuted by debtors, which may jeopardize the Group's reputation and incur additional costs to the Group, and may negatively and materially affect the Group's operations, business opportunities, cash flows, operating results and financial position. In the past, the Company has only quite a few complaints. In 2022, the Company had only 1 complaint for use of impolite language, in respect of which the Company investigated the facts and imposed punishment on the responsible staff, and provided an explanation letter to the debtor. However, the Group has never been complained or prosecuted by its debtors nor is there any complaint regarding the loan procedure in any material aspects.

### 2.2.4 Risk from Reliance on Key Executives and Talented Staff

Given that the Group's nature of business essentially requires key executives and staff knowledgeable and competent with in-depth understanding, experience and specialization, the Group's success is in part reliant upon its ability to retain and recruit key executives and talented staff to support its growth. Should the Group fail to retain its existing personnel or recruit new personnel to sufficiently accommodate its business plan, both at present and in the future, it may materially affect the Group's operations, business opportunities and operating results.

Furthermore, the Group's top executive, namely Khun Pracha Chaisuwan, currently the Chief Executive Officer, and as the Company's founder, has long-time experience in the industry through several financial crises, and is also the President of the Debt Collection Business to Financial Institution Association. Therefore, should the Group lose such personnel, it may affect the Group's ability to operate the businesses.

However, the Group sets out succession plan and personnel development plan to support the Group's growth, and provides staff with regular training to ensure that the Group's staff is knowledgeable, understands and complies with applicable rules, and to improve their professional skills in the debt collection and counseling for debt resolution.

### 2.2.5 Risk from Pandemics, e.g., COVID-19

In 2020, there was an outbreak of the coronavirus disease 2019 ("COVID-19") in China, and thereafter, severely spreading in several countries, including Thailand and other countries in Southeast Asia, Europe and the Americas. The outbreaks of severe communicable diseases, e.g., COVID-19, severe acute respiratory syndrome (SARS), Middle East respiratory syndrome (MERS), or influenza A virus subtype H1N1, if they cannot be controlled, may negatively and materially affect the economic activities and business operators in various industries, which may include the Group's debtors and trading partners, e.g., the close of service of trading partners, government

authorities, the Legal Execution Department, courts, etc., thereby causing debtors' debt-serviceability to drop, while the Group's operating costs and expenses remain unchanged.

In addition, the outbreaks of communicable diseases may affect the Group's operations from travel restrictions or various measures prohibiting the Group's staff from commute to work.

## **2.2.6 Risks Relating to Government Rules, Regulations or Policy on Business Operations, Economy and Financial Industry in Thailand**

### **2.2.6.1 Risk from Change in Laws and Regulations Applicable to the Groups' Business Operations**

The Group's businesses are subject to strict regulation of the relevant authorities, and as such, the Group is required to comply with various requirements under the applicable regulations, practices and policies which may change in the future, e.g., debt collection, debt restructuring, rules on taxes, bad debt write-off, etc. Compliance with any change in laws may cause the Group to utilize more resources and expenses, and change its operations and business policy, which may negatively affect the Group's businesses. Moreover, the Group's failure to comply with the laws and regulations applicable to the Group's business operations, both at present and in the future, or its inability to adapt to such change in time may negatively and materially affect the Group's business, financial position and operating results, and may give rise to legal disputes, fines and penalties, and may jeopardize the Group's reputation.

However, the Group has regularly studied and followed up any potential change in laws and regulations to always be well-prepared for adaptation of its operations in line with such change.

### **2.2.6.2 Risk from Relief Measures under the Bank of Thailand's Notifications to Assist Customers Affected by COVID-19**

From the outbreak of the coronavirus disease 2019 (COVID-19) since 2020, which directly affected the economic activities, particularly retail and small and medium enterprises (SMEs), the Bank of Thailand announced relief measures to assist debtors affected by such crisis from time to time. In March 2020, the Bank of Thailand, in association with financial institutions in Thailand, issued relief measures to assist debtors affected by COVID-19 (Phase 1) focused on assistance in terms of liquidity and debt restructuring, e.g., reduced installments, debt payment holiday, etc.

Later in June 2020, the Bank of Thailand, in association with financial institutions in Thailand, announced additional measures to replace the Phase 1 measures which were about to expire (Phase 2), namely (a) general reduction in interest rate ceilings by 2 – 4 percent per annum for credit card and personal loan debtors under the regulation (effective as of August 1, 2020); (b) temporary increase in credit line for credit cards and personal loans under the regulation in the categories of revolving credit or installment plan for debtors in need of additional credit line with normal repayment status (effective as of August 1, 2020); (c) extended scope and period of assistance to retail debtors affected by COVID-19 who were not yet classified as NPLs as at March 1, 2020, whereby the financial service providers provided minimum assistance options to the affected debtors by types of loans, e.g., reduced minimum installment rates, change from short-term to long-term loans for 48 installments, or extended repayment period, reduced installments, deferred installment or principal payments, etc., provided that the financial service providers must provide complete and sufficient information for debtors' decision-making, e.g., comparison between existing and new debts, increased amount of debts and installments, and interest to be additionally charged from deferred debt payments (effective as of July 1, 2020); and (d) the financial service providers promptly proceeded with debt restructuring for debtors who were unable to pay their debts under the agreements or minimum requirements (effective as of July 1, 2020).

In May 2021, the Bank of Thailand announced supplemental measures to upgrade the existing measures in response to the more severe COVID-19 situation (Phase 3) to reduce the burdens of debtors who were not yet classified as NPLs as at March 1, 2020, and registered for assistance by December 31, 2021. Under the third phase measures, the financial service providers provided such measures to assist debtors by types of loans and their debt-serviceability, namely (a) change from short-term to long-term loans with interest at the rate not exceeding 12 percent and 22 percent per annum for credit card and personal loan debtors under the regulation, respectively; (b) reduced installments for debtors with interest at the rate not exceeding 22 percent per annum for car and motorcycle registration loans, and for heavily affected debtors under car registration loans who were unable to repay, the financial service providers considered granting installment holiday or the debtors had the option to return the vehicles; (c) reduced installments or extended period, with the effective interest rate calculated throughout the contract period not to exceed the original rate for car and motorcycle hire-purchase debtors, and for heavily affected debtors under car hire-purchase, financial service providers considered granting installment holiday or the debtors had the option to return the vehicles; and (d) reduced installments, principal payment suspension and partial interest payment, or principal payment suspension and reduced interest rate for housing loans and loans using residence as collateral, and for heavily affected debtors under housing loans and loans using residence as collateral, the financial service providers considered suspending installment payments, whereby the

debtors gradually repaid in a step-up manner in line with their debt-serviceability after the reduction in installments, suspension of installment payments or debt payment holiday, as the case may be.

However, in September 2021, amidst the more severe COVID-19 situation, the Bank of Thailand foresaw that such short-term assistance to debtors may not be the best solutions, and as such, announced sustainable debt relief measures for (a) sustainable long-term debt restructuring, e.g., increased credit line of loan to SMEs with low existing credit line or without any credit line with financial institutions, or increased credit guarantee rate and reduced guarantee fees for risky debtors, such as micro-SMEs and businesses in heavily affected sectors; and (b) relaxed regulations on credit card, personal loan under the regulation and digital person loan businesses, e.g., reduced minimum credit card payment rate, increased credit limit of credit card or personal loans under the regulation (excluding car registration loans), and increased credit limit and extended maturity of digital personal loans.

Even though the Group is not obliged to comply with such relief measures as announced by the Bank of Thailand, such measures affected the Group's business operations, cash inflows, operating results and financial position, particularly in the debt collection and recovery services. This is because such measures caused financial institutions to extend their debtors' repayments, and as such, the Group would take longer period of time for the debt collection for the Employers, which directly affected the Group's service and professional fee income.

#### **2.2.6.3 Risk Relating to Compliance with Personal Data Protection Law Requiring Revised Operating Procedures**

The Personal Data Protection Act B.E. 2562 (2019) (the "PDPA"), effective as of May 28, 2019, regards any information which enables the identification of a person, whether directly or indirectly, as personal data, and the data subject is entitled to protection, including any other certain rights relating to his/her personal data. As of June 1, 2022, the data processors (including the Group) shall have the duty to collect, use or disclose personal data in compliance with the procedures and regulations under the PDPA, and the relevant authorities under the PDPA shall further issue rules and regulations to fulfill the compliance with the PDPA. Therefore, the Group also has the duty to comply with the PDPA in the collection, use or disclosure of personal data, since the Group is required to collect and process clients' data in the ordinary course of its business. In the event where the Group fails to comply with such law, which is currently in force and to be in force in the future, or the Group understands that it has complied with such law, although such compliance may not be complete, including where the Group has received any complaints or lawsuits from clients, trading partners or the Group's staff, who are the data subjects, the Group may incur additional costs or be subject to legal penalty, which may also jeopardize the Group's reputation and negatively and materially affect the Group's operations, business opportunities, cash flows, operating results and financial position.

However, the Group is well aware of the importance of its compliance with the PDPA and has thus set out its personal data protection policy, including prevention of any person from unauthorized or unlawful use of such personal data collected or used by the Group. In this connection, the information technology system has been introduced to authorize access to such personal data, and a personal data protection working group has been appointed to act as the Group's personal data protection officer.

#### **2.2.6.4 Risk from Change in Thailand's Economic Conditions and Financial Industry**

The Group's businesses interact with Thailand's economic conditions and financial industry. Even though during an economic slowdown, the Group may have the opportunity to acquire more non-performing debts and assets, such economic conditions may affect debtors' debt-serviceability, both the Group's debtors and those of the Group's Employers in the debt collection services, values, and demands for acquisition of non-performing assets, etc. Moreover, financial institutions may become more cautious and set out more restrictions in lending loans, which may affect access to sources of funds and/or finance cost of the Group. In this regard, any change in economic conditions and financial industry may negatively affect the Group's businesses, cash flows, financial position and operating results.

#### **2.2.6.5 Risk from Increased Interest Rates**

Should interest rates increase, it may negatively affect the Group in various aspects. For example, the Group's finance cost would increase, the finance costs of purchasers of non-performing assets would also increase, which may cause the demand for acquisition of non-performing assets to decline, and then, debtors' finance costs may increase, etc. Therefore, should interest rates increase, it may negatively and materially affect the Group's operations, business opportunities, cash flows, operating results and financial position.

However, in the past, the Group has planned for borrowing loans from financial institutions and regularly monitored change in interest rates, and besides, after the Company's listing on the SET, the Group will have access to more financing channels.

## 2.2.7 Risks from Shareholding in the Company

### 2.2.7.1 Price of the Company's ordinary shares, liquidity and trading volume may fluctuate, which may result in material loss to investors in the Company's ordinary shares

Price of the Company's ordinary shares, liquidity and trading volume may fluctuate, depending on several factors outside the Company's control, such as:

- Analysts' change in forecast of the Company's operating results and suggestion on buying or selling the Company's ordinary shares;
- Economic, capital market and political conditions, both in the country and abroad;
- Differences between actual financial performance and operating results, and investors' and analysts' expected financial performance and operating results
- Foreign exchange fluctuations;
- Sales or potential sales of substantial shares by the existing shareholder(s);
- Change in the conditions which affect the industry, economic conditions in general or the stock market atmosphere or other events or factors;
- Change in applicable rules, regulations and laws;
- Announcements of other companies in the same industry as the Company;
- Change in valuation of market values and share prices of listed companies on the SET which operate the businesses similar to the Company;
- Share price fluctuations in the SET;
- Outbreaks of pandemics;
- Other risks which may affect the Company's financial position and operating results.

The above factors, including other factors, may cause the market price and demand for the Company's ordinary shares to be highly fluctuating, which may restrict or prevent investors from selling the ordinary shares.

### 2.2.7.2 Risk from the Company's major shareholders selling shares, and the availability of the Company's substantial shares for sale may cause the Company's share price to decline

The Company shall comply with the Regulations of the SET Re: Listing of Ordinary Shares or Preferred Shares as Listed Securities B.E. 2558 (2015) (as amended), which provide that the Company's shares representing in aggregate 55 percent of its registered capital after the initial public offering, including shares held by executives and shareholders who hold more than 5 percent of shares, or shares held by other existing shareholders, provided that the number of shares held by executives and shareholders who hold more than 5 percent of shares represents less than 55 percent of shares, shall be subject to silent period for 1 year from the date the Company's shares start trading on the SET. However, upon the lapse of 6 months from the date the Company's shares start trading on the SET, such shareholders may sell those lock-up shares up to not exceeding 25 percent of all lock-up shares, provided that the remaining 75 percent of such lock-up shares may be sold upon the lapse of 1 year from the date the Company's shares start trading on the SET. Therefore, when the silent period ends, investors may be negatively affected by declining market price of shares due to the sales of such lock-up shares.

Sales or tentative sales of substantial shares (if any) may affect trading price of the Company's shares, which the Company cannot anticipate impact (if any) of future sales of shares or the volume of shares to be sold in the future on movement of market price of the Company's shares.

### 2.2.7.3 Risk from the major shareholders' influence over the administration policy

Given that the Chaisuwan Family, which is the Company's founder, holds in aggregate approximately 51.3 percent of all issued shares of the Company, and members of the Chaisuwan Family remain the authorized directors and executives of the Group, the Chaisuwan Family, as the major shareholders and executives, has the power to control the Company's management, including votes at the Shareholders' Meeting on nearly all matters, whether appointment of directors or any resolutions requiring the majority votes of the Shareholders' Meeting, except such matters required by law or its articles of association to be approved by not less than three-fourths of votes of the Shareholders' Meeting, and where the Chaisuwan Family has an interest and becomes ineligible to vote on any matter, the major shareholders may vote at the Shareholders' Meeting of the Company to pass their desired resolutions, which may not be in line with the interest of the Company and other shareholders.

However, based on the Company's management structure, which comprises the Board of Directors, the Audit Committee, the Nomination and Remuneration Committee and the Executive Committee, with their scope of powers and duties clearly authorized, the Company's management is transparent with counterbalance mechanism.

At present, the Company has a total of 3 independent directors, all of whom are members of the Audit Committee, which serve as a mechanism for inspection of the Board of Directors' performance. Moreover, the Company also has set out practices for execution of connected transactions or related party transactions with directors or major

shareholders or controllers, including persons who may have a conflict of interest, who shall not be authorized to approve and vote on the execution of such transactions.

#### **2.2.7.4 Risk of the existing shareholders resident outside Thailand from the Company's inability to offer newly issued securities in the future to such existing shareholders**

Despite the fact that a public limited company is not required to offer and sell newly issued securities to the existing shareholders upon issuance and offering of new securities, the public limited company may offer and sell newly issued securities from time to time by way of rights offering to the existing shareholders. Such securities include newly issued ordinary shares and other types of securities which may be issued by the Company, e.g., warrants, transferable subscription rights (TSR) and convertible debentures. Should the Company offer and sell newly issued securities or any other rights to the existing shareholders, the Company has the discretion not to offer and sell or grant any rights to subscribe for newly issued securities to the existing shareholders resident outside Thailand. Moreover, the Company may be restricted by legal provisions of certain countries from offering and selling or granting any rights to subscribe for newly issued securities to the shareholders in those countries. For example, the Company may not offer and sell or grant any rights to subscribe for newly issued securities to U.S. person, except where (a) the Company has filed a registration statement under the US securities law; or (b) such offer and sale of newly issued securities have been exempted from such filing under the US securities law.

Compliance with the securities laws or provisions of other rules and regulations in certain countries may prohibit some investors from subscribing for newly issued securities offered by the Company to the existing shareholders in proportion to their shareholding percentage in the future, and may cause those investors' shareholding percentage to reduce. The Company is not required to file any registration of the Company's securities in any other country or region than Thailand in order for foreign investors to be entitled to subscribe for newly issued shares offered the existing shareholders in proportion to their shareholding percent in the future.

### **2.2.8 Environmental, Social and Governance Risks**

The Company has assessed risks relating to human rights within the Group throughout the value chain in order to identify, prevent and mitigate impact from risks relating to human rights in the Company's operations.

From such assessment on risks relating to human rights, the Company has implemented measures to control and mitigate potential impact, and assessed residual risks after preparation of the procedures for prevention and correction relating to human rights in the Company's business operations, to ensure that the Company's human rights management is efficient to control impact throughout the value chain. In this regard, the Company has arranged for relief measures for those affected in terms of human rights, both monetary and non-monetary assistance, to mitigate any impact sustained by those affected in terms of human rights from the Company's business operations. This includes mechanisms to regularly monitor and review the human rights performance by setting goals and key performance indicators relating to human rights, for evaluation and improvement, thereby enabling the Company to prevent and minimize risks which may lead to violation of human rights.

From the assessment on the overall risks relating to human rights, there was no risk of violation of human rights from the Company's business operations.

### **2.2.9 Emerging Risk**

#### **Breakdown of Critical Information Infrastructure**

By the Group's nature of business, it is necessary for the Group to collect, use or disclose information of clients, trading partners, staff or third parties, some of which are regarded as personal data, and as such, the Group is required to comply with and follow the criteria set out in the personal data protection law, in such capacity as data controller and/or data processor (as the case may be), which may be at the risk of cyber-attack against the security of data of the Group's clients.

Given such awareness of the data security risk, the Group has appointed a personal data protection workgroup to act as the personal data protection officer, comprising personnel holding executive positions, department directors, heads/managers from various units, namely Debt Collection and Recovery Department, Purchasing Department, Administration and Process Control Department, Personnel Department, Information Technology and Infrastructure Department, Accounting and Finance Department, Strategic Planning Department, Litigation and Enforcement Department, Legal and Compliance Department, Internal Audit Department, to jointly set out risk prevention measures, establish an authorization mechanism for access to information and regularly review the same, and provide staff and executives at all levels with knowledge and proper understanding of the significance of data security and information infrastructure system on a continuous basis.



**3. Driving Business towards Sustainability****3.1 Policy and Goals of Sustainability Management**

The Company is well aware of the significance of its business operations with ethics and responsibility, taking into account the economic, social and environmental impact, and stakeholders in the business value chain, and adhering to the corporate governance principles in compliance with the applicable laws and practices, in parallel with business development for growth and quality in order to move the organization forward to sustainable growth and social contribution.

The Board of Directors' Meeting No. 9/2021 on November 12, 2021, and the Board of Directors' Meeting No. 1/2022 (after its conversion) on August 11, 2022 have approved the social responsibility and sustainability management policy, with the details as follows:

**3.1.1 Fair Business Conduct**

The Company is committed to operating its businesses and those of its subsidiaries with integrity, fairness, and ethics, promoting fair business competition in accordance with the code of ethics, laws and on an equal footing, and tolerating no conduct that impedes fair competition, e.g., search for competitors' confidential information, demand, acceptance, and offering of any trade benefits in bad faith, etc. Moreover, the Company and its subsidiaries also respect the intellectual property rights of others, and as such, have such policies to ensure that its personnel comply with the laws or regulations on intellectual property rights, namely use of copyrighted software that is legally licensed, etc. In this regard, the Company has prepared the code of conduct, corporate governance policy, and social responsibility and sustainability management policy as guidelines for all staff's compliance. In addition, the Company also promotes and raises awareness of its personnel and those of its subsidiaries at every level for social responsibility.

**3.1.2 Anti-Corruption**

The Company manages its businesses and those of its subsidiaries on the basis of transparency and ethics, adheres to the corporate governance principles, and complies with the laws on anticorruption and bribery of public officials or private sectors. The Company has established its organizational structure to clearly delegate duties and responsibility, work procedures and line of command in the respective units for the purpose of counterbalancing and proper cross-checking, the details of which follow the Company's anti-corruption policy, which is prescribed for compliance by directors, executives, staff and employees of the Company, its subsidiaries or any persons acting for or on behalf of the Company and its subsidiaries.

**3.1.3 Respect for Human Rights**

The Company has a firmwide policy to support and respect the protection of human rights, in line with the international standard requirements, build the body of human rights knowledge in the organization, with assessments from time to time. In this respect, all stakeholders, whether they be staff, communities and society in the neighborhood, shall be treated with respect for human values, taking into account equality and freedom, without violation of basic rights, and without any discrimination in terms of race, nationality, religion, language, color, gender, age, education, physical condition, or social status. Moreover, the Company's and its subsidiaries' businesses must not be involved in any violation of human rights, both directly and indirectly, e.g., child labor and sexual harassment, etc. The Company also has a protection and relief mechanism by allowing staff, communities and society to share opinions and provides whistleblowing channels for those whose rights have been violated by the business operations of the Company and its subsidiaries, along with reasonable relief.

To effectively promote respect for human rights, the Company has built the body of human rights knowledge and raised awareness of its personnel and those of its subsidiaries to ensure their compliance with the principles of human rights.

**3.1.4 Fair Treatment of Staff**

The Company realizes the significance of human resource development fair treatment of labor, which are instrumental in creating value added to the business and promoting competitiveness and sustainable growth of the Company and its subsidiaries in the future. The Company also observes and strictly comply with the laws and the code of ethics, by setting out the following policy and practices:

- (1) To respect the rights of staff according to the principles of human rights, taking into account equality and diversity, and comply with labor laws;
- (2) To put in place fair employment procedure and conditions, treat staff fairly, and provide remuneration and merit-based consideration under fair performance review;

- (3) To promote staff development by way of training, seminars, workshops, including assigning staff to attend academic seminars and training for development of knowledge, competency, positive attitude, ethics, morality and teamwork;
- (4) To provide staff welfare benefits as required by law, e.g., social security, etc., and beyond, such as, health and accident insurance, etc., including various forms of financial assistance to staff, i.e., funeral benefits, etc.;
- (5) To ensure the occupational health, safety and environment for staff by implementing accident prevention measures, and encourage staff to have safety awareness, including training, and regularly promote staff health, and workplace sanitation and safety;
- (6) To afford staff an opportunity to express opinions or file any complaint on unfair treatment or misconduct in the Company and its subsidiaries, and provide protection to staff who reports such issues.

### **3.1.5 Responsibility to Clients**

The Company focuses on using such technologies that meet standards, are sophisticated, highly efficient, internationally recognized, and ecofriendly in its business operations and for improvement of the services provided by the Company and its subsidiaries to ensure clients' utmost satisfaction and treating clients with responsibility and integrity. Such practices in line with the businesses of the Company and its subsidiaries include the following:

- (1) The Company is committed to providing quality services in response to clients' needs, and appreciates the service quality control and the availability of qualified personnel in parallel with such measures for service quality audit to bring about long-term engagement.
- (2) The Company plans and develops new services on a regular basis to respond to clients' needs with a wide variety of quality and standard services that meet the requirements.
- (3) The Company supports fair marketing by providing clients with accurate information on the Company's and its subsidiaries' services without any misleading, ambiguous or exaggerating contents, to ensure that clients have accurate and adequate information to make informed decisions.
- (4) The Company arranges for a clients relations system for communication with them, and as a channel for any complaints and satisfaction survey on the service quality so as to efficiently and rapidly address clients' needs.
- (5) The Company keeps clients' information confidential and ensures that such information shall not be misused.

### **3.1.6 Responsibility to Trading Partners, Creditors and Competitors**

The Company recognizes the relationships between the Company, its subsidiaries and trading partners as alliances towards mutual growth, as trading partners' operations may affect business opportunities of the Company and its subsidiaries. To this end, the Company's management starts from selecting potential trading partners with appropriate operational practices, determining a clear and fair procurement procedure, monitoring and evaluating their operations to ensure compliance with the Company's policy and practices, to expanding the scope of collaboration for value added and upgrading the business operations.

Furthermore, the Company is also committed to fair treatment and responsibility to its creditors, and as such, the Company and its subsidiaries shall strictly comply with the terms and conditions with the creditors, and be cautious with any events which may affect the financial position and debt-serviceability of the Company and its subsidiaries, including preparation of reports on correct and complete financial information to the creditors.

The Company also treats the Company's and its subsidiaries' competitions with fairness and transparency without taking advantage of or discrediting them by spreading fake news or monopolization.

### **3.1.7 Community or Social Development**

The Company realizes its responsibility to community and society, and thus has a policy for social contribution and development, collaboration in various activities of communities surrounding the Company's vicinity as applicable, and rapid and effective actions in response to events affecting communities, society and the environment caused by the Company's operations. In addition, the Company also encourages its staff to build their social and environmental awareness and responsibility.

### 3.1.8 Environmental Protection

The Company is aware of its social responsibility for environmental protection by operating businesses and supervising the provision of services by the Company and its subsidiaries to ensure strict compliance with the laws on environmental protection, including the environmental impact prevention and mitigation. The Company has introduced technologies that meet standards, are sophisticated, highly efficient, internationally recognized, and ecofriendly in the business operations of the Company and its subsidiaries.

Moreover, the Company also gives priority to the management of energy, water, garbage, waste and pollutants, including reduction of greenhouse gas emission, by initiating campaigns for efficient water usage, plastic bag reduction, effective waste sorting and disposal, use of products made of recycled materials, reduction of unnecessary consumption of fossil-based energy by using energy-saving devices, switching off during lunchtime, and working via software to reduce paper use, as well as building awareness and changing behavior of the Company's staff towards such goals.

### 3.1.9 Creation and Dissemination of Innovations from Responsible Actions to Society, Environment and Stakeholders

The Company is committed to efficiently operate businesses of the Company and its subsidiaries, and focuses on extended learning and improvement of the status quo by applying innovations to the operation to the maximum benefits of all stakeholders, namely staff, clients, trading partners or shareholders. In addition, the Company has regularly developed and improved its information technology system to enhance the capacity for services to clients, including security systems to prevent third parties from unauthorized access to inside confidential information of the Company and its subsidiaries.

The Company also sets out its sustainable development goals as follows:

#### (1) Reduction of the Company's Paper Use

The Company has set its goals to reduce paper use through the following procedures:

- The Company has developed an IT Helpdesk system to support paperless operations. Such system has been used in the requisition process between departments to reduce paper use since December 2021, e.g., report on repair of fixed assets, requisition on information technology issues, etc.
- The Company plans to use an application to provide information to the Group's clients, which is expected to launch in 2023.
- The Company has encouraged more clients/debtors to use e-slips, and in 2022, approximately 80 percent of all clients already registered for e-slips. However, the Company sets a goal that by 2023, the number of e-slip clients will increase to 90 percent of all clients.
- The Company also wishes to change its litigation services via electronic system (e-court) to reduce paper use, and save traveling time to court, which will help save energy. In 2021, the Company has filed lawsuits via e-court system, representing approximately 60 percent of all litigation cases. However, the Company sets a goal that by 2023, the litigation services via e-court system will increase to 90 percent of all litigation cases.

#### (2) Staff Training Hours

The Company plans to have all of its staff attend training at least 21 hours per staff per year to develop their competency in the work performance.

In the past, the Company has never received any complaints on social and environmental issues, and sets a goal to maintain 0 (zero) complaint on social and environmental issues.

## 3.2 Management of Impact on Stakeholders in Business Value Chain

### 3.2.1 Business Value Chain

The Company operates its businesses with due care to stakeholders on the basis of ethics, morality and the code of conduct, and focuses on sustainability management in respect of activities throughout the business value chain, taking into account the benefits of all groups of stakeholders in the business value change. The core activities mainly comprise: (1) debt collection and recovery; (2) litigation; (3) acquisition of non-performing assets; (4) management of assets from acquisition of non-performing assets; (5) debt payments from debtors.



Type of Services	Procedures	Stakeholders		
Debt Collection and Recovery Services	Debt collection and recovery Litigation (if any)	- Debtors - Government authorities/ regulatory bodies	- Trading partners - Staff	- Shareholders - Communities
Management of Assets from Acquisition of Non-Performing Assets	Acquisition of non-performing assets	- Trading partners (financial institutions) - Competitors		
	Management of assets from acquisition of non-performing assets	- Debtors - Government authorities/ regulatory bodies		
	Litigation (if any)			
	Debt payments from debtors			

### **Core Activities**

#### **(1) Debt Collection and Recovery**

The Company focuses on the debt collection and recovery in order to ensure that debtors are fairly treated and the Company's operations comply with the applicable laws and regulations. All debt collectors of the Company must undergo training from the Debt Collection Business to Financial Institution Association, review their knowledge on a yearly basis, pass the test and receive a training participation and completion certificate from the Debt Collection Business to Financial Institution Association. In addition, the Company regularly provides its staff with training to improve the efficiency of the Company's debt collectors. The Company's debt collection and recovery proceeds in parallel with provision of financial literacy to clients and debtors to promote the likelihood of debt resolution in line with the Group's vision.

#### **(2) Litigation**

The Company provides litigation services on a full-scale basis to the Employers, which include service of notices, filing of lawsuits against debtors, and legal execution of court judgments against debtors, provided that the Company proceeds with the cases on the basis of transparency and due care to ensure fairness, accuracy and transparency to debtors.

#### **(3) Acquisition of Non-Performing Assets**

The Group participates in auctions of non-performing assets from financial institutions to fairly acquire non-performing assets and keep such information provided by sellers confidential. The Group has a procedure for review of information on non-performing assets for the purpose of determining prices of non-performing assets and appropriate direction for risk management.

#### **(4) Management of Assets from Acquisition of Non-Performing Assets**

The Group manages non-performing assets, both secured and unsecured, from financial and non-financial institutions, in compliance with the corporate governance principles and the code of ethics, by way of counseling and provision of clear information in the interest of debtors, including notice of creditor status after acceptance of transfer of non-performing assets from sellers, guidelines for debt payments and/or debt restructuring, and contact for additional information, so as to afford debtors fair opportunity for debt payments and/or debt restructuring, and debtors' sustainable debt resolution.

#### **(5) Debt Payments from Debtors**

The Group arranges for the Bill Payment System to receive payments from debtors by scanning barcode or QR Code to make payments at payment service points at all Lotus's branches, Mobile Banking Application of all banks, and payments or money transfer from the debtors' bank accounts to the Company's bank account, which are convenient channels in response to debtors' needs, allow for review of transactions for accuracy and fairness, and serve as valid and transparent channels for debt payments and minimize the risks of staff fraud.

**Support Activities****(1) Human Resource Management**

The Group values human resources and personal training and development to improve their knowledge and competency, including staff training hours each year, whereby supervisors shall be responsible to ensure that their subordinates regularly attend training and development programs, job description orientation, organizational management and self-development in other areas.

The Group has established the personnel management policy, succession planning policy, and career path policy to build human resources duly capable of providing the services, prepare personnel in key positions essential for the operations to be available and sufficient, and generate the essential motivation in the performance of personnel.

In addition, the Group provides competitive remuneration and welfare benefits in the industry as incentives for staff performance in order to reduce staff turnover rate and ensure continuity of work performance and business sustainability in the long run.

**(2) Information Technology Development**

The Group realizes the significance of the use of information technology in the work process to ensure greater efficiency, e.g., internal management, receipt of debt payments, receipt of report on repair of assets in the Group, and communication channels.

The Group plans to use online systems to add more effective communication channels with clients, and also plans to add channels for payment and sale of non-performing assets via the Group's website, and launch the Mobile Application for the non-performing asset management business by 2023 as an additional communication channel to facilitate clients' access to information and execution of transactions, in line with the current behavioral changes of clients who more tentatively execute transactions online. With the use of the Mobile Application, the Group's debtors may check their debt balances, interest rates, payment records from the Mobile Application in real-time. Moreover, the Group intends to use the Company's website as a channel for sale of non-performing assets and communication of promotional activities for sale of non-performing assets, whereby potential buyers may conveniently search the Group's non-performing assets. The Group expects that such additional channels for payment and sale of non-performing assets will help the Group to receive payments from debtors or liquidate non-performing assets into cash faster.

**3.2.2 Analysis of Stakeholders in Business Value Chain**

The Company has prepared and analyzed its stakeholders in the business value chain to summarize their expectations and responses thereto, as follows:

Stakeholders	Stakeholders' Expectations	Communication Channels and Responses to Stakeholders' Expectations
Shareholders	<ul style="list-style-type: none"> <li>- Good performance</li> <li>- Sustainable business growth</li> <li>- Business operations in compliance with the good governance principles</li> <li>- Effective risk management</li> </ul>	<p><u>Communication Channels</u></p> <ul style="list-style-type: none"> <li>- Annual shareholders' meeting and other meetings.</li> <li>- Annual Report</li> <li>- Quarterly performance report</li> <li>- Complaints via e-mail, mail and telephone</li> <li>- Electronic media and telephone</li> <li>- Public disclosure</li> </ul> <p><u>Responses to Expectations</u></p> <ul style="list-style-type: none"> <li>- To ensure that shareholders are treated fairly and equally, protect the shareholders' rights, and build the shareholders' confidence</li> <li>- To provide reasonable return on investment, including dividend payment</li> <li>- To continuously develop the capacity and quality of services and personnel to create long-term values to the organization and promote sustainable business growth</li> <li>- To operate businesses with transparency and maintain corporate governance under the good governance principles</li> <li>- To ensure that public disclosure of information is accurate, complete, timely, not misleading, and auditable</li> </ul>

Stakeholders	Stakeholders' Expectations	Communication Channels and Responses to Stakeholders' Expectations
Communities	<ul style="list-style-type: none"> <li>- Business operations in compliance with corporate governance and social and environment responsibility</li> <li>- Well-being support and improvement of the quality of life for people in communities through promotion of financial discipline</li> <li>- Building a sustainable society</li> </ul>	<u>Communication Channel</u> <ul style="list-style-type: none"> <li>- General press releases</li> </ul> <u>Responses to Expectations</u> <ul style="list-style-type: none"> <li>- To operate businesses with transparency and maintain corporate governance under the good governance principles</li> <li>- To provide and promote knowledge for debt resolution and raise awareness of financial discipline for people in communities</li> <li>- To promote energy saving and reduced use of resources</li> </ul>
Trading Partners (Financial Institutions as Sellers of Non-Performing Assets)	<ul style="list-style-type: none"> <li>- Transparent and corruption-free procurement process</li> <li>- Promotion of fair and transparent competition under the code of ethics and laws</li> <li>- Client confidentiality</li> </ul>	<u>Communication Channels</u> <ul style="list-style-type: none"> <li>- Electronic media and telephone</li> <li>- Meet-and-greet activities</li> <li>- Complaints via e-mail, mail and telephone</li> </ul> <u>Responses to Expectations</u> <ul style="list-style-type: none"> <li>- To operate businesses with transparency and maintain corporate governance under the good governance principles</li> <li>- To carry out the debt collection and recovery in compliance with applicable rules and regulations</li> <li>- To implement the procurement process with fairness, transparency and auditability</li> </ul>
Staff	<ul style="list-style-type: none"> <li>- Equal treatment of staff</li> <li>- Fair remuneration, welfare and benefits</li> <li>- Career security and advancement</li> <li>- Ongoing knowledge development</li> <li>- Safe work environment</li> <li>- Participation in the Company's activities to build engagement with the organization</li> </ul>	<u>Communication Channels</u> <ul style="list-style-type: none"> <li>- Information from top executives via announcements and e-mail</li> <li>- Hearing of feedbacks and survey of opinions, suggestions and possible solutions</li> <li>- Complaints via e-mail, mail and telephone</li> <li>- Annual performance review</li> <li>- Training and personnel development</li> <li>- Internal meetings</li> <li>- The Company's activities, e.g., Team Building, Sports Day, New Year's Party, etc.</li> </ul> <u>Responses to Expectations</u> <ul style="list-style-type: none"> <li>- To treat all staff fairly</li> <li>- To provide reasonable remuneration, welfare and benefits in compliance with the legal requirements</li> <li>- To review the remuneration structure yearly</li> <li>- To consider merit-based performance under fair performance review</li> <li>- To establish training and staff development plan for improvement of quality and expertise in the provision of services</li> <li>- To build a good, safe and motivating work environment and promote staff's occupational health</li> <li>- To organize activities that promote staff engagement and pride in their contribution to work and organization development</li> </ul>
Competitors	<ul style="list-style-type: none"> <li>- Fair and transparent competition</li> </ul>	<u>Communication Channels</u> <ul style="list-style-type: none"> <li>- Activities of the Debt Collection Business to Financial Institution Association</li> <li>- Meetings, seminars or other activities</li> </ul> <u>Responses to Expectations</u> <ul style="list-style-type: none"> <li>- To operate businesses with transparency and maintain corporate governance under the good governance principles</li> <li>- To refrain from searching for competitors' confidential information</li> </ul>
Clients (Financial)	<ul style="list-style-type: none"> <li>- Provision of responsible, equal and fair services to clients</li> </ul>	<u>Communication Channels</u> <ul style="list-style-type: none"> <li>- Electronic media and telephone</li> </ul>

Stakeholders	Stakeholders' Expectations	Communication Channels and Responses to Stakeholders' Expectations
Institutions and Other Employers)	<ul style="list-style-type: none"> <li>- Client confidentiality</li> <li>- Less burden in clients' debt collection in order to fully contribute time for their core business operations</li> <li>- Effective management of the debt collection and recovery procedures for seamless operations and compliance with applicable rules and regulations</li> <li>- Transparent and auditable debt collection and recovery services</li> </ul>	<ul style="list-style-type: none"> <li>- Hearing of opinions, suggestions and possible solutions</li> <li>- Satisfaction survey through service evaluation</li> <li>- Complaints via e-mail, mail and telephone</li> </ul> <u>Responses to Expectations</u> <ul style="list-style-type: none"> <li>- To provide responsible services, primarily taking into account clients' benefits</li> <li>- To announce and apply the personal data protection policy and ensure strict compliance by all staff</li> <li>- To ensure that the debt collectors have the essential knowledge and understanding, undergo training and are registered with the Lawyers Council of Thailand</li> <li>- To provide information, evidence and/or status summary report in a complete and timely manner upon request by clients</li> </ul>
Debtors	<ul style="list-style-type: none"> <li>- Provision of responsible, equal and fair services to debtors</li> <li>- Debtor confidentiality</li> <li>- Listening to debtors' financial problems</li> <li>- Provision of advice and financial literacy</li> <li>- Management of the debt collection and recovery procedures in compliance with applicable rules and regulations</li> <li>- Transparent and auditable debt collection and recovery services</li> </ul>	<u>Communication Channels</u> <ul style="list-style-type: none"> <li>- Electronic media and telephone to provide advice and financial literacy to clients</li> <li>- Hearing of opinions, suggestions and possible solutions</li> <li>- Complaints via e-mail, mail and telephone</li> </ul> <u>Responses to Expectations</u> <ul style="list-style-type: none"> <li>- To provide responsible services to debtors, primarily taking into account debtors' benefits</li> <li>- To provide advice and financial literacy to promote financial discipline and as guidance for debt restructuring negotiations</li> <li>- To announce and apply the personal data protection policy and ensure strict compliance by all staff</li> <li>- To act as a source of funds at a reasonable finance cost to increase the likelihood of debt resolution for debtors</li> <li>- To ensure that the debt collectors have the essential knowledge and understanding, undergo training and are registered with the Lawyers Council of Thailand</li> </ul>
Government Authorities/Regulatory Bodies	<ul style="list-style-type: none"> <li>- Transparent business operations in compliance with applicable laws, rules and regulations, subject to effective risk management</li> <li>- Efficient business management</li> <li>- Strengthening the security of the economy system</li> </ul>	<u>Communication Channels</u> <ul style="list-style-type: none"> <li>- Meetings with regulatory bodies</li> <li>- Attendance to explanatory meetings on regulatory policy and direction</li> <li>- Audits by regulatory bodies</li> <li>- Preparation of information and submission of reports</li> </ul> <u>Responses to Expectations</u> <ul style="list-style-type: none"> <li>- To operate businesses with transparency and maintain corporate governance under the good governance principles</li> <li>- To comply with applicable laws, rules and regulations</li> </ul>

### 3.3 Sustainability Management in Environmental Dimension

#### 3.3.1 Environmental Policy and Practices

The Company realizes the significance of environmental sustainability and is committed to minimizing negative impact on the environment through management of various areas, such as, management of energy, water, garbage, waste and pollutants, and reduction of impact of climate change.

The Board of Directors' Meeting No. 9/2021 on November 12, 2021, and the Board of Directors' Meeting No. 1/2022 (after its conversion) on August 11, 2022 have approved the social responsibility and sustainability management

policy. The information and details relating to the social responsibility and sustainability management policy are described in Item 3.1 Policy and Goals of Sustainability Management above.

### 3.3.2 Environmental Performance

#### (1) Energy and Water

The Company has installed solar cell panels to generate power for consumption within the new office building. Such solar cell panels can generate 66,550 kilowatts of electricity or help save the power consumption up to approximately Baht 331,600 per year, and also build staff awareness and collaboration for electricity and water saving to promote their conscience and attitude towards energy saving. This is achieved by through various policies or public relations or campaigns, such as, air-conditioning system shutdown during the daytime, lighting switching off when not in use, suggestions for clients to use e-slips instead of paper receipts, etc.

In addition, the Company has also launched a campaign 3Rs: Reduce, Reuse and Recycle, through formal communications, e.g., e-mail, internal memo, and pop-up alert message on the Company's Intranet, including informal methods, e.g., Infographic that summarizes information on electricity and water saving campaign, via LINE group.



Sample of Infographic on Concept of 3Rs and Electricity and Water Saving Campaign

The Company incorporates the energy saving in its operations by designing the office building for energy saving, i.e., installation of insulated glass to reduce the use of air-conditioners, exposure to natural lighting to reduce electricity use, and use of energy-efficient air conditioners. Moreover, the Company also schedules for maintenance of electric appliances to meet efficiency standards to reduce power consumption, uses LED bulbs to save energy, and uses technology to control the electricity systems to optimize the energy saving goals.

In addition, the Company is developing certain Application to help effectively provide information services to clients, debtors and staff.

#### (2) Garbage, Waste and Pollutants

The Company's main garbage and waste include paper, stationary tools, and leftovers, etc. The Company focuses on building awareness and cooperation to reduce garbage, waste and pollutants with staff to promote their conscience and attitude towards such goal, including 3Rs: Reduce, Reuse and Recycle. This can be achieved by encouraging them to work through the IT Helpdesk system to reduce paper use in the organization since December 2021; use cloth bags, which the Company distributed cloth bags to every staff for their everyday use; use personal water bottles or cups, lunchboxes; and refuse to use single use plastics, including plastic food bags and cutlery; personal cup campaign, including waste sorting by posting signs in the waste collection areas, and reduction of impact relating to climate change.

The Company also raises awareness and promotes staff cooperation to reduce greenhouse gas emission or impact relating to climate change, distributes Infographic that summarizes information on campaign for reduction of impact relating to climate change. Moreover, the Group also plans to study the greenhouse gas emission practices and engage a carbon footprint verifier registered with Thailand Greenhouse Gas Management Organization (TGO) to verify the organization's carbon footprint as applicable.

### 3.4 Sustainability Management in Social Dimension

#### 3.4.1 Social Policy and Practices

The Company is committed to compliance with the laws, rules and regulations applicable to social management, including respect for human rights under the principles of human rights throughout the business value chain, and fair treatment of labor, responsibility to clients, and contribution to community and social development.

The Board of Directors' Meeting No. 9/2021 on November 12, 2021, and the Board of Directors' Meeting No. 1/2022 (after its conversion) on August 11, 2022 have approved the social responsibility and sustainability management policy. The information and details relating to the social responsibility and sustainability management policy are described in Item 3.1 Policy and Goals of Sustainability Management above.

#### 3.4.2 Social Performance

The Company operates its businesses with responsibilities to staff, labor, communities and society, and realizes the impact of its business operations on the economic system, both microeconomic and macroeconomic levels, by providing solutions to problems and giving clients who are non-performing debtors of financial institutions access to a source of funds for debt resolution and upgrading and developing the quality of life with sustainability. This can be achieved by providing knowledge and promote financial discipline for clients and general personnel, including information on suitable debt resolution by way of knowledge management to enable staff to further communicate such information with clients, and resolving problems for financial institutions by way of management of assets from acquisition of non-performing assets from financial institutions, in order to enable those financial institutions to extend loans to the economic system and improve the quality of life for people in the country.

In this respect, the Company continues to operate its businesses with responsibility and respect for human rights throughout the value chain, and also ensures compliance with the rules, and regulations, the code of conduct, as well as the articles of association and applicable laws.

#### Staff and Labor

The Company regards human resources as the organization's driving force towards sustainable growth, and as such, arranges for ongoing development of staff and labor at every level without any distinction of any kind, such as race, nationality, religion, language, color, gender, age, education, physical condition, or social status. The Company focuses on staff development and capacity building as follows:

- Career Path: The Company has established the career path policy to encourage and motivate personnel's performance;
- Legal and Other Reasonable Welfare Benefits: The Company has provided welfare benefits as required by law, e.g., social security, etc., and beyond, such as, health and accident insurance, provident fund, the Group's staff cooperative savings campaign, funeral benefits, etc.;
- Capacity Building for Personnel: The Company's Personnel Development has conducted the survey on training needs for all heads and staff to suggest training details suitable for their skills and potential and/or their subordinates, including core competency and necessary skills, e.g., English language and computer literacy, and annual training plan, in order to determine the number of hours and screen the contents of training relevant to capacity building for work. In 2022, the Company has set a goal for all staff to attend training for a total of 21 hours per year, and the debt collectors also need to attend 10 additional training hours per year, heads for another 8 hours per year, and managers for another 16 hours per year, and all new staff also needs to attend 4 hours of orientation per year.
- Fair Remuneration: The Company has conducted an annual performance review and merit-based consideration under fair and equal performance review for all staff, and revised the remuneration structure as appropriate to improve their quality of life and opportunity, as well as motivate them for ongoing competency development.
- Engagement with Organization: The Company regularly organizes activities with staff, namely parties on special occasions, outings and seminars, and Team Building, etc.

#### Communities and Society

- Sustainable Community Management: The Group has given lecture and provided knowledge on financial literacy to the general public via YouTube channels, television programs and newspaper columns, e.g., "Think before Borrow, Know before Guarantee" program, "Happily Indebted" column, etc.





Lecture on "Debt Collector Training and Test under the Debt Collection Act B.E. 2558 (2015)" hosted by the Debt Collection Business to Financial Institution Association



TV Talk Shows on Debt Collection and Recovery Services, Inside Out Money 360 and Lawyer's Diary programs, etc.

- Charitable Donations

(1) Donation of Water Storage Tanks to School

The Company has provided support and assistance by supplying water storage tanks and essential supplies to schools in remote areas from irrigation systems in order to promote and improve the quality of life for students and people in the communities for good health and well-being as well as water reserve when in need.



Donation of Water Storage Tanks and Essential Supplies to Pong Mae Lob School, Ban Huai Hia Branch, Mae Tha District, Lamphun Province



Donation of Water Storage Tanks and Essential Supplies to Ban Huai Hok School, Ban On Subdistrict, Ngao District, Lampang Province

(2) Monetary Donations to Schools and Medical Research Funding

The Company provides financial support to schools for construction costs of medical facilities, purchase of medical tools and equipment, and other medical activities, to effectively increase people's full access to medical treatment, and also grants medical research funding for cancer prevention and treatment.



Monetary Donations to Ramathibodi Foundation, Faculty of Medicine, Ramathibodi Hospital



Monetary Donations in the Buddhist Monk Robe Offering Ceremony under the Supreme Patriarch's Patronage for Construction of Banphaeo Hospital Eye Center Building



Monetary Donations for Research Funding to the CU Cancer Immunotherapy Excellence Center, Faculty of Medicine, Chulalongkorn University



Monetary Donations to Bhadra Maharajanusorn Foundation for Construction of Bhadra Maharaja Center

(3) Monetary Donations for Religious Contributions

The Company supports its religious contributions through donations and assistance in various religious activities.



Monetary Donations to the Buddhist Monk Robe Offering Ceremony for Construction of Pagoda and Playground at Um Huam Monastery, Ban Na Subdistrict, Samngao District, Tak Province



## 4. Management Discussion and Analysis

### 4.1 Business Overview

Chase Asia Public Company Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) operate two core businesses, namely:

- (1) **Debt Collection and Recovery Services:** The Group provides the debt collection services, including litigation services, to the Employers on a full-scale basis for remuneration at the rates agreed upon with the Employers, depending on the debt collection complications, based on the percentage of the sums collected and recovered by the Group.
- (2) **Management of Non-Performing Assets:** The Group acquires and accepts transfer of non-performing assets, both secured and unsecured, from financial and non-financial institutions for debt collection and recovery.

#### 4.1.1 Debt Collection and Recovery Services

The Group has provided debt collection and recovery services to financial institutions (commercial banks) and non-financial institutions (collectively, the “Employers”) to follow up and demand debtors to pay their debts under the conditions as designated by the Employers. There are a variety of debts which the Group provides the debt collection and recovery services to financial institutions, such as, personal loan debts, credit card debts, etc. The majority of debts which the Company provides the debt collection and recovery services to the Employers, which are non-financial institutions, involve such service providers whose customers owed the service charges. Other than the debt collection and recovery services, the Group also provides litigation services on a full-scale basis to the Employers.

In order to ensure that the Group’s debt collection services comply with its rules and regulations, and the Bank of Thailand’s rules and regulations, the Group has a policy to have all debt collectors undergo training from the Debt Collection Business to Financial Institution Association, or related knowledge training hosted by the Group. Moreover, all debt collectors of the Group are also registered with the Lawyers Council of Thailand.

The Group earns remuneration from the debt collection and recovery services at the rates agreed upon with the Employers, depending on the debt complications, based on the percentage of the sums collected and recovered by the Group, and remuneration from the litigation services in the form of professional fees per case.

#### 4.1.2 Management of Non-Performing Assets

The Group operates the business of management of non-performing assets mostly transferred from financial institutions in Thailand, both secured and unsecured, through its two subsidiaries, namely CFAM which is licensed by the Bank of Thailand to operate the business under the Emergency Decree on Asset Management Company, and RWAY. CFAM focuses on acquiring non-performing accounts receivable from sellers which are financial institutions under the regulation of the Bank of Thailand, while RWAY focuses on acquiring non-performing accounts receivable from sellers which are not financial institutions under the regulation of the Bank of Thailand.

The Group accepts transfer of non-performing assets, both secured and unsecured, from financial and non-financial institutions, for debt collection and recovery, by way of counseling for debt resolution to debtors and/or counseling for debt restructuring, using its experience in the debt collection and recovery services to manage non-performing assets to the maximum benefits.

### 4.2 Business Performance Analysis of the Company

At present, the Group operates two core business, namely (1) debt collection and recovery services; and (2) management of non-performing assets. For the fiscal years ended December 31, 2021 and 2022, the Group’s service and professional fee income and interest income amounted to a total of Baht 729.50 million and Baht 671.71 million, representing a decrease by Baht 57.79 million or 7.92 percent.

For the fiscal years ended December 31, 2021 and 2022, the Group’s revenue was mainly derived from debt collection and recovery services and management of non-performing assets. During such periods, the Group’s revenue from debt collection and recovery services accounted for 37.87 percent and 33.71 percent of the Group’s total interest income and service and professional fee income, and its revenue from management of non-performing assets represented 51.44 percent and 61.84 percent of the Group’s total interest income and service and professional fee income. The Group’s total revenue structure for the fiscal years ended December 31, 2021 and 2022 may be classified by the Group’s business categories as follows:

Revenue by Business Category	For the fiscal years ended December 31,			
	2021		2022	
	Million Baht	percent <sup>1</sup>	Million Baht	percent <sup>1</sup>
Debt collection and recovery services	276.27	37.87	226.43	33.71
Management of non-performing assets	375.26	51.44	415.38	61.84
- Interest income	306.89	42.07	408.33	60.79
- Gain from derecognition of loans to non-performing assets <sup>2</sup>	68.37	9.37	7.05	1.05
Others <sup>2</sup>	77.97	10.69	29.90	4.45
- Interest income from Hope Loan <sup>3</sup>	77.06	10.57	29.49	4.39
- Interest income from bank deposits	0.91	0.12	0.41	0.06
<b>Total interest income and service and professional fee income</b>	<b>729.50</b>	<b>100.00</b>	<b>671.71</b>	<b>100.00</b>

Remarks: <sup>1</sup> percent of total interest income and service and professional fee income

<sup>2</sup> Gain on derecognition of loans to non-performing assets occurs from debt refinance by CFAM/RWAY debtors borrowing loans from COURTS

<sup>3</sup> The Company considered the risks of debtors' debt-serviceability from Hope Loan, and resolved to suspend Hope Loan extension, provided that such loans would be approved only for debtors who had already consulted with the Group and been in the course of negotiation with the existing creditors, and the consideration and approval of new loans would be discontinued since December 31, 2022. For accounts receivable in the loan business currently with outstanding balances, the Group would continue to monitor all debtors' debt repayments under the agreed upon terms and conditions accordingly.

#### 4.2.1 Interest Income

The Group's interest income comprises (1) interest income from loans to non-performing assets; (2) interest income from bank deposits; and (3) interest income from Hope Loan.<sup>3</sup>

For the fiscal years ended December 31, 2021 and 2022, the Group's interest income amounted to Baht 453.23 million and Baht 445.28 million. The Group's interest income was mainly derived from interest income from loans to non-performing assets, which accounted for 67.71 percent and 91.71 percent of the total interest income, as described below.

Interest Income by Source	For the fiscal years ended December 31,			
	2021		2022	
	Million Baht	percent <sup>1</sup>	Million Baht	percent <sup>1</sup>
Income from loans to non-performing assets	375.26	82.80	415.38	93.29
- Interest income	306.89	67.71	408.33	91.71
- Gain from derecognition of loans to non-performing assets <sup>2</sup>	68.37	15.09	7.05	1.58
Interest income from bank deposits	0.91	0.20	0.41	0.09
Interest income from Hope Loan <sup>3</sup>	77.06	17.00	29.49	6.62
<b>Total</b>	<b>453.23</b>	<b>100.00</b>	<b>445.28</b>	<b>100.00</b>

Remarks: <sup>1</sup> percent of total interest income

<sup>2</sup> Gain on derecognition of loans to non-performing assets occurs from debt refinance by CFAM/RWAY debtors borrowing loans from COURTS

<sup>3</sup> The Company considered the risks of debtors' debt-serviceability from Hope Loan, and resolved to suspend Hope Loan extension, provided that such loans would be approved only for debtors who had already consulted with the Group and been in the course of negotiation with the existing creditors, and the consideration and approval of new loans would be discontinued since December 31, 2022. For accounts receivable in the loan business currently with outstanding balances, the Group would continue to monitor all debtors' debt repayments under the agreed upon terms and conditions accordingly.

#### (1) Income from loans to non-performing assets

##### (1.1) Interest income from loans to non-performing assets

For the fiscal years ended December 31, 2021 and 2022, the Group's interest income from loans to non-performing assets amounted to Baht 306.89 million and Baht 408.33 million. As at December 31, 2021 and 2022, the Group's loans to non-performing assets (before accrued interest and allowance for expected credit losses) amounted to Baht 1,639.97 million and Baht 2,172.00 million.

Loans to Non-Performing Assets	For the fiscal years ended December 31, / As at December 31,	
	2021 (Million Baht)	2022 (Million Baht)
NPL value from claims balance (end of period)	22,088	23,866
<b>Loans to non-performing assets</b>	<b>1,640.0</b>	<b>2,172.0</b>
Plus: Accrued interest	127.1	210.7
Less: Allowance for expected credit losses	(351.8)	(601.9)
<b>Loans to non-performing assets – net, end of period</b>	<b>1,415.3</b>	<b>1,780.8</b>

The Group received payments from debtors for the fiscal years ended December 31, 2021 and 2022 as follows:

Particular	For the fiscal years ended December 31,	
	2021 (Million Baht)	2022 (Million Baht)
Cash inflows from NPL (for the period)	250.92	393.10

For the fiscal years ended December 31, 2021 and 2022, the Group's interest income from loans to non-performing assets increased by Baht 101.44 million or representing 33.05 percent, mainly due to the fact that the Group received more payments from debtors. For the years ended December 31, 2021 and 2022, the Group received payments from debtors in the amount of Baht 250.92 million and Baht 393.10 million. Should the Company's receipts exceed the respective costs of accounts receivable, the excess thereof was recorded as the Company's interest income.

#### (1.2) Gain from derecognition of loans to non-performing assets

For the fiscal years ended December 31, 2021 and 2022, the Group's gain from derecognition of loans to non-performing assets amounted to Baht 68.37 million and Baht 7.05 million. Such change was consistent with the loan balance in the Group's debt refinance. The Company considered the risks of debtors' debt-serviceability from Hope Loan, and resolved to suspend Hope Loan extension, provided that such loans would be approved only for debtors who had already consulted with the Group and been in the course of negotiation with the existing creditors, and the consideration and approval of new loans would be discontinued since December 31, 2022. For accounts receivable in the loan business currently with outstanding balances, the Group would continue to monitor all debtors' debt repayments under the agreed upon terms and conditions accordingly.

The Group refinanced the debts, whereby CFAM/RWAY debtors borrowed loans from COURTS to pay the debts to CFAM/RWAY, for the fiscal years ended December 31, 2021 and 2022 in the amount of Baht 92.77 million and Baht 7.69 million, using the Group's cash flows.

#### (2) Interest income from bank deposits

For the fiscal years ended December 31, 2021 and 2022, the Group's interest income from bank deposits amounted to Baht 0.91 million and Baht 0.41 million. Such change was consistent with the change in cash and cash equivalents of the Group during such period.

#### (3) Other interest income

The Group's interest income from loans to debtors decreased by Baht 47.57 million or representing 61.73 percent, in line with the increased loans to debtors.

The Company considered the risks of debtors' debt-serviceability from Hope Loan, and resolved to suspend Hope Loan extension, provided that such loans would be approved only for debtors who had already consulted with the Group and been in the course of negotiation with the existing creditors, and the consideration and approval of new loans would be discontinued since December 31, 2022. For accounts receivable in the loan business currently with outstanding balances, the Group would continue to monitor all debtors' debt repayments under the agreed upon terms and conditions accordingly.

However, the Group believes that the discontinuation of the Hope Loan business will not materially affect its operations as, during the fiscal years ended December 31, 2021 and 2022, the Group's interest income from Hope Loan accounted for an average of approximately 7.43 percent of total revenue.

Particulars	Unit	For the fiscal years ended December 31,	
		2021	2022
Interest income from Hope Loan	Million Baht	77.06	29.49
Total revenue of the Group	Million Baht	733.49	676.62
Percent of total revenue of the Group	percent	10.51	4.36

Even though COURTS and RWAY have discontinued the consideration and approval of new loans since December 31, 2022, the Group initially continues to earn interest income from Hope Loan due to monitoring of debt repayments by debtors whom COURTS and RWAY previously extended the loans under the agreed upon terms and conditions. In the past practice, the Group extended loans for a term of approximately 5 – 7 years, and would normally receive payments from debtors exceeding the loans in and around the fifth year. Such discontinued business would cause (1) income interest from Hope Loan to gradually decline; and (2) gain from derecognition of loans to non-performing assets to disappear in the future. However, RWAY plans to use proceeds from the Hope Loan debt collection to bid for non-performing assets portfolio accordingly.

#### (A) Service and Professional Fee Income

The service and professional fee income comprises (1) service fee income from remuneration paid by the Employees to the Group for the debt collection and recovery services based on the percentage of the sums collected and recovered by the Group, provided that the commission rates depend on the debt complications; and (2) professional fee income from remuneration paid by the Employers to the Company for the litigation services in the form of professional fees per case.

For the fiscal years ended December 31, 2021 and 2022, the Group's service and professional fee income amounted to Baht 276.27 million and Baht 226.43 million, as described below.

Service and Professional Fee Income	For the fiscal years ended December 31,			
	2021		2022	
	Million Baht	percent <sup>1</sup>	Million Baht	percent <sup>1</sup>
Service fee income	215.35	77.95	182.38	80.55
Professional fee income	60.92	22.05	44.05	19.45
<b>Total service and professional fee income</b>	<b>276.27</b>	<b>100.00</b>	<b>226.43</b>	<b>100.00</b>

Remark: <sup>1</sup> percent of service and professional fee income

As at December 31, 2021 and 2022, the Group's total debt balance to be collected for the Employers amounted to Baht 19,290.17 million and Baht 15,390.06 million, and Baht 959.46 million and Baht 846.33 million of which were successfully recovered or representing an average commission rate ranging 21.55 - 22.44 percent, which normally depends on the debt complications, with the details as follows:

Particulars	Unit	For the fiscal years ended December 31, / As at December 31,	
		2021	2022
Number of accounts	contract	173,260	136,217
Debt balance for collection services (end of period)	Million Baht	19,290.17	15,390.06
Debt balance recovered (for the period)	Million Baht	959.46	846.33
Service fee income	Million Baht	215.35	182.38
Average commission rate	percent	22.44	21.55
Success rate	percent	5.11	4.88

For the fiscal years ended December 2021 and 2022, the Group's service and professional fee income decreased by Baht 49.84 million or representing 18.04 percent, mainly due to (a) decreased service fee income from the Group's declining debt collection, primarily caused by the COVID-19 pandemic; and (b) decreased professional fee income since certain financial institutions changed from litigation services against debtors to sales of more non-performing asset portfolios.

In the past, the debt collection business was affected by the COVID-19 pandemic and the debt relief measures to assist debtors affected by COVID-19 (the "Debt Relief Measures"), and as such, debtors ceased their debt payments, thereby causing the success rate to drop. Such Debt Relief Measures initiated by the Bank of Thailand ended on December 31, 2021. However, on September 3, 2021, the Bank of Thailand announced long-term debt resolution measures to assist debtors from COVID-19 (the "Long-Term Debt Resolution Measures"), which may be divided into 2 major measures, namely (1) measures to resolve the existing debts, whereby financial institutions provided assistance to debtors by way of long-term debt restructuring for all retail loans, e.g., credit card loans, personal loans, housing loans; and (2) measures to maintain the liquidity and provide new loans to retail debtors, whereby the Bank of Thailand relaxed its regulatory criteria for credit card loans, personal loans under the

regulation, and digital personal loans, to lessen the debt payment burdens by reducing minimum credit card payment rate during 2022 – 2023, including increased credit limit of credit card and personal loans under the regulation (excluding car registration loans) and digital personal loans until December 31, 2022.

#### 4.2.2 Service and Professional Fee Costs

The service and professional fee costs in 2022 amounted to Baht 226.99 million, representing a decrease by 4.72 percent from that of the previous year, in line with the decrease in the debt collection revenue.

#### 4.2.3 Gross Profit

The gross profit in 2022 was Baht 444.72 million, representing a decrease by 9.48 percent from that of the previous year, and as a result, the gross profit margin was equal to 66.21 percent.

The following table shows total revenue (interest income, gain from derecognition of loans to non-performing assets, and service and professional fee income), service and professional fee costs, and gross profit for the fiscal years ended December 31, 2021 and 2022.

Particulars	For the fiscal years ended December 31,	
	2021	2022
Interest income, gain from derecognition of loans to non-performing assets, and service and professional fee income	729.50	671.71
Service and professional fee costs	(238.23)	(226.99)
Gross profit	491.27	444.72

#### 4.2.4 Administrative Expenses

The administrative expenses in 2022 amounted to Baht 102.94 million, representing an increase by 7.54 percent from that of the previous year, due to the management team expansion to support the asset management business growth in the previous year. The ratio of administrative expenses to total revenue in 2022 represented 15.21 percent, representing an increase from 13.05 percent in the previous year. Such ratio of administrative expenses to total revenue is likely to decline in the future from business expansion which results in better economies of scale.

#### 4.2.5 Expected Credit Losses (ECL)

The Group recognized an increase in expected credit losses from loans to debtors, in line with the increasing loans to debtors during the period.

The expected credit losses in 2022 amounted to Baht 148.04 million, representing an increase by 195.31 percent from that of the previous year, mainly due to delayed collection of non-performing asset portfolios additionally acquired in 2021. However, the success rate tends to return to normal in 2023, which will cause the ECL to reduce to normal in 2023.

#### 4.2.6 Finance Costs

The finance costs in 2022 were Baht 19.91 million, representing an increase by 85.73 percent from that of the previous year, resulting from an additional loan drawdown from financial institutions in the first quarter of 2022.

#### 4.2.7 Net Profit

The net profit in 2022 was equal to Baht 144.09 million, representing a decrease by 46.81 percent from that of the previous year, due to a temporary increase in the expected credit losses (ECL), which is expected to return to normal in 2023. Such decrease in the net profit has resulted in a net profit margin of 21.30 percent in 2022, which was decreased from 36.93 percent in the previous year.

#### **4.3 Analysis of the Company's Financial Position**

##### **4.3.1 Total Assets**

As at December 31, 2022, the Group's total assets amounted to Baht 2,931.37 million, representing an increase from Baht 425.37 million in 2021 or by 16.97 percent, mainly due to:

- Increase in loans to non-performing assets – net, in the amount of Baht 365.42 million;
- Increase in loans to debtors – net, in the amount of Baht 6.07 million;
- Increase in property, plant and equipment – net, in the amount of Baht 78.38 million from new office construction.

##### **4.3.2 Total Liabilities**

As at December 31, 2022, the Group's total liabilities amounted to Baht 871.63 million, representing an increase from Baht 283.23 million in 2021 or by 48.14 percent, mainly due to:

- Increase in short-term borrowings from Bridging Loan of financial institutions, in the amount of Baht 402.53 million, which was used to acquire non-performing asset portfolios;
- Decrease in long-term borrowings from financial institutions, in the amount of Baht 67.22 million, which was used as working capital in the business operations.

##### **4.3.3 Shareholders' Equity**

As at December 31, 2022, the Group's shareholders' equity amounted to Baht 2,059.74 million, representing an increase from Baht 142.14 million in 2021 or by 7.41 percent, mainly due to the unappropriated retained earnings for the year ended December 31, 2022.

##### **4.3.4 Debt to Equity Ratio**

As at December 31, 2022, the Company's debt to equity ratio was at 0.42 times.



**5. General Information and Other Material Information****5.1 General Information**

<b>Company Name (Thai)</b>	: บริษัท เซกัวร์ เอเชีย จำกัด (มหาชน)
<b>Company Name (English)</b>	: Chase Asia Public Company Limited
<b>Head Office Address</b>	: 8/9-10 Soi Vibhavadi Rangsit 44 (Soi Mongkolnivej), Vibhavadi Rangsit Road, Ladyao, Chatuchak, Bangkok 10900
<b>Business Category</b>	: Finance Business, Finance and Securities Sector, with 2 core businesses, namely (1) debt collection and recovery services; and (2) management of non-performing assets
<b>Company Registration</b>	: 0107565000522
<b>Registered Capital</b>	: Baht 992,720,900
<b>Paid-up Registered Capital</b>	: Baht 784,220,900 (as at December 31, 2022)
<b>Par Value</b>	: Baht 0.5 per share
<b>Voting Right</b>	: 1 vote per 1 share
<b>Fiscal Period</b>	: January 1 – December 31
<b>Telephone</b>	: 02-855-8222 (effective as of March 7, 2023)
<b>Facsimile</b>	: 02-855-8299 (effective as of March 7, 2023)
<b>Website</b>	: <a href="https://www.chase.co.th">https://www.chase.co.th</a>
<b>Securities Registrar</b>	: Thailand Securities Depository Co., Ltd. The Stock Exchange of Thailand Building, No. 93 Ratchadaphisek Road, Din Daeng, Din Daeng, Bangkok 10400 Telephone: 0 2009 9000 Facsimile: 0 2009 9991
<b>Auditor</b>	: PricewaterhouseCoopers ABAS Ltd. 179/74-80 Bangkok City Tower, South Sathorn Road, Thung Mahamek, Sathorn, Bangkok 10120 Telephone: 0 2844 1000

**5.2 Other Material Information**

- None -

**5.3 Legal Disputes**

As at December 31, 2022, the Company and its subsidiaries are not prosecuted as defendant(s) in any lawsuit or dispute, including any arbitration proceedings, (1) which may negatively affect assets of the Company or its subsidiaries over 5.0 percent of the shareholders' equity per the Company's consolidated financial statements for the fiscal year ended December 31, 2022; (2) which materially affected the business operations of the Company or its subsidiaries, but may not be calculated in numerical figures; and (3) which are not caused by the ordinary course of business of the Company or its subsidiaries.

**5.4 Secondary Market**

- None -

**5.5 Financial Institutions with Regular Contact**

- None -

## Part 2 Corporate Governance

## 6. Corporate Governance Policy

### 6.1 Overview of Corporate Governance Policy and Practices

The Company realizes that good governance is essential to promote the Company's efficient operations and sustainable growth, which contribute to the best interests of all stakeholders, namely staff, investors, shareholders and other stakeholders. To this effect, the Board of Directors has established the Corporate Governance Policy that covers the key principles, from structure, roles, duties and responsibilities of the Board, to the principles of transparent, clear and auditable management by executives as guidelines for corporate management, so as to ensure that any actions taken by the Company are fair and take into account the best interests of shareholders and all stakeholders.

In order to render the Company trustworthy to its shareholders and all stakeholders, and for the purpose of sustainable business value creation in response to expectations of business sectors, investors, the capital market and society as a whole, the Board of Directors thus deems it appropriate to establish the Corporate Governance Policy based on the Corporate Governance Code 2017 prepared by the Office of the Securities and Exchange Commission as the Company's corporate governance guidelines to ensure that any actions taken by the Company are fair and take into account the best interests of shareholders and all stakeholders, and annually review its practices to be suitable for its business operations and in line with the national and international corporate governance practices. The essence of the Policy may be divided into 8 principles as follows:

- Principle 1: Establish role and responsibilities of the Board
- Principle 2: Define the Company's objectives and key goals for sustainability
- Principle 3: Strengthen the Board's effectiveness
- Principle 4: Recruit and develop senior executives and personnel management
- Principle 5: Promote innovation and responsible business operations
- Principle 6: Ensure effective risk management and internal control
- Principle 7: Maintain financial integrity and disclosure
- Principle 8: Promote engagement and communication with shareholders

The information and details relating to the Corporate Governance Policy are described in Attachment 5 "*Corporate Governance Policy, Code of Conduct, Board Charter and Committee Charters.*"

#### 6.1.1 Policies and Practices Regarding the Board of Directors

The Company has adopted policies and practices regarding the Board of Directors, nomination and remuneration of directors and executives, independence of the Board from the management team, director development, and director performance review, including oversight of its subsidiaries and associated companies. The information and relating to the policies and practices regarding the Board of Directors are described in Attachment 5 "*Corporate Governance Policy, Code of Conduct, Board Charter and Committee Charters.*"

##### 6.1.1.1 Nomination and Remuneration of Directors and Committee Members

The Board of Directors is in charge of overseeing the nomination and selection of directors to be processed transparently and clearly in order to ensure that members of the Board and committees are qualified to meet their designated compositions, and capable of driving the organization towards its goals in accordance with the following practices:

- (1) The Board of Directors has appointed a Nomination and Remuneration Committee to set out criteria and procedures for nomination of qualified candidates as members of the Board and committees.
- (2) The Nomination and Remuneration Committee shall consider such criteria and procedures for nomination of eligible candidates as members of the Board and committees by prescribing their qualifications and expertise in the respective areas required, using such effective tools as Board Skills Matrix to support the nomination. Candidates shall be selected in accordance with the agreed procedures, including their expertise, and proposed to the Board of Directors for consideration and appointment and/or to a meeting of shareholders for further consideration and appointment (as the case may be), provided that shareholders shall be provided with sufficient information regarding nominated candidates in support of their decision-making.
- (3) The Nomination and Remuneration Committee shall nominate members of the Board of Directors and committees to make recommendations to the Board of Directors for consideration. The nomination process may consider the existing members to resume their office, taking into account their performance in such capacity, or invite nominations from shareholders, or use an external firm to recruit or consider candidates from the chartered director pool, or have each director nominate eligible candidates, etc.

- (4) The Nomination and Remuneration Committee shall consider the independence and qualifications of each independent director to ensure that a candidate for independent directorship or such particular independent director is or remains fully qualified in compliance with the applicable rules and/or laws.
- (5) The Nomination and Remuneration Committee shall consider the criteria for remuneration of members of the Board and committees, both monetary and non-monetary, to be aligned with the Company's strategies and long-term goals, considering their burdens, duties, scope, roles and responsibilities, including expected benefits, in comparison with information on remuneration of other companies in the same industry as the Company, and its operating results, and shall prescribe effective criteria to achieve the desired outcome, to be fair and supportive of the Company's successful operations.
- (6) The remuneration of members of the Board and committees shall be fixed in compliance with the payment criteria as agreed and proposed to the Board of Directors for approval and/or to a meeting of shareholders for further consideration and approval (as the case may be).
- (7) The Nomination and Remuneration Committee shall suggest a procedure for performance review of members of the Board and committees, which shall be reviewed yearly, and shall monitor and conclude the performance review to the Board of Directors so as to improve the performance efficiency and enhance knowledge and competence of the Board and committees.

#### **6.1.1.2 Nomination and Remuneration of the Company's Executives**

- (1) The Nomination and Remuneration Committee shall consider such criteria and procedures for nomination of the Chief Executive Officer by recruiting, screening and recommending the most suitable and qualified candidate to be appointed as Chief Executive Officer to the Board of Directors for consideration and approval.
- (2) The Nomination and Remuneration Committee shall jointly discuss with the Chief Executive Officer to consider such criteria for nomination and appointment of senior executives, and grant approval for such persons recommended by the Chief Executive Officer to serve as senior executives.
- (3) The Nomination and Remuneration Committee shall consider such criteria for remuneration of the Chief Executive Officer, both monetary and non-monetary, to be aligned with the Company's strategies and long-term goals, considering his/her burdens, duties, scope, roles and responsibilities, including expected benefits, in comparison with information on remuneration of other companies in the same industry as the Company, and its operating results, and shall prescribe effective criteria to achieve the desired outcome, to be fair and supportive of the Company's successful operations.
- (4) The remuneration of the Chief Executive Officer shall be fixed in compliance with the payment criteria as agreed and proposed to the Board of Directors for approval.
- (5) The Nomination and Remuneration Committee shall consider making a succession plan for the Chief Executive Officer, senior executives and personnel in key positions of the Company.
- (6) The Nomination and Remuneration Committee shall suggest a procedure for performance review of the Chief Executive Officer, which shall be reviewed yearly, and shall monitor and conclude the performance review to the Board of Directors so as to improve the performance efficiency and enhance knowledge and competence of the Chief Executive Officer.

#### **6.1.1.3 Performance Review of the Board, Committees and Individual Members**

- (1) The Board and committees should review the performance of the Board, committees and individual members at least once a year to jointly consider the outcome and problems in the operations over the past year in order to resolve problems and improve the performance efficiency.
- (2) In the performance review, there shall be conducted both as a group and on an individual basis, which at least must include self-evaluation and/or cross-evaluation, and the results shall be reported to the Board of Directors for information. The overall criteria, procedures and results of performance review shall be described in the Annual Registration Statement/Annual Report (Form 56-1 One Report).
- (3) The Board of Directors' performance review should be taken into account to consider the appropriateness of the Board composition.

#### 6.1.1.4 Oversight of Subsidiaries and Associated Companies

The Board of Directors shall monitor and oversee business management of subsidiaries and associated companies to ensure compliance with the policy on oversight and management of subsidiaries and associated companies. This is to put in place both direct and indirect measures and mechanisms to enable the Company to oversee and manage businesses of subsidiaries and associated companies, including monitor them to comply with the Company's policies and applicable rules and laws, so as to safeguard the Company's investment and interests in those subsidiaries and associated companies, which will lift the Company's shareholders' confidence, with the details as follows:

- (1) The Company shall appoint its representatives as directors or executives in subsidiaries and associated companies. The number of representative directors in subsidiaries and associated companies reflects the Company's shareholding in those subsidiaries or associated companies and/or the arrangements between the Company and those subsidiaries or associated companies, to efficiently and effectively manage such subsidiaries and associated companies in line with the Company's policies, and in compliance with the laws, and the Company's policies and business plan.
- (2) The Company shall regularly oversee and monitor the operations of subsidiaries and associated companies in which it has invested, and ensure that they prepare, keep and record their books of accounts, and disclose their financial positions and operating results, transactions between subsidiaries and related persons, acquisition or disposal of assets, or any other material transactions with accurate and complete information, based on the same rules on disclosure and execution of transactions as those applicable to the Company, and subject to the rules and procedures under the securities and exchange laws, requirements, notifications, orders or regulations of the Office of the Securities and Exchange Commission, the Capital Market Supervisory Board, and the Stock Exchange of Thailand, including disclosure of such information to the Company.
- (3) For the purpose of execution of any transactions or arrangements by subsidiaries, which are material to or affect the Company's financial position and operating results, or which fall into or constitute an acquisition or disposal of assets under the Notifications on Acquisition or Disposal of Assets or a connected transaction under the Notifications on Connected Transactions, in respect of which the Company requires prior approval from the Board of Directors' meeting and/or the shareholders' meeting and/or the relevant authorities under the laws, the subsidiaries may execute such transactions or arrangements only after such approval from the Board of Directors' meeting and/or the shareholders' meeting and/or the relevant authorities (as the case may be) shall have been duly obtained.
- (4) The Company shall set out necessary measures and procedures to make sure that its subsidiaries shall duly and fully disclose their operating results and financial positions, and the Company shall take necessary steps to monitor such disclosure to be made accurately and completely.
- (5) The Company shall put in place an internal control system in its subsidiaries to be appropriately, sufficiently and prudently implemented, and ensure that their transactions are duly executed in accordance with the applicable rules and laws.
- (6) Directors and executives representing the Company in its subsidiaries shall ensure that those who have an interest in any matters or a conflict of interest with the subsidiaries, whether directly or indirectly, shall not participate in the approval of such matters.
- (7) The Company shall regularly review the reports on operating results of subsidiaries and associated companies for the purpose of planning and setting its operational goals accordingly.

#### 6.1.2 Policies and Practices Regarding Shareholders and Stakeholders

The Company has implemented policies and practices regarding shareholders and stakeholders, shareholders' care, equitable treatment of shareholders, disclosure of information by the Investor Relations, responsibility to stakeholders, prevention of insider trading, prevention of conflicts of interest, anti-corruption, as follows:

##### 6.1.2.1 Rights and Equitable Treatment of Shareholders

The Board of Directors shall proceed to ensure that shareholders participate in making major decisions of the Company, and that the shareholders' meeting is duly, transparently and efficiently conducted to enable shareholders to exercise their rights, by way of the following practices:

- (1) The Board shall cause material matters, both issues as required by law and issues which may potentially affect the direction of the Company's operations, to be considered and/or approved by shareholders, whereby such material matters shall be incorporated on the agenda of the shareholders' meeting.

- (2) The Board shall encourage shareholders' participation by the following means:
- (2.1) Minor shareholders shall be allowed to propose any matters on the meeting agenda before the date of the shareholders' meeting, in which case, the Board of Directors shall consider including such matters proposed by the shareholders on the meeting agenda. Should the Board of Directors not include any matters proposed by the shareholders on the meeting agenda, the Board of Directors shall provide reasons for such decision to the shareholders' meeting.
- (2.2) Minor shareholders shall be allowed to nominate candidates to be appointed as directors.
- The Board of Directors shall disclose such criteria for the above arrangements to shareholders in advance.
- (3) The Board of Directors shall ensure that a notice of a meeting of shareholders contains accurate, completed and sufficient information for shareholders to exercise their rights.
- (4) The Board of Directors shall cause a notice of a meeting of shareholders, together with supporting documents, to be sent out and published on the Company's website at least 28 days before the date of the meeting.
- (5) The Board of Directors shall allow shareholders to send questions in advance before the date of the meeting, by prescribing and publish such criteria for advance questions on the Company's website.
- (6) The Board of Directors shall ensure that there shall be no actions which restrict the opportunity to attend a meeting or cause any unreasonable burden on shareholders, for instance, shareholders or proxies should not be required to produce any identity documents or evidence beyond those required by the practices of the relevant regulatory agencies.
- (7) The Board Chairman shall preside over a meeting of shareholders, conduct the meeting in compliance with the applicable laws, rules and regulations, and the Company's articles of association, allocate time for each matter on the agenda per the notice of the meeting as appropriate, and allow shareholders to share their opinions and ask questions to the meeting in relation to the Company.

The information and relating to the policies and practices regarding rights and equitable treatment of shareholders are described in Attachment 5 "*Corporate Governance Policy, Code of Conduct, Board Charter and Committee Charters.*"

#### 6.1.2.2 Disclosure of Information

The Company has laid down a policy on communication and disclosure of information to rest shareholders, investors, the public or stakeholders assured that the Company's disclosure of information is accurate, clear and legally compliant and equally available via the news portal of the SEC Office, the SET, the Company's website, and other documents of the Company, such as, the Annual Registration Statement/Annual Report (Form 56-1 One-Report), in accordance with the laws, rules, standards and practices of the relevant authorities, with the practices as follows:

- (1) Material non-public information shall be disclosed carefully, accurately, completely, timely and compliant with the laws, rules, standards and practices of the relevant authorities, and it shall be certain that shareholders or investors shall have been provided with sufficient and equal information and easy access to such information, taking into account the timing of disclosure.
- Should such information be restricted from disclosure for the time being as it may not yet be finalized or it is highly uncertain, the Company shall keep such information restricted to only authorized personnel to prevent any abuse or unauthorized disclosure, subject to the laws, rules, standards and practices of the relevant authorities, and shall disclose such information at the earliest possible opportunity.
- (2) Material public information shall be disclosed clearly and completely to avoid any confusion, and any further disclosure thereof must be clear, consistent and not misleading about any previous disclosure.
- (3) Other non-material information shall be disclosed on a realistic basis and shall not be intentionally misleading others about financial position, operating results, securities price, or disclosed in any manner which may mislead others about tentative increase or decrease in securities price.
- (4) Forward-looking information about any condition, direction of business, including future operating results of the Company, shall be disclosed carefully, and supported by an explanation on such conditions or assumptions used, and the sources and accuracy of information must be verified before using the same for analysis or forecast.



- (5) There shall be a procedure to handle rumors, information leak and inadvertent disclosure, by way of clarification on or denial of any rumors or fake news regarding the Company which may be misleading or affect investment in the Company.
- (6) Improper disclosure should be avoided, such as, press release without genuine development, unrealistic report or forecast, or public disclosure containing misleading content, and disclosure of trade secrets or information which may cause the Company to lose any interest or its competitiveness is strictly prohibited.
- (7) Disclosure of information must be accurate with sufficient details according to standards and within the time period as required by law and guidelines set out by the SEC Office and the SET and/or the relevant regulatory agencies. Material information which may affect the Company's securities price or any decision to invest or rights and benefits of shareholders shall be disclosed only when such information has been officially disseminated to the SET.
- (8) The Board of Directors, the Chief Executive Officer and/or any person delegated by the Board of Directors or the Chief Executive Officer shall be authorized to answer questions or provide material non-public information.
- (9) The Chief Executive Officer shall oversee the Company's disclosure of information in compliance with the laws, rules, standards and practices of the relevant authorities, check the accuracy and sufficiency of disclosed information, and educate directors and staff about the Company's policy on communication and disclosure of information.
- (10) The Company shall communicate and explain to all staff to be cautious and well aware of impact of the Company's disclosure of material information, whereby staff involved in any disclosure shall disclose any information only after and to the extent the same has been made available to the public.

#### 6.1.2.3 Responsibility to Stakeholders

The Board of Directors shall provide a mechanism to ensure that the Company operates businesses in accordance with the code of ethics, social and environmental responsibility, without infringing rights of stakeholders, as guidelines for all units in the organization to achieve the objectives and key goals with sustainability, and shall establish a policy on the code of conduct to cover the following matters:

- (1) Responsibility to Staff and Employees The Company shall comply with applicable laws and standards and fairly treat its staff and employees with respect for human rights, by way of, among others, fair remuneration and other benefits, provision of welfare at the minimum legal requirements or more as appropriate, maintenance of occupational health and safety in work performance, knowledge training, skill development and promotion of career path, as well as opportunity for other skill development.
- (2) Responsibility to Clients The Company shall comply with applicable laws and standards and take into account health, safety, fairness, client confidentiality, after-sale services throughout the life cycle of products and services, evaluation of client satisfaction for development and improvement of products and services, including responsible advertisements, public relations, and sales conduct without misleading or taking advantage of clients' misunderstanding.
- (3) Responsibility to Trading Partners The procurement process and the conditions of contracts or agreements shall be fair, and the Company shall provide trading partners with knowledge, assist them to develop their potential and upgrade their production and service capacity to meet standards. They shall also be communicated and encouraged to respect human rights, treat their labor fairly, and be socially and environmentally responsible, and shall be monitored and evaluated for the purpose of mutual and sustainable business development.
- (4) Responsibility to Communities Business knowledge and experience shall be applied for development of projects clearly beneficial to communities, subject to monitoring and evaluation of progress and achievements in the long run.
- (5) Environmental Responsibility The Company shall prevent, reduce, manage and seek to ensure that the Company shall not create or cause any negative impact on the environment, which extends to the use of raw materials, energy, water, revolving resources, discharge and management of waste from business operations, greenhouse gas emission, etc.
- (6) Fair Competition The Company shall operate businesses transparently without employing any unfair competitive advantage.

#### 6.1.2.4 Prevention of Insider Trading

The Company has established an insider trading policy to protect rights of shareholders and investors, and build their confidence, and to comply with the Securities and Exchange Act B.E. 2535 (1992) (as amended) and such rules and regulations concerning insider trading, in order to ensure that directors, executives and staff (including their respective spouses and minor children) shall have duties to comply with the following requirements:

- (1) The Company shall educate directors, executives, including those holding management positions in accounting or finance from department manager level upward or equivalent, about their duties to prepare and submit reports on their holding of the Company's securities and changes thereof, and that of their respective spouses or cohabiting couples and minor children, including legal entities under the applicable criteria, and reports on acquisition or disposal of securities in the Company, to the SEC Office pursuant to Section 59 and Section 246, and the penalties under Section 275 and Section 298 of the SEC Act.
- (2) Directors and executives, including those holding management positions in accounting or finance from department manager level upward or equivalent, shall be required to prepare and submit reports on their holding of the Company's securities and changes thereof, and that of their respective spouses or cohabiting couples and minor children, including legal entities under the applicable criteria, and reports on acquisition or disposal of securities in the Company. Such reports on changes in securities holding or acquisition or disposal of securities shall be prepared and submitted to the SEC Office within 3 business days from the date of purchase, sale, transfer or acceptance of transfer of such securities, or from the date of acquisition or disposal of such securities. Should any directors and executives not be listed on the database of directors and executives, they shall prepare and submit reports on changes in securities holding to the SEC Office within 7 business days from the date of purchase, sale, transfer or acceptance of transfer of securities, and the Company has notified the list of directors and executives in accordance with the procedures set out by the SEC Office.
- (3) Directors, executives and staff shall be prohibited from using or disclosing non-public information which is material to changes in price or value of securities ("**Inside Information**") to third parties, whether directly or indirectly, and by any means, knowingly or ought to know that such third parties may use such information for securities trading, whether for themselves or for others, except where such action does not have the characteristics of taking advantage of other persons as specified by the SEC.
- (4) Directors, executives, including those holding management positions in accounting or finance from department manager level upward or equivalent and those involved who know or possess Inside Information shall be prohibited from trading the Company's securities during a period of 30 days before disclosure of financial statements or other information likely to affect securities price or any decision to invest in the Company's securities until the Company shall have disclosed such information to the public, and should refrain from securities trading until a lapse of 24 hours from disclosure of such information to the public. The Company shall inform in writing its directors and executives, including those holding management positions in accounting or finance from department manager level upward or equivalent, to refrain from trading the Company's securities, at least 30 days in advance before disclosure of information to the public.
- (5) Directors, executive and staff of the Company shall be prohibited from informing, disseminating or certifying any statement that is false or materially misleading about financial position, operating results, price of the Company's securities or any other information relating to the Company in such manner which is likely to affect securities price or any decision to invest in securities.
- (6) Directors, executives and staff of the Company or former directors, executives and staff of the Company shall be prohibited from disclosing Inside Information and/or the Company's confidential information, as well as confidential information of the Company's trading partners known to them in the course of performing their duties, to any third parties, regardless of whether such disclosure shall have caused any damage to the Company and its training partners.
- (7) Directors, executives and staff of the Company or former directors, executives and staff of the Company shall be required to keep Inside Information and/or the Company's confidential information, and to use the Company's Inside Information only for the purpose of the Company's business operations. Directors, executives and staff of the Company shall be prohibited from using the Company's Inside Information and/or confidential information for personal gain or gain of others, whether directly or indirectly, and whether with or without compensation therefor.
- (8) Directors, executives and staff of the Company who possess Inside Information should be cautious about storage, duplication and shredding of documents, storage and deletion of electronic data which is confidential when not in use, from any improper disclosure or misuse.

- (9) Directors, executives and staff of the Company who possess Inside Information and/or confidential information should be mindful of their conversation or discussion about such information with any persons inside or outside their units in order to prevent those who are not involved from access to Inside Information and/or confidential information.
- (10) To ensure that the Company has an effective internal control system to prevent any leak of Inside Information and/or confidential information, the Company has classified persons/units which possess Inside Information and/or confidential information for the purpose of restricting the number of persons/units with access to or involved with Inside Information and/or confidential information in the course of performing duties.

Any violation of the above requirements may be regarded as misconduct under the applicable laws, and the Company has set out disciplinary actions to be imposed on exploitation of Inside Information and/or confidential information for personal gain or gain of others as appropriate to the circumstances, from verbal warning, written warning, probation, wage cut, work suspension without pay or dismissal from employment, depending on intention and gravity of such misconduct.

#### 6.1.2.5 Prevention of Conflicts of Interest

In order to provide directors, executives and staff with guidelines for their performance of duties with integrity without any personal gain in conflict with the Company's interest, and in compliance with the securities and exchange laws, the Company has adopted a policy on prevention of conflicts of interest which may be summarized as follows:

- (1) To promptly disclose and report information on their interest and that of their related persons to the Board of Directors to be aware of their relationship and transactions with the Company and/or subsidiaries in such manner likely to give rise to conflicts of interest before executing the transaction. In this regard, directors and executives involved in the business management of the Company or its subsidiaries shall be required to prepare and submit reports on their interest to the Company Secretary who shall survey on a yearly basis at the end of each year such interest of directors, executives and/or related persons, and submit such information to the Audit Committee and the Board of Directors for information at least once a year.
- (2) To avoid any connected transactions with themselves and/or related persons which may give rise to conflicts of interest with the Company and its subsidiaries, and refrain from taking any actions in such manner in conflict with the interest of the Company or its subsidiaries or for personal gain and/or gain of related persons. If it is necessary to execute such transactions, the criteria and authority to approve related party transactions and connected transactions shall be strictly complied with.
- (3) To oversee the Company and the management team to accurately, fully and timely disclose information which may give rise to conflicts of interest with stakeholders, persons with conflicts of interest, and related persons. In this regard, the Board of Directors shall cause the Company and its subsidiaries to disclose information as required by the applicable rules on execution of connected transactions in the Annual Registration Statement/Annual Report (Form 56-1 One Report) or disclose information memorandum under the applicable rules and regulations.
- (4) The following actions which will cause directors, executives, staff or related persons of the Company to derive other financial benefits than those that should have been received in the ordinary course, or which will cause the Company or its subsidiaries to sustain damage, shall be presumed as material conflicts of interest with the Company and its subsidiaries, as follows:
  - (4.1) Execution of transactions between the Company or its subsidiaries and connected persons not in compliance with the applicable rules and policies on connected transactions;
  - (4.2) Use of information of the Company or its subsidiaries known to them, unless such information has been disclosed to the public;
  - (4.3) Use of assets or business opportunity of the Company or its subsidiaries in violation of the securities and exchange laws.
- (5) In case of transactions with the same commercial terms as those an ordinary person would agree with any contractual party under similar circumstances with transparency and fairness as if they were transactions executed with third parties and in the Company's best interests, on the basis of commercial negotiation without any influence from their status as directors, executives, staff or related persons of the Company, such transactions shall be summarized for submission to the Audit Committee and the Board of Directors for information and comment for each quarter in which such transactions are executed.

- (6) In case of other transactions which are regarded as connected transactions or related party transactions without the same commercial terms as approved in principle by the Board of Directors, or the characteristics and sizes of which are outside the authority of the management term or the Executive Committee, the Audit Committee shall first consider and comment on the necessity and justification of such transactions before proposing and seeking approval from a meeting of the Board of Directors and/or shareholders (as the case may be), subject to compliance with the applicable rules and policies on connected transactions.
- (7) To oversee and ensure that the Company and its subsidiaries shall comply with the articles of association and the code of conduct, the securities and exchange laws, and other applicable laws, and duly implement internal control, risk management and anti-corruption systems.
- (8) To avoid any business operations, engagement, investment, shareholding or being directors, executives or consultants, whether directly or indirectly, in any companies engaging in the same businesses as the Company or its subsidiaries, or competing with the Company or its subsidiaries. Such shareholding or status of directors, executives or consultants in other companies may be allowed insofar as it can be proven that such shareholding or positions shall not be in conflict with the interest of the Company or its subsidiaries and their performance of duties in the Company or its subsidiaries, subject to compliance with the criteria as required in the applicable laws.
- (9) Stakeholders shall not provide any comment, consider and approve any matters in which they have an interest or a conflict of interest, whether directly or indirectly.

#### 6.1.2.6 Anti-Corruption

The Company focuses on and is committed to anti-corruption to protect rights of investors and shareholders, and strengthen their confidence that the Company operates its businesses with transparency and awareness of anti-corruption of any form by way of communication with all stakeholders and through the practices that promote directors, executives, staff and employees of the Company, its subsidiaries or any persons acting for or on behalf of the Company and its subsidiaries to perform their duties honestly, in good faith and transparently, with awareness of anti-corruption of any form. In this regard, the Company has established an anti-corruption policy as guidelines for the Company and its subsidiaries in compliance with the applicable laws, rules and regulations, the details of which may be summarized as follows:

##### Anti-Corruption Practices

- (1) Related persons shall comply with the following practices:
  - (1.1) To strictly observe the practices in this anti-corruption policy, the code of conduct, and rules, regulations and the articles of association of the Company and its subsidiaries without involving in any form of corruption, whether directly or indirectly.
  - (1.2) To refrain from taking any actions with the intention of corruption or bribery of any related persons in such matters under their direct or indirect duties and responsibilities to obtain any interest to the entities, themselves or related persons.
  - (1.3) To refrain from ignoring or neglecting any actions regarded as fraud and corruption in connection with the Company or its subsidiaries, as it is their duties to report such occurrence to supervisors or persons in charge, and provide cooperation in the fact-finding investigations.
  - (1.4) To have the duties and responsibilities to take care of and use the Company's assets to the maximum benefits of the Company, and refrain from using them for personal gain or gain of other related persons.
- (2) The Company shall ensure fairness and protect those who deny corruption or report any information regarding corruption to the Company.
- (3) Any person convicted of corruption shall be regarded as a breach of the code of conduct and shall be subject to punishment under the Company's regulations and may also be liable for legal penalty.
- (4) The Company shall regularly implement an effective and efficient audit process and internal control system in respect of accounting, finance, records and others, including risk management system for corruption prevention.

Procurement Practices

- (1) The Purchasing Department shall comply with the designated rules or procedures, and the procurement process shall be executed by authorized persons in fairness to all parties concerned. The decision-making shall take into account price justifications, quality and services to be obtained, including various standards expected of suppliers or service providers, e.g., environmental standards, industrial standards, etc.
- (2) The Purchasing Department shall act transparently without any actions which may derive any personal benefits by abusing such procurement capacity and duties, whether directly or indirectly, and refrain from using any information known to them in the procurement process for personal gain or gain of others.
- (3) Related persons shall not offer bribes for the purpose of bidding or collusion in bidding which may result in favorable treatment and in exchange for return in the procurement process, or contractual performance, both before and during bidding, and after execution of contracts, or to protect any other undue benefits contrary to the code of conduct, including any form of corruption which may likewise result in favorable treatment or in exchange for return.

Practices on Entertainment Expenses and Gifts, Property or Other Benefits

- (1) Related persons shall be prohibited from offering or demanding entertainment expenses and gifts, items or any other benefits from business connections, clients, creditors, trading partners, collaborators, business partners and other stakeholders, except where such offering or demand is accepted by customary practices, traditions, culture or social etiquette, provided that it must be reasonable, appropriate and transparent.
- (2) No money, property, items or any other benefits shall be demanded from or offered to any business connections which may influence any particular decision to be made unfairly or with the intention to unduly persuade any action or inaction or in exchange for any undue privilege.

Entertainment Practices

- (1) No entertainment shall be allowed as incentives to persuade any state officials to unduly perform their duties or any decision for business interest of the Company and its subsidiaries.
- (2) Entertainment expenses by business etiquette should be duly and actually disbursed, subject to report and/or approval as specified in the level of authority.

Charitable Donation and Financial Support Practices

- (1) The Company contributes charitable donations and financial support for development of communities and society, the quality of life and the economy to strengthen communities and society, provided that such charitable donations and financial support to charities or other entities shall follow the procedures under the level of authority.
- (2) The Company and its subsidiaries may act as sponsor as a means to promote the Company's businesses in various forms, e.g., sponsor of cultural, arts, educational activities, etc.
- (3) Related persons shall be cautious to ensure that no charitable donations and sponsorships shall be used in avoidance of bribery or offering of benefits or return to any individual person, and to persuade any unlawful action or inaction contrary to the scope of ethics, and in such manner that changes the original beneficial purposes.

Political Support Practices

- (1) The Company and its subsidiaries shall not financially or otherwise provide assistance, support or represent any political party in public activities.
- (2) If the Company and its subsidiaries wish to provide any political support to promote democracy, such support shall not be contrary to the applicable legal principles or provided in the hope of any special treatment in return.
- (3) Related persons shall enjoy their political rights and freedoms under the laws, provided that they shall not take any actions that compromise the neutrality of the Company and its subsidiaries or cause damage from their political involvement.

### Training and Communication Practices

Related persons shall receive regular training on anti-bribery and corruption to be aware of this policy and various forms of corruption, risks from involvement in bribery, and procedures for report on any finding or suspicions of fraud and corruption.

### Channels for Whistleblowing or Complaints and Protection of Informants

The Company provides secure channels for reporting any violations or finding of fraud and corruption, and establishes consideration procedures and protective measures and remedial actions for informants or complainants under the Company's whistleblowing and complaint policy.

### Punishment

Any persons who violate or breach the above policies and practices shall be subject to disciplinary review under the work rules and regulations of the Company and its subsidiaries, and shall be liable to pay damages to the Company, its subsidiaries or those affected by such violation or breach, and may also be liable for legal penalty if such action is illegal.

## **6.2 The Code of Conduct**

The Company strives for its business growth and adheres to the corporate governance principles to ensure that the Company's and its subsidiaries' operations are efficient, fair, transparent, ethical and responsible to stakeholders, society and the environment, and also focuses on business development towards continued growth and creating values to all groups of stakeholders and the whole society, in line with the Corporate Governance Policy. Therefore, the Company has established the code of conduct with the details as follows:

### **1. Conduct towards Shareholders**

- (1) To operate businesses honestly, in good faith and fairly to all shareholders in the best interests of shareholders as a whole, with social responsibility.
- (2) To operate businesses through standard operational and control systems, and utilize knowledge and competencies to the fullest with due care.
- (3) To regularly, equally and fully disclose information, operating results and financial positions of the Company and its subsidiaries to shareholders.
- (4) To oversee directors, executives and staff of the Company and its subsidiaries to refrain from seeking personal gain and gain of others by using any non-public information of the Company and its subsidiaries, or from taking any actions which may give rise to conflicts of interest with the Company and its subsidiaries.
- (5) To refrain from taking any actions which may give rise to conflicts of interest with the Company and its subsidiaries.

### **2. Conduct towards Staff**

- (1) To manage human resources to be aligned with strategies and goals of the Company and its subsidiaries, adhere to morality and ethics, and monitor and resolve any potential conflicts of interest in the Company and its subsidiaries.
- (2) To closely oversee staff on the basis of justice without prejudice.
- (3) To politely treat staff with honor, regard and respect for their pride, dignity, individualism and human rights.
- (4) To appoint and rotate staff, including their rewards and punishment, in good faith based on their knowledge, competencies and qualifications.
- (5) To provide staff with fair remuneration given market circumstances, business competition, job description, performance, knowledge and competencies of individual staff.
- (6) To regularly promote staff knowledge and competency development.



- (7) To always maintain the occupational safety, health and work environment for the safety of life and property of staff.
- (8) To encourage staff to provide suggestions or submit complaints concerning work performance, and related solutions.

### **3. Conduct towards Clients**

- (1) To deal with clients with sincerity, keep promises made with them, provide quality services in response to clients' needs.
- (2) To develop services in terms of diversity, quality and standard in response to clients' needs.
- (3) To disseminate news, information, advertisements and public relations, and promote sales and services duly, fairly, sufficiently and timely for clients.
- (4) To comply with terms and conditions fairly made with clients.
- (5) To respond clients' needs rapidly and arrange for a client relations system for complaints regarding quality of services, and a mechanism to regularly oversee, monitor and evaluate services to clients.
- (6) To refrain from disclosing clients' information known in the course of business operations.

### **4. Conduct towards Trading Partners**

- (1) To treat trading partners equally and fairly on the basis of mutual benefits in fairness to both sides.
- (2) In the course of business negotiation, to refrain from demanding, accepting or paying any benefits in bad faith in dealing with trading partners, both directly and indirectly.
- (3) To provide accurate, clear, complete and unbiased information to ensure fair, transparent and auditable competition.
- (4) To keep information provided by clients confidential.
- (5) To refrain from disclosing confidential information or documents of the Company and its subsidiaries to other unauthorized persons.
- (6) To develop and maintain sustainable relationships with trading partners, promote the building of service quality, image and reliability in collaboration with the Company and its subsidiaries.
- (7) To ensure that the procurement process and the conditions of contracts or agreements are fair toward fair competition.
- (8) To provide trading partners with knowledge, develop their potential and upgrade their service capacity to meet standards.
- (9) To communicate and encourage trading partners to respect human rights, treat their labor fairly, and be socially and environmentally responsible, as well as monitor and evaluate trading partners for the purpose of mutual and sustainable business development.

### **5. Conduct towards Creditors**

- (1) To strictly observe and comply with the conditions with creditors of the Company and its subsidiaries.
- (2) Should there be any events which may affect the financial position and debts to be repaid, the Company and its subsidiaries shall give prompt notice thereof to creditors to jointly find ways to prevent or resolve such events to avoid damage.
- (3) To regularly provide accurate and complete financial reports to creditors in a timely manner.

### **6. Conduct towards Competitors**

- (1) To act within the legal framework regarding fair, transparent and equal competition.
- (2) To refrain from seeking competitors' confidential information by any means in bad faith or inappropriate.

- (3) To refrain from discrediting competitors' reputation by way of malicious accusations, fake news or attacks to competitors.
- (4) To refrain from agreeing with competitors or any persons to reduce or restrict competition, and from entering into any commercial terms or taking any actions which may implicitly cause unfair competition or monopoly.
- (5) To refrain from disclosing or providing confidential information of the Company and its subsidiaries to competitors while dealing with them.

#### **7. Conduct towards Communities, Society and the Environment**

- (1) To manage and oversee the Company and its subsidiaries to be responsible for and observe customary practices and traditions of communities and society, including environmental protection.
- (2) To prevent, reduce, manage and seek to ensure that the Company and its subsidiaries shall not create or cause any negative impact on the environment.
- (3) To regularly organize activities for contribution to society, communities and the environment to improve the quality of life in communities and society.
- (4) To respond rapidly and effectively to events giving rise to impact on the environment and communities from the operations of the Company and its subsidiaries, and provide full cooperation with state officials and relevant authorities.
- (5) To regularly build and raise awareness, and communicate and provide staff in every level with knowledge about community, social and environmental responsibility.
- (6) To apply business knowledge and experience of the Company and its subsidiaries for development of projects clearly beneficial to communities.

#### **8. Conduct towards Public Sector/Regulatory Agencies**

- (1) To fully and strictly comply with the laws, regulations, requirements, criteria, measures and policies set out by public sector/regulatory agencies.
- (2) To provide cooperation in activities hosted by public sector/regulatory agencies as part of strengthening the economic growth and prosperity.
- (3) To act duly and straightforwardly when contacting and dealing with public sector/regulatory agencies.
- (4) To familiarize or build good relationships with public sector/regulatory agencies as appropriate and practicable.

The information and details relating to the code of conduct are described in Attachment 5 "*Corporate Governance Policy, Code of Conduct, Board Charter and Committee Charters.*"

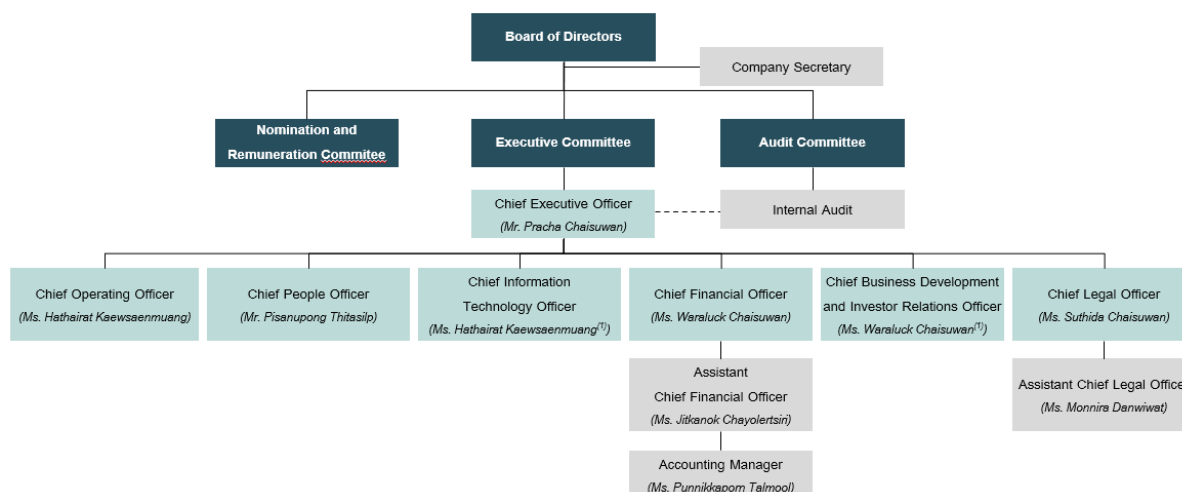
### **6.3 General Information on Last Year's Major Changes and Development of Corporate Governance Policy, Practices and Systems**

The Company has complied with the Corporate Governance Code for Listed Companies 2017 and the Board of Directors reviews the application of such corporate governance principles in the business context at least once a year.

## 7. Corporate Governance Structure, Material Information on the Board, Committees, Executives, Staff and Others

### 7.1 Corporate Governance Structure

The Company's corporate governance structure, which has been approved by the Board of Directors' Meeting No. 9/2021 on November 12, 2021, and the Board of Directors' Meeting No. 1/2022 (after its conversion) on August 11, 2022, comprises the Board of Directors, and 3 committees, namely (1) Audit Committee; (2) Nomination and Remuneration Committee; and (3) Executive Committee, with the Chief Executive Officer as top management of the Company, as follows:



#### Remarks:

refers to persons who are executives as defined in the Notification of the Securities and Exchange Commission No. KorChor. 17/2551 Re: Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities (as amended).

(1) refers to acting appointments.

### 7.2 Board of Directors

#### 7.2.1 Board Composition

The Board of Directors consists of a diverse group of knowledgeable, competent and experienced personnel in various fields, e.g., banking, accounting and finance, legal, and so on. They are well recognized and mainly responsible for decision-making and taking actions for the benefit of the Company, shareholders and all stakeholders. They also take an important role in setting objectives and goals, vision, mission, strategies, operational policies, and in monitoring, evaluating and reporting the operating results to create sustainable values to the business, under the Company's corporate governance policy and code of conduct.

As at December 31, 2022, the Board comprises 9 members as required by applicable laws and the Company's articles of association. Five members are non-executive directors (representing 55.6 percent of all directors), and four members are executive directors (representing 44.4 percent of all directors). At present, four directors are female and five are male. In addition, the Board also includes three independent directors (representing 33.3 percent of all directors), which are not less than one-third of all directors, and they are fully qualified under applicable laws.

The relevant information and details and director profiles are described in Attachment 1 "Summary of Directors, Executives, Controllers, Top Authorized Person in Charge of Accounting and Finance, Authorized Person Directly in Charge of Bookkeeping, Company Secretary."

#### 7.2.2 Board Members

As at December 31, 2022, the Board comprises 9 members as follows:

Name	Position
1. Mr. Pradit Leosirikul	Chairman of the Board / Independent Director / Member of the Audit Committee / Member of the Nomination and Remuneration Committee
2. Mr. Grish Attagrish <sup>(1)</sup>	Director / Independent Director / Chairman of the Audit Committee

Name	Position
3. Mrs. Wansuda Thanasaranart	Director / Independent Director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee
4. Mr. Pracha Chaisuwan	Director / Chairman of the Executive Committee / Chief Executive Officer
5. Ms. Waraluck Chaisuwan	Director / Member of the Executive Committee / Chief Financial Officer / Chief of Business Development and Investor Relations (Acting)
6. Ms. Suthida Chaisuwan	Director / Member of the Executive Committee / Chief Legal Officer
7. Ms. Hathairat Kaewsaenmuang	Director / Member of the Nomination and Remuneration Committee / Member of the Executive Committee / Chief Operating Officer / Chief Information Technology Officer (Acting)
8. Mr. Surachai Chetchotisak	Director / Member of the Executive Committee
9. Mr. Wittawat Wetchabutsakorn	Director / Member of the Executive Committee

Remark: <sup>(1)</sup> Mr. Grish Attagrish is a member of the Audit Committee with the required knowledge and experience to review the reliability of the Company's financial statements. Details, qualifications and experiences of all three members of the Audit Committee are described in Attachment 1 "Summary of Directors, Executives, Controllers, Top Authorized Person in Charge of Accounting and Finance, Authorized Person Directly in Charge of Bookkeeping, Company Secretary."

Ms. Monnira Danwiwat serves as Company Secretary as appointed by the Board of Directors' Meeting No. 8/2021 on October 19, 2021, and has completed the relevant company secretary training courses from the Thai Institute of Directors (IOD), namely Company Secretary Program (CSP) Class 124/2021, Company Reporting Program (CRP) Class 30/2021, Effective Minutes Taking (EMT) Class 49/2021, and Board Reporting Program (BRP) Class 38/2021.

## 7.2.3 Roles and Duties of the Board, Board Chairman and Chief Executive Officer

### 7.2.3.1 Scope of Powers and Authority of the Board

The Board's powers, authority and responsibilities are prescribed by the Public Limited Companies Act B.E. 2535 (1992) (as amended), the Securities and Exchange Act B.E. 2535 (1992) (as amended), and other applicable laws, rules and regulations, including the Company's articles of association. By virtue of such laws and the Company's articles of association, the Board is empowered and authorized to make decisions and oversee operational matters, except those required by laws or the Company's articles of association to be approved by a meeting of shareholders prior to further proceedings.

In addition, the Board of Directors' Meeting No. 8/2021 on October 19, 2021, and the Board of Directors' Meeting No. 3/2022 on May 5, 2022, resolved to approve the Board's scope, powers, authority and responsibilities, including the following scope, powers, authority and responsibilities:

- (1) To perform its duties with due care (duty of care), integrity (duty of loyalty), and oversee the operations of the Company and its subsidiaries in compliance with laws, rules, regulations, its articles of association and shareholders' resolutions (duty of obedience) to protect rights and benefits of the Company and its subsidiaries.
- (2) To set out objectives and goals, vision, mission, strategies, operational policies, allocation of major resources to achieve such objectives and goals, and empower the management team to perform efficiently and effectively, and monitor, evaluate and oversee the administration and management matters by management team of the Company and its subsidiaries to be aligned with policies, goals, business plans, budgets, management structure and level of authority, as well as support effective and safe use of innovations and technologies.
- (3) To consider and approval annual business plan and budget proposed by the management team, and consider and approve the Company's important matters as required by laws, its articles of association and guidelines.
- (4) To oversee the business operations under the corporate governance principles to facilitate the Company's competitiveness and good operating results for the benefit of shareholders, stakeholders, society and long-term impact, and also support environmental impact mitigation and development without compromising its resilience and adaptation under changing circumstances.
- (5) To support creation or use of innovations and technologies to generate values to businesses in parallel with contributions to clients or their related persons, and be socially and environmentally responsible, oversee the management team to operate businesses with social and environmental responsibility as reflected in the operational plan, to ensure that every unit in the organization proceeds in alignment with its objectives, goals and strategies.

- (6) To appoint directors or executives in subsidiaries or associated companies at least representing its shareholding in those subsidiaries or associated companies, in order to control their management to be in line with the Company's policies, and transactions to be duly executed in accordance with laws, including full and accurate disclosure of financial positions, operating results, connected transactions and acquisition or disposal of material assets.
- (7) To oversee the Company and its subsidiaries to adopt sufficient and effective risk management systems and internal control to efficiently achieve objectives, and appoint an audit committee to perform its duties efficiently and independently to review and ensure that such internal control and internal audit systems are sufficient, effective and efficient in compliance with laws.
- (8) To monitor, oversee, prevent and manage any potential conflicts of interest between stakeholders of the Company and its subsidiaries and the management team, the Board or the Company's shareholders, including prevention of any misuse of property, information and opportunities of the Company and its subsidiaries, or execution of transactions with persons with potential conflicts of interest/connected persons of the Company or its subsidiaries in any inappropriate manner. For this purpose, should any director have an interest in any transaction with the Company or subsidiaries or change his/her shareholding in the Company and/or subsidiaries, he/she shall give notice thereof to the Company without delay.
- (9) To oversee the Company to ensure that it has a data security system in place, including policies and practices for maintenance of confidentiality, reliability and availability of information, as well as management of information which may affect securities price.
- (10) To ensure that the Company and its subsidiaries have effective and reliable accounting and financial reporting systems, prepare financial reports, and oversee the Company to prepare its annual report and disclose its financial statements and material information which are accurate, sufficient, timely and compliant with applicable rules, regulations, standards and practices (duty of disclosure), as well as review the sufficiency of the Company's financial liquidity and debt-serviceability.
- (11) To consider approving the selection and proposed appointment of the Company's auditor, and to consider fixing remuneration as appropriately proposed by the Audit Committee before proposing the matter to the annual ordinary general meeting of shareholders for consideration and approval.
- (12) To consider approving quarterly financial statements reviewed by the auditor and commented by the Audit Committee, and to consider approving the audited annual financial statements and commented by the Audit Committee to be proposed to the annual ordinary general meeting of shareholders for consideration and approval.
- (13) To acknowledge the Audit Committee's report and other committees' reports of the Company.
- (14) To consider appointing directors to fill any vacancy for other reasons than retirement by rotation.
- (15) To consider appointing and changing the Company's authorized signatory directors.
- (16) To consider appointing and removing committee members and designate powers and authority of the committees to facilitate and support the Board's performance of duties, and oversee the committees' performance in compliance with their respective charters, and to regularly consider approving the criteria for performance review at least once a year.
- (17) To establish succession plans for the Chief Executive Officer, senior executives and personnel in key positions of the Company, whereby the Chief Executive Officer shall report the implementation of succession plans to the Board for information from time to time at least once a year, and oversee personnel management and development to ensure the number of personnel, talents, skills, experiences and incentives as appropriate.
- (18) To consider approving criteria for nomination of candidates for the Chief Executive Officer, appointment of the Chief Executive Officer, and determining a framework of remuneration policies and forms, determination of remuneration and the Chief Executive Officer's performance review as proposed by the Nomination and Remuneration Committee.
- (19) To consider approving a framework of remuneration policies and forms, determination of remuneration and senior executives' performance review as proposed by the Chief Executive Officer.
- (20) To consider appointing and removing the Company Secretary under the securities and exchange laws to facilitate the Board's performance to ensure that the Company's business operations comply with applicable laws, notifications, regulations and articles of association.

- (21) To consider approving and commenting on material transactions, e.g., acquisition or disposal of assets of the Company or its subsidiaries, new business investment, and any arrangements or connected transactions, except where such transactions also require approval from a meeting of shareholders, provided that such consideration and approval shall comply with the securities and exchange laws and/or applicable notifications, requirements and/or regulations of the Stock Exchange of Thailand.
- (22) To consider approving interim dividends to shareholders when it is apparent that the Company's profit so justifies, and report such dividend payments to the next meeting of shareholders.
- (23) To hold a meeting of shareholders as the annual ordinary general meeting within 4 months from the end of the Company's fiscal year, and oversee such meeting of shareholders to be duly, transparently and efficiently conducted to enable shareholders to exercise their rights, and be involved in making major decisions, as well as ensure disclosure of meeting resolutions and prepare accurate and full minutes of shareholders' meeting, including effective communication with shareholders and other stakeholders.
- (24) To have a mechanism for complaints and responsive actions to complaints or whistleblowing.
- (25) To perform any other duties in relation to the Company's businesses as delegated by shareholders.

The information and details relating to the scope, powers, authority and responsibilities of the Board are described in Attachment 5 *"Corporate Governance Policy, Code of Conduct, Board Charter and Committee Charters."*

Moreover, it is also the Board's duty and responsibility for risk management under the risk management policy, which has been approved by the Board of Directors' Meeting No. 9/2021 on November 12, 2021, and the Board of Directors' Meeting No. 1/2022 (after its conversion) on August 11, 2022, with the details as follows:

- (1) To oversee risk management and independently provide suggestions for material risk management.
- (2) To establish a risk management policy and consider potential key risk factors, including risk management guidelines and monitoring.

#### **7.2.3.2 Scope of Powers and Authority of Board Chairman**

The Board's powers, authority and responsibilities are prescribed by the Public Limited Companies Act B.E. 2535 (1992) (as amended), the Securities and Exchange Act B.E. 2535 (1992) (as amended), including the Company's articles of association. In addition, the Board of Directors' Meeting No. 8/2021 on October 19, 2021, and the Board of Directors' Meeting No. 3/2022 on May 5, 2022, resolved to approve the Board Chairman's scope, powers, authority and responsibilities, as follows:

- (1) To oversee, monitor and ensure that the Board's performance of duties is efficient and achieves the objectives and key goals of the organization.
- (2) To ensure that all directors are involved in promoting organizational culture based on ethics and corporate governance.
- (3) To set meeting agenda of the Board in consultation with the Chief Executive Officer, and have measures in place to include important matters in meeting agenda.
- (4) To allocate sufficient time for the management team to propose matters and for directors to discuss material issues thoroughly, and encourage directors to duly exercise discretion and independently share their opinions.
- (5) To promote good relationships between executive and non-executive directors and between the Board and the management team.
- (6) To call for Board meetings to be conducted either at the same meeting place or held by electronic means.
- (7) Board meetings shall be conducted in compliance with applicable laws and the Company's articles of association, and require the presence of not less than one half of all directors to constitute a quorum.
- (8) The Board Chairman shall preside over a meeting of shareholders. If the Board Chairman is absent or unable to perform the duty, Vice-Chairman shall preside over the meeting. In the absence of any Vice-Chairman, or a Vice-Chairman is appointed, but unable to perform the duty, one of the directors present at the meeting shall be selected to preside over the meeting. The Board may invite other persons to attend meetings as it deems appropriate.
- (9) Decisions of the Board meeting shall be adopted by a majority of votes of directors present at the meeting. Each director has one vote. In case of an equality of votes, the presiding chairman of the meeting shall have a



casting vote. Directors who have an interest in any matter must not be present at the meeting and are not entitled to vote on such matter.

### 7.2.3.3 Scope of Powers and Authority of Chief Executive Officer

The Board of Directors' Meeting No. 8/2021 on October 19, 2021, the Board of Directors' Meeting No. 3/2022 on May 5, 2022, and the Board of Directors' Meeting No. 1/2022 (after its conversion) on August 11, 2022, resolved to approve the Chief Executive Officer's scope, powers, authority and responsibilities, including the following scope, powers, authority and responsibilities:

- (1) To operate businesses, manage and oversee the overall operations of the Company in compliance with laws, rules, regulations, objectives, articles of association, policies, regulations, requirements, orders, business strategies goals and operational plans, financial goals, annual budgets as approved by the Board to be efficient and effective, level of authority, and resolutions of the Board meetings and/or resolutions of the shareholders' meetings of the Company.
- (2) To develop the organization to achieve good operating results and performance, with regular improvements for sustainable growth.
- (3) To prepare and deliver business policies, including objectives, vision, mission, policies, key goals, annual plans and budgets of the Company and its subsidiaries, to be proposed to the Board of Directors for consideration and approval, and regularly report on development of such approved plans and budgets to the Board of Directors as appropriate, including communication with the Board and/or other committees of the Company to efficiently carry on business operations and achieve the objectives and major goals of the organization.
- (4) To set operational goals, allocation of resources, to align with vision, mission, strategies, business and management policies, control, audit and monitor the management team's performance, and suggest solutions to problems for executives and the management team to proceed with the business plans in line with the Company's policies.
- (5) To oversee the overall management in finance, marketing, human resources, internal control system, and other operational matters of the Company and its subsidiaries to ensure compliance with the Company's policies and business plans as approved by the Board and in compliance with the laws, objectives and articles of association of the Company.
- (6) To monitor, audit and supervise the operating results of the Company and its subsidiaries to ensure good performance to achieve goals, and report on the matter to the Board on a quarterly basis, as well as find the opportunity to improve and develop performance to be better.
- (7) To establish the organizational structure, management procedures, including selection, training, employment, transfer and termination of executives<sup>1</sup> and staff, and set out recruitment criteria, evaluation criteria, structures of wages, salaries, remuneration, bonus and welfare benefits for executives and staff in such positions outside the Nomination and Remuneration Committee's authority to be in the range as specified in the Company's regulations.
- (8) To command, communicate, order, proceed with and execute any legal transactions, contracts, orders, notices or any documents for dealing with other agencies or persons, for the Company's operations to be achieved efficiently and effectively, as delegated and/or authorized by the Board.
- (9) To be empowered to delegate authority and/or authorize other persons to perform any particular tasks on his/her behalf, provided that such delegation and/or authorization shall be within the scope under the level of authority and powers of attorney and/or in compliance with such regulations, requirements or orders set forth by the Board and/or the Company.

The Chief Executive Officer's powers, authority and responsibilities must not be delegated by way of power of attorney or substitute power of attorney in such manner which empowers the Chief Executive Officer or his/her attorney-in-fact to approve transactions in which they or persons with potential conflicts of interest receive any form of benefits, or with any other conflicts of interest with the Company or its subsidiaries, in which case, such transactions must be proposed to a meeting of the Board or shareholders for consideration and approval (as the case may be) as required by the Company's articles of association or applicable laws, except for approval of transactions in the ordinary course of business of the Company in compliance with such policies and criteria previously approved by a meeting of shareholders and/or the Board.

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<sup>1</sup> Executives refers to the first four executive positions and equivalent succeeding the Chief Executive Officer.

- (10) To instruct and issue regulations, criteria, announcements and internal memorandum for the Company's operations in line with its policies and for the benefit of the Company, and maintain the organization in good order.
- (11) To lead and act as a role model on the basis of morality and the Company's code of conduct, and promote, supervise and monitor the organization management on the basis of sustainability, corporate governance, social responsibility, and compliance with anti-corruption measures and practices.
- (12) To seek business opportunities and feasibility study for new projects or project investment, and present the relevant information to support the decision-making by the Executive Committee or the Board (as the case may be).
- (13) To consider appointing consultants in various areas essential to the Company's operations within budgets approved by the Board and/or committees, subject to the level of authority.
- (14) To consider approving transactions in the ordinary course of business and proceeding to support the Company's business under the general commercial terms not exceeding budgets approved by the Board, subject to the rules of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand on connected transactions and acquisition and disposal of assets, including the level of authority.
- (15) To represent the Company in communicating with shareholders and support the Board to provide channels for effective and regular communication with shareholders as well as standard and transparent disclosure of information.
- (16) To have other powers, authority and responsibilities as authorized or under the policies delegated by the Board and/or committees.

### 7.3 Committees

As at December 31, 2022, the Company has 3 committees, namely (1) Audit Committee; (2) Nomination and Remuneration Committee; and (3) Executive Committee.

Each committee has its own charter approved by the Board, which describes its objectives, composition, qualifications, tenure, powers, authority and responsibilities, meetings, quorum and voting, evaluation, etc. Committee charters shall be reviewed as appropriate. Committees shall report their performance to the Board for information.

#### 7.3.1 Scope of Duties and Responsibilities of Committees

##### 7.3.1.1 Scope, Powers and Authority, and Responsibilities of the Audit Committee

The Board of Directors' Meeting No. 8/2021 on October 19, 2021, and the Board of Directors' Meeting No. 3/2022 on May 5, 2022, resolved to approve the Audit Committee's scope, powers, authority and responsibilities, including the following scope, powers, authority and responsibilities:

- (1) To review financial reports of the Company and its subsidiaries to ensure accurate, full, reliable and sufficient disclosure in accordance with the financial reporting standards, in coordination with the external auditor and executives responsible for preparing both quarterly and annual financial reports, and the Audit Committee may suggest the auditor to review or audit any particular transactions deemed as important and necessary matters during the audits of the Company and its subsidiaries.
- (2) To review internal control system, internal audit system and risk management of the Company and its subsidiaries to ensure adequacy, effectiveness and efficiency, and consider the independence of the internal audit unit, and approve appointment, transfer, termination of head of the internal audit unit or any other unit in charge of internal audit.
- (3) To consider and approve annual budgets, manpower and resources essential to the Internal Audit Department's performance, and meet with the head of the Internal Audit Department to discuss important issues at least once a year without the presence of the management team.
- (4) To review the Company's compliance with the securities and exchange laws, the Stock Exchange of Thailand's requirements, and other laws and standards applicable to the Company's businesses.
- (5) To consider, select and nominate an independent person for appointment as auditor, and propose the auditor's fees, taking into account the reliability, sufficiency of resources, audit workloads of the audit firm,

- and experience of the personnel authorized to conduct the Company's audit, and meet with the auditor without the presence of the management team at least once a year.
- (6) To consider connected transactions or transactions with potential conflicts of interest, acquisition or disposal of assets of the Company and its subsidiaries to be duly and completely executed in compliance with the securities and exchange laws, and the requirements of the Stock Exchange of Thailand, to ensure that such transactions are reasonable and in the best interests of the Company and its subsidiaries.
  - (7) To be empowered to summon and instruct relevant management team, unit heads or staff of the Company to share opinions, meet or provide any documents as it deems relevant and necessary, and to seek independent opinions from any other professional consultants as necessary at the Company's expense.
  - (8) To prepare the Audit Committee's report to be disclosed in the Company's annual report, and such report must be signed by the Chairman of the Audit Committee and should contain the following particulars:
    - (a) Opinion on accuracy, completeness and reliability of the Company's financial report;
    - (b) Opinion on sufficiency of the Company's internal control system;
    - (c) Opinion on compliance with the securities and exchange laws, the SET's requirements or laws applicable to the Company's businesses;
    - (d) Opinion on the auditor's eligibility;
    - (e) Opinion on transactions with potential conflicts of interest;
    - (f) Number of meetings of the Audit Committee and members' attendance records;
    - (g) Opinion or overall observations from the Audit Committee's performance of duties under its charter;
    - (h) Any other particulars that should be made known to shareholders and general investors under the scope, authority and responsibilities delegated by the Board.
  - (9) To report to the Board any finding or suspicion of the following transactions or actions which may materially affect the Company's financial position and operating results so as to resolve them within such time as the Audit Committee deems appropriate:
    - (a) Transactions giving rise to or potentially giving rise to conflicts of interest;
    - (b) Fraud or unusual issues or major flaws in the internal control system;
    - (c) Violations of the securities and exchange laws, the SET's requirements and notifications or laws applicable to the Company and/or its businesses.

Should the Board fail to resolve such matters within the above time, any member of the Audit Committee may report such transactions or actions to the SEC Office or the SET.
  - (10) To respond to complaints and whistleblowing regarding misconduct, corruption or failure to comply with laws, rules, regulations and the Company's code of conduct, and oversee fact-finding investigations and impose penalty independently as appropriate in compliance with relevant policies set out by the Board.
  - (11) To perform any other duties as delegated by the Board and approved by the Audit Committee.

The Audit Committee's performance of duties shall report directly to the Board.

The information and details relating to the scope, powers, authority and responsibilities of the Audit Committee are described in Attachment 5 *"Corporate Governance Policy, Code of Conduct, Board Charter and Committee Charters."*

In addition, the Audit Committee also has the duty and responsibility for risk management under the risk management policy, which has been approved by the Board of Directors' Meeting No. 9/2021 on November 12, 2021, and the Board of Directors' Meeting No. 1/2022 (after its conversion) on August 11, 2022, with the details as follows:

- (1) To review internal control system, internal audit system and risk management to ensure adequacy, effectiveness and efficiency.

- (2) To review risk management policy and potential key risk factors, including risk management guidelines and monitoring.

#### **7.3.1.2 Scope, Powers and Authority, and Responsibilities of the Nomination and Remuneration Committee**

The Board of Directors' Meeting No. 8/2021 on October 19, 2021, and the Board of Directors' Meeting No. 3/2022 on May 5, 2022, resolved to approve the Nomination and Remuneration Committee's scope, powers, authority and responsibilities, including the following scope, powers, authority and responsibilities:

- (1) To consider the Board structure and composition in terms of the number of directors to suit business sizes, categories and complexity, in line with business strategies and changing circumstances, and review qualifications of directors, committee members and the Chief Executive Officer in terms of skills, experiences, and expertise in relation to the Company's businesses.
- (2) To set out criteria and procedures for nomination for eligible candidates as directors, committee members and the Chief Executive Officer by prescribing their qualifications and expertise in the respective areas required, using such effective tools as Board Skills Matrix to support the nomination, and select candidates in accordance with the agreed procedures, including their expertise, to be proposed to the Board of Directors for consideration and appointment and/or to a meeting of shareholders for further consideration and appointment (as the case may be), provided that shareholders shall be provided with sufficient information regarding nominated candidates in support of their decision-making.
- (3) To nominate directors and committee members upon retirement by rotation to the Board for consideration, whereby the existing members may be nominated to resume their office, taking into account their performance in such capacity, or invite nominations from shareholders, or use an external firm to recruit or consider candidates from the chartered director pool, or have each director nominate eligible candidates, etc.
- (4) To consider the list of nominated candidates and select those fully qualified to be proposed to the Board of Directors for consideration and appointment and/or to a meeting of shareholders for further consideration and appointment (as the case may be), provided that shareholders shall be provided with sufficient information regarding nominated candidates in support of their decision-making.
- (5) To approach such qualified candidates to ensure that they are willing to hold directorship if appointed by a meeting of the Board of Directors or shareholders (as the case may be).
- (6) To consider the independence and qualifications of each independent director to ensure that a candidate for independent directorship or such particular independent director is or remains fully qualified in compliance with the applicable rules and/or laws.
- (7) To consider the criteria for nomination of the Chief Executive Officer, recruit, screen and recommend the most suitable and qualified candidate to be appointed as Chief Executive Officer to the Board of Directors for consideration and approval.
- (8) To review the current criteria for remuneration of the Board, committees and the Chief Executive Officer in comparison with information on remuneration of other companies in the same industry as the Company, and its operating results, and prescribe effective criteria to achieve the desired outcome, to be fair and supportive of the Company's successful operations.
- (9) To consider the criteria for performance review of the Chief Executive Officer as delegated by the Board.
- (10) To consider the criteria for remuneration of the Board, committees and the Chief Executive Officer, both monetary and non-monetary, to be appropriate and aligned with the Company's strategies and long-term goals, considering their burdens, scope, roles, duties and responsibilities, including expected benefits.
- (11) To fix remuneration of the Board, committees and the Chief Executive Officer in compliance with the payment criteria as agreed and proposed to the Board of Directors for approval and/or to a meeting of shareholders for further consideration and approval (as the case may be).
- (12) To consider suitability and grant approval for any new securities offering to directors and staff, on the basis of fairness towards shareholders, and motivate directors and staff to perform their duties to create values to shareholders in the long run and effectively retain talented personnel.
- (13) To consider succession planning policy for the Chief Executive Officer, senior executives and personnel in key positions of the Company.

- (14) To suggest a procedure for performance review of the Board, committees and the Chief Executive Officer, which shall be reviewed yearly, and monitor and conclude the performance review to the Board of Directors so as to improve the performance efficiency and enhance knowledge and competence of the Board, committees and the Chief Executive Officer.
- (15) To perform any other duties as delegated by the Board.

The information and details relating to the scope, powers, authority and responsibilities of the Nomination and Remuneration Committee are described in Attachment 5 *“Corporate Governance Policy, Code of Conduct, Board Charter and Committee Charters.”*

### 7.3.1.3 Scope, Powers and Authority, and Responsibilities of the Executive Committee

The Board of Directors' Meeting No. 8/2021 on October 19, 2021, and the Board of Directors' Meeting No. 3/2022 on May 5, 2022, resolved to approve the Executive Committee's scope, powers, authority and responsibilities, including the following scope, powers, authority and responsibilities:

- (1) To set out vision, strategies, policies, goals, business plans, management structure and level of authority of the Company to be proposed to the Board for approval and further implementation as approved by the Board, including monitoring of such performance to ensure efficiency.
- (2) To have powers, duties and responsibilities for management in the ordinary course of business of the Company, and consider approving transactions in the ordinary course of business, subject to the level of authority and/or scope of powers delegated by the Board, in compliance with applicable laws, rules/basis, objectives, regulations, requirements, notifications of regulatory agencies, meeting resolutions of the Board and shareholders, as well as the Company's corporate governance policy and code of conduct.
- (3) To approve and oversee management in compliance with policies, goals, strategies, annual operational plans and budgets as approved by the Board and/or the level of authority, including monitoring to achieve both short-term and long-term goals.
- (4) To screen business plans, budgets, management structure, level of authority and policies to be compatible with objectives, vision, mission, policies, key goals and business strategies of the Company as suggested by the Chief Executive Officer, before proposing the same to the Board of Directors for consideration/approval, except those under other committees' powers, including the Audit Committee or the Nomination and Remuneration Committee, and to consider screening the management team's proposals.
- (5) To oversee the Company's management through the Chief Executive Officer to be in line with such policies set forth by the Board, and report performance from time to time to the Board.
- (6) To consider appointing or removing a risk management team, and approve the risk management team charter to define an enterprise risk management framework, seek to ensure effective risk management system or process, and control risks and mitigate impact thereof to the Company's businesses.
- (7) To approve appointment of consultants in various areas essential to the Company's operations within budgets approved by the Board.
- (8) To plan or provide other mechanisms to prevent or resolve financial issues, taking into consideration stakeholders' rights.
- (9) To conduct feasibility study for implementation of new projects, approve project investment within the powers delegated by the Board, including execution of legal transactions relating to such matters.
- (10) To consider and approve financial transactions with financial institutions, e.g., account opening, borrowing of loans, application for credits, mortgage, pledge, overdrafts from financial institutions, guarantee, including purchase and sale, and registration of land ownership, for the purpose of the Company's business operations, as well as execution of legal transactions, contracts, proposals, contact for legal transactions with government agencies to obtain rights for the Company, and/or any arrangements relating to such matters until completion in accordance with the level of authority, and/or as designated by the Board and/or under applicable laws, rules and regulations.
- (11) To perform any other duties as delegated by the Board.

The information and details relating to the scope, powers, authority and responsibilities of the Executive Committee are described in Attachment 5 *“Corporate Governance Policy, Code of Conduct, Board Charter and Committee Charters.”*

Furthermore, the Executive Committee also has the duty and responsibility for risk management under the risk management policy, which has been approved by the Board of Directors' Meeting No. 9/2021 on November 12, 2021, and the Board of Directors' Meeting No. 1/2022 (after its conversion) on August 11, 2022, with the details as follows:

- (1) To identify risk appetite for the purpose of considering challenges and accomplishment of strategic goals and value creation to the organization's expectations.
- (2) To link risk management with internal control.
- (3) To establish a risk management policy and consider potential key risk factors, including risk management guidelines and monitoring.

The Executive Committee's Meeting No. 2/2022 on February 18, 2022, resolved to approve the risk management team's scope, powers, authority and responsibilities, including the following scope, powers, authority and responsibilities:

- (1) To set out overall risk management framework and structure of the Group to cover various types of major risks relating to the Group's business operations as appropriate with efficiency, e.g., operational risk, liquidity management risk, reputation risk of the Group, etc., to be proposed to the Executive Committee and the Audit Committee for consideration, review and comment prior to proposing the same to the Board for consideration and approval.
- (2) To provide guidelines for risk management of the Group in line with the risk management policy in order to assess, monitor and control respective risks within its risk appetite, whereby various units shall be involved in the risk management and control, and propose the same to the Executive Committee and/or the Audit Committee for consideration, review and comment prior to proposing the same to the Board for consideration and approval.
- (3) To oversee and monitor compliance with the risk management policy and plan approved by the Board to ensure the Group's enterprise risk management system is efficient and continuously observed.
- (4) To consider and identify key risks of the Group's business operations which may arise from both inside and outside environments, and analyze and assess the likelihood and the impact of risk occurrence in comparison with its risk appetite and risk tolerance, so as to designate appropriate measures for risk management.
- (5) To assess corporate risks and establish a procedure for management of such risks within its risk appetite, and supervise risk management in accordance with such procedure, to be proposed to the Executive Committee and/or the Audit Committee for consideration, review and comment prior to proposing the same to the Board for consideration and approval.
- (6) To review the risk management policy and plan to ensure the efficiency thereof.
- (7) To assess the sufficiency of risk management strategies and the efficiency of risk management to contain corporate risks within its risk appetite.
- (8) To have powers to summon relevant personnel to provide explanation/information, or appoint and designate roles for operators at every level to have risk management duties as appropriate, and report and submit documents to the risk management team to achieve risk management objectives.
- (9) To report on results of the Group's risk management, performance and status, and changes thereof, including items to be improved and corrected to be in line with business strategies and goals, to the Executive Committee and/or the Audit Committee for further submission to the Board on a regular basis as appropriate.
- (10) To assess risks and prepare annual risk assessment report for submission to the Executive Committee and/or the Audit Committee for consideration, review and comment prior to proposing the same to the Board for consideration and approval.
- (11) To communicate, share knowledge, raise awareness in respect of risk management and analysis with staff within the Group.
- (12) To seek opinions from professional consultants when necessary at the Company's expense, provided that their engagement shall follow the Group's regulations and level of authority.



- (13) To perform other tasks as deemed appropriate by the Executive Committee and/or the Audit Committee or their respective delegates.

At present, the Board has authorized the Audit Committee to review risk matters, whereby the risk management team reports risk assessments to meetings of the Executive Committee, the Audit Committee and the Board on a yearly basis. Should there be any material risks, the Audit Committee and the Board shall consider establishing measures to control such risks, and as such, those control measures are deemed sufficient.

### 7.3.2 Lists of Committees

#### (1) Audit Committee

As at December 31, 2022, the Audit Committee consists of 3 members as follows:

Name	Position
1. Mr. Grish Attagrish <sup>(1)</sup>	Chairman of the Audit Committee (Independent Director)
2. Mr. Pradit Leosirikul	Member of the Audit Committee (Independent Director)
3. Mrs. Wansuda Thanasaranart	Member of the Audit Committee (Independent Director)

Remark: <sup>(1)</sup> Mr. Grish Attagrish is a member of the Audit Committee with the required knowledge and experience to review the reliability of the Company's financial statements. Details, qualifications and experiences of all 3 members of the Audit Committee are described in Attachment 1 "Summary of Directors, Executives, Controllers, Top Authorized Person in Charge of Accounting and Finance, Authorized Person Directly in Charge of Bookkeeping, Company Secretary."

Ms. Monnira Danwiwat serves as secretary to the Audit Committee as appointed by the Audit Committee's Meeting No. 1/2021 on November 12, 2021.

#### (2) Nomination and Remuneration Committee

As at December 31, 2022, the Nomination and Remuneration Committee consists of 3 members as follows:

Name	Position
1. Mrs. Wansuda Thanasaranart	Chairman of the Nomination and Remuneration Committee (Independent Director)
2. Mr. Pradit Leosirikul	Member of the Nomination and Remuneration Committee (Independent Director)
3. Ms. Hathairat Kaewsaenmuang	Member of the Nomination and Remuneration Committee

Ms. Monnira Danwiwat serves as secretary to the Nomination and Remuneration Committee as appointed by the Nomination and Remuneration Committee's Meeting No. 1/2022 on March 14, 2022.

#### (3) Executive Committee

As at December 31, 2022, the Executive Committee consists of 6 members as follows:

Name	Position
1. Mr. Pracha Chaisuwan	Chairman of the Executive Committee
2. Ms. Waraluck Chaisuwan	Member of the Executive Committee
3. Ms. Suthida Chaisuwan	Member of the Executive Committee
4. Mr. Surachai Chetchotisak	Member of the Executive Committee
5. Mr. Wittawat Wetchabutsakorn	Member of the Executive Committee
6. Ms. Hathairat Kaewsaenmuang	Member of the Executive Committee

### 7.4 Authorized Signatory Directors of the Company

The Company's authorized signatory directors are two of the following four directors, namely Mr. Pracha Chaisuwan or Ms. Waraluck Chaisuwan or Ms. Suthida Chaisuwan or Ms. Hathairat Kaewsaenmuang, jointly sign and affix the Company's seal, except for execution of contracts, legal transactions or any transactions worth over Baht 50 million, in which case, either of Mr. Pracha Chaisuwan or Ms. Waraluck Chaisuwan or Ms. Suthida Chaisuwan or Ms. Hathairat Kaewsaenmuang, and Mr. Wittawat Wetchabutsakorn, totaling two persons, jointly sign and affix the Company's seal.

**7.5 Executives****7.5.1 Summary of Executives**

As at December 31, 2022, the Company's executives, by the definition of "executives" under the Notification of the Securities and Exchange Commission No. KorChor. 17/2551 Re: Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities (as amended), consists of 5 persons as follows:

Name	Position
1. Mr. Pracha Chaisuwan	Chief Executive Officer
2. Ms. Hathairat Kaewsaenmuang	Chief Operating Officer / Chief Information Technology Officer (Acting)
3. Ms. Waraluck Chaisuwan <sup>(1)</sup>	Chief Financial Officer / Chief of Business Development and Investor Relations (Acting)
4. Ms. Suthida Chaisuwan	Chief Legal Officer
5. Mr. Pisanupong Thitasilp	Chief Human Resources Officer

Remark: <sup>(1)</sup> Top authorized person in charge of accounting and finance

**7.5.2 Executive Remuneration Policy and Procedures**

The Chief Executive Officer reviews performance and remuneration of executives in chief officer positions, taking into account their performance in compliance with such policies from the Board, economic and social conditions, in comparison with remuneration structures in the same industry in Thailand, to provide both short-term and long-term incentives. Executive remuneration complies with salary structure and framework set forth by the Chief Executive Officer.

**7.5.3 Executive Remuneration****(1) Monetary Remuneration**

For the fiscal year ended December 31, 2022, the Company paid remuneration to executives as follows:

Particulars	For the fiscal year ended December 31, 2022
Number of executives (persons)	5
Salary and bonus (Baht)	16,014,600.0
Provident fund contributions and other benefits (Baht)	3,454,717.2

Remark: The Company's executives or staff holding positions as Board and committee members shall not receive remuneration for such positions.

In 2022, the Company appointed Mr. Pisanupong Thitasilp as an executive in the position of Chief People Officer on May 13, 2022.

**(2) Other Remuneration**

The Company provides no other remuneration to its executives, except for such welfare benefits as health and accident insurance.

The Company pays no other remuneration to its executives holding positions as board and committee members in its subsidiaries.

**(3) Accrued Remuneration or Benefits**

-None-

**7.6 Staff Information****7.6.1 Number of Personnel**

As at December 31, 2022, the Group had a total staff of 510 persons (excluding executives) as follows:

Department	Number of Staff (persons)
Operations	345
Personnel	13
Information Technology	16
Finance	25
Legal	110
Internal Audit	1
<b>Total</b>	<b>510</b>

**7.6.2 Material Changes in Number of Personnel over the Past 3 Years**

-None-

**7.6.3 Staff Remuneration**

Staff remuneration (excluding executives) of the Company and its subsidiaries for the fiscal year ended December 31, 2022 totaled Baht 197.77 million, comprising salaries, bonuses and social security contributions, etc.

**7.6.4 Provident Fund**

At present, the Company has a provident fund under the management of SCB Asset Management Company Limited, under the name Provident Fund SCBAM Master Fund registered with the SEC Office and the SET. As at December 31, 2022, 34.63 percent of all permanent staff of the Company participated in the provident fund program.

**7.6.5 Material Labor Disputes over the Past 3 Years**

-None-

**7.6.6 Personnel Development Policy**

The Board of Directors' Meeting No. 1/2022 (after its conversion) on August 11, 2022 resolved to approve the personnel management policy, which covers the personnel development policy per the following details:

The Company believes in personnel training and development for capacity building on the following basis:

- Human resources unit designates the number of training hours for staff each year.
- Supervisors are responsible to have their subordinates regularly attend training and development programs.
- Staff training and development program includes on-the-job-training, training on organizational management and self-development in other areas.

In addition, the Board of Directors' Meeting No. 9/2021 on November 12, 2021 resolved to approve the succession planning policy, and then a revised policy was approved by the Board of Directors' Meeting No. 1/2022 (after its conversion) on August 11, 2022 to align with the corporate restructuring to prepare personnel in key positions essential to the operations in line with the Company's core mission, covering personnel development policy in terms of 360-degree assessment of competency required in their positions and Board interviews, preparation of leadership development plan in accordance with the Company's development strategies, and promote such competencies to be improved or enhanced, encourage successors for job rotation to accumulate more experiences by way of transfer to or collaboration for a short period with certain units, including mentoring system, for consultation and suggestion to successors to learn from mentors' direct experiences (senior executives).

The Company has conducted the survey on training needs for development of personnel, their core competency and necessary skills, e.g., computer and English language literacy, and allocated annual budget for training as appropriate.

The Company values promotion and support for staff career advancement, and as such, has established and communicated the career path policy to motivate personnel's performance.

**7.7 Other Material Information****7.7.1 Authorized Person Directly in Charge of Bookkeeping, Company Secretary, Head of Internal Audit, and Head of Compliance****(1) Authorized Person Directly in Charge of Bookkeeping**

Ms. Punnikaporn Talmoor, Account Manager, serves as an authorized person directly in charge of bookkeeping to ensure efficiency and compliance with the Company's regulations, requirements and criteria as well as accounting standards. Ms. Punnikaporn Talmoor has not less than 3 years of experience in accounting over the past 5 years. The information and details regarding the authorized person directly in charge of bookkeeping are described in Attachment 1 *"Summary of Directors, Executives, Controllers, Top Authorized Person in Charge of Accounting and Finance, Authorized Person Directly in Charge of Bookkeeping, Company Secretary."*

**(2) Company Secretary**

The Board of Directors' Meeting No. 8/2021 on October 19, 2021 resolved to appoint Ms. Monnira Danwiwat as Company Secretary with the duties and responsibilities as set forth in Section 89/15 and Section 89/16 of the Securities and Exchange Act B.E. 2535 (1992) (as amended), on the basis of responsibility, due care and integrity, and compliance with laws, objectives, the Company's articles of association, resolutions of the Board and resolutions of shareholders' meetings. The Company Secretary's qualifications are described in Attachment 1 *"Summary of Directors, Executives, Controllers, Top Authorized Person in Charge of Accounting and Finance, Authorized Person Directly in Charge of Bookkeeping, Company Secretary."*

**(3) Head of Internal Audit**

The Audit Committee's Meeting No. 1/2022 on February 28, 2022 resolved to appoint Mr. Nattakan Mungpien as Head of Internal Audit, who is knowledgeable in the Company's operations, corporate governance, risk assessment and internal control at business level and overall. The Head of Internal Audit's qualifications are described in Attachment 3 *"Details of Head of Internal Audit and Head of Compliance."*

**(4) Head of Compliance**

The Company has appointed Ms. Monnira Danwiwat as Head of Compliance of the Company to oversee compliance with rules and regulations of regulatory agencies in connection with the Company's business operations. The Head of Compliance's qualifications are described in Attachment 3 *"Details of Head of Internal Audit and Head of Compliance."*

**7.7.2 Head of Investor Relations and Contact Information**

To ensure accurate, rapid and transparent disclosure of material information, the Company has formed Public Relations/Investor Relations Department, and appointed Ms. Waraluck Chaisuwan as Chief of Business Development and Investor Relations (Acting) to serve as center for disclosure of material information to shareholders and investors, including financial information, e.g., quarterly operating results and financial statements, quarterly management discussion and analysis, etc., to ensure that such information is regularly, equally and fully made available to shareholders and investors.

Contact the Investor Relations Department at:

Telephone: 0 2855 8222\*

Email: ir@chase.co.th

Remark: \*The Group has changed its telephone number effective as of March 7, 2023.

**7.7.3 Audit Fee**

The 2022 Annual Ordinary General Meeting of Shareholders on April 29, 2022 resolved to appoint auditors from PricewaterhouseCoopers ABAS Ltd., certified public accountants approved by the SEC Office, as its auditor for the year 2022, and approved audit fee for the year 2022 in the amount of Baht 2,390,000. In addition, the Company's subsidiaries also appointed auditors from PricewaterhouseCoopers ABAS Ltd. as their auditors for the year 2022, and approved audit fee for the year 2022 in the total amount of Baht 3,165,000. The Company and its subsidiaries did not incur any non-audit fee.

## 8. Report on Corporate Governance Performance

### 8.1 Summary of Board Performance Last Year

The Board of Directors has established significant policies and strategies to promote transparent administration, develop and improve the Company's competitiveness, and enhance the efficiency of its operations, based on the Corporate Governance Code for Listed Companies 2017 of the SEC Office, the Company's code of conduct, corporate governance and morality principles, through effective management, oversight of sufficiency of internal control system, accurate and complete financial reports in compliance with applicable financial reporting standards, regular risk management, and ongoing capacity building and personnel development.

#### 8.1.1 Nomination, Development and Performance Review of the Board

##### 8.1.1.1 Independent Directors

For the purpose of nomination and appointment of independent directors, the Nomination and Remuneration Committee considers the independence and qualifications of independent directors and proposes the Board to consider such qualifications of candidates for independent directorship based on qualifications and prohibited characteristics under the Public Limited Companies Act B.E. 2535 (1992) (as amended), the Securities and Exchange Act B.E. 2535 (1992) (as amended), notifications of the Capital Market Supervisory Board, including applicable notifications, requirements and/or regulations. The Board considers selecting independent directors from their credentials, knowledge, expertise, work experience and other eligibility, and then proposes them to a meeting of shareholders for consideration and appointment as the Company's directors.

The Company requires the Board to include independent directors representing at least one-third of all directors, but not less than 3 independent directors. As at December 31, 2022, the Board consists of 3 independent directors out of 9 directors, representing not less than one-third of all directors. Independent directors must be fully qualified in accordance with the relevant criteria of the Capital Market Supervisory Board, the SEC Office, and applicable laws. The qualifications of the Company's independent directors may be summarized as follows:

- (1) Holding not exceeding 1.0 percent of all voting shares of the Company, its parent company, subsidiary, associated company, major shareholder or controller of the Company, including the shareholding by related person(s) of such independent director;
- (2) Not being or never having been a director involved in administration, employee, staff, consultant with regular salary or controller of the Company, its parent company, subsidiary, associated company, subsidiary in the same tier, major shareholder or controller of the Company, unless such characteristic has lapsed for not less than 2 years, provided that such prohibited characteristic excludes where such independent director was a civil servant or consultant of a government agency which is a major shareholder or controller of the Company;
- (3) Not being a related person by blood or legal registration as parent, spouse, sibling and offspring, including spouse, of another director, executive, major shareholder, controller or candidate to be nominated as director, executive or controller of the Company or its subsidiaries;
- (4) Not having or never having had any business relationships with the Company, its parent company, subsidiary, associated company, major shareholder or controller of the Company in such manner which may discourage an exercise of his/her independent judgment his/her, and not being or never having been a significant shareholder or controller of a person having business relationships with the Company, its parent company, subsidiary, associated company, major shareholder or controller of the Company, unless such characteristic has lapsed for not less than 2 years;
- (5) Not being or never having been an auditor of the Company, its parent company, subsidiary, associated company, major shareholder or controller of the Company, and not being a significant shareholder, controller or partner of an audit firm where such auditor of the Company, its parent company, subsidiary, associated company, major shareholder or controller of the Company belongs, unless such characteristic has lapsed for not less than 2 years;
- (6) Not being or never having been any professional service provider, including legal or financial consultant, who received a service fee over Baht 2 million per year from the Company, its subsidiary, associated company, major shareholder or controller of the Company, and not being a significant shareholder, controller or partner of such professional service provider, unless such characteristic has lapsed for not less than 2 years;
- (7) Not being a director appointed to represent a director of the Company, its major shareholder or shareholder who is related to the Company's major shareholder;

- (8) Not engaging in any business of the same nature as and in significant competition with the Company or its subsidiary, or not being a significant partner in a partnership, or a director involved in administration, employee, staff, consultant with regular salary, or holding over 1.0 percent of all voting shares of another company engaging in any business of the same nature as and in significant competition with the Company or its subsidiary;
- (9) Not having any other characteristics which may discourage independent opinions on the Company's operations.

#### 8.1.1.2 Nomination of Board and Committee Members and Senior Executives

In the course of nomination of Board and committee members and executives, the Nomination and Remuneration Committee sets out criteria and procedures for nomination, and nominates Board members, committee members, and the Chief Executive Officer to the Board (for appointment of the Chief Executive Officer) and/or a meeting of shareholders for further consideration and approval (for appointment of Board members).

As at December 31, 2022, the Company had a total of 9 directors, and executives by the definition of "executives" under the Notification of the Securities and Exchange Commission No. KorChor. 17/2551 Re: Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities (as amended), with the Chief Executive Officer as top management.

As at December 31, 2022, the Company had a total of 9 directors, 2 out of 9 directors were representatives from RS Public Company Limited.

#### Nomination of Board and Committee Members and Senior Executives

The Board of Directors' Meeting No. 8/2021 on October 19, 2021 and the Board of Directors' Meeting No. 3/2022 on May 5, 2022 resolved to approve the Nomination and Remuneration Committee Charter, which provides the scope, powers, authority and responsibilities of the Nomination and Remuneration Committee, as summarized below.

- (1) To consider the Board structure and composition in terms of the number of directors to suit business sizes, categories and complexity, in line with business strategies and changing circumstances, and review qualifications of directors, committee members and the Chief Executive Officer in terms of skills, experiences, and expertise in relation to the Company's businesses.
- (2) To set out criteria and procedures for nomination for eligible candidates as directors, committee members and the Chief Executive Officer by prescribing their qualifications and expertise in the respective areas required, using such effective tools as Board Skills Matrix to support the nomination, and select candidates in accordance with the agreed procedures, including their expertise, to be proposed to the Board of Directors for consideration and appointment and/or to a meeting of shareholders for further consideration and appointment (as the case may be), provided that shareholders shall be provided with sufficient information regarding nominated candidates in support of their decision-making.
- (3) To nominate directors and committee members upon retirement by rotation to the Board for consideration, whereby the existing members may be nominated to resume their office, taking into account their performance in such capacity, or invite nominations from shareholders, or use an external firm to recruit or consider candidates from the chartered director pool, or have each director nominate eligible candidates, etc.
- (4) To consider the list of nominated candidates and select those fully qualified to be proposed to the Board of Directors for consideration and appointment and/or to a meeting of shareholders for further consideration and appointment (as the case may be), provided that shareholders shall be provided with sufficient information regarding nominated candidates in support of their decision-making.
- (5) To approach such qualified candidates to ensure that they are willing to hold directorship if appointed by a meeting of shareholders.
- (6) To consider the independence and qualifications of each independent director to ensure that a candidate for independent directorship or such particular independent director is or remains fully qualified in compliance with the applicable rules and/or laws.
- (7) To consider the criteria for nomination of the Chief Executive Officer, recruit, screen and recommend the most suitable and qualified candidate to be appointed as Chief Executive Officer to the Board of Directors for consideration and approval.
- (8) To review the current criteria for remuneration of the Board, committees and the Chief Executive Officer in comparison with information on remuneration of other companies in the same industry as the Company,



and its operating results, and prescribe effective criteria to achieve the desired outcome, to be fair and supportive of the Company's successful operations.

- (9) To consider the criteria for performance review of the Chief Executive Officer as delegated by the Board.
- (10) To consider the criteria for remuneration of the Board, committees and the Chief Executive Officer, both monetary and non-monetary, to be appropriate and aligned with the Company's strategies and long-term goals, considering their burdens, scope, roles, duties and responsibilities, including expected benefits.
- (11) To fix remuneration of the Board, committees and the Chief Executive Officer in compliance with the payment criteria as agreed and proposed to the Board of Directors for approval and/or to a meeting of shareholders for further consideration and approval (as the case may be).
- (12) To consider suitability and grant approval for any new securities offering to directors and staff, on the basis of fairness towards shareholders, and motivate directors and staff to perform their duties to create values to shareholders in the long run and effectively retain talented personnel.
- (13) To consider succession planning policy for the Chief Executive Officer, senior executives and personnel in key positions of the Company.
- (14) To suggest a procedure for performance review of the Board, committees and the Chief Executive Officer, which shall be reviewed yearly, and monitor and conclude the performance review to the Board of Directors so as to improve the performance efficiency and enhance knowledge and competence of the Board, committees and the Chief Executive Officer.
- (15) To perform any other duties as delegated by the Board.

The information and details relating to the scope, powers, authority and responsibilities of the Nomination and Remuneration Committee Charter are described in Attachment 5 "*Corporate Governance Policy, Code of Conduct, Board Charter and Committee Charters.*"

#### Appointment and Retirement of Directors

The Board of Directors' Meeting No. 8/2021 on October 19, 2021 and the Board of Directors' Meeting No. 3/2022 on May 5, 2022 resolved to approve the Board Charter, which covers the details regarding appointment and tenure as follows:

At every annual ordinary general meeting of shareholders, one-third of the directors at that time shall vacate office. If the number of directors is not a multiple of three, then the number nearest to one-third shall vacate office. Directors due to vacate office in the first and second years after its conversion into a public limited company shall be drawn by lots. In subsequent years, directors with the longest tenure shall vacate office. Upon retirement by rotation, such directors may be re-elected to resume office.

Other than vacancy by rotation, directors shall vacate office upon:

- (1) Death;
- (2) Resignation, provided that any director wishing to resign shall tender a resignation letter to the Board Chairman, and such resignation shall take effect as of the date such resignation letter has reached the Board Chairman;
- (3) Being disqualified or having any prohibited characteristics under the public limited companies laws and/or the securities and exchange laws;
- (4) Being removed by resolution of a meeting of shareholders with votes of not less than three-fourths of shareholders present at the meeting and entitled to vote, representing in aggregate not less than one half of the number of shares held by shareholders present at the meeting and entitled to vote;
- (5) Being removed by a court order.

In case of any vacancy on the Board for any reason other than retirement by rotation, the Board, by recommendation of the Nomination and Remuneration Committee, shall appoint a person who is fully qualified without any prohibited characteristics under the law to fill the vacancy, with votes of not less than three-fourths of the number of the remaining directors, except where the remaining tenure of such director is less than 2 months, the replacement director shall hold office only for the remaining tenure of the director whom he/she replaces.

Successive tenure of independent directors shall not exceed 9 years from the date of first appointment as independent directors. However, if any independent directors are to be appointed to further resume office, the Board should consider the necessity therefor as appropriate.

Appointment, qualifications and tenure of directors shall comply with applicable laws, rules/basis, regulations, requirements and notifications of regulatory agencies.

Unless otherwise specified in the Company's articles of association, a meeting of shareholders shall elect directors in accordance with the following criteria and procedures:

- (1) Each shareholder shall have one vote per one share held.
- (2) Each shareholder shall cast all available votes under (1) to elect one or more persons as director(s), but may not allocate his/her votes in any number to any particular person.
- (3) Persons with the highest votes in descending order shall be elected as directors according to the number of directors to be available or elected at that time, and if any persons elected in further descending order have equal votes for the last to be elected, the chairman of the meeting shall have a casting vote.

### 8.1.2 Meeting Attendance and Remuneration of Individual Board Members

Board meeting attendance for 2022 is described below.

Name	Attendance / Total Meetings	
	Board Meetings	Shareholders' Meetings
1. Mr. Pradit Leosirikul	6/6	2/2
2. Mr. Grish Attagrish	6/6	2/2
3. Mrs. Wansuda Thanasaranart	6/6	2/2
4. Mr. Pracha Chaisuwan	6/6	2/2
5. Ms. Waraluck Chaisuwan	6/6	2/2
6. Ms. Suthida Chaisuwan	6/6	2/2
7. Ms. Hathairat Kaewsaenmuang	6/6	2/2
8. Mr. Surachai Chetchotisak	6/6	2/2
9. Mr. Wittawat Wetchabutsakorn	6/6	2/2

### Monetary Remuneration

The 2022 Annual Ordinary General Meeting of Shareholders resolved to approve remuneration of the Board and committees for 2022 as follows:

Board/Committee <sup>(1)</sup>	Monthly Remuneration (Baht/month)	Allowance per Meeting (Baht/Meeting)
Board of Directors		
- Chairman	-	25,000
- Director	-	15,000
Audit Committee		
- Chairman	-	25,000
- Member	-	15,000
Nomination and Remuneration Committee		
- Chairman	-	25,000
- Member	-	15,000

Remark: <sup>(1)</sup> The Company's executives or staff holding positions as Board and committee members shall not receive remuneration for such positions.

The following table shows monetary remuneration of individual members of the Board and committees from January 1, 2022 – December 31, 2022.

Board/Committee <sup>(1)</sup>	Board Member (Baht)	Audit Committee Member (Baht)	Nomination and Remuneration Committee Member (Baht)	Total (Baht)
1. Mr. Pradit Leosirikul	150,000	75,000	15,000	240,000
2. Mr. Grish Attagrish	90,000	125,000	-	215,000
3. Mrs. Wansuda Thanasaranart	90,000	75,000	25,000	190,000

Board/Committee <sup>(1)</sup>	Board Member (Baht)	Audit Committee Member (Baht)	Nomination and Remuneration Committee Member (Baht)	Total (Baht)
4. Mr. Pracha Chaisuwan	-	-	-	-
5. Ms. Waraluck Chaisuwan	-	-	-	-
6. Ms. Suthida Chaisuwan	-	-	-	-
7. Ms. Hathairat Kaewsuenmuang	-	-	-	-
8. Mr. Surachai Chetchotisak <sup>(2)</sup>	90,000	-	-	90,000
9. Mr. Wittawat Wetchabutsakorn <sup>(2)</sup>	90,000	-	-	90,000

Remark: <sup>(1)</sup> The Company's executives or staff holding positions as Board and committee members shall not receive remuneration for such positions.

#### Other Remuneration

For 2022, the Company provided health insurance packages to the Board and committees, totaling four persons.

### 8.1.3 Oversight of Subsidiaries and Associated Companies

The Company establishes such policy on oversight and management of subsidiaries and associated companies. This is to put in place both direct and indirect measures and mechanisms to enable the Company to oversee and manage businesses of subsidiaries and associated companies, including monitor them to comply with the Company's policies and applicable rules and laws, so as to safeguard the Company's investment and interests in those subsidiaries and associated companies, which will lift the Company's shareholders' confidence, with the details as follows:

- (1) The Company shall appoint its representatives as directors or executives in subsidiaries and associated companies. The number of representative directors in subsidiaries and associated companies reflects the Company's shareholding in those subsidiaries or associated companies and/or the arrangements between the Company and those subsidiaries or associated companies, to efficiently and effectively manage such subsidiaries and associated companies in line with the Company's policies, and in compliance with the laws, and the Company's policies and business plan.
- (2) The Company shall regularly oversee and monitor the operations of subsidiaries and associated companies in which it has invested, and ensure that they prepare, keep and record their books of accounts, and disclose their financial positions and operating results, transactions between subsidiaries and related persons, acquisition or disposal of assets, or any other material transactions with accurate and complete information, based on the same rules on disclosure and execution of transactions as those applicable to the Company, and subject to the rules and procedures under the securities and exchange laws, requirements, notifications, orders or regulations of the Office of the Securities and Exchange Commission, the Capital Market Supervisory Board, and the Stock Exchange of Thailand, including disclosure of such information to the Company.
- (3) For the purpose of execution of any transactions or arrangements by subsidiaries, which are material to or affect the Company's financial position and operating results, or which fall into or constitute an acquisition or disposal of assets under the Notifications on Acquisition or Disposal of Assets or a connected transaction under the Notifications on Connected Transactions, in respect of which the Company requires prior approval from the Board of Directors' meeting and/or the shareholders' meeting and/or the relevant authorities under the laws, the subsidiaries may execute such transactions or arrangements only after such approval from the Board of Directors' meeting and/or the shareholders' meeting and/or the relevant authorities (as the case may be) shall have been duly obtained.

Moreover, in the execution of transactions or upon occurrence of certain events in respect of subsidiaries, which requires the Company to disclose information to the Stock Exchange of Thailand under the criteria set forth in applicable notifications, the representative directors or executives in such subsidiaries shall report to the Company's management team as soon as they become aware that the subsidiaries plan to execute such transactions or upon occurrence of such events.

- (4) The Company shall set out necessary measures and procedures to make sure that its subsidiaries shall duly and fully disclose their operating results and financial positions, and the Company shall take necessary steps to monitor such disclosure to be made accurately and completely.
- (5) The Company shall put in place an internal control system in its subsidiaries to be appropriately, sufficiently and prudently implemented, and ensure that their transactions are duly executed in accordance with the applicable rules and laws.

- (6) Directors and executives representing the Company in its subsidiaries shall ensure that those who have an interest in any matters or a conflict of interest with the subsidiaries, whether directly or indirectly, shall not participate in the approval of such matters.
- (7) The Company shall regularly review the reports on operating results of subsidiaries and associated companies for the purpose of planning and setting its operational goals accordingly.

#### **8.1.4 Monitoring of Compliance with Corporate Governance Policy and Practices**

##### **(1) Compliance with Corporate Governance Policy and Practices**

The Company believes in and incorporates corporate governance in its corporate governance policy as approved by the Board of Directors' Meeting No. 9/2021 on November 12, 2021 and the Board of Directors' Meeting No. 1/2022 (after its conversion) on August 11, 2022. The Company's corporate governance policy relies on the Corporate Governance Code for Listed Companies 2017 prepared by the Office of the Securities and Exchange Commission.

The Company has guidelines for review, update and revision of the corporate governance policy and practices on a regular basis to be compatible with the organization structure, context, business environment, and to promote understanding and practices for corporate governance policy to directors, executives and staff into practice to build all stakeholders' confidence.

The Company shall monitor to ensure compliance with such corporate governance policy and practices.

##### **(2) Compliance with the Policy and Practices on Prevention of Conflicts of Interest**

The Company focuses on prevention of conflicts of interest and thus establishes the policy on prevention of conflicts of interest as approved by the Board of Directors' Meeting No. 9/2021 on November 12, 2021 and the Board of Directors' Meeting No. 1/2022 (after its conversion) on August 11, 2022. This is to ensure that transactions are executed transparently and any decisions for business operations are made in the best interests of the Company and its shareholders, taking into account the overall benefits of staff, clients, trading partners and society. Any actions which may give rise to a conflict of interest should be avoided by requiring related or interested persons to inform the Company of their relationships or interest in any transactions to be considered or beneficial, whether directly or indirectly, and such related or interested persons shall not be participated to consider and vote on such matters.

In the past, the Company has regularly monitored and overseen compliance with the policy on prevention of conflicts of interest. All directors, executives and staff as well as related persons have strictly complied with the policy on prevention of conflicts of interest. Up to December 31, 2022, there were no complaints and misconduct giving rise to conflicts of interest.

##### **(3) Compliance with Insider Trading Policy and Practices**

The Company stresses the importance of use of Inside Information reflected in the insider trading policy as approved by the Board of Directors' Meeting No. 9/2021 on November 12, 2021 and the Board of Directors' Meeting No. 1/2022 (after its conversion) on August 11, 2022 to protect rights of shareholders, and build their confidence, and to comply with the Securities and Exchange Act B.E. 2535 (1992) (as amended) and such rules and regulations concerning insider trading, which may be summarized as follows:

- (a) Directors, executives, and those holding management positions in accounting or finance from department manager level upward or equivalent, shall be required to prepare and submit reports on their holding of the Company's securities and changes thereof, and that of their respective spouses or cohabiting couples and minor children, including legal entities under the applicable criteria, with a copy thereof to the Company Secretary prior to submission to the SEC Office every time. Such reports on changes in securities holding or acquisition or disposal of securities shall be prepared and submitted to the SEC Office within 3 business days from the date of purchase, sale, transfer or acceptance of transfer of such securities, or from the date of acquisition or disposal of such securities, or within 7 business days the date of purchase, sale, transfer or acceptance of transfer of securities, or from the date of acquisition or disposal of such securities, should any directors and executives not be listed on the database of directors and executives.
- (b) Directors, executives, including those holding management positions in accounting or finance from department manager level upward or equivalent and those involved who know or possess Inside Information shall be prohibited from trading the Company's securities during a period of 30 days before disclosure of financial statements or other information likely to affect securities price or any decision to invest in the Company's securities until the Company shall have disclosed such information to the public,

and should refrain from securities trading until a lapse of 24 hours from disclosure of such information to the public.

- (c) Directors, executives and staff of the Company shall be prohibited from using the Company's Inside Information and/or confidential non-public information for personal gain or gain of others, whether directly or indirectly, and whether with or without compensation therefor.

In the past, the Company has regularly monitored and overseen compliance with the insider trading policy. Up until December 31, 2022, there were no complaints and misconduct in connection with insider trading or use of Inside Information for personal gain, including violation of the insider trading policy.

#### (4) Compliance with Anti-Corruption Policy and Practices

The Company is committed to anti-corruption and thus establishes its anti-corruption policy as approved by the Board of Directors' Meeting No. 9/2021 on November 12, 2021 and the Board of Directors' Meeting No. 1/2022 (after its conversion) on August 11, 2022 to protect rights of investors and shareholders, and rest them assured that the Company's business operations are transparent and do not tolerate any form of corruption. Any persons who violate or breach the anti-corruption policy shall be subject to disciplinary review under the work rules and regulations of the Company, and if such action is illegal, they shall also be prosecuted under applicable laws.

In the past, the Company has assessed corruption risk in the operational procedures which may be exposed to corruption, required an audit of compliance with the anti-corruption policy as part of the internal audit plan, and provided training on anti-bribery and corruption on a regular basis. Members of the Audit Committee review the sufficiency of the internal control system and report the results thereof to the Board accordingly. In addition, there are also guidelines for review of practices and requirements of relevant arrangements from time to time to be consistent with changes in businesses, regulations, requirements and provisions of laws. Up to December 31, 2022, there were bribery or corruption cases reported.

Moreover, the Company also has a policy and plans for declaration of its intention to participate in the Thai Private Sector Collective Action against Corruption or CAC Program, including anti-corruption network collaboration with various organizations or units as a driving force in the anti-corruption movement.

#### (5) Whistleblowing

The Company has established the whistleblowing policy as approved by the Board of Directors' Meeting No. 9/2021 on November 12, 2021 and the Board of Directors' Meeting No. 1/2022 (after its conversion) on August 11, 2022 to promote and encourage all stakeholders, both inside and outside the organization, to report any finding or complaint about potential fraud and corruption, illegal actions, or breach of ethics and the code of conduct or applicable rules and regulations. The Company and its subsidiaries welcome any report on actions where stakeholders are affected or risks of potential damage to stakeholders from the operations of the Company or its subsidiaries or the performance of directors, executives, staff or employees of the Company or its subsidiaries against the laws or ethics, including such behaviors giving the impression of fraud, corruption, unequal treatment. Report or complaint about such alleged events may be processed through the following channels:

- Mail Board Chairman or Chairman of the Audit Committee  
Chase Asia Public Company Limited and its subsidiaries  
8/9-10 Soi Vibhavadi Rangsit 44 (Soi Mongkhon Niwet)  
Vibhavadi Rangsit Road, Ladyao, Chatuchak  
Bangkok 10900
- Email whistleblowing@chase.co.th
- The Company's website www.chase.co.th

To assure whistleblowers or complainants of their secure access to the whistleblowing or complaint channels without any risk exposure, the Company shall proceed in accordance with investigation procedures and record investigation results in writing without disclosing their identity, and such reports and complaints shall be kept confidential to prevent any potential impact on whistleblowers or complaints. Should any alleged person be found to have committed fraud, corruption, illegal actions or breach of ethics and the code of conduct or applicable rules and regulations, such person shall be subject to disciplinary review under the work rules and regulations of the Company, and if such action is illegal, they shall also be prosecuted under applicable laws.

As at December 31, 2022, there were no reports or complaints about fraud, corruption, illegal actions or breach of ethics and the code of conduct.

**8.2 Report on Audit Committee Performance Last Year****8.2.1 Number of Meetings and Attendance of Individual Audit Committee Members**

The Audit Committee's meeting attendance for 2022 is as follows:

Name	Attendance / Total Meetings
1. Mr. Pradit Leosirikul	5/5
2. Mr. Grish Attagrish	5/5
3. Mrs. Wansuda Thanasaranart	5/5

**8.2.2 Audit Committee Performance**

The Audit Committee performs its duties as described in the Audit Committee Charter, and utilizes their knowledge and competence with due care and independence in the performance of duties. In 2022, the Audit Committee met with the management team, internal auditors and external auditor for a total five occasions, respectively, which may be summarized as follows:

- (1) They reviewed the accuracy, completeness and reliability of quarterly and 2022 annual financial statements and consolidated financial statements of the Company and its subsidiaries, which were reviewed and audited by the auditor in terms of figures and accounting entries in the financial statements, including material issues in the financial statements, to ensure that the Company's financial statements were duly prepared in accordance with generally accepted accounting standards and disclosed sufficient, complete and reliable information.
- (2) They reviewed connected transactions of the Company and its subsidiaries with persons with potential conflicts of interest, and the Audit Committee viewed that such transactions were necessary in the best interests of the Company and its subsidiaries.
- (3) They oversaw the internal audit to be conducted independently by appointing the Company's Head of Internal Audit, and KPMG Phoomchai Business Advisory Co., Ltd., an external firm that provides internal audit services, as the Company's internal auditors to review the sufficiency and suitability of the internal control system. The Audit Committee considered the annual internal audit plan, assessment report on internal control system, and follow-up reports in respect of assessment report on internal control system, and regularly monitored the internal audit performance in collaboration with the Internal Audit Department, and provided suggestions to the internal auditor, to ensure that the internal audit plan proceeded efficiently and effectively. According to the assessment report on internal control system, there were no indicators of fraud or flaws in internal control matters, and the Audit Committee approved the annual internal audit plan for 2022.
- (4) They considered the auditor in terms of reliability, availability of resources in the audit, and experiences of the auditor's personnel, independence, business know-how, and justification of the audit fee, and thus approved the appointment of auditors from PricewaterhouseCoopers ABAS Ltd., namely (1) Mr. Sa-Nga Chokenitisawat, CPA No. 11251; (2) Mr. Krit Chatchavalwong, CPA No. 5016; and (3) Mr. Kan Tanthawirat, CPA No. 10456, as the Company's auditors, and either of them shall conduct an audit and provide an opinion on the Company's annual financial statements for 2022, to be submitted to the Board's meeting and the 2022 Annual Ordinary General Meeting of Shareholders for consideration and approval.

**8.3 Summary of Other Committee Performance****8.3.1 Number of Meetings and Attendance of Other Committee Members****(1) Nomination and Remuneration Committee**

The Nomination and Remuneration Committee's meeting attendance for 2022 is as follows:

Name	Attendance / Total Meetings
1. Mrs. Wansuda Thanasaranart	1/1
2. Mr. Pradit Leosirikul	1/1
3. Ms. Hathairat Kaewsanmuang	1/1



**(2) Executive Committee**

The Executive Committee's meeting attendance for 2022 is as follows:

Name	Attendance / Total Meetings
1. Mr. Pracha Chaisuwan	14/14
2. Ms. Waraluck Chaisuwan	14/14
3. Ms. Suthida Chaisuwan	14/14
4. Mr. Surachai Chetchotisak	13/14
5. Mr. Wittawat Wetchabutsakorn	14/14
6. Ms. Hathairat Kaewsuenmuang	14/14

**8.3.2 Other Committee Performance****8.3.2.1 Nomination and Remuneration Committee**

In 2022, the Nomination and Remuneration Committee performed its duties as described in the Nomination and Remuneration Committee Charter, which may be summarized as follows:

- (1) They nominated candidates for directors due to retire by rotate based on their performance of duties during their tenure to a meeting of the Board and shareholders for consideration and approval.
- (2) They fixed remuneration of the Board, committees and the Chief Executive Officer for 2022 to be appropriate and aligned with the Company's strategies and long-term goals, considering their burdens, duties, scope, roles and responsibilities, including expected benefits, in comparison with information on remuneration of other companies in similar industry, and proposed the same to a meeting of the Board and shareholders for consideration and approval.
- (3) They suggested a procedure for performance review of members of the Board and committees and the Chief Executive Officer to improve the performance efficiency and enhance knowledge and competence of the Board, committees and the Chief Executive Officer.

**8.3.2.2 Executive Committee**

In 2022, the Executive Committee performed its duties according to the Executive Committee Charter, which may be summarized as follows:

- (1) They considered monthly and yearly development in business operations, including tentative development and implementation of business plans in the future.
- (2) They oversaw and provided consultation regarding business operations of the Company and its subsidiaries in compliance with policies, goals and operational plans, and monitored management of budgets for investment projects of the Company and its subsidiaries as approved by the Board to proceed efficiently and effectively through monthly monitoring of the Company's overall performance, to drive the Company's businesses towards its designated goals.
- (3) They appointed the risk management team and approved the risk management team charter to ensure the Company's risk management involved analysis, management and administration in a suitable, effective and systematic manner in line with the risk management policy and plan.
- (4) They considered approving transactions in the ordinary course of business according to the Company's operational plan.

**8.4 Performance Review of the Board, Committee and Chief Executive Officer for 2022**

In compliance with the good corporate governance, the Company requires performance review of the Board, Sub-Committees, including their individual performance review, and the Chief Executive Officer, to consider their performance, problems and obstacles each year for the purpose of development and improvement in various areas, by way of self-evaluation, to be conducted at least once a year, both as a group and on an individual basis, in December, and reported to the Board for information. The performance review checklists are based on such forms prepared by the Stock Exchange of Thailand and the Thai Institute of Directors. Such forms cover the following topics:

**8.4.1 Performance Review of the Board**

- (1) Structure and qualifications of the Board
- (2) Role, duties and responsibilities of the Board
- (3) Board meetings and directors' performance
- (4) Relationship with the management team
- (5) Director and executive development
- (6) Performance efficiency
- (7) Company Secretary's performance

**8.4.2 Performance Review of the Committees** (namely, the Audit Committee, the Nomination and Remuneration Committee, and the Executive Committee)

- (1) Structure and qualifications of the committees
- (2) Roles, duties and responsibilities of the committees
- (3) Committees' meetings and their members' performance
- (4) Performance efficiency
- (5) Secretary's performance
- (6) Performance of the Internal Audit Unit (for the Audit Committee)

**8.4.3 Performance Review of the Chief Executive Officer**

- (1) Leadership
- (2) Strategy setting
- (3) Compliance with strategies
- (4) Financial planning and performance
- (5) Relationships with the Board
- (6) Relationships with third parties
- (7) Administration and relations with personnel
- (8) Succession planning
- (9) Knowledge about products and services
- (10) Personality

The procedures for performance review of the Board, committees and the Chief Executive Officer by way of scoring define standard reading for directors, committee members and the Chief Executive Officer to compare results in each topic or each year, with a score of 1 or 2 or 3 or 4 or 5 (1 is strongly disagree/lowest score and 5 is strongly agree/highest score), and use these scores to find an average score of the Board, committees and the Chief Executive Officer.

Scoring criteria is a percentage of full score in each topic, namely:

- Over 90%	=	Excellent
- More than 80% but not exceeding 90%	=	Very good
- More than 70% but not exceeding 80%	=	Good
- More than 60% but not exceeding 70%	=	Fair
- Below 60%	=	Need improvement

The performance review of the Board, the Sub-Committees and the Chief Executive Officer for the year 2022 may be summarized as follows:

Types of Performance Review	Average Score	Result
Self-evaluation of the Board (Group)	95.66%	Excellent
Self-evaluation of the Board (Individual)	92.05%	Excellent
Self-evaluation of the Audit Committee (Group)	82.08%	Very good
Self-evaluation of the Audit Committee (Individual)	82.67%	Very good
Self-evaluation of the Nomination and Remuneration Committee (Group)	90.42%	Excellent
Self-evaluation of the Nomination and Remuneration Committee (Individual)	90.26%	Excellent
Self-evaluation of the Executive Committee (Group)	99.58%	Excellent
Self-evaluation of the Executive Committee (Individual)	99.56%	Excellent
Self-evaluation of the Chief Executive Officer	96.90%	Excellent

## 9. Internal Control and Connected Transactions

### 9.1 Internal Control

#### 9.1.1 Board Opinion on Internal Control System

The Company is well aware of the significance of effective and sufficient internal control system to oversee its operations in compliance with goals, objectives, laws and applicable requirements, in order to prevent and manage risks or damage which may arise to the Company and stakeholders, and protect its assets from fraud and damage, as well as prepare accurate and reliable accounting reports.

The Board of Directors' Meeting No. 2/2023 on February 28, 2023 considered and reviewed the sufficiency of the internal control system for 2022 of the Company and its subsidiaries by way of interviews with the management team and an independent internal control system auditor of the Company and its subsidiaries, and also considered approving the assessment form on sufficiency of the internal control system, which was reviewed by KPMG Phoomchai Business Advisory Co., Ltd., as an independent internal control system auditor. The Board considered the Company's internal control system in 5 components according to the framework of the Committee of Sponsoring Organizations of Treadway Commission ("**COSO**"), namely:

- (1) Control Environment;
- (2) Risk Assessment;
- (3) Control Activities;
- (4) Information and Communication;
- (5) Monitoring Activities.

The Board viewed that the Group's internal control system was sufficient and efficient for its business operations. The Company and its subsidiaries provided sufficient manpower to efficiently implement the system. The Company's internal control system also sufficiently extended to monitoring and oversight of its subsidiaries' operations, prevention of misuse or unauthorized use of assets of the Company and its subsidiaries by directors or executives, including transactions with persons with potential conflicts of interest and connected persons. With regard to other internal control matters, the Board also viewed that the internal control was sufficient. The Auditor Committee had no other observations than those of the Board.

#### 9.1.2 Internal Auditor's Report on Internal Control System

In 2022, the Company appointed KPMG Phoomchai Business Advisor as its independent internal control system auditor to conduct an audit of the internal control systems of the Company and its subsidiaries. KPMG Phoomchai Business Advisory Co., Ltd. conducted the audit of the Company's internal control system at organizational level covering all five components of the internal control systems of the Company, RWAY, CFAM and COURTS, namely (1) Control Environment; (2) Risk Assessment; (3) Control Activities; (4) Information and Communication; and (5) Monitoring Activities. It also reviewed the operational effectiveness and efficiency of the Company and its subsidiaries, which covered such 4 core business processes, by manual control and automated control, as follows:

- (1) Lending, debt collection and payments;
- (2) Debt and revenue collection services;
- (3) Debt portfolio bidding, collection and payments;
- (4) Accounting and finance management.

KPMG Phoomchai Business Advisory Co., Ltd. reported the internal control system assessment for 2022 to the Audit Committee in its Meeting No. 1/2022 (after its conversion) on August 11, 2022, and its Meeting No. 1/2023 on February 28, 2023. The Audit Committee then reported such assessment to the Board of Directors' Meeting for consideration and acknowledgment. KPMG Phoomchai Business Advisory Co., Ltd. found no issues on the efficiency and effectiveness of the internal control system in those processes, except only OFI (Opportunity for Improvement). The Audit Committee and the Board considered such report and viewed that the Company's internal control system in its operations was appropriate and sufficient.

### 9.2 Head of Internal Audit of the Company

The Audit Committee's Meeting No. 1/2022 on February 28, 2022 resolved to approve the appointment of KPMG Phoomchai Business Advisory Co., Ltd., an outsource entity, as its internal control system auditor, and authorized Mr. Nattakan Mungpien to act as Head of Internal Audit to be in directly charge of the performance of duties as the Company's internal auditor, prepare reports and provide suggestions for improvement in line with the Company's internal control policy and plan. The Audit Committee considered the qualifications of Mr. Nattakan Mungpien and viewed that he was sufficiently suitable to perform such duties given his education, experience and sufficient training for the performance of the Company's internal control system audit.

The consideration and approval of appointment, removal and transfer of the Company's internal auditor shall require approval from the Audit Committee. The qualifications of the Head of Internal Audit of the Company are described in Attachment 3.

**9.3 Connected Transactions****9.3.1 Persons with Potential Conflicts of Interest**

Persons with potential conflicts of interest with the Company who have executed transactions with the Company and its subsidiaries for the fiscal year ended December 31, 2022, may be summarized as follows:

<b>Persons with Potential Conflicts of Interest</b>	<b>Nature of Business</b>	<b>Relationships with the Company</b>
1. Mr. Pracha Chaisuwan	-	Mr. Pracha Chaisuwan is a director, executive and major shareholder of the Company, representing 64.9 percent (as of December 31, 2022).
2. Sutha Group of Persons and Associates	-	Mr. Sutha Maneeprom is a younger brother of Mr. Pracha Chaisuwan, who is a director, executive and major shareholder of the Company.
3. Ms. Waraluck Chaisuwan	-	Ms. Waraluck Chaisuwan is a director and executive of the Company.
4. RS Public Company Limited	Commerce	Mr. Surachai Chetchotisak, a director of the Company, is also a director, executive and major shareholder of RS Public Company Limited, and Mr. Wittawat Wetchabutsakorn, a director of the Company, is also a director and executive of RS Public Company Limited.

### 9.3.2 Connected Transactions

Connected transactions of the Company and its subsidiaries and persons with potential conflicts of interest for the fiscal year ended December 31, 2022, may be summarized as follows:

Nature of Connected Transactions	Persons with Potential Conflicts of Interest	Value (Baht)	Necessity and Justifications	Opinion of the Audit Committee
1. Rent expenses	<u>Mr. Pracha Chaisuwan</u> - Finance costs - Lease liabilities	569,669.69 10,169,602.93	- The Group entered into a total of 13 building lease agreements with Mr. Pracha Chaisuwan as its branch offices. The rental rates of 6 agreements were comparable with rental rates in nearby locations. The rental rates and conditions of 7 agreements were as agreed upon between the parties. - The Group and Mr. Pracha Chaisuwan revised the rental rates of 7 agreements to be comparable with rental rates of nearby office buildings. The new rental rates took effect as of January 1, 2022. The lease agreements have a term of 3 years from the execution dates.	- This is a real property lease transaction by the Group, while the rental rates of some of the lease agreements were as agreed upon between the parties. - At the Audit Committee's Meeting No. 1/2022 on February 28, 2022, the Audit Committee viewed that the Company should revise the rental rates to be consistent with rental rates of nearby office buildings effective as of January 1, 2022. - The Group entered into agreements or memoranda of agreement for amendment of lease agreements to revise the rental rates to be comparable with rental rates of nearby office buildings. The Audit Committee thus considered such transaction to be justifiable and reasonable.
	<u>Sutha Group of Persons and Associates</u> - Finance costs - Lease liabilities	25,079.88 432,691.73	- The Group took on lease of office building space from Sutha Group of Persons and Associates as its Khon Kaen branch office. The rental rate was comparable with rental rates of nearby buildings.	- This is a real property lease transaction by the Group, while the rental rate was comparable with rental rates of nearby locations. - The rental rate of the Company was comparable with rental rates of nearby buildings. The Audit Committee thus considered such transaction to be justifiable and reasonable.
2. Service fee paid	<u>RS Public Company Limited</u> - Prepaid expense	1,500,000.00	- The Company engaged RS Public Company Limited to provide public relations and communication services on CHASE IPO, i.e., preparation of press release, organization of Roadshow, First Trading Day Event, etc., with the terms of payment for the first installment at 50 percent upon start, and the second installment at 50 percent upon delivery. - The Company made the first installment payment to RS Public Company Limited for such public relations services during January-February 2023.	- This is a transaction in support of the initial public offering of securities according to the Company's plan, with the price and commercial terms on an arm's length basis. The Audit Committee thus considered such transaction to be justifiable and reasonable.



### 9.3.3 Guarantee

Guarantee of the Group and its subsidiaries with persons with potential conflicts of interest with the Company as of December 31, 2022, may be summarized as follows:

Guarantor	Description	Facility Amount (Million Baht)	Outstanding Balance (Million Baht)	Necessity and Justifications	Opinion of the Audit Committee
Mr. Pracha Chaisuwan	Mr. Pracha Chaisuwan and Ms. Waraluck Chaisuwan provided personal guarantee and/or cash and/or personal land as collateral with commercial banks to secure loans to the Company and its subsidiaries.	2,196.31	745.67	<ul style="list-style-type: none"> <li>- The Group borrowed loans from five commercial banks as its working capital, for investment in its business operations, and payment of building construction and improvement costs. Such loans were collateralized by personal assets of Mr. Pracha Chaisuwan and Ms. Waraluck Chaisuwan.</li> <li>- Such guarantee was provided without any guarantee fee.</li> <li>- The Group planned to seek consent to release personal guarantee and collateral.</li> </ul>	<ul style="list-style-type: none"> <li>- This is a transaction in which the Group received financial assistance as necessary for and beneficial to its business operations.</li> <li>- The Group is in the course of negotiation for consent to release such guarantee obligation.</li> </ul>
Ms. Waraluck Chaisuwan					

**Measures or Procedures for Approval of Connected Transactions**

The Board of Directors' Meeting No. 9/2021 on November 12, 2021, and later on, the Board of Directors' Meeting No. 1/2022 (after its conversion) on August 11, 2022 considered approving the connected transaction policy, including criteria for connected transactions, to ensure that connected transactions of the Company and its subsidiaries with persons or legal entities with potential conflicts of interest are transparent, and to protect the interests of the Company and its subsidiaries, which may be summarized as follows:

The execution of connected transactions or related party transactions of the Company and its subsidiaries comply with the criteria under the Securities and Exchange Act B.E. 2535 (1992) (as amended) and the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions, as well as the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, including applicable rules and regulations of the Office of the Securities and Exchange Commission, and of the Stock Exchange of Thailand, and also comply with the requirements for disclosure of connected transactions in the notes to the financial statements audited by the Company's auditor, and the Annual Registration Statement/Annual Report (Form 56-1 One-Report).

In the event where the Company is required by law to obtain approval from a meeting of the Board of Directors or a meeting of shareholders prior to executing any connected transaction, the Company shall have its Audit Committee consider and provide an opinion on such transaction. Such opinion of the Audit Committee shall be proposed to the meeting of the Board of Directors or shareholders, as applicable, to ensure that the proposed transaction is executed in the Company's best interests.

In case of connected transactions of the Company and its subsidiaries with persons with potential conflicts of interest, interested persons, or those who may have conflicts of interest in the future, the Audit Committee shall provide opinions on necessity of transactions and price justifications, considering conditions in the ordinary course of business in the industry, and price comparison with third parties or market price. In any areas outside the Audit Committee's expertise to consider potential connected transactions, the Company shall cause an independent expert or the Company's auditor to provide an opinion on such transactions in support of the decision-making by the Audit Committee, the Board or the shareholders, as applicable. Interested directors shall not be eligible to vote on such transactions. Connected transactions shall also be disclosed in the notes to the financial statements audited or reviewed by the Company's auditor and the Annual Registration Statement/Annual Report (Form 56-1 One-Report).

Basically, the management team is empowered to approve such transactions, provided that they contain the same commercial terms as those an ordinary person would agree with any contractual party on the basis of commercial negotiation without any influence from their status as directors, executives or related persons, and the Company shall prepare a summary of such transactions for report to a meeting of the Audit Committee and the Board of Directors.

**Opinion of Independent Directors on Connected Transactions**

They have no opinion different from those of the Board.

**9.3.4 Future Trend of Connected Transactions**

The Company shall execute connected transactions and related party transactions based on the following criteria:

- (1) Such transactions shall proceed in compliance with the Company's policies, the securities and exchange laws, requirements, notifications, orders or regulations of the Stock Exchange of Thailand, the Office of the Securities and Exchange Commission and/or the Capital Market Supervisory Board, as well as the requirements to disclose such transactions of the Company or its subsidiaries according to the accounting standards issued by the Federation of Accounting Professions, and other applicable criteria. Provided that such transactions are not executed to transfer or shift benefits between the Company or its shareholders, but are executed after the Company has considered them to be in the best interests of the Company and its shareholders.
- (2) In case of transactions in the ordinary course of business or support business, which are expected to continue in the future, the Company shall comply with the criteria and practices for general commercial terms by referring to such prices and conditions which are justifiable and fair, reasonable and auditable. Such transactions shall be executed on the basis of general commercial terms as approved by the Board of Directors' meeting. In this connection, the management team shall prepare a summary of such transactions for report to the Audit Committee's meeting every quarter in support of the preparation of the Annual Registration Statement/Annual Report (Form 56-1 One-Report).
- (3) Disclosure of connected transactions or related party transactions by the Company shall comply with the laws and regulations issued by the Office of the Securities and Exchange Commission and the Stock

Exchange of Thailand, as well as the Federation of Accounting Professions' accounting standards applicable to the Company or its related parties.

## Part 3 Financial Statements

**Report on the Board of Directors' Responsibilities for Financial Reporting**

The consolidated financial statements of Chase Asia Public Company Limited and its subsidiaries have been prepared in accordance with applicable laws, rules and regulations of the Securities and Exchange Commission and the financial reporting standards issued by the Federation of Accounting Professions, as well as the laws relating to accounting and generally accepted accounting practices in Thailand.

The Board of Directors is responsible for financial reporting of Chase Asia Public Company Limited and its subsidiaries, including financial information disclosed in the Annual Report, to ensure that they present fairly, in all material aspects, its financial position, operating results and cash flows. Accounting entries have been recorded accurately, completely and sufficiently to safeguard its assets and prevent fraud and unusual transactions. For the purpose of financial reporting, appropriate accounting policies are used and consistently adhered to in accordance with the financial reporting standards, and material information is sufficiently disclosed in the notes to the financial statements, whereby the auditor has provided an unqualified opinion on the financial statements of Chase Asia Public Company Limited and its subsidiaries in the Auditor's Report.

The Board of Directors has appointed the Audit Committee consisted of independent directors to oversee the financial statements, assess the internal control and internal audit systems to be efficient and effective, and its opinions are presented in the Audit Committee's Report as part of Form 56-1 One Report/Annual Report.

The Board of Directors views that the Company's internal control and internal audit systems serve to ensure that the financial statements of Chase Asia Public Company Limited and its subsidiaries for the year ended December 31, 2022 present fairly, in all material aspects, the financial position, operating results and cash flows in accordance with the financial reporting standards and duly comply with applicable laws, rules and regulations.

Mr. Pradit Leosirikul  
Chairman of the Board of Directors

Mr. Pracha Chaisuwan  
Chief Executive Officer

**CHASE ASIA PUBLIC COMPANY LIMITED**

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

**31 DECEMBER 2022**



## Independent Auditor's Report

To the shareholders and the Board of Directors of Chase Asia Public Company Limited

### My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Chase Asia Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2022, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

### What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2022;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

### Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (TFAC Code) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the TFAC Code. 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 consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter	How my audit addressed the key audit matter
<p><b><i>Interest income from loans to non-performing assets</i></b></p> <p>Referring to the note to the financial statements no. 4.19 for Accounting policies related to Revenue recognition and note to the financial statements no. 26 for interest income, net, which interest income from loans to non-performing assets in the consolidated financial statements for the year ended 31 December 2022 amounting to Baht 408.32 million contributed 60.79% to the Group's total revenues. The Group recognised interest income from loans to non-performing assets based on estimated future cash inflow. This was determined by the quality, type and age of debt, referring to historical records of debt collection discounted with the credit-adjusted effective interest rate.</p> <p>I focussed on auditing interest income from loans to non-performing assets because the calculation of the credit-adjusted effective interest rate for each debtor, which used in interest recognition, required management's judgement in determining the assumptions to be used in estimated future cash inflows and the expected period that would receive a payment from debtor in order to develop the model for each group of debtors with similar characteristics. In addition, the recognition of interest income from loans to non-performing assets arose from a various transactions and significant material to the consolidated financial statements.</p>	<p>I obtained an understanding, evaluated, and validated, by sampling basis, the effectiveness of the internal controls relevant to interest income from loans to non-performing assets cycle by inquiring of management to understand the methods applied by management in recognition of interest income, evaluated the appropriateness of basis applied in the determination of estimated future cash inflows and the credit-adjusted effective interest rate.</p> <p>I tested, on a sampling basis, the effectiveness of the calculation of the credit-adjusted effective interest rate. I, including reviewed on whether the calculation of the estimated future cash inflow and the expected period that would receive a payment from each debtor, were consistent with the model. I tested, on a sampling basis, the accuracy of the data used in the model, evaluated of the appropriateness of other factors that affected the estimated future cash inflow, reviewed of the accounting records, and performed the cut-off procedure to test whether interest income was recognised in a proper period.</p> <p>Moreover, I performed analytical procedures on interest income and tested, on a sampling basis, the accounting records of interest income from loans to non-performing assets.</p> <p>From the above procedures, I found no material errors.</p>

Key audit matter	How my audit addressed the key audit matter
<p><b><i>Allowance for expected credit losses of loans to non-performing assets</i></b></p> <p>Referring to the note to the financial statements no. 4.4 for Accounting policies related to Loans to non-performing assets, the Group recognised allowance for expected credit losses of loans to non-performing assets when it was anticipated that discounted cash flows for the present values of receivables were lower than the carrying value.</p> <p>Referring to the note to the financial statements no. 15 for Loans to non-performing assets, net, as at 31 December 2022, total balance of loans to non-performing assets and accrued interest income reported in the consolidated financial statements were Baht 2,382.70 million. The allowances for expected credit losses were Baht 601.94 million, which represented 25.26% of loans to non-performing assets and accrued interest income.</p> <p>I focussed on auditing allowance for expected credit losses of loans to non-performing assets because an allowance for expected credit losses needed to the develop a complex calculation model and it required management's significant judgment and estimation to development of the models. In addition, such allowance for expected credit losses was significant to the consolidated financial statements.</p>	<p>I understood the principle and assumption that management used to applied to the development of the model and to recognise the allowance for expected credit losses of loans to non-performing assets.</p> <p>I reviewed and evaluated the process for developing a model, reviewed the supporting document for model development. I tested, on a sampling basis, the accuracy of the data used in the model, evaluate the calculation method, assumptions and reasonableness of the model, accounting record for allowance for expected credit losses of loans to non-performing assets and validated the internal controls relevant to repayment from each debtor by sampling basis.</p> <p>I tested, on a sampling basis, a sufficiency of allowance for expected credit losses of loans to non-performing assets at the period-end date, an accuracy and completeness of data used in the calculation method, the classification of loans, the collateral value, estimated future cash inflow and the expected period that would receive a payment from each debtor, and tested the calculation of the allowance of expected credit losses.</p> <p>From the above procedures, I found that the assumptions used to estimate the allowance for the expected credit losses are reasonable according to the supporting evidence.</p>

### Other information

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

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

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

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

**Responsibilities of the directors for the consolidated and separate financial statements**

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and 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 consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

PricewaterhouseCoopers ABAS Ltd.

**Sa-nga Chokenitisawat**

Certified Public Accountant (Thailand) No. 11251

Bangkok

28 February 2023

**Chase Asia Public Company Limited**  
**Statements of Financial Position**  
**As at 31 December 2022**

		Consolidated financial statements			Separate financial statements		
		(Restated) 31 December 2022 Baht	(Restated) 31 December 2021 Baht	(Restated) 1 January 2021 Baht	31 December 2022 Baht	(Restated) 31 December 2021 Baht	(Restated) 1 January 2021 Baht
	Notes						
<b>Assets</b>							
<b>Current assets</b>							
Cash and cash equivalents	11	115,209,373	200,150,610	15,098,884	3,380,038	30,332,127	5,852,573
Short-term investments		100,074	-	-	100,074	-	-
Trade and other receivables, net	13	91,127,080	63,135,320	55,681,489	55,393,940	41,570,994	26,020,487
Short-term loans to related parties	33.3	-	-	116,400	804,000,000	831,000,000	2,116,400
Current portion of loans to customers, net	16	205,990,052	191,428,497	140,081,050	-	-	-
Other current assets		8,289,167	8,991,702	31,530	3,612,083	132,012	19,924
<b>Total current assets</b>		<b>420,715,746</b>	<b>463,706,129</b>	<b>211,009,353</b>	<b>866,486,135</b>	<b>903,035,133</b>	<b>34,009,384</b>
<b>Non-current assets</b>							
Restricted deposits at financial institutions	12	1,091,812	491,017	617,554	1,091,812	491,017	617,554
Loans to non-performing assets, net	15	1,780,755,041	1,415,340,364	535,555,977	-	-	-
Loans to customers, net	16	145,857,226	154,348,203	107,186,756	-	-	-
Investment in subsidiaries	5, 17	-	-	-	1,099,729,005	1,099,729,005	1,099,729,005
Foreclosed assets, net		20,719,279	24,055,616	23,931,748	-	-	-
Property, plant and equipment, net	18	408,355,974	329,979,675	275,166,491	401,061,398	322,646,457	267,837,200
Right-of-use assets, net	18	11,936,837	13,145,967	6,101,525	10,197,597	9,230,721	5,259,484
Intangible assets, net		18,894,561	2,779,236	1	18,894,560	2,779,235	-
Deferred tax assets	19	122,205,672	101,362,699	119,179,685	2,484,556	1,680,171	1,691,704
Other non-current assets		836,272	791,307	384,307	780,421	720,456	319,455
<b>Total non-current assets</b>		<b>2,510,652,674</b>	<b>2,042,294,084</b>	<b>1,068,124,044</b>	<b>1,534,239,349</b>	<b>1,437,277,062</b>	<b>1,375,454,402</b>
<b>Total assets</b>		<b>2,931,368,420</b>	<b>2,506,000,213</b>	<b>1,279,133,397</b>	<b>2,400,725,484</b>	<b>2,340,312,195</b>	<b>1,409,463,786</b>

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



**Chase Asia Public Company Limited**  
**Statements of Financial Position (Cont'd)**  
**As at 31 December 2022**

	Notes	Consolidated financial statements			Separate financial statements		
			(Restated)	(Restated)		(Restated)	(Restated)
		31 December 2022 Baht	31 December 2021 Baht	1 January 2021 Baht	31 December 2022 Baht	31 December 2021 Baht	1 January 2021 Baht
<b>Liabilities and equity</b>							
<b>Current liabilities</b>							
Trade and other payables	20	20,469,746	16,532,740	20,079,320	17,782,135	13,179,335	16,321,817
Current portion of payables from financial institution	6, 21	46,720,000	70,080,000	-	-	-	-
Short-term borrowings from financial institution	22	461,946,609	59,421,779	28,657,428	-	-	10,031,371
Short-term borrowings from related parties	33.4	-	-	35,406,806	-	-	5,163,889
Current portion of long-term borrowings from financial institutions	6, 22	109,716,461	121,215,056	192,066,129	45,739,852	56,646,126	61,451,019
Current portion of lease liabilities	22	3,136,589	2,600,342	2,398,992	3,311,089	3,009,098	2,626,876
Current portion of software license liabilities		2,841,536	-	-	2,841,536	-	-
Income tax payable		22,018,346	17,991,505	17,437,284	7,928,193	3,476,240	5,860,894
Other current liabilities		-	-	23,830	-	-	23,830
<b>Total current liabilities</b>		<b>666,849,287</b>	<b>287,841,422</b>	<b>296,069,789</b>	<b>77,602,805</b>	<b>76,310,799</b>	<b>101,479,696</b>
<b>Non-current liabilities</b>							
Payables from financial institution	6, 21	-	46,720,000	-	-	-	-
Long-term borrowings from financial institutions	6, 22	172,303,810	228,018,575	219,729,732	119,479,687	172,609,727	219,451,955
Lease liabilities	22	9,305,800	10,911,506	4,009,319	7,190,388	6,384,308	2,901,752
Software license liabilities		4,892,052	-	-	4,892,052	-	-
Employee benefit obligations	23	12,988,095	10,168,700	10,520,977	11,908,093	8,238,167	8,189,376
Other non-current liabilities		5,291,250	4,741,250	-	5,225,000	4,675,000	-
<b>Total non-current liabilities</b>		<b>204,781,007</b>	<b>300,560,031</b>	<b>234,260,028</b>	<b>148,695,220</b>	<b>191,907,202</b>	<b>230,543,083</b>
<b>Total liabilities</b>		<b>871,630,294</b>	<b>588,401,453</b>	<b>530,329,817</b>	<b>226,298,025</b>	<b>268,218,001</b>	<b>332,022,779</b>

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

**Chase Asia Public Company Limited**  
**Statements of Financial Position (Cont'd)**  
**As at 31 December 2022**

	Notes	Consolidated financial statements			Separate financial statements		
		(Restated)		(Restated)	(Restated)		(Restated)
		31 December 2022 Baht	31 December 2021 Baht	1 January 2021 Baht	31 December 2022 Baht	31 December 2021 Baht	1 January 2021 Baht
<b>Liabilities and equity (Cont'd)</b>							
<b>Equity</b>							
Share capital	24						
Authorised share capital							
1,985,441,800 ordinary shares at a par value of Baht 0.50 each		992,720,900			992,720,900		
(2021: 7,842,209 ordinary shares at a par value of Baht 100 each)			784,220,900	509,743,600		784,220,900	509,743,600
Issued and paid-up share capital							
1,568,441,800 ordinary shares at paid-up, Baht 0.50 each		784,220,900			784,220,900		
(2021: 7,842,209 ordinary shares at paid-up, Baht 100 each)			784,220,900	509,743,600		784,220,900	509,743,600
Share premium, net	5, 24	665,586,405	665,586,405	42,143,705	665,586,405	665,586,405	42,143,705
Discount from business combinations under common control	5	(328,956,901)	(328,956,901)	(328,956,901)	-	-	-
Retained earnings							
Appropriated - Legal reserve	25	5,207,816	-	-	5,207,816	-	-
Unappropriated		933,654,280	796,726,705	525,868,976	719,412,338	622,286,889	525,553,702
<b>Equity attributable to owners of the Company</b>		2,059,712,500	1,917,577,109	748,799,380	2,174,427,459	2,072,094,194	1,077,441,007
Non-controlling interests		25,626	21,651	4,200	-	-	-
<b>Total equity</b>		2,059,738,126	1,917,598,760	748,803,580	2,174,427,459	2,072,094,194	1,077,441,007
<b>Total liabilities and equity</b>		2,931,368,420	2,506,000,213	1,279,133,397	2,400,725,484	2,340,312,195	1,409,463,786

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

**Chase Asia Public Company Limited**  
**Statements of Comprehensive Income**  
**For the year ended 31 December 2022**

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Interest income, net	6, 26	438,227,489	384,858,572	33,246,777	17,745,272
Gain from derecognition of loans to non-performing assets	6, 27	7,053,104	68,369,646	-	-
Services and professional fee income	28	226,427,168	276,268,387	350,373,712	336,896,014
Services and professional fee costs		(226,984,283)	(238,227,040)	(164,887,583)	(157,828,466)
<b>Gross profit</b>		<b>444,723,478</b>	<b>491,269,565</b>	<b>218,732,906</b>	<b>196,812,820</b>
Other income		4,908,142	3,993,540	2,779,740	1,413,052
Administrative expenses		(102,944,901)	(95,717,831)	(86,390,090)	(67,169,103)
Expected credit loss	6, 15, 16	(148,035,956)	(50,136,563)	-	-
Other expenses		-	(2,843)	-	(2,670)
<b>Profit before finance cost and income tax</b>		<b>198,650,763</b>	<b>349,405,868</b>	<b>135,122,556</b>	<b>131,054,099</b>
Finance costs	30	(19,914,687)	(10,721,541)	(5,160,805)	(9,159,237)
<b>Profit before income tax</b>		<b>178,736,076</b>	<b>338,684,327</b>	<b>129,961,751</b>	<b>121,894,862</b>
Income tax expense	31	(34,646,235)	(67,809,147)	(25,805,425)	(25,161,675)
<b>Net profit for the year</b>		<b>144,089,841</b>	<b>270,875,180</b>	<b>104,156,326</b>	<b>96,733,187</b>
<b>Other comprehensive income (expense)</b>					
Items that will not be reclassified to profit or loss					
Remeasurement of employee benefit obligations		(2,438,095)	-	(2,278,827)	-
Income tax from remeasurement of employee benefit obligations	19	487,620	-	455,766	-
<b>Other comprehensive income (expense), net of tax</b>		<b>(1,950,475)</b>	<b>-</b>	<b>(1,823,061)</b>	<b>-</b>
<b>Total comprehensive income (expense) for the year</b>		<b>142,139,366</b>	<b>270,875,180</b>	<b>102,333,265</b>	<b>96,733,187</b>
<b>Profit attributable to:</b>					
Owners of the parent		144,085,853	270,857,729	104,156,326	96,733,187
Non-controlling interests		3,988	17,451	-	-
		<b>144,089,841</b>	<b>270,875,180</b>	<b>104,156,326</b>	<b>96,733,187</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		142,135,391	270,857,729	102,333,265	96,733,187
Non-controlling interests		3,975	17,451	-	-
		<b>142,139,366</b>	<b>270,875,180</b>	<b>102,333,265</b>	<b>96,733,187</b>
<b>Earnings per share</b>					
Basic earnings per share	32	0.09	0.18	0.07	0.07

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

**Chase Asia Public Company Limited**  
**Statements of Changes in Equity**  
**For the year ended 31 December 2022**

Consolidated financial statements								
Attributable to owners of the parent								
Notes	Issued and paid-up share capital Baht	Share premium, net Baht	Discount from business combinations under common control Baht	Retained earnings		Total owners of the parent Baht	Non-controlling interests Baht	Total equity Baht
				Appropriated-Legal reserve Baht	Unappropriated Baht			
<b>Opening balance as at 31 December 2020</b>								
- As previously reported	509,743,600	1,127,981,294	(1,414,794,490)	-	525,868,976	748,799,380	4,200	748,803,580
Impacts from changes in accounting policies	5	(1,085,837,589)	1,085,837,589	-	-	-	-	-
<b>Closing balance as at 31 December 2020 - As restated</b>	<b>509,743,600</b>	<b>42,143,705</b>	<b>(328,956,901)</b>	<b>-</b>	<b>525,868,976</b>	<b>748,799,380</b>	<b>4,200</b>	<b>748,803,580</b>
<b>Opening balance as at 1 January 2021</b>	509,743,600	42,143,705	(328,956,901)	-	525,868,976	748,799,380	4,200	748,803,580
<b>Changes in equity during the year</b>								
Issuance of ordinary shares	24	645,522,700	-	-	-	920,000,000	-	920,000,000
Costs of share issuance, net of tax	24	(22,080,000)	-	-	-	(22,080,000)	-	(22,080,000)
Total comprehensive income for the year		-	-	-	270,857,729	270,857,729	17,451	270,875,180
<b>Closing balance as at 31 December 2021 - As restated</b>	<b>784,220,900</b>	<b>665,586,405</b>	<b>(328,956,901)</b>	<b>-</b>	<b>796,726,705</b>	<b>1,917,577,109</b>	<b>21,651</b>	<b>1,917,598,760</b>
<b>Opening balance as at 31 December 2021</b>								
- As previously reported	784,220,900	1,751,423,994	(1,414,794,490)	-	796,726,705	1,917,577,109	21,651	1,917,598,760
Impacts from changes in accounting policies	5	(1,085,837,589)	1,085,837,589	-	-	-	-	-
<b>Closing balance as at 31 December 2021 - As restated</b>	<b>784,220,900</b>	<b>665,586,405</b>	<b>(328,956,901)</b>	<b>-</b>	<b>796,726,705</b>	<b>1,917,577,109</b>	<b>21,651</b>	<b>1,917,598,760</b>
<b>Opening balance as at 1 January 2022</b>	784,220,900	665,586,405	(328,956,901)	-	796,726,705	1,917,577,109	21,651	1,917,598,760
<b>Changes in equity during the year</b>								
Legal reserve	25	-	-	5,207,816	(5,207,816)	-	-	-
Total comprehensive income for the year		-	-	-	142,135,391	142,135,391	3,975	142,139,366
<b>Closing balance as at 31 December 2022</b>	<b>784,220,900</b>	<b>665,586,405</b>	<b>(328,956,901)</b>	<b>5,207,816</b>	<b>933,654,280</b>	<b>2,059,712,500</b>	<b>25,626</b>	<b>2,059,738,126</b>

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

**Chase Asia Public Company Limited**  
**Statements of Changes in Equity (Cont'd)**  
**For the year ended 31 December 2022**

	Notes	Separate financial statements			
		Issued and paid-up share capital Baht	Share premium, net Baht	Retained earnings	
				Appropriated- Legal reserve Baht	Unappropriated Baht
<b>Opening balance as at 31 December 2020</b>					
- As previously reported		509,743,600	1,127,981,294	-	525,553,702
Impacts from changes in accounting policies	5	-	(1,085,837,589)	-	-
<b>Closing balance as at 31 December 2020 - As restated</b>		<b>509,743,600</b>	<b>42,143,705</b>	<b>-</b>	<b>525,553,702</b>
<b>Opening balance as at 1 January 2021</b>		509,743,600	42,143,705	-	525,553,702
<b>Changes in equity during the year</b>					
Issuance of ordinary shares	24	274,477,300	645,522,700	-	-
Costs of share issuance, net of tax	24	-	(22,080,000)	-	-
Total comprehensive income for the year		-	-	-	96,733,187
<b>Closing balance as at 31 December 2021 - As restated</b>		<b>784,220,900</b>	<b>665,586,405</b>	<b>-</b>	<b>622,286,889</b>
<b>Opening balance as at 1 January 2021</b>		784,220,900	1,751,423,994	-	622,286,889
- As previously reported		784,220,900	1,751,423,994	-	622,286,889
Impacts from changes in accounting policies	5	-	(1,085,837,589)	-	-
<b>Closing balance as at 31 December 2021 - As restated</b>		<b>784,220,900</b>	<b>665,586,405</b>	<b>-</b>	<b>622,286,889</b>
<b>Opening balance as at 1 January 2022</b>		784,220,900	665,586,405	-	622,286,889
<b>Changes in equity during the year</b>					
Legal reserve	25	-	-	5,207,816	(5,207,816)
Total comprehensive income for the year		-	-	-	102,333,265
<b>Closing balance as at 31 December 2022</b>		<b>784,220,900</b>	<b>665,586,405</b>	<b>5,207,816</b>	<b>719,412,338</b>

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

**Chase Asia Public Company Limited**  
**Statements of Cash Flows**  
**For the year ended 31 December 2022**

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Cash flows from operating activities</b>					
Profit before income tax		178,736,076	338,684,327	129,961,751	121,894,862
Adjustments:					
Expected credit loss	15, 16	148,698,153	50,136,563	-	-
Depreciation of plant and equipment	18	5,018,545	7,758,401	4,939,992	7,642,510
Depreciation of right-of-use assets	18	3,387,393	2,950,584	3,577,548	3,282,939
Amortisation of intangible assets		361,072	156,004	361,072	156,004
(Gain) from lease cancellation		-	(17,790)	-	(17,790)
(Gain) from sale of foreclosed assets		(1,272,248)	-	-	-
Loss on write-off of equipment	18	91,959	2,843	91,958	2,671
(Reversal of) loss on allowance for foreclosed assets		-	(123,868)	-	-
Foreign exchange loss		90,903	-	90,903	-
Employee benefit expenses	23	1,137,968	1,141,056	1,841,099	848,791
Interest income	26, 27	(445,280,593)	(453,228,218)	(33,246,777)	(17,745,272)
Finance costs	30	19,914,687	10,721,541	5,160,805	9,159,237
Changes in working capital					
Trade and other receivables		(27,948,369)	(7,453,831)	(13,850,946)	(15,551,163)
Other current assets		(2,575,799)	(8,960,172)	(2,730,071)	(112,088)
Loans to non-performing assets		(464,020,806)	(704,080,613)	-	-
Loans to customers		(2,158,948)	(72,933,819)	-	-
Foreclosed assets		4,608,585	-	-	-
Other non-current assets		(44,965)	(407,000)	(59,965)	(401,001)
Trade and other payables		4,096,769	(3,592,780)	4,762,563	(3,188,682)
Other current liabilities		-	(23,830)	-	(23,830)
Other non-current liabilities		-	66,250	-	-
Cash (used in) generated from operations		(577,159,618)	(839,204,352)	100,899,932	105,947,188
Interest received		391,276,939	341,972,806	33,246,777	17,745,928
Interest paid		(19,692,701)	(11,379,898)	(8,763,646)	(9,839,374)
Income tax paid		(51,046,138)	(43,917,940)	(21,702,091)	(22,014,796)
Payments on employee benefit	23	(756,668)	(1,493,333)	(450,000)	(800,000)
<b>Net cash (used in) generated from operating activities</b>		<b>(257,378,186)</b>	<b>(554,022,717)</b>	<b>103,230,972</b>	<b>91,038,946</b>

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



**Chase Asia Public Company Limited**  
**Statements of Cash Flows (Cont'd)**  
**For the year ended 31 December 2022**

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Cash flows from investing activities</b>					
Payments on short-term investments		(100,074)	-	(100,074)	-
(Increase) decrease in restricted deposits at financial institutions		(600,795)	126,537	(600,795)	126,537
Payments on short-term loans to related parties	33.3	-	-	(98,000,000)	(910,000,000)
Proceeds from short-term loans to related parties	33.3	-	116,400	125,000,000	81,116,400
Purchases of property, plant and equipment		(79,587,259)	(55,455,145)	(79,547,347)	(55,335,155)
Purchases of intangible assets		(5,898,435)	(2,935,239)	(5,898,435)	(2,935,239)
<b>Net cash (used in) investing activities</b>		<b>(86,186,563)</b>	<b>(58,147,447)</b>	<b>(59,146,651)</b>	<b>(887,027,457)</b>
<b>Cash flows from financing activities</b>					
Proceeds from issuance of ordinary shares	24	-	920,000,000	-	920,000,000
Payments on issuance of ordinary shares	24	-	(27,600,000)	-	(27,600,000)
Proceeds from short-term borrowings from financial institutions	22	865,666,815	60,000,000	-	-
Payments on short-term borrowings from financial institutions	22	(462,833,408)	(28,657,428)	-	(10,031,371)
Payments on payables from financial institution		(70,080,000)	(23,360,000)	-	-
Payments on short-term borrowings from related parties	33.4	-	(35,406,806)	-	(5,163,889)
Proceeds from long-term borrowings from financial institutions	22	61,324,688	132,000,000	-	12,000,000
Payments on long-term borrowings from financial institutions	22	(128,549,584)	(195,980,176)	(63,942,780)	(65,365,067)
Payments on front-end fee to financial institutions		(750,000)	(900,000)	(750,000)	-
Payments for principal elements of lease agreements		(3,247,722)	(2,873,700)	(3,436,353)	(3,371,608)
Payments for principal elements of software license agreements		(2,907,277)	-	(2,907,277)	-
<b>Net cash generated from (used in) financing activities</b>		<b>258,623,512</b>	<b>797,221,890</b>	<b>(71,036,410)</b>	<b>820,468,065</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(84,941,237)</b>	<b>185,051,726</b>	<b>(26,952,089)</b>	<b>24,479,554</b>
Cash and cash equivalents at the beginning of the year		200,150,610	15,098,884	30,332,127	5,852,573
<b>Cash and cash equivalents at the end of the year</b>	11	<b>115,209,373</b>	<b>200,150,610</b>	<b>3,380,038</b>	<b>30,332,127</b>
<b>Non-cash transactions:</b>					
The significant non-cash transactions occurred during the year ended 31 December 2022 and 2021 are as follows:					
Acquisition of right-of-use assets	18	2,178,263	10,227,777	4,544,424	7,486,927
Retention from acquisition of property, plant and equipment		550,000	4,675,000	550,000	4,675,000
Acquisition of intangible assets		10,577,962	-	10,577,962	-
Payables from financial institution from purchase of loans to non-performing assets		-	140,160,000	-	-

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

## **1 General information**

Chase Asia Public Company Limited ("the Company") is a public company limited incorporated in Thailand on 4 August 1998. The Company registered the change of the Company's status with the Ministry of Commerce to a public company limited and changed its name from Chase Asia Company Limited to Chase Asia Public Company Limited on 9 August 2022. The address of its registered office is as follows:

No. 8/9-10 Vibhavadi Rangsit 44 Alley (Mongkonvivet Alley), Vibhavadi Rangsit Road, Lat Yao, Chatuchak, Bangkok.

The principal business operations of the Company and its subsidiaries (together "the Group") are debt tracking and collection service, management of non-performing assets and lending services.

These consolidated and separate financial statements have been approved by the Board of Directors on 28 February 2023.

## **2 Basis of preparation**

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

The consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The Group disclosed management judgement or complex transactions and significant accounting estimates and judgement transactions to the consolidated and separate financial statements as disclosed in Note 9.

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

## **3 New and amended financial reporting standards**

### **3.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2022 and related to the Group**

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

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

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

TFRS 7 requires additional disclosure about:

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

The amended financial reporting standards do not have material impact to the Group.

**b) Accounting guidance on temporary relief measures for entities assisting debtors affected by the COVID-19 pandemic**

The Group which assists debtors affected by the COVID-19 pandemic can apply the accounting guidance announced by TFAC based on BOT circular For. Nor. Sor 2. Wor. 802/2564 to help debtors between 1 January 2022 and 31 December 2023. The key relief measures involve, for example, the consideration for debt staging for ECL calculation where there is debt restructuring, revising EIR for the restructured debt and ECL calculation regarding unused credit line.

The amended accounting guidance do not have material impact to the Group.

**3.2 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2023 and related to the Group**

The Group has not early adopted the following financial reporting standards before the effective date:

- a) **Amendment to TAS 16 - Property, plant and equipment** clarified to prohibit entities from deducting from the cost of an item of PP&E any proceeds received from selling any items produced while the entity is preparing that asset for its intended use.
- b) **Amendment to TAS 37 - Provisions, contingent liabilities and contingent assets** clarified that, in considering whether a contract is onerous, the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling the contract. Before recognising a separate provision for an onerous contract, the entity must recognise any impairment losses that have occurred on the assets used in fulfilling the contract.
- c) **Amendment to TAS 41 Agriculture** clarified about removal of the requirement for entities to exclude cash flows for taxation when measuring fair value of biological asset.
- e) **Amendment to TFRS 3 - Business combinations** clarified some minor amendments to update its references to the Conceptual Framework for Financial Reporting and added a consideration for the recognition of liabilities and contingent liabilities acquired from business combinations. The amendments also confirmed that contingent assets shouldn't be recognised at the acquisition date.
- f) **Amendment to TFRS 9 - Financial instruments** clarified which fees should be included in the 10% test for the derecognition of financial liabilities. It should only include fees between the borrower and lender.

The management of the Group is in process of assessing the impact from the adoption of the amended financial reporting standards.

## 4 Accounting policies

### 4.1 Accounting for consolidation

**a) Subsidiaries**

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

In the separate financial statements, investment in subsidiaries is accounted for using cost method.

**b) Changes in ownership interests**

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

**c) Intercompany transactions on consolidation**

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

## **4.2 Business combination**

### *Business combination under common control*

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Group retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "surplus or discount arising from business combination under common control" in equity and is derecognised when the investment is disposed of and transferred to retained earnings.

## **4.3 Cash and cash equivalents**

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date and no restrictions on withdrawals.

## **4.4 Loans to non-performing assets**

The Group acquires receivables from both secured and non-secured non-performing assets from financial institutions and credit facility companies to perform debt tracking and collecting process. The Group has no rights to claim the repayment from the seller if the debts cannot be collected.

The loans to non-performing assets are classified as non-current assets unless management has expressed the intention of holding the loans for less than 12 months from the statement of financial position date, in which case they are included in current assets, except management has intention to sell the loans for financing cash in the operation, in which case they are included in current assets.

The loans to non-performing assets are presented at their acquisition cost less amortised costs using the credit-adjusted effective interest rate less allowance for expected credit loss (if any).

The Group recognised expected credit loss of loans to non-performing assets when it anticipates discounted cash flows to the present values are lower than carrying value.

## **4.5 Loans to customers**

Receivables that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is recognised using the effective interest rate method and is presented as interest income in the statements of comprehensive income.

The consideration for impairment of loans to customers is disclosed in Note 4.7 (d).

### *Restructuring*

The Group entered into new credit contracts to restructure the debts of its non-performing debtors. The Group must consider whether the new contract terms are significantly different from those in the previous contract by considering changes to contractual cash flows, interest rate and significant contract terms.

If the changes in the new contract terms are not significantly different from the original contract. The Group will recalculate the gross carrying amount of the financial assets and must recognise profit or loss from the changes in profit or loss.

If the changes in the new contract terms are significantly different from the original contract, the Group will derecognise the former financial asset and recognise the new financial asset at fair value, then recalculate the effective interest rate for the asset at the date the restructuring is negotiated. This is considered to be the date on which the Group will begin recalculating the impairment of financial assets.

The classification of debt restructuring of debtors will be classified as level 1 if the debtors are able to pay under the new debt-restructuring contract for at least 12 consecutive months.

#### **4.6 Trade receivables**

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 4.7 (d).

#### **4.7 Financial asset**

##### **a) Classification**

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

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

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

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

##### **b) Recognition and derecognition**

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

##### **c) Measurement**

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

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

##### **d) Impairment**

The Group assesses expected credit loss on a forward-looking basis for its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group measures expected credit losses using the following approaches:

##### **A. Simplified approach**

The Group applies simplified approach in measuring the impairment of trade and other receivables, which applies lifetime expected credit loss, from initial recognition.

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

**B. General approach**

The Group applies general approach on debt instruments measured at amortised cost. The Group always accounts for expected credit losses which involves a three-stage expected credit loss impairment model. The stage dictates how the entity measures impairment losses and applies the effective interest rate method. In which, the three-stage expected credit loss impairment will be as the following stages:

- Stage 1 - from initial recognition of a financial assets to the date on which the credit risk of the asset has not increased significantly relative to its initial recognition, a loss allowance is recognised equal to the credit losses expected to result from defaults occurring over the next 12 months.
- Stage 2 - following a significant increase in credit risk relative to the initial recognition of the financial assets, a loss allowance is recognised equal to the credit losses expected over the life of the asset.
- Stage 3 - When a financial asset is considered to be credit-impaired, a loss allowance equal to full lifetime expected credit losses is to be recognised.

Under the three-stage expected credit loss impairment model except for significant exposures in loans to customer, the impairment will be assessed by using collective approach model with forward looking information adjustment. The impairment of some significant exposures in loans to customer will be assessed by using individual assessment approach.

**Significant increase in credit risk**

At 31 December 2022, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, which can be obtained with not too many costs or much effort.

TFRS 9 contains a rebuttable presumption that the risk of financial assets is deemed to have increased significantly when more than 30 days past due. The Group uses this 30-day backstop for all its products. In addition, the Group considers a range of qualitative and quantitative events to assess whether a significant increase in credit risk since initial recognition has occurred. These events include for example, changes in credit risk ratings, payment delinquency and past payment patterns. Exposures with significant increase in credit risk are transferred from Stage 1 to Stage 2. Exposures will move back to Stage 1 once they no longer meet the criteria.

Loan to non-performing assets is not required to consider the Significant Increase Credit Risk (SICR) because it is classified as Purchased or Originated Credit Impaired (POCI) financial assets measured at amortised cost with lifetime expected credit losses.

The Group assesses expected credit loss on a forward-looking macroeconomic information that is supportive and reasonable with unbiased and probability-weighted outcome by comparing between present value of expected future cash flow discounted with credit-adjusted effective interest rate of loan to non-performing assets and carrying value of loan to non-performing assets as at reporting date and the expected credit loss can be either impairment gain or loss in statements of comprehensive income.

**4.8 Foreclosed assets**

The foreclosed assets are stated at the lower of cost or net realisable value which referred from the latest appraised value less estimated selling expenses.

Gains or losses on the disposals of foreclosed assets are recognised in the statements of comprehensive income when the Group transfers the significant risks and reward of ownership to the purchaser. Loss on impairment are recognised as expenses in the statements of comprehensive income.



#### **4.9 Property, plant and equipment**

All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses (if any). Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Building and building improvements	5-20 years
Office equipment	5 years
Furniture and fixture	5 years
Vehicles	5 years

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

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in other income or expense.

#### **4.10 Intangible assets**

##### *Computer software*

Acquired computer software is measured at cost. These costs are amortised over their estimated useful lives within 3 to 10 years.

Cost associated with maintaining computer software are recognised as an expense as incurred.

#### **4.11 Impairment of assets**

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

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

#### **4.12 Leases**

##### *Leases - where the Group is the lessee*

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

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

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

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

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

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

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

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

#### **4.13 Financial liabilities**

##### **a) Classification**

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

##### **b) Measurement**

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

##### **c) Derecognition and modification**

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated or modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

#### **4.14 Borrowing costs**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (assets that take 12 months to get ready for its intended use or sale) are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

#### **4.15 Current and deferred income taxes**

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

##### *Current tax*

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

##### *Deferred income tax*

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised.
- investments in subsidiaries where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### **4.16 Employee benefits**

##### **a) Short-term employee benefits**

Liabilities for short-term employee benefits such as wages and salaries that are expected to be settled wholly within 12 months after the end of the period, such as wage, salary and bonus, are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

##### **b) Defined benefit plans**

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

#### **4.17 Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

#### 4.18 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### 4.19 Revenue recognition

Interest income from loans to non-performing assets is recognised using the credit-adjusted effective interest method calculated from rate used for discounting the estimated future cash inflows. If actual cash flows from collection exceed calculated revenues, the remaining cash collection will be amortised from the value of loans to non-performing assets for each period. In the case that all investment amount is written off, the Group shall recognise cash inflows as interest income from loans to non-performing assets and recognise loss on impairment immediately when there is an indication for significant decrease in cash flows. The future cash flows from loans to non-performing assets are estimated based on the quality, type and age of debt and referred to historical records of debt collection.

Interest income is recognised using the effective interest method.

Service and professional fee income are recognised in accordance with the provision of services, provided that collectability of the consideration is probable.

Other income is recognised using the accrual basis.

#### 4.20 Expense recognition

Expense is recognised using the accrual basis

Interest expense is recognised using the effective interest method

### 5 Changes in accounting policy

In the third quarter of 2022, The Group's management has considered changing its accounting policies relating to business combination under common control and investment in subsidiaries with respect to the method of measuring the fair value of the Company's ordinary shares and the initial cost of investments in subsidiaries. Previously, the fair value measurement method was used by using the fair value of the subsidiaries at the acquisition date to measured at the fair value of the Company's shares issued in exchange. The Company has made a retrospective adjustment to the comparative financial statement. The retrospective impacts to consolidated and separate financial statements for the year ended 31 December 2020 and 2021 are as follows:

	Consolidated financial statements		
	As of 31 December 2020 As previously reported Baht	Impacts from changes in accounting policies Baht	As of 31 December 2020 As restated Baht
<b>Statement of financial position</b>			
<b>Equity</b>			
Share premium, net	1,127,981,294	(1,085,837,589)	42,143,705
Discount from business combinations under common control	(1,414,794,490)	1,085,837,589	(328,956,901)
<b>Total equity effected</b>	(286,813,196)	-	(286,813,196)
	Consolidated financial statements		
	As of 31 December 2021 As previously reported Baht	Impacts from changes in accounting policies Baht	As of 31 December 2021 As restated Baht
<b>Statement of financial position</b>			
<b>Equity</b>			
Share premium, net	1,751,423,994	(1,085,837,589)	665,586,405
Discount from business combinations under common control	(1,414,794,490)	1,085,837,589	(328,956,901)
<b>Total equity effected</b>	336,629,504	-	336,629,504

	Separate financial statements		
	As of 31 December 2020 As previously reported Baht	Impacts from changes in accounting policies Baht	As of 31 December 2020 As restated Baht
<b>Statement of financial position</b>			
<b>Non-current assets</b>			
Investment in subsidiaries	2,185,566,594	(1,085,837,589)	1,099,729,005
<b>Equity</b>			
Share premium, net	1,127,981,294	(1,085,837,589)	42,143,705
	Separate financial statements		
	As of 31 December 2021 As previously reported Baht	Impacts from changes in accounting policies Baht	As of 31 December 2021 As restated Baht
<b>Statement of financial position</b>			
<b>Non-current assets</b>			
Investment in subsidiaries	2,185,566,594	(1,085,837,589)	1,099,729,005
<b>Equity</b>			
Share premium, net	1,751,423,994	(1,085,837,589)	665,586,405

## 6 Reclassifications

The Group has reclassified in its consolidated statement of financial position as of 31 December 2021 to be in accordance with the nature of the transaction.

The impacts to the financial information from reclassifications are as follows:

	Consolidated financial statements		
	As previously reported Baht	Reclassifications Baht	As restated Baht
<b>Statement of financial position</b>			
<b>As of 31 December 2021</b>			
<b>Current liabilities</b>			
(1) Current portion of payables from financial institution	-	70,080,000	70,080,000
(1) Current portion of long-term borrowings from financial institutions	191,295,056	(70,080,000)	121,215,056
<b>Non-current liabilities</b>			
(2) Payables from financial institution	-	46,720,000	46,720,000
(2) Long-term borrowings from financial institutions	274,738,575	(46,720,000)	228,018,575
	Consolidated financial statements		
	As previously reported Baht	Reclassifications Baht	As restated Baht
<b>Statements of Comprehensive Income</b>			
<b>For the year ended 31 December 2021</b>			
(3) Interest income, net	504,804,916	(119,946,344)	384,858,572
(3) Gain from derecognition of loans to non-performing assets	-	68,369,646	68,369,646
(3) Expected credit loss	(101,713,261)	51,576,698	(50,136,563)

The details of the reclassifications are as follows:

- (1) Classifying current portion of payables from financial institution which was originally presented as part of current portion of long-term borrowings from financial institutions, to be in accordance with the nature of the transaction.
- (2) Classifying payables from financial institution which were originally presented as part of long-term borrowings from financial institutions, to be in accordance with the nature of the transaction.
- (3) Classifying to net present interest income with expected credit loss amounting to Baht 51.58 million for the interest income from financial asset that classify as stage 3 of expected credit loss impairment model and to present gain from derecognition of loans to non-performing assets amounting to Baht 68.37 million, to be in accordance with the nature of the transaction.

## 7 Financial risk management

### 7.1 Financial risk

The Group exposes to a variety of financial risk: market risk (including interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Management is responsible to carried out by the management. The Group's policy includes areas such as interest rate risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and uses as the key communication and control tools for the Group's management.

#### 7.1.1 Market risk

##### Cash flow and fair value interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group is exposed to interest rate risk relates primarily to its deposits at financial institutions, loans to related parties, long-term borrowings, and lease liabilities. Most of the Group's financial assets and liabilities bear fixed interest rates which are close to the market rate. The Group assesses that the interest rate risk is insignificant as the interests from financial assets and financial liabilities are not significantly different.

Interest rate and maturity of financial assets and liabilities are disclosed in Note 14.

#### 7.1.2 Credit risk

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that contracts are made with customers who have an appropriate credit history, limiting customers' credit limit. The Group has policies that limit the amount of credit exposure to any one financial institution.

##### a) Security

For some loans to customers, the Group may obtain security in the form of guarantees or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

##### b) Impairment of financial assets

The Group has 6 types of financial assets that are subject to the expected credit loss model:

- Cash and cash equivalents
- Short-term investments
- Trade and other receivables
- Short-term loans to related parties
- Restricted deposits at financial institutions
- Loans to non-performing assets, and
- Loans to customers

While financial assets are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial except loans to non-performing assets and loans to customers.

The reconciliations of loss allowances for loans to non-performing assets and loans to customers for the year ended 31 December are as follows:

	<b>Consolidated financial statements</b>			<b>Total Baht</b>
	<b>12 months expected credit losses Baht</b>	<b>Lifetime expected credit losses Baht</b>	<b>Lifetime expected credit losses (credit-impaired financial assets) Baht</b>	
<b>As of 1 January 2021</b>	6,726,847	5,797,120	747,262,591	759,786,558
Increase in loss allowance recognised in profit or loss during the year	1,610,827	7,049,225	49,249,755	57,909,807
Written off during the year as uncollectible	-	-	(21,644,223)	(21,644,223)
<b>As of 31 December 2021</b>	8,337,674	12,846,345	774,868,123	796,052,142
Increase in loss allowance recognised in profit or loss during the year	1,670,582	(6,839,843)	531,667,618	526,498,357
Written off during the year as uncollectible	(1,212)	(1,140)	(22,978,178)	(22,980,530)
<b>As of 31 December 2022</b>	10,007,044	6,005,362	1,283,557,563	1,299,569,969

There is no expected loss in the separate financial statement as at 31 December 2022.

The Group writes off loans to non-performing assets and loans to customers when there are indicators that there is no reasonable expectation of recovery including deceased or bankrupt debtors.

Impairment losses on loans to non-performing assets and loans to customers are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

#### **Trade and other receivables**

The Group applies the TFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance for all trade receivables.

#### **Loans to related parties**

Loans to related parties measured at amortised cost are considered to have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Lifetime expected credit losses is recognised for the loans that the credit risk is significant increased.

#### **Other financial assets measured at amortised cost**

Other financial assets measured at amortised cost include restricted deposits at financial institutions.

### **7.1.3 Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period, the Group held deposits at call of Baht 115.21 million (2021: Baht 200.15 million) that are expected to readily generate cash inflows for managing liquidity risk. Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors i) rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities); and ii) cash and cash equivalents.



**a) Financing arrangements**

The Group has access to the following undrawn credit facilities as at 31 December as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Floating rate</b>				
Expiring within one year				
- Bank overdraft	40,000,000	40,000,000	30,000,000	30,000,000
- Bank loans	1,193,841,905	840,000,000	150,000,000	-
Expiring beyond one year				
- Bank loans	-	180,000,000	-	-
	1,233,841,905	1,060,000,000	180,000,000	30,000,000

Credit facilities are collateralised by the Company's and subsidiaries' directors and subsidiaries. Credit facilities are secured by the Group's land and buildings (Note 18), directors' land and buildings, company's shares held by director, and the rights in non-performing assets of subsidiaries.

**b) Maturity of financial liabilities**

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Consolidated financial statements			
	2022			
	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Total Baht
<b>Financial liabilities</b>				
Trade and other payables	-	20,469,746	-	20,469,746
Payables from financial institution	-	46,720,000	-	46,720,000
Short-term borrowing from financial institution	-	461,946,609	-	461,946,609
Long-term borrowings from financial institutions	-	120,615,600	180,641,948	301,257,548
Lease liabilities	-	3,727,500	10,017,500	13,745,000
Software license liabilities	-	3,124,296	5,124,296	8,248,592
Other non-current liabilities	-	-	5,291,250	5,291,250
Total	-	656,603,751	201,074,994	857,678,745
	Consolidated financial statements			
	2021			
	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Total Baht
<b>Financial liabilities</b>				
Trade and other payables	-	16,532,740	-	16,532,740
Payables from financial institution	-	70,080,000	46,720,000	116,800,000
Short-term borrowing from financial institution	-	59,421,779	-	59,421,779
Long-term borrowings from financial institutions	-	133,578,361	241,029,724	374,608,085
Lease liabilities	-	3,486,000	12,045,500	15,531,500
Other non-current liabilities	-	-	4,741,250	4,741,250
Total	-	283,098,880	304,536,474	587,635,354

Separate financial statements				
2022				
	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Total Baht
<b>Financial liabilities</b>				
Trade and other payables	-	17,782,135	-	17,782,135
Long-term borrowings from financial institutions	-	52,215,600	126,648,715	178,864,315
Lease liabilities	-	3,792,500	7,657,500	11,450,000
Software license liabilities	-	3,124,296	5,124,296	8,248,592
Other non-current liabilities	-	-	5,225,000	5,225,000
<b>Total</b>	-	76,914,531	144,655,511	221,570,042
Separate financial statements				
2021				
	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Total Baht
<b>Financial liabilities</b>				
Trade and other payables	-	13,179,335	-	13,179,335
Long-term borrowings from financial institutions	-	64,899,198	184,481,533	249,380,731
Lease liabilities	-	3,435,000	7,039,500	10,474,500
Other non-current liabilities	-	-	4,675,000	4,675,000
<b>Total</b>	-	81,513,533	196,196,033	277,709,566

## 7.2 Capital management

### 7.2.1 Risk Management

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital based on gearing ratio which is determined by dividing net debt with equity.

The Group has net debt to equity ratio and net interest bearing debt to equity ratio as at 31 December 2022 and 2021 as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Total debt	871,630,294	588,401,453	226,298,025	268,218,001
Equity (including non-controlling interests)	2,059,738,126	1,917,598,760	2,174,427,459	2,072,094,194
Debt to equity ratio	42.32%	30.68%	10.41%	12.94%
	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Net interest bearing debt	764,142,857	422,167,258	183,454,604	238,649,259
Equity (including non-controlling interests)	2,059,738,126	1,917,598,760	2,174,427,459	2,072,094,194
Net interest bearing debt to equity ratio	37.10%	22.02%	8.44%	11.52%

The net debt to equity ratio increased from 30.68% to 42.32% as a result of borrowings from financial institutions for the purpose of acquisition of loans to non-performing assets.

*Loan covenants*

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants:

- net interest bearing debt to equity ratio must be not more than 2:1 and
- debt coverage ratio must be not less than 1.20

The Group has complied with these covenants throughout the reporting period.

## **8 Fair value**

Fair values are categorised into hierarchy based on inputs used as follows:

- Level 1: The fair value of financial instruments is based on the closing price by reference to the Thai Bond Dealing Centre.
- Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3: The fair value of financial instruments is not based on observable market data.

There were no transfers between fair value hierarchy during the year.

The carrying amounts of financial assets and financial liabilities that are not measured at fair value are approximates fair value since their interest rates are similar to current market rate.

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The presentation of fair value of financial assets and liabilities that are measured at amortised cost.

	Consolidated financial statements							
	Fair value						Carrying amount	
	Level 1		Level 2		Level 3			
	2022 Baht	2021 Baht	2022 Baht	2021 Baht	2022 Baht	2021 Baht		
<b>Financial assets</b>								
Cash and cash equivalents	115,209,373	200,150,610	-	-	-	-	115,209,373	200,150,610
Short-term investments	100,074	-	-	-	-	-	100,074	-
Restricted deposits at financial institutions	1,091,812	491,017	-	-	-	-	1,091,812	491,017
Trade and other receivables	-	-	91,127,080	63,135,320	-	-	91,127,080	63,135,320
Loans to non-performing assets	-	-	-	-	1,780,755,041	1,415,340,364	1,780,755,041	1,415,340,364
Loans to customers	-	-	351,847,278	345,776,700	-	-	351,847,278	345,776,700
Other financial assets	-	-	3,224,508	9,641,307	-	-	3,224,508	9,641,307
Total	116,401,259	200,641,627	446,198,866	418,553,327	1,780,755,041	1,415,340,364	2,343,355,166	2,034,535,318
<b>Financial liabilities</b>								
Trade and other payables	20,469,746	16,532,740	-	-	-	-	20,469,746	16,532,740
Lease liabilities	-	-	12,442,389	13,417,800	-	-	12,442,389	13,511,848
Software license liabilities	-	-	7,733,588	-	-	-	7,733,588	-
Payables from financial institution	-	-	46,720,000	116,800,000	-	-	46,720,000	116,800,000
Short-term borrowings from financial institution	-	-	461,946,609	59,421,779	-	-	461,946,609	59,421,779
Long-term borrowings from financial institutions	-	-	282,020,271	343,834,162	-	-	282,020,271	349,233,631
Other financial liabilities	-	-	5,291,250	4,741,250	-	-	5,291,250	4,741,250
Total	20,469,746	16,532,740	816,154,107	538,214,991	-	-	836,623,853	560,241,248

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	Separate financial statements							
	Fair value						Carrying amount	
	Level 1		Level 2		Level 3			
	2022 Baht	2021 Baht	2022 Baht	2021 Baht	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Financial assets</b>								
Cash and cash equivalents	3,380,038	30,332,127	-	-	-	-	3,380,038	30,332,127
Short-term investments	100,074	-	-	-	-	-	100,074	-
Restricted deposits at financial institutions	1,091,812	491,017	-	-	-	-	1,091,812	491,017
Trade and other receivables	-	-	55,393,940	41,570,994	-	-	55,393,940	41,570,994
Short-term loans to related parties	-	-	804,000,000	831,000,000	-	-	804,000,000	831,000,000
Other financial assets	-	-	3,168,658	720,456	-	-	3,168,658	720,456
Total	4,571,924	30,823,144	862,562,598	873,291,450	-	-	867,134,522	904,114,594
<b>Financial liabilities</b>								
Trade and other payables	17,782,135	13,179,335	-	-	-	-	17,782,135	13,179,335
Lease liabilities	-	-	10,501,477	9,269,374	-	-	10,501,477	9,393,406
Software license liabilities	-	-	7,733,588	-	-	-	7,733,588	-
Long-term borrowings from financial institutions	-	-	165,219,539	229,255,853	-	-	165,219,539	229,255,853
Other financial liabilities	-	-	5,225,000	4,675,000	-	-	5,225,000	4,675,000
Total	17,782,135	13,179,335	188,679,604	243,200,227	-	-	206,461,739	256,503,594

*Transfer between fair value hierarchy*

The Group recognises transfers between fair value hierarchy levels as at the date of the event or change in circumstances that caused the transfer.

There were no transfers between levels 1 and 2 during the year.

**(a) Financial instruments in level 1**

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets held by the Group is the current bid price/closing price by reference to the Stock Exchange of Thailand and the Thai Bond Dealing Centre. These instruments are included in level 1.

**(b) Financial instruments in level 2**

The fair value of financial instruments that are not traded in an active market (over-the-counter) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**(c) Financial instruments in level 3**

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The main factor the Group applies in estimating fair value at level 3 to is a discount rate appropriate for relevant risks.

*Valuation processes*

The Group's finance department, including the committee that assesses the fair values using management's estimates and historical information, has revised unobserved information and valuation, and considered the fair value level as defined by TFRS.

*Cash and cash equivalents and restricted deposits at financial institutions*

The carrying amounts of cash and cash equivalents and restricted deposits at financial institutions presented in the statement of financial position approximate fair values due to the short-term nature.

*Short-term investments*

The carrying amounts of short-term investments presented in the statement of financial position approximate fair values due to the short-term nature.

*Trade and other receivables*

The carrying amounts of trade and other receivables presented in the statement of financial position approximate fair values due to the short-term nature.

*Short-term loans to related parties*

The carrying amounts of short-term loans to related parties presented in the statement of financial position approximate fair values due to the short-term nature.

*Loans to customers*

The carrying amounts of loans to customers presented in the statement of financial position approximate fair values due to the interest rate in the agreement is compliance with law.

*Loans to non-performing assets*

The fair value of loans to non-performing assets is calculated by estimating cash flows to be received from debtors or disposal of collateral in the future discounted by the original credit-adjusted effective interest rate. The estimated cash flows to be received from debtors used significant unobservable inputs such that the Group classifies the fair value measurement at level 3 of fair value hierarchy.

*Other financial assets*

The carrying amounts of other financial assets presented in the statement of financial position approximate fair values due to the fair values are also not significantly different to their carrying amounts.

*Trade and other payables*

The carrying amounts of trade and other payables presented in the statement of financial position approximate fair values due to the short-term nature.

*Lease liabilities, software license liabilities, borrowings from related parties, borrowings from financial institutions*

The fair value of lease liabilities, software license liabilities and long-term borrowings from financial institutions is calculated by discounting cash outflows to settle borrowings using the average minimum loan rate (MLR) from local commercial banks.

The carrying amounts of short-term borrowings from related parties and short-term borrowings from financial institutions presented in the statement of financial position approximate fair values due to the short-term nature.

*Other financial liabilities*

The carrying amounts of other financial liabilities presented in the statement of financial position approximate fair values due to the fair values are also not significantly different to their carrying amounts.

## **9 Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**a) Recognition of interest income from loans to non-performing assets**

The Group recognises interest income from loans to non-performing assets based on credit-adjusted effective interest rate by estimated future cash inflow from loans to non-performing assets according to quality, type and age of debt referring to historical records of debt collection discounted with credit-adjusted effective interest rate.

**b) Estimated impairment of loans to non-performing assets**

The Group annually evaluates whether loans to non-performing assets have suffered any impairment, in accordance with the accounting policy stated in Note 4.7 (d). The recoverable amounts have been determined based on the present value of estimated future cash receipts that have been revised discounted at the original credit-adjusted effective interest rate which reflects the quality of non-performing assets as at the financial report date.

**c) Allowance for expected credit loss of loans to customers**

Management uses judgment in estimating the allowance for expected credit loss of loans to customers by considering overdue period of receivables and type of collateral. The assessment is based on historical debt collection experiences, historical default, and future market trends.

**d) Deferred tax assets**

The Group recognises deferred tax assets only to the extent that it is probable that the future taxable profit will be available against which the temporary differences can be utilised. Management estimates the amount of deferred tax assets to be recognised by considering the expected taxable profit of each upcoming period.



## 10 Segment information

The Group reports based on segments by presenting main business as main reported segments by considering the types of business in which the Group operates.

The Group operates in 3 main segments:

- 1) Segment of debt tracking and collection service
- 2) Segment of management of non-performing assets
- 3) Segment of lending service

The financial statements are reported by segments in consolidated financial statements:

<b>Consolidated financial statements</b>				
<b>For the year ended 31 December 2022</b>				
	<b>Debt tracking and collection service Baht</b>	<b>Management of non-performing assets Baht</b>	<b>Lending service Baht</b>	<b>Total Baht</b>
Revenues	350,373,712	415,376,304	29,489,866	795,239,882
<u>Less</u> Revenues from inter-segment	(123,946,544)	-	-	(123,946,544)
Revenues from segment	226,427,168	415,376,304	29,489,866	671,293,338
Costs	(164,887,583)	(165,739,102)	(1,999,619)	(332,626,304)
<u>Less</u> Costs from inter-segment	-	104,507,346	1,134,675	105,642,021
Costs from segment	(164,887,583)	(61,231,756)	(864,944)	(226,984,283)
Segment results	61,539,585	354,144,548	28,624,922	444,309,055
Administrative expenses				(102,944,901)
Interest income				414,423
Other income				4,908,142
Expected credit loss				(148,035,956)
Finance costs				(19,914,687)
Profit before income tax				178,736,076
Income tax expense				(34,646,235)
Net profit for the year				144,089,841
Timing of revenue recognition under TFRS 15				
At a point in time				231,335,310
Over time				-

<b>Consolidated financial statements</b>				
<b>For the year ended 31 December 2021</b>				
	<b>Debt tracking and collection service Baht</b>	<b>Management of non-performing assets Baht</b>	<b>Lending service Baht</b>	<b>Total Baht</b>
Revenues	336,896,014	375,263,372	77,057,002	789,216,388
<u>Less</u> Revenues from inter-segment	(60,627,627)	-	-	(60,627,627)
Revenues from segment	276,268,387	375,263,372	77,057,002	728,588,761
Costs	(157,828,466)	(121,230,508)	(8,961,789)	(288,020,763)
<u>Less</u> Costs from inter-segment	-	47,126,389	2,667,334	49,793,723
Costs from segment	(157,828,466)	(74,104,119)	(6,294,455)	(238,227,040)
Segment results	118,439,921	301,159,253	70,762,547	490,361,721
Administrative expenses				(95,720,674)
Interest income				907,844
Other income				3,993,540
Expected credit loss				(50,136,563)
Finance costs				(10,721,541)
Profit before income tax				338,684,327
Income tax expense				(67,809,147)
Net profit for the year				270,875,180
Timing of revenue recognition under TFRS 15				
At a point in time				280,261,927
Over time				-

Disaggregation of revenue from contracts with customers for the separate financial information are as follows;

<b>For the year ended 31 December</b>		<b>Separate financial statement</b>	
		<b>2022</b>	<b>2021</b>
		<b>Debt tracking and collection service Baht</b>	<b>Debt tracking and collection service Baht</b>
Timing of revenue recognition under TFRS 15:			
- At a point in time		353,153,452	338,309,066
- Over time		-	-
Total revenue		353,153,452	338,309,066

## 11 Cash and cash equivalents

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022 Baht</b>	<b>2021 Baht</b>	<b>2022 Baht</b>	<b>2021 Baht</b>
Cash on hand	255,000	250,000	230,000	225,000
Bank deposits	114,954,373	199,900,610	3,150,038	30,107,127
Total	115,209,373	200,150,610	3,380,038	30,332,127

As at 31 December 2022, the interest rates on bank saving accounts were 0.150% - 0.350% per annum (2021: 0.050% - 0.125% per annum).

## 12 Restricted deposits at financial institutions

As at 31 December 2022 and 2021, restricted deposits at financial institutions of the Group are fixed deposits for securing the performance of debt tracking and collection service which is in the normal course of business.

## 13 Trade and other receivables

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Trade receivables	7,768,784	155,334	7,768,784	155,334
<u>Less</u> Allowance for expected credit loss	-	-	-	-
Trade receivables, net	7,768,784	155,334	7,768,784	155,334
Amounts due from related parties (Note 33.2)	-	-	1,656,163	9,803,259
Revenue department receivables	45,710,983	23,927,556	-	-
Accrued income	20,572,898	23,607,110	20,572,898	23,607,110
Accrued income from related parties (Note 33.2)	-	-	12,947,475	-
Prepaid expenses	12,655,777	8,086,117	8,611,123	4,003,915
Prepaid expenses - related party (Note 33.2)	1,500,000	-	1,500,000	-
Advances	2,231,282	3,999,138	2,231,282	3,999,138
Others	687,356	3,360,065	106,215	2,238
Total	91,127,080	63,135,320	55,393,940	41,570,994

### Fair values of trade receivables

Due to the short-term nature of the trade receivables, their carrying amount is considered to be the same as their fair value.

Trade receivables as at 31 December 2022 and 2021 can be analysed by aging as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Not yet due	6,168,467	155,334	6,168,467	155,334
Not up to 3 months	1,561,364	-	1,561,364	-
Up to 3 months	38,953	-	38,953	-
Trade receivables	7,768,784	155,334	7,768,784	155,334
<u>Less</u> Allowance for expected credit loss	-	-	-	-
Total	7,768,784	155,334	7,768,784	155,334

Amounts due from related parties as at 31 December 2022 and 2021 can be analysed by aging not over 3 months.

14 Financial assets and financial liabilities

As at 31 December 2022 and 2021, the Group classifies its financial assets and financial liabilities at amortised cost.

The following tables represent financial assets and liabilities classified by types of interest rate and maturity as at 31 December 2022 and 2021

	Consolidated financial statements								
	2022								
	Fixed rate			Floating rate			Non-interest bearing Baht	Total Baht	Average interest rate (%)
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht			
Financial assets									
Cash and cash equivalents	6,312,285	-	-	-	-	-	108,897,088	115,209,373	0.28
Short-term investments	100,074	-	-	-	-	-	-	100,074	0.50
Trade and other receivables	-	-	-	-	-	-	91,127,080	91,127,080	-
Other current assets	-	-	-	-	-	-	2,388,236	2,388,236	-
Restricted deposits at financial institutions	1,091,812	-	-	-	-	-	-	1,091,812	0.40
Loans to non-performing assets	-	-	1,780,755,041	-	-	-	-	1,780,755,041	18.46
Loans to customers	205,990,052	110,078,016	35,779,210	-	-	-	-	351,847,278	14.66
Other non-current assets	-	-	-	-	-	-	836,272	836,272	-
Total	213,494,223	110,078,016	1,816,534,251	-	-	-	203,248,676	2,343,355,166	
Financial liabilities									
Trade and other payables	-	-	-	-	-	-	20,469,746	20,469,746	-
Payables from financial institution	-	-	-	-	-	-	46,720,000	46,720,000	-
Short-term borrowings from financial institution	-	-	-	461,946,609	-	-	-	461,946,609	4.07
Long-term borrowings from financial institutions	2,449,337	7,677,666	-	107,267,124	164,626,144	-	-	282,020,271	5.13
Lease liabilities	3,136,589	9,305,800	-	-	-	-	-	12,442,389	5.64
Software license liabilities	2,841,536	4,892,052	-	-	-	-	-	7,733,588	4.64
Other non-current liabilities	-	-	-	-	-	-	5,291,250	5,291,250	-
Total	8,427,462	21,875,518	-	569,213,733	164,626,144	-	72,480,996	836,623,853	

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	Consolidated financial statements								
	2021								
	Fixed rate			Floating rate			Non-interest bearing Baht	Total Baht	Average interest rate (%)
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht			
<b>Financial assets</b>									
Cash and cash equivalents	5,928,720	-	-	-	-	-	194,221,890	200,150,610	0.08
Trade and other receivables	-	-	-	-	-	-	63,135,320	63,135,320	-
Other current assets	-	-	-	-	-	-	8,850,000	8,850,000	-
Restricted deposits at financial institutions	491,017	-	-	-	-	-	-	491,017	0.20
Loans to non-performing assets	-	-	1,415,340,364	-	-	-	-	1,415,340,364	24.37
Loans to customers	191,428,497	125,276,278	29,071,925	-	-	-	-	345,776,700	14.90
Other non-current assets	-	-	-	-	-	-	791,307	791,307	-
<b>Total</b>	<b>197,848,234</b>	<b>125,276,278</b>	<b>1,444,412,289</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>266,998,517</b>	<b>2,034,535,318</b>	
<b>Financial liabilities</b>									
Trade and other payables	-	-	-	-	-	-	16,532,740	16,532,740	-
Payables from financial institution	-	-	-	-	-	-	116,800,000	116,800,000	-
Short-term borrowings from financial institution	-	-	-	59,421,779	-	-	-	59,421,779	4.21
Long-term borrowings from financial institutions	8,033,290	-	-	113,181,766	227,378,878	639,697	-	349,233,631	4.30
Lease liabilities	2,600,342	10,911,506	-	-	-	-	-	13,511,848	5.53
Other non-current liabilities	-	-	-	-	-	-	4,741,250	4,741,250	-
<b>Total</b>	<b>10,633,632</b>	<b>10,911,506</b>	<b>-</b>	<b>172,603,545</b>	<b>227,378,878</b>	<b>639,697</b>	<b>138,073,990</b>	<b>560,241,248</b>	

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<b>Separate financial statements</b>									
<b>2022</b>									
	<b>Fixed rate</b>			<b>Floating rate</b>			<b>Non-interest bearing</b>	<b>Total</b>	<b>Average</b>
	<b>Within 1 year Baht</b>	<b>1 - 5 years Baht</b>	<b>Over 5 years Baht</b>	<b>Within 1 year Baht</b>	<b>1 - 5 years Baht</b>	<b>Over 5 years Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>interest rate (%)</b>
<b>Financial assets</b>									
Cash and cash equivalents	2,086,448	-	-	-	-	-	1,293,590	3,380,038	0.25
Short-term investments	100,074	-	-	-	-	-	-	100,074	0.50
Trade and other receivables	-	-	-	-	-	-	55,393,940	55,393,940	-
Short-term loans to related parties	-	-	-	804,000,000	-	-	-	804,000,000	4.38
Other current assets	-	-	-	-	-	-	2,388,237	2,388,237	-
Restricted deposits at financial institutions	1,091,812	-	-	-	-	-	-	1,091,812	0.40
Other non-current assets	-	-	-	-	-	-	780,421	780,421	-
<b>Total</b>	<b>3,278,334</b>	<b>-</b>	<b>-</b>	<b>804,000,000</b>	<b>-</b>	<b>-</b>	<b>59,856,188</b>	<b>867,134,522</b>	
<b>Financial liabilities</b>									
Trade and other payables	-	-	-	-	-	-	17,782,135	17,782,135	-
Long-term borrowings from financial institutions	2,449,337	7,677,666	-	43,290,515	111,802,021	-	-	165,219,539	5.14
Lease liabilities	3,311,089	7,190,388	-	-	-	-	-	10,501,477	5.64
Software license liabilities	2,841,536	4,892,052	-	-	-	-	-	7,733,588	4.64
Other non-current liabilities	-	-	-	-	-	-	5,225,000	5,225,000	-
<b>Total</b>	<b>8,601,962</b>	<b>19,760,106</b>	<b>-</b>	<b>43,290,515</b>	<b>111,802,021</b>	<b>-</b>	<b>23,007,135</b>	<b>206,461,739</b>	
<b>Separate financial statements</b>									
<b>2021</b>									
	<b>Fixed rate</b>			<b>Floating rate</b>			<b>Non-interest bearing</b>	<b>Total</b>	<b>Average</b>
	<b>Within 1 year Baht</b>	<b>1 - 5 years Baht</b>	<b>Over 5 years Baht</b>	<b>Within 1 year Baht</b>	<b>1 - 5 years Baht</b>	<b>Over 5 years Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>interest rate (%)</b>
<b>Financial assets</b>									
Cash and cash equivalents	5,042,300	-	-	-	-	-	25,289,827	30,332,127	0.08
Trade and other receivables	-	-	-	-	-	-	41,570,994	41,570,994	-
Short-term loans to related parties	-	-	-	831,000,000	-	-	-	831,000,000	4.47
Restricted deposits at financial institutions	491,017	-	-	-	-	-	-	491,017	0.20
Other non-current assets	-	-	-	-	-	-	720,456	720,456	-
<b>Total</b>	<b>5,533,317</b>	<b>-</b>	<b>-</b>	<b>831,000,000</b>	<b>-</b>	<b>-</b>	<b>67,581,277</b>	<b>904,114,594</b>	
<b>Financial liabilities</b>									
Trade and other payables	-	-	-	-	-	-	13,179,335	13,179,335	-
Long-term borrowings from financial institutions	7,755,512	-	-	48,890,614	171,970,030	639,697	-	229,255,853	4.54
Lease liabilities	3,009,098	6,384,308	-	-	-	-	-	9,393,406	5.51
Other non-current liabilities	-	-	-	-	-	-	4,675,000	4,675,000	-
<b>Total</b>	<b>10,764,610</b>	<b>6,384,308</b>	<b>-</b>	<b>48,890,614</b>	<b>171,970,030</b>	<b>639,697</b>	<b>17,854,335</b>	<b>256,503,594</b>	

#### 14.1 Other financial assets at amortised cost

##### a) Classification of financial assets at amortised cost

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- held for the objective to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest

Financial assets at amortised cost of the Group include trade and other receivables, loans to non-performing assets and loans to customers.

Financial assets at amortised cost of the Company other than trade receivables, loan receivables and loans to non-performing assets include the following short-term loans to related parties:

	Separate financial statements					
	31 December 2022			31 December 2021		
	Current Baht	Non-current Baht	Total Baht	Current Baht	Non-current Baht	Total Baht
Short-term loans to related parties	804,000,000	-	804,000,000	831,000,000	-	831,000,000
Total	804,000,000	-	804,000,000	831,000,000	-	831,000,000

##### b) Fair values of financial assets at amortised cost

Due to the short-term nature of short-term loans to related parties and other current assets, their carrying amount is considered to be the same as their fair value. For the majority of the non-current assets, the fair values are also not significantly different to their carrying amounts.

##### c) Allowance for expected credit loss

All of the Group's and the Company's debt investments at amortised cost are considered to have low credit risk. The loss allowance recognised during the year was therefore limited to 12 months expected losses.

### 15 Loans to non-performing assets, net

As of 31 December 2022 and 2021, loans to non-performing assets are as follows:

	Consolidated financial statements	
	2022 Baht	2021 Baht
Loans to non-performing assets	2,171,999,132	1,639,972,078
<u>Add</u> Accrued interest income	210,697,281	127,188,938
<u>Less</u> Allowance for expected credit loss	(601,941,372)	(351,820,652)
Loans to non-performing assets, net	1,780,755,041	1,415,340,364



The movements of loans to non-performing assets for the year ended 31 December 2022 and 2021 are as follows:

	Consolidated financial statements	
	2022 Baht	2021 Baht
<b>At 1 January</b>	1,415,340,364	535,555,977
Additions	522,716,836	888,378,720
<u>Add</u> Accrued interest income	101,585,335	85,501,867
<u>Less</u> Proceeds from loans to non-performing assets	(73,866,567)	(44,138,107)
Write-off, net	(9,605,636)	(41,298,540)
Allowance for expected credit loss	(175,415,291)	(8,659,553)
<b>At 31 December</b>	<b>1,780,755,041</b>	<b>1,415,340,364</b>

As at 31 December 2022, loans to non-performing assets in the consolidated financial statements consisted of 136,740 contracts (2021: 140,064 contracts), and 148 contracts have secured assets (2021: 167 contracts) and the appraised value of collaterals is Baht 249.99 million (2021: Baht 277.15 million).

During the year ended 31 December 2022, there was bad debt recovery of Baht 622,197.

#### 15.1 Classified by loan type

	Consolidated financial statements	
	2022 Baht	2021 Baht
Hire-purchase receivables	952,979,321	571,051,437
Personal loan receivables	1,058,423,229	896,223,561
Housing loan receivables	160,596,582	172,697,080
<u>Add</u> Accrued interest income	210,697,281	127,188,938
Total loans and accrued interest income	2,382,696,413	1,767,161,016
<u>Less</u> Allowance for expected credit loss	(601,941,372)	(351,820,652)
<b>Total</b>	<b>1,780,755,041</b>	<b>1,415,340,364</b>

#### 15.2 Allowance for expected credit loss

The reconciliations of allowance for expected credit loss for loans to non-performing assets at amortised cost for the year ended 31 December 2022 and 2021 are as follows:

	Consolidated financial statements Purchased or originated credit- impaired financial assets	
	Baht	
<b>At 1 January 2021</b>		362,632,492
Increase in allowance for expected credit loss recognised in profit or loss during the year		13,900,984
Reversal of expected credit loss from settlement		(5,241,431)
Written off during the year as uncollectible		(19,471,393)
<b>At 31 December 2021</b>		351,820,652
Increase in allowance for expected credit loss recognised in profit or loss during the year		261,781,596
Reversal of expected credit loss from settlement		(8,354,726)
Written off during the year as uncollectible		(3,306,150)
<b>At 31 December 2022</b>		<b>601,941,372</b>

There is no expected credit loss in the separate financial statements as at 31 December 2022 and 2021.

## 16 Loans to customers, net

As at 31 December 2022 and 2021, loans to customers are as follows:

	Consolidated financial statements	
	2022 Baht	2021 Baht
Loans to customers	570,143,576	570,190,239
<u>Add</u> Accrued interest income*	479,332,299	219,817,951
<u>Less</u> Allowance for expected credit loss	(697,628,597)	(444,231,490)
Loans to customers, net	351,847,278	345,776,700
<b>Loans to customers, net:</b>		
Current portion	205,990,052	191,428,497
Non-current portion	145,857,226	154,348,203
	351,847,278	345,776,700

\* Accrued interest income of customers in stage-3 will be recognised the interest income with the net of the expected credit loss in statement of comprehensive income.

As at 31 December 2022, this accrued interest income has not been offset with expected credit loss amounting to Baht 477.38 million (31 December 2021: Baht 218.73 million).

The movements of loans to customers during the years ended 31 December 2022 and 2021 are as follows:

		Consolidated financial statements	
	Note	2022 Baht	2021 Baht
<b>At 1 January</b>		345,776,700	247,267,806
<u>Add</u> Additional loans		59,451,311	160,336,987
Additions from debt restructuring according to court judgment	(a)	88,426,407	26,159,754
Accrued interest income		157,725,167	77,330,243
<u>Less</u> Proceeds from loans to customers		(105,499,492)	(67,688,620)
Derecognition from debt restructuring according to court judgment	(a)	(93,468,600)	(45,874,302)
Write-off, net		(4,107,497)	(2,504,914)
Allowance for expected credit loss		(96,456,718)	(49,250,254)
<b>At 31 December</b>		351,847,278	345,776,700

Note (a): For the year ended 31 December 2022, the Group entered into debt restructuring according to court judgment with 259 debtors, totalling principal and accrued interest of Baht 88.43 million, which met the derecognition conditions amounting to Baht 93.47 million. As a result, the Group recognised loss from debt restructuring amounting to Baht 5.04 million. (For the year ended 31 December 2021, the Group entered into debt restructuring according to court judgment with 101 debtors, totalling principal and accrued interest of Baht 26.16 million, which met the derecognition conditions amounting to Baht 45.87 million. As a result, the Group recognised loss from debt restructuring amounting to Baht 19.71 million.)

### Allowance for expected credit loss

The reconciliations of allowance for expected credit loss for loans to customers at amortised cost for the year ended 31 December 2022 and 2021 are as follows:

	Consolidated financial statements			
	Financial assets with an insignificant increase in credit risk (Level 1) Baht	Financial assets with a significant increase in credit risk (Level 2) Baht	Credit-impaired financial assets (Level 3) Baht	Total Baht
<b>At 1 January 2021</b>	6,726,847	5,797,120	384,630,099	397,154,066
Changes due to changes in stages	(904,924)	(1,716,813)	2,621,737	-
Changes due to remeasurement of allowance for expected credit loss	(2,802,139)	10,496,307	6,540,706	14,234,874
Purchase or acquisitions of financial assets	5,706,249	-	51,956,395	57,662,644
Derecognitions	(388,359)	(1,730,269)	(20,528,636)	(22,647,264)
Write-off	-	-	(2,172,830)	(2,172,830)
<b>At 31 December 2021</b>	8,337,674	12,846,345	423,047,471	444,231,490
Changes due to changes in stages	9,072,418	(6,908,707)	(2,163,711)	-
Changes due to remeasurement of allowance for expected credit loss	(11,391,377)	1,691,411	274,187,102	264,487,136
Purchase or acquisitions of financial assets	4,712,937	-	41,562,070	46,275,007
Derecognitions	(723,396)	(1,622,547)	(35,344,713)	(37,690,656)
Write-off	(1,212)	(1,140)	(19,672,028)	(19,674,380)
<b>At 31 December 2022</b>	10,007,044	6,005,362	681,616,191	697,628,597

### 17 Investments in subsidiaries

As at 31 December 2022 and 2021, the subsidiaries of the Group included in consolidated financial statement. The subsidiaries have only ordinary shares in which the Group directly holds those shares. The proportion of ownership interests held by the Group is equal to voting rights in subsidiaries held by the Group.

Company Name	Country of incorporation	Business	Ownership interest		Investment in cost method	
			2022	2021	2022 Baht	2021 Baht
			%	%		
CF Asia Asset Management Co., Ltd	Thailand	Management of non-performing assets	99.99	99.99	203,683,349	203,683,349
Resolution Way Co., Ltd.	Thailand	Management of non-performing assets and lending services	99.99	99.99	711,172,845	711,172,845
Courts Megastore (Thailand) Co., Ltd.	Thailand	Lending services	99.99	99.99	184,872,811	184,872,811
					1,099,729,005	1,099,729,005

During the year 2022, there was no change in the proportion of ownership interest of investments in subsidiaries.

The Group does not have subsidiaries that have material non-controlling interests.

18 Property, plant and equipment and right-of-use assets, net

	Consolidated financial statements							Right-of-use assets Baht
	Land Baht	Building and building improvements Baht	Office equipment Baht	Furniture and fixture Baht	Vehicles Baht	Assets under construction Baht	Total Baht	
<b>At 1 January 2021</b>								
Cost	169,050,043	77,608,206	31,616,965	5,150,767	4,849,479	41,421,139	329,696,599	10,356,533
<u>Less</u> Accumulated depreciation	-	(15,610,277)	(29,360,615)	(4,982,597)	(4,576,619)	-	(54,530,108)	(4,255,008)
Net book amount	169,050,043	61,997,929	2,256,350	168,170	272,860	41,421,139	275,166,491	6,101,525
<b>For the year ended 31 December 2021</b>								
Opening net book amount	169,050,043	61,997,929	2,256,350	168,170	272,860	41,421,139	275,166,491	6,101,525
Additions	-	-	2,508,602	13,413	-	60,052,413	62,574,428	10,227,777
Write-off, net	-	-	(2,555)	(287)	(1)	-	(2,843)	(232,751)
Depreciation charge	-	(6,325,664)	(1,098,146)	(62,836)	(271,755)	-	(7,758,401)	(2,950,584)
Closing net book amount	169,050,043	55,672,265	3,664,251	118,460	1,104	101,473,552	329,979,675	13,145,967
<b>At 31 December 2021</b>								
Cost	169,050,043	67,322,718	20,146,399	2,954,880	4,770,095	101,473,552	365,717,687	19,981,896
<u>Less</u> Accumulated depreciation	-	(11,650,453)	(16,482,148)	(2,836,420)	(4,768,991)	-	(35,738,012)	(6,835,929)
Net book amount	169,050,043	55,672,265	3,664,251	118,460	1,104	101,473,552	329,979,675	13,145,967

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Consolidated financial statements								
	Land Baht	Building and building improvements Baht	Office equipment Baht	Furniture and fixture Baht	Vehicles Baht	Assets under construction Baht	Total Baht	Right-of-use assets Baht
<b>At 1 January 2022</b>								
Cost	169,050,043	67,322,718	20,146,399	2,954,880	4,770,095	101,473,552	365,717,687	19,981,896
<u>Less</u> Accumulated depreciation	-	(11,650,453)	(16,482,148)	(2,836,420)	(4,768,991)	-	(35,738,012)	(6,835,929)
Net book amount	169,050,043	55,672,265	3,664,251	118,460	1,104	101,473,552	329,979,675	13,145,967
<b>For the year ended 31 December 2022</b>								
Opening net book amount	169,050,043	55,672,265	3,664,251	118,460	1,104	101,473,552	329,979,675	13,145,967
Additions	-	1,644,922	8,329,238	-	-	73,512,643	83,486,803	2,178,263
Write-off, net	-	-	(91,958)	(1)	-	-	(91,959)	-
Depreciation charge	-	(3,103,895)	(1,849,210)	(65,440)	-	-	(5,018,545)	(3,387,393)
Closing net book amount	169,050,043	54,213,292	10,052,321	53,019	1,104	174,986,195	408,355,974	11,936,837
<b>At 31 December 2022</b>								
Cost	169,050,043	68,967,640	26,536,084	2,784,290	4,770,095	174,986,195	447,094,347	22,160,159
<u>Less</u> Accumulated depreciation	-	(14,754,348)	(16,483,763)	(2,731,271)	(4,768,991)	-	(38,738,373)	(10,223,322)
Net book amount	169,050,043	54,213,292	10,052,321	53,019	1,104	174,986,195	408,355,974	11,936,837

As at 31 December 2022, land at net book value of Baht 169.05 million (2021: Baht 169.05 million) and buildings are pledged as collateral against long-term borrowings from financial institutions (Note 22).

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Separate financial statements								
	Land Baht	Building and building improvements Baht	Office equipment Baht	Furniture and fixture Baht	Vehicles Baht	Assets under construction Baht	Total Baht	Right-of-use assets Baht
<b>At 1 January 2021</b>								
Cost	161,919,822	72,738,427	29,835,462	4,702,619	3,453,217	41,421,139	314,070,686	9,982,418
<u>Less</u> Accumulated depreciation	-	(10,740,499)	(27,754,181)	(4,558,448)	(3,180,358)	-	(46,233,486)	(4,722,934)
Net book amount	161,919,822	61,997,928	2,081,281	144,171	272,859	41,421,139	267,837,200	5,259,484
<b>For the year ended 31 December 2021</b>								
Opening net book amount	161,919,822	61,997,928	2,081,281	144,171	272,859	41,421,139	267,837,200	5,259,484
Additions	-	-	2,388,612	13,413	-	60,052,413	62,454,438	7,486,927
Write-off, net	-	-	(2,389)	(281)	(1)	-	(2,671)	(232,751)
Depreciation charge	-	(6,325,664)	(1,006,241)	(38,850)	(271,755)	-	(7,642,510)	(3,282,939)
Closing net book amount	161,919,822	55,672,264	3,461,263	118,453	1,103	101,473,552	322,646,457	9,230,721
<b>At 31 December 2021</b>								
Cost	161,919,822	62,452,939	19,498,498	2,550,687	3,373,833	101,473,552	351,269,331	16,866,931
<u>Less</u> Accumulated depreciation	-	(6,780,675)	(16,037,235)	(2,432,234)	(3,372,730)	-	(28,622,874)	(7,636,210)
Net book amount	161,919,822	55,672,264	3,461,263	118,453	1,103	101,473,552	322,646,457	9,230,721

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	Separate financial statements							
	Land Baht	Building and building improvements Baht	Office equipment Baht	Furniture and fixture Baht	Vehicles Baht	Assets under construction Baht	Total Baht	Right-of-use assets Baht
<b>At 1 January 2022</b>								
Cost	161,919,822	62,452,939	19,498,498	2,550,687	3,373,833	101,473,552	351,269,331	16,866,931
<u>Less</u> Accumulated depreciation	-	(6,780,675)	(16,037,235)	(2,432,234)	(3,372,730)	-	(28,622,874)	(7,636,210)
Net book amount	161,919,822	55,672,264	3,461,263	118,453	1,103	101,473,552	322,646,457	9,230,721
<b>For the year ended 31 December 2022</b>								
Opening net book amount	161,919,822	55,672,264	3,461,263	118,453	1,103	101,473,552	322,646,457	9,230,721
Additions	-	1,644,922	8,289,326	-	-	73,512,643	83,446,891	4,544,424
Write-off, net	-	-	(91,957)	(1)	-	-	(91,958)	-
Depreciation charge	-	(3,103,895)	(1,770,657)	(65,440)	-	-	(4,939,992)	(3,577,548)
Closing net book amount	161,919,822	54,213,291	9,887,975	53,012	1,103	174,986,195	401,061,398	10,197,597
<b>At 31 December 2022</b>								
Cost	161,919,822	64,097,861	25,890,271	2,380,097	3,373,833	174,986,195	432,648,079	21,411,355
<u>Less</u> Accumulated depreciation	-	(9,884,570)	(16,002,296)	(2,327,085)	(3,372,730)	-	(31,586,681)	(11,213,758)
Net book amount	161,919,822	54,213,291	9,887,975	53,012	1,103	174,986,195	401,061,398	10,197,597

As at 31 December 2022, land at net book value of Baht 161.92 million (2021: Baht 161.92 million) and buildings are pledged as collateral against long-term borrowings from financial institutions (Note 22).



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For the year ended 31 December 2022, the Group has capitalised borrowing costs into cost of building under construction in the consolidated and separate financial statements amounting to Baht 3.35 million (2021: Baht 2.44 million). A capitalisation rate of 3.51% (2021: 4.22%) was used in calculation, representing an actual borrowing cost of the borrowings used in financing the construction project.

As at 31 December 2022 and 2021, net book value of right-of-use assets is as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022 Baht</b>	<b>2021 Baht</b>	<b>2022 Baht</b>	<b>2021 Baht</b>
Building	10,021,009	10,347,997	8,579,223	6,908,679
Equipment	1,915,828	2,797,970	1,618,374	2,322,042
<b>Total</b>	<b>11,936,837</b>	<b>13,145,967</b>	<b>10,197,597</b>	<b>9,230,721</b>

For the years ended 31 December 2022 and 2021, amounts recognised in profit or loss and cash flows relating to leases are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022 Baht</b>	<b>2021 Baht</b>	<b>2022 Baht</b>	<b>2021 Baht</b>
Depreciation charge of right-of-use assets:				
Building	2,505,252	2,069,600	2,873,880	2,580,427
Equipment	882,141	880,984	703,668	702,512
<b>Total</b>	<b>3,387,393</b>	<b>2,950,584</b>	<b>3,577,548</b>	<b>3,282,939</b>
<b>Total cash outflow for leases</b>	<b>3,972,000</b>	<b>3,687,000</b>	<b>4,062,000</b>	<b>3,906,000</b>
<b>Expense relating to leases of low-value assets</b>	<b>760,861</b>	<b>1,363,200</b>	<b>760,716</b>	<b>1,257,200</b>

## 19 Deferred income taxes

The analysis of deferred tax assets and deferred tax liabilities are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022 Baht</b>	<b>2021 Baht</b>	<b>2022 Baht</b>	<b>2021 Baht</b>
Deferred tax assets	124,696,041	103,991,892	4,627,076	3,526,315
Deferred tax liabilities	2,490,369	2,629,193	2,142,520	1,846,144
<b>Deferred income taxes, net</b>	<b>122,205,672</b>	<b>101,362,699</b>	<b>2,484,556</b>	<b>1,680,171</b>

The gross movement of the deferred income taxes accounts is as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022 Baht</b>	<b>2021 Baht</b>	<b>2022 Baht</b>	<b>2021 Baht</b>
At 1 January	101,362,699	119,179,685	1,680,171	1,691,704
(Charged)/credited to profit or loss (Note 31)	20,355,353	(17,816,986)	384,619	(11,533)
Credited to other comprehensive income	487,620	-	455,766	-
<b>At 31 December</b>	<b>122,205,672</b>	<b>101,362,699</b>	<b>2,484,556</b>	<b>1,680,171</b>

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The movement in deferred tax assets and liabilities is as follows:

	Consolidated financial statements						
	Loans to non-performing assets Baht	Loans to customers Baht	Lease liabilities Baht	Employee benefit obligations Baht	Intangible asset Baht	Tax losses Baht	Total Baht
<b>Deferred tax assets</b>							
At 1 January 2021	51,500,618	65,513,515	1,281,662	2,104,195	-	-	120,399,990
(Charged)/credited to profit or loss	1,697,056	(19,455,406)	1,420,707	(70,455)	-	-	(16,408,098)
At 31 December 2021	53,197,674	46,058,109	2,702,369	2,033,740	-	-	103,991,892
At 1 January 2022	53,197,674	46,058,109	2,702,369	2,033,740	-	-	103,991,892
(Charged)/credited to profit or loss	20,271,262	(1,229,111)	(213,891)	76,259	145,162	1,166,848	20,216,529
Credited to other comprehensive income	-	-	-	487,620	-	-	487,620
At 31 December 2022	73,468,936	44,828,998	2,488,478	2,597,619	145,162	1,166,848	124,696,041

	Consolidated financial statements		
	Right-of-use assets Baht	Software license liabilities Baht	Total Baht
<b>Deferred tax liabilities</b>			
At 1 January 2021	1,220,305	-	1,220,305
Charged to profit or loss	1,408,888	-	1,408,888
At 31 December 2021	2,629,193	-	2,629,193
At 1 January 2022	2,629,193	-	2,629,193
Charged/(credited) to profit or loss	(241,825)	103,001	(138,824)
At 31 December 2022	2,387,368	103,001	2,490,369

	Separate financial statements			
	Lease liabilities Baht	Employee benefit obligations Baht	Intangible asset Baht	Total Baht
<b>Deferred tax assets</b>				
At 1 January 2021	1,105,726	1,637,875	-	2,743,601
Credited to profit or loss	772,955	9,759	-	782,714
At 31 December 2021	1,878,681	1,647,634	-	3,526,315
At 1 January 2022	1,878,681	1,647,634	-	3,526,315
Credited to profit or loss	221,614	278,219	145,162	644,995
Credited to other comprehensive income	-	455,766	-	455,766
At 31 December 2022	2,100,295	2,381,619	145,162	4,627,076

	Separate financial statements		
	Right-of-use assets Baht	Software license liabilities Baht	Total Baht
<b>Deferred tax liabilities</b>			
At 1 January 2021	1,051,897	-	1,051,897
Charged to profit or loss	794,247	-	794,247
At 31 December 2021	1,846,144	-	1,846,144
At 1 January 2022	1,846,144	-	1,846,144
Charged to profit or loss	193,375	103,001	296,376
At 31 December 2022	2,039,519	103,001	2,142,520

Deferred income tax assets are recognised for tax loss and carried forwards only to the extent that realising the related tax benefit through future taxable profits is probable. The Group does not have any unrecognised deferred tax assets in 2022 (2021: Nil).

## 20 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Trade payables	709,783	1,681,759	566,118	1,603,701
Amounts due to related parties (Note 33.2)	-	-	5,000	59,192
Accrued expenses	13,936,377	10,654,103	12,280,043	8,187,350
Others	5,823,586	4,196,878	4,930,974	3,329,092
<b>Total</b>	<b>20,469,746</b>	<b>16,532,740</b>	<b>17,782,135</b>	<b>13,179,335</b>

## 21 Payables from financial institution

As at 31 December 2022 and 2021, payables from financial institution are as follows:

	Consolidated financial statement	
	2022 Baht	2021 Baht
<b>Payables from financial institution:</b>		
Current portion	46,720,000	70,080,000
Non-current portion	-	46,720,000
	<b>46,720,000</b>	<b>116,800,000</b>

As at 31 December 2022, the Group had an outstanding balance of payables from financial institution from purchase of non-performing assets from bank amounting to Baht 46.72 million (2021: Baht 116.80 million). The payments are in the installment of 24 months at Baht 5.84 million per month without interest. The first installment was paid in September 2021.

## 22 Borrowings

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Current</b>					
Short-term borrowings from financial institution	(a)	461,946,609	59,421,779	-	-
Current portion of:					
- long-term borrowings from financial institutions	(b)	109,716,461	121,215,056	45,739,852	56,646,126
- lease liabilities		3,136,589	2,600,342	3,311,089	3,009,098
Total current borrowings		574,799,659	183,237,177	49,050,941	59,655,224
<b>Non-current</b>					
Long-term borrowings from financial institutions	(b)	172,303,810	228,018,575	119,479,687	172,609,727
Lease liabilities		9,305,800	10,911,506	7,190,388	6,384,308
Total non-current borrowings		181,609,610	238,930,081	126,670,075	178,994,035
Total		756,409,269	422,167,258	175,721,016	238,649,259

(a) The movement of short-term borrowings from financial institution for the year ended 31 December 2022 and 2021 is as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>At 1 January</b>	59,421,779	28,657,428	-	10,031,371
Additional loans	865,666,815	60,000,000	-	-
Repayments of loans	(462,833,408)	(28,657,428)	-	(10,031,371)
Front-end fee to financial institutions	(4,028,334)	(600,000)	-	-
Amortisation of front-end fee to financial institutions	3,719,757	21,779	-	-
<b>At 31 December</b>	461,946,609	59,421,779	-	-

(b) The movement of long-term borrowings from financial institutions for the year ended 31 December 2022 and 2021 is as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>At 1 January</b>	349,233,631	411,795,861	229,255,853	280,902,974
Additional loans	61,324,688	132,000,000	-	12,000,000
Repayments of loans	(128,549,584)	(195,980,176)	(63,942,780)	(65,365,067)
Front-end fee to financial institutions	(153,312)	(300,000)	-	-
Adjustment to accrued interest	(168,549)	1,330,044	(404,475)	1,330,044
Amortisation of front-end fee to financial institutions	333,397	387,902	310,941	387,902
<b>At 31 December</b>	282,020,271	349,233,631	165,219,539	229,255,853

### Details of borrowings from financial institutions

The details of borrowings are as follows:

Consolidated financial statements				
	Amount Baht	Maturity date	Interest rate %	Interest payment term
<b>As at 31 December 2022</b>				
Short-term borrowings from financial institution	461,946,609	Within 1 year	MLR - 2.25	Monthly
Long-term borrowings from financial institutions	282,020,271	Within 1 - 9 years	2.00 - MLR	Monthly
Consolidated financial statements				
	Amount Baht	Maturity date	Interest rate %	Interest payment term
<b>As at 31 December 2021</b>				
Short-term borrowings from financial institution	59,421,779	Within 1 year	MLR - 2.25	Monthly
Long-term borrowings from financial institutions	349,233,631	Within 1 - 10 years	2.00 - MLR	Monthly
Separate financial statements				
	Amount Baht	Maturity date	Interest rate %	Interest payment term
<b>As at 31 December 2022</b>				
Long-term borrowings from financial institutions	165,219,539	Within 1 - 9 years	2.00 - MLR	Monthly
Separate financial statements				
	Amount Baht	Maturity date	Interest rate %	Interest payment term
<b>As at 31 December 2021</b>				
Long-term borrowings from financial institutions	229,255,853	Within 1 - 10 years	2.00 - MLR	Monthly

### Borrowings from financial institutions

During the year 2022, the Group and the Company recognised interest expenses relating to the borrowings from financial institutions amounting to Baht 22.28 million and Baht 7.63 million, respectively (2021: Baht 12.60 million and Baht 11.31 million, respectively).

The interest rate risk exposure on the borrowings of the Group is as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Borrowings:				
- at fixed rates	10,127,003	8,033,290	10,127,003	7,755,512
- at floating rates	733,839,877	400,622,120	155,092,536	221,500,341
Total	743,966,880	408,655,410	165,219,539	229,255,853

The effective interest rates at the statement of financial position date are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Short-term borrowings from financial institution	3.71	4.21	None	None
Long-term borrowings from financial institutions	2.12 - 6.47	1.22 - 5.99	2.12 - 6.47	1.25 - 5.99

The Group's and the Company's borrowings with secured liabilities are amounting Baht 743.97 million and Baht 165.22 million, respectively (2021: Baht 408.66 million and Baht 229.26 million, respectively). The borrowings from financial institutions are collateralised by the Company's and subsidiaries' directors and subsidiaries. The borrowings are secured by the Group's land and buildings (Note 18), directors' land and buildings, company's shares held by director, and the rights in non-performing assets of subsidiaries.

## 23 Employee benefit obligations

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Statement of financial position:				
Retirement benefits	12,988,095	10,168,700	11,908,093	8,238,167
Liabilities in the statement of financial position	12,988,095	10,168,700	11,908,093	8,238,167

The movement of defined benefit obligations during the year is as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>At 1 January</b>	10,168,700	10,520,977	8,238,167	8,189,376
Current service cost	1,006,137	1,018,951	1,714,192	748,222
Interest cost	131,831	122,105	126,907	100,569
Benefits paid	(756,668)	(1,493,333)	(450,000)	(800,000)
	10,550,000	10,168,700	9,629,266	8,238,167
Remeasurement:				
Loss from change in demographic assumptions and financial assumptions	2,438,095	-	2,278,827	-
<b>At 31 December</b>	12,988,095	10,168,700	11,908,093	8,238,167

The principal actuarial assumptions used are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Discount rate	1.37 - 5.29	0.36 - 2.90	1.37 - 5.29	0.36 - 2.90
Salary increase rate	2.50 - 6.00	2.00 - 6.00	2.50 - 6.00	2.00 - 6.00
Turnover rate	0.00 - 25.00	0.00 - 25.00	0.00 - 25.00	0.00 - 25.00

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Sensitivity analysis of actuarial assumptions is as follows:

	Consolidated financial statements					
	Change in assumptions		Impact on retirement benefit obligations			
			Increase in assumption		Decrease in assumption	
	2022 %	2021 %	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Discount rate	1.00	1.00	(1,190,164)	(1,042,679)	1,400,995	1,196,853
Salary increase rate	1.00	1.00	1,384,593	1,320,286	(1,199,005)	(1,131,643)
Turnover rate	20.00	20.00	(1,276,273)	(1,278,053)	1,565,691	1,647,123
	Separate financial statements					
	Change in assumptions		Impact on retirement benefit obligations			
			Increase in assumption		Decrease in assumption	
	2022 %	2021 %	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Discount rate	1.00	1.00	(1,094,503)	(862,196)	1,291,094	991,597
Salary increase rate	1.00	1.00	1,276,413	1,089,803	(1,102,970)	(934,237)
Turnover rate	20.00	20.00	(1,195,365)	(1,063,329)	1,470,441	1,367,759

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method has been applied as when calculating the liability recognised in the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis do not change from the previous year.

The weighted average duration of the retirement benefit is 16.8 years (2021: 15.9 years).

Expected maturity analysis of undiscounted retirement benefits is as follows:

	Consolidated financial statements				
	Less than 1 year Baht	1 - 2 years Baht	2 - 5 years Baht	Over 5 years Baht	Total Baht
<b>As at 31 December 2022</b>					
Retirement benefit	4,365,508	756,330	1,454,552	48,820,736	55,397,126
<b>As at 31 December 2021</b>					
Retirement benefit	763,936	1,055,562	2,164,823	25,351,495	29,335,816
	Separate financial statements				
	Less than 1 year Baht	1 - 2 years Baht	2 - 5 years Baht	Over 5 years Baht	Total Baht
<b>As at 31 December 2022</b>					
Retirement benefit	4,365,508	756,330	901,066	46,140,796	52,163,700
<b>As at 31 December 2021</b>					
Retirement benefit	330,703	1,055,562	1,471,917	20,551,949	23,410,131



## 24 Share capital

	Consolidated and Separate financial statements			
	Number of shares - issued and paid-up Shares	Ordinary shares - issued and paid-up Baht	Share premium, net Baht	Total Baht
<b>As at 1 January 2020 - As previously</b>	5,097,436	509,743,600	1,127,981,294	1,637,724,894
Impacts from changes in accounting policies	-	-	(1,085,837,589)	(1,085,837,589)
<b>As at 31 December 2020 - As restated</b>	5,097,436	509,743,600	42,143,705	551,887,305
<b>As at 1 January 2021</b>	5,097,436	509,743,600	42,143,705	551,887,305
Issuance of ordinary shares	2,744,773	274,477,300	645,522,700	920,000,000
Costs of share issuance, net of tax	-	-	(22,080,000)	(22,080,000)
<b>As at 31 December 2021</b>	7,842,209	784,220,900	665,586,405	1,449,807,305
<b>As at 1 January 2021 - As previously reported</b>	7,842,209	784,220,900	1,751,423,994	2,535,644,894
Impacts from changes in accounting policies	-	-	(1,085,837,589)	(1,085,837,589)
<b>As at 31 December 2021 - As restated</b>	7,842,209	784,220,900	665,586,405	1,449,807,305
<b>As at 1 January 2022</b>	7,842,209	784,220,900	665,586,405	1,449,807,305
Changes in the par value of ordinary shares	1,560,599,591	-	-	-
<b>As at 31 December 2022</b>	1,568,441,800	784,220,900	665,586,405	1,449,807,305

As at 31 December 2022, the total number of authorised ordinary shares is 1,985,441,800 shares with a par value of Baht 0.50 each (2021: 7,842,209 shares with a par value of Baht 100 each). The total number of issued and paid-up ordinary shares is 1,568,441,800 shares with a par value of Baht 0.50 each (2021: 7,842,209 shares with a par value of Baht 100 each).

At the Extraordinary General Meeting of Shareholders No.1/2022 on 5 August 2022, the shareholders passed a resolution to approve the change in par value of the ordinary shares from original par value of Baht 100 per share to a par value of Baht 0.50 per share and has passed a resolution to approve the increase in registered share capital from Baht 784,220,900 to Baht 992,720,900 by issuing and offering 417,000,000 new ordinary shares with a par value of Baht 0.50 per share. The Company registered with the Ministry of Commerce on 9 August 2022.

At the Extraordinary General Meeting of Shareholders No. 2/2021 dated 25 February 2021, the shareholders passed a resolution to approve the increase of authorised share capital from 5,097,436 ordinary shares with a par value of Baht 100 each to 7,842,209 ordinary shares with a par value of Baht 100 each. On 2 March 2021, the Company received a payment of additional 2,744,773 ordinary shares with a par value of Baht 100 each at Baht 335.18 per share, representing paid-up totalling of Baht 274,477,300 and share premium of Baht 645,522,700. There are transaction costs incurred from share issuance amounting to Baht 22,080,000 (net of tax amounting to Baht 5,520,000). The Company registered the increased share capital with the Ministry of Commerce on 1 March 2021.

## 25 Legal reserve

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>At 1 January</b>	-	-	-	-
Appropriation during the year	5,207,816	-	5,207,816	-
<b>At 31 December</b>	5,207,816	-	5,207,816	-

Under the Public Companies Act., B.E. 2535, the Company is required to set aside as statutory reserve at least 5 percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. This reserve is not available for dividend distribution.

## 26 Interest income, net

	Consolidated financial statements		Separate financial statements	
<b>For the year ended 31 December</b>	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Interest income from loans to non-performing assets	408,323,200	306,893,726	-	-
Interest income from loans to customers, net	29,489,866	77,057,002	-	-
Interest income from bank deposits	414,423	906,148	278,156	878,916
Interest income from loans to related parties (Note 33.1)	-	1,696	32,968,621	16,866,356
<b>Total</b>	<b>438,227,489</b>	<b>384,858,572</b>	<b>33,246,777</b>	<b>17,745,272</b>

## 27 Gain from derecognition of loans to non-performing assets

Gain from derecognition of loans to non-performing assets which met the derecognition conditions arises from the change of contracts from receivable of loans to non-performing assets to Group's receivable of loans to customers.

	Consolidated financial statements	
<b>For the year ended 31 December</b>	2022 Baht	2021 Baht
Gain from derecognition of loans to non-performing assets	7,053,104	68,369,646

Gain from derecognition was not presented with net of expected credit loss.

## 28 Service and professional fee income

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Debt tracking and collections service fee income				
- others	182,376,599	215,346,895	182,376,599	215,346,895
- related parties (Note 33.1)	-	-	59,060,272	34,690,486
Professional fee income				
- others	44,050,569	60,921,492	44,050,569	60,921,492
- related parties (Note 33.1)	-	-	46,581,750	15,103,237
Management fee income				
- related parties (Note 33.1)	-	-	18,304,522	10,833,904
Total	226,427,168	276,268,387	350,373,712	336,896,014

## 29 Expenses by nature

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Staff costs	197,767,903	192,730,281	189,731,964	165,207,377
Debts collection expenses	2,426,620	2,298,580	1,054,258	1,553,250
Professional fees	20,559,244	27,827,210	3,926,044	2,414,700
Consulting fees	3,432,207	3,015,710	3,348,207	3,015,710
Rental, electricity, and utility expenses	8,763,694	7,948,798	7,471,385	6,795,286
Depreciation and amortisation	8,767,010	10,864,989	8,878,611	11,081,453
Fees	54,521,743	57,693,673	11,817,907	10,780,049

## 30 Finance costs

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Interest and finance costs related to lease liabilities	983,755	813,299	877,124	534,392
Interest related to borrowings from financial institutions	18,930,932	9,908,242	4,283,681	8,624,845
Total	19,914,687	10,721,541	5,160,805	9,159,237

### 31 Income tax expense

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Current tax:</b>				
Current tax on profits for the year	54,994,526	49,992,161	26,611,242	25,150,142
Adjustments in respect of prior year (over) under	7,062	-	(457,198)	-
	55,001,588	49,992,161	26,154,044	25,150,142
<b>Deferred tax:</b>				
Origination and reversal of temporary differences (Note 19)	(20,355,353)	17,816,986	(348,619)	11,533
<b>Income tax expense</b>	<b>34,646,235</b>	<b>67,809,147</b>	<b>25,805,425</b>	<b>25,161,675</b>

Income tax on the Group's and the Company's profit before tax is as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Profit before tax</b>	<b>178,736,077</b>	<b>338,684,327</b>	<b>129,961,751</b>	<b>121,894,862</b>
Tax calculated at a tax rate of 20%	35,747,215	67,736,865	25,992,350	24,378,972
<b>Tax effect of:</b>				
Income not subject to tax	(1,520,718)	-	-	-
Expenses additionally deductible for tax purpose	-	(2,000)	-	(2,000)
Non-tax deductible expenses	412,676	3,260,865	270,273	784,703
Utilisation of previously unrecognised tax losses	-	(3,186,583)	-	-
Adjustments in respect of prior year (over) under	7,062	-	(457,198)	-
<b>Income tax expense</b>	<b>34,646,235</b>	<b>67,809,147</b>	<b>25,805,425</b>	<b>25,161,675</b>

The weighted average applicable tax rate was 19.38% (2021: 20.02%) for consolidated financial statements and 19.86% (2021: 20.64%) for separate financial statements.

### 32 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to ordinary shareholders of the parent company by the weighted average number of ordinary shares outstanding held by shareholders during the year.

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Net profit attributable to ordinary shareholders of the parent company (Baht)	144,085,853	270,857,729	104,156,326	96,733,187
Weighted average number of ordinary shares outstanding held by shareholders* (shares)	1,568,441,800	1,473,905,587	1,568,441,800	1,473,905,587
Basic earnings per share (Baht per share)	0.09	0.18	0.07	0.07

\* Weighted average number of ordinary shares outstanding held by shareholders was taken the effect from the reduction in par value of ordinary shares from Baht 100 per share to Baht 0.50 per share.

There are no potential dilutive ordinary shares in issue during the year.

### 33 Related party transactions

Parties and individuals that, directly or indirectly through one or more intermediaries, control or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, key management personnel, including directors and employees of the Company and close family members of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The Group is controlled by Mr. Pracha Chaisuwan and family members, holding the Company's shares in proportion of 65% of total shares. The remaining 35% of the shares are held by RS Public Company Limited Group.

The related party transactions are made on trading norms and based on agreements.

Nature of relationship with related parties is as follows:

	Nature of relationship
Mr. Pracha Chaisuwan	Director and shareholder
Mr. Sutha Maneeprom	Director's related person
CF Asia Asset Management Co., Ltd.	Subsidiary
Resolution Way Co., Ltd.	Subsidiary
Courts Megastore (Thailand) Co., Ltd.	Subsidiary
RS Public Company Limited	Related party

#### 33.1 Transactions with related parties

Transactions with related parties are as follows:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Interest income</b>				
Subsidiaries	-	-	32,968,621	16,864,660
Related party	-	1,696	-	1,696
	-	1,696	32,968,621	16,866,356
<b>Service fee, Professional fee, and management fee income</b>				
Subsidiaries	-	-	123,946,544	60,627,627
<b>Finance costs</b>				
Subsidiaries	-	-	180,616	45,703
Related person	594,750	596,629	336,586	312,938
	594,750	596,629	517,202	358,641

### 33.2 Outstanding balances arising from services rendered

The outstanding balances at the end of the year in relation to transactions with related parties are as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>At 31 December</b>				
<b>Trade and other receivables</b>				
Subsidiaries	-	-	1,656,163	9,803,259
	-	-	1,656,163	9,803,259
<b>Accrued income</b>				
Subsidiaries	-	-	12,947,475	-
	-	-	12,947,475	-
<b>Prepaid expense</b>				
Related party	1,500,000	-	1,500,000	-
	1,500,000	-	1,500,000	-
<b>Other Payables</b>				
Subsidiaries	-	-	5,000	59,192
	-	-	5,000	59,192

### 33.3 Short-term loans to related parties

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>At 31 December</b>				
<b>Short-term loans to</b>				
Subsidiaries	-	-	804,000,000	831,000,000
Less Allowance for expected credit loss	-	-	-	-
Total	-	-	804,000,000	831,000,000

The movements of short-term loans to related parties can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Subsidiaries, related party, and related person</b>				
At 1 January	-	116,400	831,000,000	2,116,400
Loan additions during the year	-	-	98,000,000	910,000,000
Loan repayments during the year	-	(116,400)	(125,000,000)	(81,116,400)
At 31 December	-	-	804,000,000	831,000,000

Short-term loans to subsidiaries are unsecured, due at call and bear interest equal to the average interest rate of borrowings from commercial banks plus a mark-up of 0.50% per annum (2021: interest rate of 0.50% per annum).

The loans are current portion. The fair value approximates their carrying amount as the impact of discounting is not significant.

### 33.4 Short-term borrowings from related parties

The movements of short-term borrowings from related parties can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Subsidiaries and related person</b>				
At 1 January	-	35,406,806	-	5,163,889
Borrowing repayments during the year	-	(35,406,806)	-	(5,163,889)
At 31 December	-	-	-	-

### 33.5 Lease liabilities

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>At 31 December</b>				
<b>Lease liabilities</b>				
Subsidiary	-	-	2,963,885	1,543,399
Related person	10,602,295	10,763,282	6,052,586	5,645,447
	10,602,295	10,763,282	9,016,471	7,188,846



The movement of lease liabilities (net) for the year ended 31 December 2022 are as follows:

	Consolidated financial statements Baht	Separate financial statements Baht
<b>Subsidiaries</b>		
Opening balance	-	1,543,399
Lease modifications	-	2,799,870
Interest during the period	-	180,616
Payment during the period	-	(1,560,000)
Ending balance	-	2,963,885
<b>Related person</b>		
Opening balance	10,763,282	5,645,447
Lease modifications	2,178,263	1,744,553
Interest during the period	594,750	336,586
Payment during the period	(2,934,000)	(1,674,000)
Ending balance	10,602,295	6,052,586

### 33.6 Key management remunerations

The Group's key management includes directors (executive and non-executive), members of the executive committee. The remunerations paid or payable to key management are as follows:

	Consolidated financial statements		Separate financial statements	
For the year ended 31 December	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Salaries and other short-term employee benefits	20,138,894	15,694,086	18,721,906	13,851,895
Post-employment benefits	155,423	190,843	155,354	139,157
Total	20,294,317	15,884,929	18,877,260	13,991,052

### 33.7 Guarantee

As at 31 December 2022, The Group's and the Company's borrowings with secured liabilities are amounting Baht 743.97 million and Baht 165.22 million, respectively (2021: Baht 408.66 million and Baht 229.26 million, respectively). The borrowings from financial institutions are collateralised by the Company's and subsidiaries' directors and subsidiaries. The borrowings are secured by the Group's land and buildings (Note 18), directors' land and buildings, company's shares held by director, and the rights in non-performing assets of subsidiaries.

## 34 Commitments

As at 31 December, the Group has commitments as follows:

### 34.1 Capital commitments

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Property, plant and equipment	17,580,472	15,940,800	17,580,472	15,940,800

### 34.2 Commitments under lease and service contracts

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Not later than 1 year	2,704,780	1,359,600	2,515,300	1,263,600
Later than 1 year but not later than 5 years	2,109,340	2,640,000	1,968,000	2,488,000
Total	4,814,120	3,999,600	4,483,300	3,751,600

### 34.3 Letters of guarantee

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Letters of guarantee	700,000	228,000,000	700,000	500,000

Letters of guarantee issued by banks to third parties on behalf of the Group are for the normal course of business.

## 35 Events occurring after the reporting date

At the Board of Directors Meeting No. 1/2023 held on February 3, 2023, the Board of Directors approved the right to subscribe for newly issued ordinary shares to related persons who are directors and executives and employees of the Company and its subsidiaries who are entitled to be allocated no more than 23,672,000 shares at a price of Baht 2.90 per share, which this exercise price is considered a fair value with reference to the price of shares that the Company first initial public offering. Therefore, there was no impact on the consolidated and separate financial statements. By granting the right to purchase shares, there is a condition that must be an employee who works with the company until the date of share subscription. The Group has no legal obligation to buy back the rights or pay in cash.

On 16 February 2023, the Company received a payment of additional 417,000,000 ordinary shares with a par value of Baht 0.50 each at Baht 2.90 per share, representing paid-up totalling of Baht 208,500,000 and share premium of Baht 1,000,800,000. The Company registered the increased share capital with the Ministry of Commerce on 17 February 2023.

**Attachments**

**Attachment 1 Summary of Directors, Executives, Controllers, Top Authorized Person in Charge of Accounting and Finance, Authorized Person Directly in Charge of Bookkeeping**

Full Name/Position	Age (years)	Date of Appointment	Education	Training Records	Direct and Indirect Shareholding (percent)	Family Relationships between Directors and Executives	Work Experience		
							Timeline	Position	Company
<b>1. Mr. Pracha Chaisuwan</b> - Authorized Signatory Director - Chairman of the Executive Committee - Chief Executive Officer	63	August 4, 1998	Master of Arts in Political Science, Ramkhamhaeng University Bachelor of Laws, Dhurakij Pundit University	Director Accreditation Program (DAP) Class 187/2021, Thai Institute of Directors (IOD) Director Certification Program (DCP) Class 317/2022, Thai Institute of Directors (IOD)	Himself: 64.85 Spouse: 0.05 Minor Children: -None-	Spouse of Ms. Hathairat Kaewsaenmuang Father of Ms. Waraluck Chaisuwan and Ms. Suthida Chaisuwan	1998 - present	Director / Chairman of the Executive Committee / Chief Executive Officer	Chase Asia Public Company Limited
							1998 - present	Director / Managing Director	Asset Asia Co., Ltd.
							2015 - 2021	Managing Director	COURTS Megastore (Thailand) Co., Ltd.
							2003 - 2021	Managing Director	Resolution Way Co., Ltd.
<b>2. Ms. Hathairat Kaewsaenmuang</b> - Authorized Signatory Director - Member of the Nomination and Remuneration Committee / Member of the Executive Committee - Chief Operating Officer / Chief Information Technology Officer (Acting)	47	November 15, 2021	MBA (eCommerce), Queensland University of Technology Bachelor of Business Administration, Banking & Finance, Ramkhamhaeng University Bachelor of Laws, Chulalongkorn University	Director Accreditation Program (DAP) Class 187/2021, Thai Institute of Directors (IOD) Director Certification Program (DCP) Class 317/2022, Thai Institute of Directors (IOD)	Herself: 0.05 Spouse: 64.85 Minor Children: -None-	Spouse of Mr. Pracha Chaisuwan	2011 - present	Director / Member of the Nomination and Remuneration Committee / Member of the Executive Committee / Chief Operating Officer / Chief Information Technology Officer (Acting)	Chase Asia Public Company Limited
							2021 - present	Director / Managing Director	COURTS Megastore (Thailand) Co., Ltd.
							2013 - 2021	Managing Director	CF Asia Asset Management Co., Ltd.
<b>3. Ms. Waraluck Chaisuwan</b> - Authorized Signatory Director	41	January 27, 2021	Master of Business Administration, Monash University	Director Accreditation Program (DAP) Class 186/2021, Thai	Herself: 0.05 Spouse and Minor Children: -None-	Daughter of Mr. Pracha Chaisuwan Elder sister	2021 - present	Director / Member of the Executive Committee /	Chase Asia Public Company Limited

Full Name/Position	Age (years)	Date of Appointment	Education	Training Records	Direct and Indirect Shareholding (percent)	Family Relationships between Directors and Executives	Work Experience		
							Timeline	Position	Company
<ul style="list-style-type: none"> <li>- Member of the Executive Committee</li> <li>- Chief Financial Officer / Chief of Business Development and Investor Relations (Acting)</li> </ul>			Bachelor Degree in International Business Administration, University of the Thai Chamber of Commerce Bachelor of Laws, Chulalongkorn University	Institute of Directors (IOD) CFO's Orientation Course 2022 Financial Statements for Directors (FSD) Class 45/2022, Thai Institute of Directors (IOD)		of Ms. Suthida Chaisuwan		Chief Financial Officer / Chief of Business Development and Investor Relations (Acting)	
							2021 - present	Managing Director	Resolution Way Co., Ltd.
							2556 - 2564	Vice President	Siam Commercial Bank Public Company Limited
							2550 - 2556	Assistant Vice President	United Overseas Bank (Thai) Public Company Limited
<b>4. Ms. Suthida Chaisuwan</b> <ul style="list-style-type: none"> <li>- Authorized Signatory Director</li> <li>- Member of the Executive Committee</li> <li>- Chief Legal Officer</li> </ul>	34	March 1, 2021	Master Degree in International Commercial Law, University of Kent Postgraduate Certificate, Maritime Law, University of Nottingham Bachelor of Laws, Assumption University of Thailand	Director Accreditation Program (DAP) Class 187/2021, Thai Institute of Directors (IOD) Financial Statements for Directors (FSD) Class 45/2022, Thai Institute of Directors (IOD)	Herself: 0.05 Spouse and Minor Children: -None-	Daughter of Mr. Pracha Chaisuwan Younger sister of Ms. Waraluck Chaisuwan	2021 - present	Director / Member of the Executive Committee / Chief Legal Officer	Chase Asia Public Company Limited
							2021 - present	Director / Managing Director	CF Asia Asset Management Co., Ltd.
							2020	Senior Associate	Pisut and Partners Co., Ltd.
							2018 - 2020	Associate	Kudun and Partners Co., Ltd.
							2015 - 2018	Associate	Wissen & Co Ltd.
<b>5. Mr. Surachai Chetchotisak</b> <ul style="list-style-type: none"> <li>- Director</li> <li>- Member of the Executive Committee</li> </ul>	59	March 1, 2021	Honorary Doctorate of Business Administration, Chandrakasem Rajabhat University Bachelor of Political Science, Ramkhamhaeng University	Director Accreditation Program (DAP) Class 6/2003, Thai Institute of Directors (IOD)	-None-	-None-	2022 - present	Chairman / Director	RS Pet All Co., Ltd.
							2021 - present	Director / Member of the Executive Committee	Chase Asia Public Company Limited
							2021 - present	Director	Chetchot Holdings Co., Ltd.
							2021 - present	Chairman / Director	Fourth Apple Co., Ltd.
							2021 - present	Chairman / Director	RS Alpha Co., Ltd.

Full Name/Position	Age (years)	Date of Appointment	Education	Training Records	Direct and Indirect Shareholding (percent)	Family Relationships between Directors and Executives	Work Experience		
							Timeline	Position	Company
							2021 - present	Board Chairman	RS Public Company Limited
							2003 - present	Chairman of Executive Committee	
							1992 - present	Chief Executive Officer	
							2020 - present	Chairman / Director	R Alliance Co., Ltd.
							2016 - present	Chairman / Director	RS LiveWell Co., Ltd.
							2016 - present	Chairman / Director	RS Mall Co., Ltd.
							2015 - present	Director	Soaring Tiger Co., Ltd.
							2013 - present	Director	Golden Tiger Co., Ltd.
							2011 - present	Director	Chetchot Co., Ltd.
							2011 - present	Director	Tiger Fun Co., Ltd.
							2010 - present	Director	Membership Co., Ltd.
							2006 - present	Chairman / Director	RS International Broadcasting and Sport Management Co., Ltd.
							2001 - present	Chairman / Director	RS Connect Co., Ltd.
							1999 - present	Chairman / Director	Coolism Co., Ltd.
							1990 - present	Director	Chetchotisak Co., Ltd.
<b>6. Mr. Wittawat Wetchabutsakorn</b> - Director - Member of the Executive Committee	44	March 1, 2021	Master of Business Administration (MBA) Northeastern University, Boston, USA Master of Science in Finance (MSF) Northeastern University, Boston, USA	Director Accreditation Program (DAP) Class 191/2022, Thai Institute of Directors (IOD) CFO's Orientation Course for New IPOs Class 4- (Orientation 12 hours) by Thailand Securities Institute (TSI), the Stock	-None-	-None-	2022 - present	Director	RS Pet All Co., Ltd.
							2021 - present	Director	RS Mall Co., Ltd.
							2021 - present	Director	RS Alpha Co., Ltd.
							2021 - present	Director / Member of the Executive Committee	Chase Asia Public Company Limited
							2021 - present	Director	Fourth Apple Co., Ltd.

Full Name/Position	Age (years)	Date of Appointment	Education	Training Records	Direct and Indirect Shareholding (percent)	Family Relationships between Directors and Executives	Work Experience		
							Timeline	Position	Company
			Bachelor of Business Administration (BBA), International Program, Chulalongkorn University	Exchange of Thailand, Class 4/2020 CFO's Course for TFRS 2020 by Dharmniti Seminar and Training Co., Ltd. (2020) TFRS for PAEs, Thai Listed Companies Association (TLCA) TLCA CFO Professional Development Program (TLCA CFO CPD) Class 4/2021 "How finance leaders are adapting within the new normal", Thai Listed Companies Association (TLCA) TLCA CFO Professional Development Program (TLCA CFO CPD) Class 8/2021 "The modern CFO : Driving Digital Transformation of the Finance and Accounting", Thai Listed Companies Association (TLCA) TLCA CFO Professional Development Program (TLCA CFO CPD) Class 9/2021 "ESG related Financial Innovation", Thai Listed Companies Association (TLCA) TLCA CFO			2021 - present	Director	CF Asia Asset Management Co., Ltd.
							2021 - present	Director	Resolution Way Co., Ltd.
							2021 - present	Director	COURTS Megastore (Thailand) Co., Ltd.
							2020 - present	Director	R Alliance Co., Ltd.
							2020 - present	Director / Executive Director / Chief Financial Officer / Risk Management Committee / Chairman of the Corporate Governance and Sustainable Development Committee	RS Public Company Limited
							2018 - 2020	Group Chief Financial Officer / Deputy Chief Financial Officer	Equator Solar Capital Co., Ltd.
							2018 - 2020	Group Chief Financial Officer / Deputy Chief Financial Officer	Enserv Holding Co., Ltd.
							2018 - 2020	Director	Power Technology International Co., Ltd.
							2018 - 2020	Director	Energy Serv Co., Ltd.
							2018 - 2020	Director	Equator Solar Co., Ltd.
							2018 - 2020	Director	WXA 4 Co., Ltd.
							2018 - 2020	Director	WXA 5 Co., Ltd.



Full Name/Position	Age (years)	Date of Appointment	Education	Training Records	Direct and Indirect Shareholding (percent)	Family Relationships between Directors and Executives	Work Experience		
							Timeline	Position	Company
				Professional Development Program (TLCA CFO CPD) Class 4/2022 "Understanding of digital assets and Financial Technology (FinTech) and the role of CFO", Thai Listed Companies Association (TLCA) TLCA CFO Professional Development Program (TLCA CFO CPD) Class 5/2022 "Restructuring Business for Growth", Thai Listed Companies Association (TLCA) TLCA CFO Professional Development Program (TLCA CFO CPD) Class 6/2022 "The role of the CFO in corporate sustainability", Thai Listed Companies Association (TLCA)			2018 - 2020	Director	WXA 6 Co., Ltd.
							2018 - 2020	Director	WXA 7 Co., Ltd.
							2017 - 2018	Director (Structured Finance)	Minor International Public Company Limited
<b>7. Mr. Grish Attagrish</b> - Chairman of the Audit Committee / Independent Director	65	November 15, 2021	Master Degree in Marketing, Faculty of Commerce and Accountancy, Chulalongkorn University Bachelor Degree in Banking and Finance, Faculty of Commerce and Accountancy, Chulalongkorn University	Executive Training Program Class 1 Leadership Program, Capital Market Academy Director Accreditation Program (DAP) Class 191/2022, Thai Institute of Directors (IOD)	-None-	-None-	2021 - present	Chairman of the Audit Committee / Independent Director / Director	Chase Asia Public Company Limited
							2021 - 2022	Independent Director	Thai Roong Ruang Industry Co., Ltd.
							2017 - present	Independent Director	Zeer Property Public Company Limited
							2017 - present	Advisor	Baanrai Sugar Industry Co., Ltd.

Full Name/Position	Age (years)	Date of Appointment	Education	Training Records	Direct and Indirect Shareholding (percent)	Family Relationships between Directors and Executives	Work Experience		
							Timeline	Position	Company
							2017 - present	Advisor	Phitsanulok Sugar Co., Ltd.
							2017 - 2021	Advisor	Saksiam International, Co., Ltd., Saksiam Holding Co., Ltd., Saksiam Corporation (Thailand) Co., Ltd., Saksiam Inter Supply Co., Ltd., Saksiam Fertilizer Global Export Co., Ltd.
							2011 - 2017	First Executive Vice President (FEVP)	Siam Commercial Bank Public Company Limited
<b>8. Mr. Pradit Leosirikul</b> - Board Chairman / Independent Director / Member of the Audit Committee / Member of the Nomination and Remuneration Committee	69	November 15, 2021	Master Degree in Financial Management, West Coast University, USA Bachelor Degree in Management, College of Technology and Vocational Education Certificate in Management, Bangkok Commercial College	Director Certification Program (DCP) Class 136/2020, Thai Institute of Directors (IOD)	-None-	-None-	2021 - present	Board Chairman / Independent Director / Member of the Audit Committee / Member of the Nomination and Remuneration Committee	Chase Asia Public Company Limited
							2020 - present	Independent Director	Cigna Insurance Public Company Limited
<b>9. Mrs. Wansuda Thanasaranart</b> - Director / Independent Director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee	71	November 15, 2021	Master of Business Administration, Thammasat University Bachelor of Arts (Accounting), Chiang Mai University	Director Accreditation Program (DAP) Class 130/2016, Thai Institute of Directors (IOD)	-None-	-None-	2021 - present	Director / Independent Director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee	Chase Asia Public Company Limited
							2016 - present	Advisor to Bangkok Bank	Bangkok Bank Public Company Limited

Full Name/Position	Age (years)	Date of Appointment	Education	Training Records	Direct and Indirect Shareholding (percent)	Family Relationships between Directors and Executives	Work Experience		
							Timeline	Position	Company
							2016 - present	Member of the Audit Committee / Independent Director / Member of the Nomination and Remuneration Committee	RS Public Company Limited
							2007 - 2018	SVP Chinese and Corporate Customers	Bangkok Bank Public Company Limited
<b>10. Mr. Pisanupong Thitasilp</b> - Chief People Officer	66	May 13, 2022	Special Business Administration Program, Thammasat University Bachelor of Laws, Ramkhamhaeng University	-None-	-None-	-None-	2021 - present	Director	Resolution Way Co., Ltd.
							2022 2015 - 2022	Chief People Officer Director of Personnel Department	Chase Asia Public Company Limited
<b>11. Ms. Punnikaporn Talmool</b> - Accountant	36	November 1, 2021	Bachelor Degree in Accounting, Maejo University	Key Summary and Practical Issues of TFRS 9, TFRS 15 and TFRS 16 for 6 hours TFRS 9 Financial Instruments (Application and Samples) for 6 hours She is qualified as bookkeeper under the Notification of the Department of Business Development	-None-	-None-	2021 - present	Account Manager	Chase Asia Public Company Limited
							2018 – 2021	Assistant Account Manager	LG Electronics (Thailand) Co., Ltd.
							2017 – 2018	Account Manager	MAC Education Co., Ltd.

## Summary of Company Secretary

Full Name/Position	Age (years)	Date of Appointment	Education	Training Records	Direct and Indirect Shareholding (percent)	Family Relationships between Directors and Executives	Work Experience		
							Timeline	Position	Company
1. <b>Ms. Monnira Danwiwat</b> Company Secretary	33	October 19, 2021	LLM in International Trade Law, University of Leeds Postgraduate Certificate, Maritime Law, University of Nottingham Bachelor of Laws, Thammasat University	Company Secretary Program (CSP) Class 124/2021 Company Reporting Program (CRP) Class 30/2021 Effective Minutes Taking (EMT) Class 49/2021 Board Reporting Program (BRP) Class 38/2021	-None-	-None-	2021 - present	Assistant to Chief Legal Officer / Company Secretary	Chase Asia Public Company Limited
							2020 - 2021	Associate	Kompass Law Ltd.
							2019 - 2020	Associate	Dherakupt International Law Office Ltd.
							2018 - 2019	Associate	Siam Premier International Law Office Limited
							2015 - 2018	Associate	Bangkok Global Law Offices Limited

## Tenure of Directors, Executives and Controllers of the Company in Subsidiaries and Associated Companies

	Mr. Pracha Chaisuwan	Ms. Hathairat Kaewsaen-muang	Ms. Waraluck Chaisuwan	Ms. Suthida Chaisuwan	Mr. Surachai Chetchotisak	Mr. Wittawat Wetchabut-sakorn	Mr. Grish Attagrish	Mr. Pradit Leosirikul	Mrs. Wansuda Thanasaranart	Mr. Pisanupong Thitasilp
<b>Company</b> Chase Asia Public Company Limited	/, 0	/, 0, N	/, 0	/, 0	/, 0	/, 0	//, Ax	X, //, A, N	//, A, Nx	0
<b>Subsidiaries</b> Resolution Way Co., Ltd.			/, 0			/				/
CF Asia Asset Management Co., Ltd.				/, 0		/				
COURTS Megastore (Thailand) Co., Ltd.		/, 0				/				
<b>Associated Companies</b> Asset Asia Co., Ltd.	/, 0									
RS Public Company Limited					X, /, 0	/, 0, R			//, A, N	
RS Mall Co., Ltd.					X, /	/				
Coolism Co., Ltd.					X, /					
RS Connect Co., Ltd.					X, /					
R Alliance Co., Ltd.					X, /	/				
RS LiveWell Co., Ltd.					X, /					
Fourth Apple Co., Ltd.					X, /	/				
RS Alpha Co., Ltd.					X, /	/				
RS International Broadcasting and Sport Management Co., Ltd.					X, /					
Golden Tiger Co., Ltd.					/					
Soaring Tiger Co., Ltd.					/					
Chetchot Co., Ltd.					/					
Tiger Fun Co., Ltd.					/					
Membership Co., Ltd.					/					
Chetchotisak Co., Ltd.					/					
Chetchot Holdings Co., Ltd.					/					
RS Pet All Co., Ltd.					X, /	/				
Zeer Property Public Company Limited							//			
Thai Roong Ruang Industry Co., Ltd.							//			
Cigna Insurance Public Company Limited								//		

## Remark

X = Board Chairman

// = Independent Director

/ = Director

0 = Executive

Ax = Chairman of the Audit Committee

A = Member of the Audit Committee

Nx = Chairman of the Nomination and Remuneration Committee

N = Member of the Nomination and Remuneration Committee

R = Member of the Risk Management Committee

**Company Secretary's Duties and Responsibilities**

In order to comply with the Company's corporate governance policy and the requirements of the Securities and Exchange Act B.E. 2535 (1992) (as amended) (the "SEC Act") in respect of the Company Secretary's role and duties, the Company Secretary shall have the following scope of powers and authority, which must be performed with responsibility, due care and integrity and in compliance with the laws, objectives, articles of association, resolutions of the Board and resolutions of shareholders' meetings of the Company.

1. To hold meetings of the Board and of shareholders in accordance with the Company's articles of association, and applicable laws.
2. To take minutes of meetings of the Board and of shareholders, provide recommendations and facilitate the Company's and the Board's performance in line and compliance with applicable laws, objectives, articles of association, resolutions of the Board and shareholders' meetings, and the Company's corporate governance policy.
3. To provide directors and executives with knowledge and training on performance of their duties in the respective roles.
4. To make available documents and information related to performance of duties to current and new directors.
5. To provide introduction of laws, rules, regulations and the Company's articles of association that the Board and executives should have known, and regularly monitor their due compliance therewith, including corporate governance practices of the Board in accordance with applicable laws, rules and regulations.
6. To arrange for the Board's performance review.
7. To communicate and coordinate with the Company's internal units and regulatory agencies, e.g., the Office of the Securities and Exchange Commission (the "SEC Office") and the Stock Exchange of Thailand, and ensure accurate and complete disclosure of information and reports to regulatory agencies and the public.
8. To function as center for communication of news and updates among the Board, executives and shareholders.
9. To prepare and keep the Company's material documents, e.g., a register of directors, notices and minutes of meetings of the Board and of shareholders, and annual registration statements/annual reports (Form 56-1 One Report).
10. To keep reports on interests of directors and executives involved in the management of the Company or its subsidiaries under Section 89/14 of the SEC Act, and reports by directors or executives, and deliver such reports to the Board Chairman and the Chairman of the Audit Committee within 7 business days upon the Company's receipt thereof.
11. To keep copies of reports on securities holding and changes in securities holding filed by directors, executives and the Company's auditor to the SEC Office.
12. To survey transactions with any interests on a yearly basis every year end with directors, executives and/or related persons, and submit such information to the Audit Committee and the Board for information at least once a year.
13. To have other powers, authority and responsibilities as delegated by the Board and/or take other actions as required and announced by the Capital Market Supervisory Board.

## Attachment 2 Details of Directors of Subsidiaries

	Mr. Pracha Chaisuwan	Ms. Hathairat Kaewsaenmu ang	Ms. Suthida Chaisuwan	Mr. Surachai Chetchotisak	Mr. Wittawat Wetchabut- sakorn	Ms. Waraluck Chaisuwan	Mr. Grish Attagrish	Mr. Pradit Leosirikul	Mrs. Wansuda Thanasaranart	Mr. Pisanupong Thitasilp
Resolution Way Co., Ltd.					/	/, 0				/
CF Asia Asset Management Co., Ltd.			/, 0		/					
COURTS Megastore (Thailand) Co., Ltd.		/, 0			/					

Remark

/ = Director

0 = Executive

## Attachment 3 Details of Head of Internal Audit and Head of Compliance

Full Name	Age (years)	Date of Appointment	Education	Training Records	Direct and Indirect Shareholding (percent)	Family Relationships between Directors and Executives	Work Experience		
							Timeline	Position	Company
Mr. Nattakan Mungpien	43	February 28, 2022	Master Degree in Accounting, Chulalongkorn University Bachelor Degree in Business Administration, Accounting, Rajamangala University Technology Thanyaburi	Distinction between Personal and Public Interests Program, Office of the National Anti-Corruption Commission ISO 9001:2015 Internal Quality Audit and ISO 14001:2015 Internal Environmental Auditing (ISET Thailand Limited) Safety Office in Management Level IT Audit by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King Fraud Audit, The Institute of Internal Auditors of Thailand	-None-	-None-	2021 - present	Head of Internal Audit	Chase Asia Public Company Limited
							2018 - 2020	Internal Control Consultant	SP Audit Co., Ltd.
							2017	Business & Internal Control Manager	Chef Man Group of Restaurant



Moreover, the Company engages KPMG Phoomchai Business Advisory Co., Ltd., an outsource service provider, as independent internal auditor, whereby Mr. Supachate Kunaluckkul serves as key personnel in the operations, with his details as follows:

Full Name	Age (years)	Date of Appointment	Education	Training Records	Direct and Indirect Shareholding (percent)	Family Relationships between Directors and Executives	Work Experience		
							Timeline	Position	Company
Mr. Supachate Kunaluckkul	42	February 28, 2022	Master Degree in Accounting, Thammasat University Bachelor Degree of Accounting, Srinakharinwirot University	Certified Internal Auditor (CIA) Certified Information Systems Auditor (CISA)	-None-	-None-	2015 – present	Partner	KPMG Phoomchai Business Advisory Co., Ltd.
							2014 – 2015	Vice Executive Director	KPMG Phoomchai Business Advisory Co., Ltd.
							2012 – 2014	Manager	KPMG China, Guangzhou Office

The Company authorizes Ms. Monnira Danwiwat to act as Head of Compliance of the Company, with her details as follows:

Full Name/Position	Age (years)	Date of Appointment	Education	Training Records	Direct and Indirect Shareholding (percent)	Family Relationships between Directors and Executives	Work Experience		
							Timeline	Position	Company
Ms. Monnira Danwiwat	33	October 19, 2021	LLM in International Trade Law, University of Leeds Postgraduate Certificate, Maritime Law, University of Nottingham Bachelor of Laws, Thammasat University	Company Secretary Program (CSP) Class 124/2021 Company Reporting Program (CRP) Class 30/2021 Effective Minutes Taking (EMT) Class 49/2021 Board Reporting Program (BRP) Class 38/2021	-None-	-None-	2021 - present	Assistant to Chief Legal Officer / Company Secretary	Chase Asia Public Company Limited
							2020 - 2021	Associate	Kompass Law Ltd.
							2019 - 2020	Associate	Dherakupt International Law Office Ltd.
							2018 - 2019	Associate	Siam Premier International Law Office Limited
							2015 - 2018	Associate	Bangkok Global Law Offices Limited

## Attachment 4 Assets Used in Business Operations and Details on Asset Valuation

## 1. Fixed Assets Used in Business Operations

As at December 31, 2022, the net book value after depreciation of the Company's fixed assets used in the Group's business operations as presented in the Company's consolidated financial statements was Baht 439.19 million, with the details as follows:

Type/Description of Assets	Net Book Value (Million Baht)	Ownership	Obligation
1. Plant, property and equipment	408.36	Owner	Collateral of long-term loans from financial institutions in the amount of Baht 169.05 million
2. Right-of-use assets	11.94	Leasehold	None
3. Intangible assets	18.89	Owner	None
<b>Total</b>	<b>439.19</b>		

## 1.1 Property, plant and equipment

As at December 31, 2022, the net book value of property, plant and equipment per the Company's consolidated financial statements is detailed as follows:

Item	Net Book Value as at December 31, 2022 (Million Baht)	Ownership	Obligation
Land	169.05	Owner	Collateral of long-term loans from financial institutions in the amount of Baht 169.05 million
Buildings and building improvements	54.21	Owner	None
Office equipment	10.05	Owner	None
Furniture and fixture	0.06	Owner	None
Vehicles	0.00	Owner	None
Assets under construction	174.99	Owner	None
<b>Total</b>	<b>408.36</b>		

## 1.1.1 Land

Location	Area (rai-ngarn-wah)	Net Book Value (Million Baht)	Purpose of Use	Ownership	Obligation
Khlong Kluea Subdistrict, Pak Kret District, Nonthaburi Province	1-0-0	100.00	Head Office	Owner	Collateral of long-term loans from financial institutions
Pa Daet Subdistrict, Mueang Chiangmai District, Chiangmai Province	1-1-74.4	61.92	Branch Office	Owner	Collateral of long-term loans from financial institutions
Ladyao Subdistrict, Chatuchak District, Bangkok	0-0-87	7.13	Head Office	Owner	Collateral of long-term loans from financial institutions
<b>Total</b>		<b>169.05</b>			

## 1.1.2 Buildings and building improvements

Description and Location	Net Book Value (Million Baht)	Purpose of Use	Ownership	Obligation
Building, 166, Moo 10, Chiangmai – Hod Road, Pa Daet Subdistrict, Mueang Chiangmai District, Chiangmai Province	52.32	Office	Owner	None
Commercial Building, 8/10 Soi Vibhavadi Rangsit 44	0.00	Office	Owner	None

Description and Location	Net Book Value (Million Baht)	Purpose of Use	Ownership	Obligation
(Mongkhon Niwet), Vibhavadi Rangsit Road, Ladyao Subdistrict, Chatuchak District, Bangkok				
Khlong Kluea Subdistrict, Pak Kret District, Nonthaburi Province	1.89	Office	Owner	None
<b>Total</b>	<b>54.21</b>			

### 1.1.3 Other property, plant and equipment

Description	Net Book Value (Million Baht)	Purpose of Use	Ownership	Obligation
Office equipment	10.05	For use in the operations of branch and head offices	Owner	None
Furniture and fixture	0.06	For use as office furniture	Owner	None
Vehicles	0.00	For use in the operations	Owner	None
Assets under construction	174.99	Work under construction in the head office building	Owner	None
<b>Total</b>	<b>185.10</b>			

## 1.2 Right-of-use assets

As at December 31, 2022, the net book value of the right-of-use assets per the Company's consolidated financial statements is detailed below.

Item	Description	Net Book Value (Million Baht)
Buildings	The Company took on lease of buildings as head and branch offices, with the rents due and payable monthly at the rates in the relevant agreements.	10.02
Equipment	The Company rented office equipment, with the rents due and payable monthly at the rates in the respective agreements.	1.92
<b>Total</b>		<b>11.94</b>

## 1.3 Intangible assets

As at December 31, 2022, the net book value of the Company's intangible assets as presented in the Company's consolidated financial statements was Baht 18.89 million. The Company's intangible assets include program and software licensing fees, and software under installation.

## 2. Insurance

The Group takes out insurance relevant to its business operations. The Company believes that its insurance coverage is suitable and compatible with the practices in the industry to prevent damage which may be caused to the Company's core assets.

As at December 31, 2022, the Group took out insurance for both head and branch offices with the total sum insured of Baht 270,847,880.

**Attachment 5 Corporate Governance Policy, Code of Conduct, Board Charter and Committee Charters****Corporate Governance Policy****Objectives**

Chase Asia Public Company Limited (the “Company”) and its subsidiaries realize that good governance is essential to promote the Company’s efficient operations and sustainable growth, which contribute to the best interests of all stakeholders, namely staff, investors, shareholders and other stakeholders. To this effect, the Board of Directors has established the Corporate Governance Policy that covers the key principles, from structure, roles, duties and responsibilities of the Board, to the principles of transparent, clear and auditable management by executives as guidelines for corporate management, so as to ensure that any actions taken by the Company are fair and take into account the best interests of shareholders and all stakeholders.

In order to render the Company trustworthy to its shareholders and all stakeholders, and for the purpose of sustainable business value creation in response to expectations of business sectors, investors, the capital market and society as a whole, the Board of Directors has thus established the Corporate Governance Policy based on the Corporate Governance Code for Listed Companies 2017 prepared by the Office of the Securities and Exchange Commission as the Company’s corporate governance guidelines.

**1. Corporate Governance Policy and Principles**

The Board of Directors stresses the importance of its compliance with corporate governance principles, which cover the following 8 principles:

Principle 1	Role and responsibilities of the Board
Principle 2	The Company’s objectives and key goals
Principle 3	Strengthen the Board’s effectiveness
Principle 4	Recruit and develop senior executives and personnel management
Principle 5	Promote innovation and responsible business operations
Principle 6	Ensure effective risk management and internal control
Principle 7	Maintain financial integrity and disclosure
Principle 8	Promote engagement and communication with shareholders

**Principle 1: Role and responsibilities of the Board****Principle 1.1**

The Board familiarizes itself with its role, and is aware of its leadership responsibilities to oversee the organization’s efficient management, which cover the following matters:

- (1) To set out objectives and goals.
- (2) To set out strategies, operational policies and allocation of major resources to achieve such objectives and goals.
- (3) To monitor, evaluate and oversee performance reports.

**Practice 1.2**

The Board oversees the Company’s operations towards good governance outcome to create sustainable values to the business, including the following matters:

- (1) Competitiveness and good operating results taking into account long-term impact.
- (2) Ethical business operations, respect for rights and responsibilities to shareholders and stakeholders.
- (3) Contribution to society and development or mitigation of negative impact on the environment
- (4) Adaptation under change factors.

The Board adheres to the following principles in its oversight of the Company towards good corporate governance:

- 1.2.1 The Board primarily relies on ethics, impact on society and the environment over its financial performance.
- 1.2.2 The Board behaves as a role model in leadership position for corporate governance to promote organizational culture based on ethics.
- 1.2.3 The Board provides written policies for directors, executives and staff that reflect principles and guidelines for operations, e.g., the code of conduct, etc.
- 1.2.4 The Board oversees communication with all directors, executives and staff to understand, and adopts sufficient mechanisms to put the above policies into practice, monitors performance and regularly reviews policies and performance.

**Principle 1.3**

The Board makes sure all directors and executive perform their duties with due care (duty of care), integrity (duty of loyalty), and oversee the operations in compliance with laws, rules, regulations, its articles of association and shareholders' resolutions, as well as such policies or guidelines, including procedures for approval of material matters, e.g., investment, transactions which may materially affect the Company or its subsidiaries, connected transactions, acquisition/disposal of assets, and dividend payments, etc.

**Principle 1.4**

The Board familiarizes itself with the scope of its duties and responsibilities, clearly defines the scope of duties and responsibilities delegated to the Chief Executive Officer and the management team, and oversees the Chief Executive Officer and the management team to perform their delegated duties.

- 1.4.1 The Board prepares the Board charter or corporate governance policy that describes its duties and responsibilities for reference in the performance of duties of all directors, and regularly reviews such charter at least once a year, including regular review of respective roles and duties of the Board, the Chief Executive Officer and the management team to align with the organization's direction.
- 1.4.2 The Board familiarizes itself with the scope of its duties, and delegates management powers to the management team in writing, provided that such delegation in no way relieves the Board from its duties and responsibilities, and that the Board is required to oversee the management team to perform such delegated duties. The scope of duties of the Board, the Chief Executive Officer and the management team may be divided as follows:

**Matters that should be undertaken**

This refers to the following matters that the Board is mainly responsible to undertake properly, whereby the Board must be well competent to understand and consider these matters, and may task the management team to propose such matters for consideration:

- (a) To set out objectives, key goals for business operations.
- (b) To create organizational culture based on ethics, and behave as a role model.
- (c) To oversee the Board structure and performance to be conducive to efficiently achieving the objectives and key goals for business operations.
- (d) To recruit, develop, fix remuneration and review performance of the Chief Executive Officer.
- (e) To define remuneration structure as incentives for its personnel to perform their tasks in line with the organization's objectives and key goals.

**Matters to be jointly undertaken with the management team**

This refers to the following matters to be jointly considered by the Board, the Chief Executive Office and the management team, whereby the management team proposes such matters for the Board's approval, and the Board oversees overall policies to align with its objectives and key goals for business operations, and empowers the management team to proceed with such matters, subject to the Board's monitoring and the management team's report to the Board from time to time as appropriate:

- (a) To set out and review annual strategies, goals and plans.
- (b) To oversee the suitability and sufficiency of risk management system and internal control.
- (c) To delegate powers as appropriate to the management team's responsibilities.
- (d) To provide framework for allocation of resources, development and budgets, e.g., personnel management policy and plans, and information technology policy.
- (e) To monitor and review performance.
- (f) To ensure the reliability of disclosure of financial and non-financial information.

**Matters that should not be undertaken by the Board**

This refers to the following matters that the Board oversees at policy level and delegates the Chief Executive Officer and the management team to be primarily in charge of execution:

- (a) Execution of matters in compliance with strategies, policies and plans approved by the Board  
The Board should empower the management team to be responsible in the decision-making for procurement, employment of personnel, etc., in line with the designated policies, and monitor the performance without interfering with their decisions, except where necessary.
- (b) Prohibited matters, e.g., approval of transactions in which directors have an interest, etc.

**Principle 2: Define the Company's objectives and key goals for sustainability****Principle 2.1**

The Board sets out or oversees its objectives and key goals for sustainability, which are consistent with the value creation to the Company, clients, stakeholders and society as a whole.

- 2.1.1 The Company is responsible to ensure that the Company's objectives or key goals are clear and reasonable to be used as main concept to formalize its business model, and communicate with everyone in the organization to move forward to the same direction, through corporate shared vision and values, or principles and purposes, or the like.
- 2.1.2 To achieve its objectives or key goals, the Board formalizes its business model capable of creating values to the Company, stakeholders and society as a whole, taking into account the following:
  - (1) Environment and change factors, including effective use of technology.
  - (2) Needs of clients and stakeholders.
  - (3) The Company's readiness, expertise and competitiveness.
  - (4) Objectives in the Company's incorporation.
  - (5) Main groups of clients of the Company.
  - (6) Profitability or value proposition to the Company and clients.
  - (7) The Company's survivability in the long run under various factors, both opportunities and risks, which may affect the Company and stakeholders.
- 2.1.3 The Board promotes values for good corporate governance, e.g., accountability, integrity, transparency, due consideration of social and environmental responsibilities, etc.
- 2.1.4 The Board promotes communication and incorporates the organization's objectives and key goals to be reflected in the decision-making and performance of personnel at all levels until they become organizational culture.

**Principle 2.2**

The Board oversees the Company's objectives and goals, as well as medium-term and/or annual strategies to be aligned with and achieve its objectives and key goals through effective and safe use of innovations and technologies.

- 2.2.1 The Board oversees annual strategies and plans to be in line with the Company's objectives and key goals, taking into account the Company's environment at that time and opportunities and risk appetite, and prepares or reviews its objectives, goals and strategies for medium-term of 3-5 years, to ensure that annual strategies and plans consider impact for a longer term which can reasonably be estimated.
- 2.2.2 In the annual strategies and plans, the Board ensures to analyze the environment, factors and risks which may affect stakeholders throughout the value chain, including factors which may affect achievement of the Company's key goals, and arranges for mechanisms to truly understand needs of stakeholders, as follows:
  - (1) To clearly identify procedures, process and channels for participation or channels for communication between stakeholders and the Company to enable it to access and obtain information, issues or needs of the respective groups of stakeholders as accurate and close as possible.
  - (2) To identify stakeholders of the Company, both inside and outside, whether they be individuals, groups of persons, agencies, organizations, e.g., staff, investors, clients, trading partners, communities, government authorities, regulatory agencies, etc.
  - (3) To identify issues and expectations of stakeholders for analysis and prioritization of such issues and possible impact on the Company and stakeholders so as to select and materialize important issues for value creation with stakeholders.
- 2.2.3 The Board oversees and promotes use of innovations and technologies to strengthen competitiveness and respond to needs of stakeholders on the basis of social and environmental responsibility.
- 2.2.4 The Board sets out goals to be compatible with business environment and the Company's potential, and as such, the Board considers both monetary and non-monetary goals. In addition, the Board realizes such risks of goals which may lead to illegal or unethical conduct.
- 2.2.5 The Board oversees transfer of objectives and goals through strategies and plans throughout the organization.
- 2.2.6 The Board oversees allocation of resources and control of its operations, and monitor compliance with annual strategies and plans by assigning personnel in charge of oversight and monitoring of performance.

**Principle 3: Strengthen the Board's effectiveness****Principle 3.1**

The Board is tasked with its responsibilities to determine and review the Board structure, in terms of size, composition, percentage of independent directors suitable and essential for the organization to achieve its objectives and key goals, as follows:

- 3.1.1 The Board is required to ensure that it is composed of a diverse group of qualified directors in terms of skills, experiences, competencies and expertise, as well as gender and age, by establishing board skills matrix to be certain that the overall composition of the Board is fully qualified and capable of understanding and responding to needs of stakeholders.
- 3.1.2 The Board considers the number of directors as appropriate to perform its duties efficiently, namely not less than 5 but not exceeding 12 directors.
- 3.1.3 The percentage between executive directors and non-executive directors on the Board reflects appropriate counterbalancing, namely:
  - (a) The majority of directors should be non-executive directors to independently share their opinions on the management team's performance.
  - (b) The number and qualifications of independent directors follow the criteria of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand, and ensure that independent directors can jointly collaborate with all members of the Board efficiently and share their opinions independently.
- 3.1.4 The Board discloses the policies on diverse composition of the Board and their profiles, e.g., age, education, experience, shareholding, years of tenure, and directorship in other listed companies in the annual registration statement/annual report (Form 56-1 One Report) and on the Company's website.

### Principle 3.2

The Board selects a suitable person to serve as Board Chairman, and makes sure that the Board composition and performance to allow them to exercise their discretion to independently make decisions.

- 3.2.1 The Board Chairman should be an independent director.
- 3.2.2 The Board Chairman and the Chief Executive Officer have different duties and responsibilities, whereby the Board clearly designates powers and authority of the Board Chairman and the Chief Executive Officer in order to prevent either of them from having unlimited powers. The Company separates the person holding Board Chairman position from such person serving as the Chief Executive Officer.
- 3.2.3 The Board Chairman takes the leadership role of the Board, and his/her duties cover the following matters:
  - (1) To oversee, monitor and ensure that the Board's performance of duties is efficient and achieves the objectives and key goals of the organization.
  - (2) To ensure that all directors are involved in promoting organizational culture based on ethics and corporate governance.
  - (3) To set meeting agenda of the Board in consultation with the Chief Executive Officer and adopt measures to include important matters in meeting agenda.
  - (4) To allocate sufficient time for the management team to propose matters and for directors to discuss material issues thoroughly, and encourage directors to duly exercise discretion and independently share their opinions.
  - (5) To promote good relationships between executive and non-executive directors and between the Board and the management team.
- 3.2.4 The Board Chairman and the Chief Executive Officer are not the same person. If the Board Chairman and the Chief Executive Officer are not clearly separated, e.g., the Board Chairman is not an independent director, the Board Chairman and the Chief Executive Officer are members of the same family, or the Board Chairman is a member of the Executive Committee or team, or tasked with management duties and responsibilities, the Board should promote counterbalancing between the Board and the management team as follows:
  - (1) The Board is composed of independent directors representing more than one half of its members; or
  - (2) One of the independent directors is appointed to jointly consider setting meeting agenda of the Board.
- 3.2.5 The Board sets out a policy for independent directors to hold successive tenure not exceeding 9 years from the date of first appointment as independent directors. If any independent directors are to be appointed to further resume office, the Board should consider the necessity therefor as appropriate.
- 3.2.6 To ensure that important matters are thoroughly considered, the Board considers appointing committees to consider specific matters, screen information and propose suggestions for consideration prior to submitting such matters to the Board for further approval.
- 3.2.7 The Board oversees to disclose roles and duties of the Board and committees, number of meetings and attendance of individual members last years, and performance reports of all committees.

### Principle 3.3

The Board oversees the nomination and selection of members through transparent and clear procedures for the Board to be composed of fully qualified members.

- 3.3.1 The Board appoints the Nomination and Remuneration Committee in which the majority of members and its chairman should be independent directors to nominate candidates, and consider remuneration policies and criteria.



- 3.3.2 The Nomination and Remuneration Committee meets to consider nomination criteria and procedures for qualified candidates to ensure that the Board is composed of required knowledge and expertise, and consider their backgrounds, and then propose its opinions to the Board before submission of such nominations to a meeting of shareholders for appointment as directors. In addition, the Company provides shareholders with sufficient information regarding nominated candidates in support of their decision-making.
- 3.3.3 The Nomination and Remuneration Committee reviews the nomination criteria and procedures and provides suggestions to the Board before nomination of directors due to retire by rotation, and if the existing directors are nominated, the Nomination and Remuneration Committee should take into account such directors' performance of duties in support of the nomination.
- 3.3.4 Should the Board appoint any person as advisor to the Nomination and Remuneration Committee in the nomination and remuneration process, the Company discloses information of such advisor in the annual registration statement/annual report (Form 56-1 One Report), including his/her independence or no conflicts of interest.

#### Principle 3.4

For the purpose of proposing the Board remuneration to shareholders for approval, the Board, by recommendation of the Nomination and Remuneration Committee, considers remuneration structure and rate as appropriate to responsibilities to incentivize the Board to lead the organization towards both short-term and long-term goals.

- 3.4.1 The Board remuneration should align with the Company's strategies and long-term goals, experiences, burdens, scope of their accountability and responsibility, including expected benefits to be derived from respective members. Remuneration of directors who are tasked with more duties and responsibilities, e.g., committee membership, should be increased as appropriate and comparable with the current level in the industry.
- 3.4.2 Shareholders approves directors' remuneration structure and rate, both monetary and non-monetary. The Board considers each form of remuneration as appropriate, both fixed rate remuneration (e.g., regular remuneration, meeting allowances) and performance-based remuneration (e.g., bonus, rewards), linked with values created by the Company to shareholders, provided that remuneration should not be unreasonably high to the extent that focuses on only short-term performance.
- 3.4.3 The Board discloses the Board remuneration policy and criteria that reflect their respective burdens and responsibilities, both form and amount. Such remuneration disclosure also includes remuneration of each director from membership in subsidiaries.

#### Principle 3.5

The Board oversees all directors to be responsible for their performance of duties and sufficient time commitments, as follows:

- 3.5.1 The Board ensures to adopt mechanisms to support directors' understanding of their roles and duties.
- 3.5.2 The Board sets out criteria for holding directorship in other companies, considering their efficient performance in positions in multiple companies, and ensures that directors' time commitments are sufficient to perform their duties in the Company. In this regard, the Board determines the number of listed companies in which each director holds directorship as appropriate to nature or condition of the Company's businesses.
- 3.5.3 The Board requires directors to report their other positions for information and disclosure.
- 3.5.4 Should any director hold directorship or executive position or have an interest, whether directly or indirectly, in other business with a conflict of interest or which may exploit the Company's opportunity or information for its own benefit, the Board ensures that the Company puts in place sufficient safeguard measures and keeps shareholders informed thereof as appropriate.
- 3.5.5 Each director attends not less than 75 percent of all Board meetings held in any given year, except where necessary to be excused.

#### Principle 3.6

The Board is required to adopt frameworks and mechanisms for oversight of policies and operations of subsidiaries and other businesses in which the Company substantially invests to maintain at the level appropriate for the respective businesses, and ensure that its subsidiaries and other businesses in which the Company invests share the same understanding.

- 3.6.1 The Board considers setting out oversight policies of subsidiaries to include the following:
  - (1) To appoint representatives as directors, executives or controllers in subsidiaries by the Board, except where such subsidiaries are small in size as operating arms of the Company, the Board may empower the Chief Executive Officer to proceed with such appointment.
  - (2) To determine the scope of duties and responsibilities of the Company's representatives under (1), and empower them to oversee compliance with subsidiaries' policies, and if any subsidiaries involve other investors, the Board adopts a policy for its representatives to act in the best interests of subsidiaries and in line with the Company's policies.



- (3) To ensure that internal control systems of subsidiaries are appropriate and sufficient, and all transactions are duly executed in compliance with applicable laws and rules.
  - (4) To disclose their financial positions and operating results, connected transactions, acquisition or disposal of assets, other material transactions, capital increase and decrease, dissolution, etc.
- 3.6.2 In case of substantial investment in other businesses, e.g., holding from 20 percent, but not exceeding 50 percent of voting shares, and with investment funds or additional investment funds substantial to the Company when necessary, the Board ensures that shareholders' agreements or other agreements are executed to clearly define management powers and participation in making important decisions, monitoring of performance, as part of the preparation of the Company's financial statements according to standards and timeframe.

### Principle 3.7

The Board reviews performance of its members and committees, and their individual performance to consider and review overall performance, problems and obstacles in each year, for further development and improvements in various areas.

- 3.7.1 The Board and committees review their performance at least once a year for the Board to jointly consider the outcome and problems in the operations for further improvements, provided that a benchmark should be set as the basis of comparison.
- 3.7.2 In the performance review, the Company conducts both group and individual performance review, which at least must include self-evaluation, or the Board may also conduct cross-evaluation, and the overall criteria, procedures and results of performance review are described in the annual registration statement/annual report (Form 56-1 One Report).
- 3.7.3 The Board may consider engaging an outsource consultant to assist in providing guidelines and recommending issues for performance review of the Board at least every 3 years, and disclose such arrangements in the annual registration statement/annual report (Form 56-1 One Report).
- 3.7.4 The Board's performance review is used in support of the consideration of the suitability of the Board composition.

### Principle 3.8

The Board oversees to ensure that it and each directors have knowledge and understanding regarding roles, duties, nature of business and laws applicable to business operations, and encourages all directors to regularly update their skills and knowledge required to discharge their duties in such capacity.

- 3.8.1 The Board oversees to ensure that new directors are provided with an orientation and information useful for their performance of duties, and understand objectives, key goals, vision, mission, corporate values, nature of business and direction of the Company.
- 3.8.2 The Board ensures that directors regularly undergo necessary training and knowledge development.
- 3.8.3 The Board familiarizes itself with laws, regulations, standards, risks and environment relating to business operations, and regularly has access to up-to-date information.
- 3.8.4 The Board discloses information on the Board's ongoing training and knowledge development in the annual registration statement/annual report (Form 56-1 One Report).

### Principle 3.9

The Board ensures that its performance proceeds properly with access to necessary information, and maintains a company secretary who has knowledge and experiences required and appropriate to support the Board's operations.

- 3.9.1 The Board schedules meetings and agenda thereof in advance for directors to make time and be available to attend.
- 3.9.2 The number of meetings is set by the Board as appropriate to its burdens, duties and responsibilities, and the Company's nature of business, but not less than 4 times a year.
- 3.9.3 The Board provides a mechanism for each director, including the management team, to feel free to suggest any matters beneficial to the Company as meeting agenda.
- 3.9.4 Meeting documents are sent to directors at least 7 days before meeting dates, except in case of urgency to protect the Company's rights or benefits, meetings may be called by other means and with shorter notice.
- 3.9.5 The Board encourages the Chief Executive Officer to invite senior executives to attend Board meetings to provide more information as they are directly involved in issues, and to get to know senior executives for the purpose of succession planning.
- 3.9.6 The Board has access to necessary and more information from the Chief Executive Officer, Company Secretary or other authorized executives within the designated scope and policies, and may seek independent opinions from outsource consultants or professionals at the Company's expense.
- 3.9.7 The Board may consider setting out as a policy for non-executive directors to hold their own meetings as necessary to discuss management matters of their interest without the presence of the management team, and report meeting results to the Chief Executive Officer for information.

- 3.9.8 The Board determine qualifications and experience of the Company Secretary as appropriate to discharge duties to provide advice regarding laws and regulations of which the Board should be aware, manage documents for Board meetings, material documents and activities of the Board, and coordinate compliance with Board resolutions. In addition, the Board disclose the Company Secretary's qualifications and experience in the annual registration statement/annual report ( Form 56-1 One Report) and on the Company's website.
- 3.9.9 The Company Secretary regularly takes training and knowledge development beneficial to the performance of duties, including certified programs.

**Principle 4: Recruit and develop senior executives and personnel management**

**Principle 4.1**

The Board ensures to recruit and develop the Chief Executive Officer and senior executives to have knowledge, skills, experiences and characteristics essential to move the organization towards its goals.

- 4.1.1 The Board considers or empowers the Nomination and Remuneration Committee to consider criteria and procedures for nomination of qualified candidate to be appointed as Chief Executive Officer.
- 4.1.2 The Board oversees the Chief Executive Officer to maintain executives as appropriate, whereby at the very least, either the Board or the Nomination and Remuneration Committee and the Chief Executive Office jointly consider criteria and procedures for nomination and appointment as well as approval of persons nominated by the Chief Executive Officer to be appointed as senior executives.
- 4.1.3 To ensure the business continuity, the Board oversees to establish succession plans for the Chief Executive Officer and senior executives, whereby the Chief Executive Officer reports the implementation of succession plans to the Board for information from time to time at least once a year.
- 4.1.4 The Board promotes and encourages the Chief Executive Officer and senior executives to undergo training and development to update their knowledge and experiences beneficial to their performance.
- 4.1.5 The Board may consider setting out clear policies and procedures for directorship in other companies of the Chief Executive Officer and senior executives in terms of positions and number of companies which they may hold office.

**Principle 4.2**

The Board, by recommendation of the Nomination and Remuneration Committee, or the Chief Executive Officer oversees remuneration structure and performance review as appropriate.

- 4.2.1 The Board, by recommendation of the Nomination and Remuneration Committee, or the Chief Executive Officer sets out remuneration structure as incentives for all staff at operational level to be in line with the organization's objectives and key goals, and the Company's long-term benefits.

**Principle 4.3**

The Board familiarizes itself with structure and relationships of shareholders which may affect its management and operations.

- 4.3.1 The Board familiarizes itself with structure and relationships of shareholders, which may be in the form of arrangements within in family businesses, whether in writing or otherwise, shareholders' agreements, or parent company policies, which may affect the Company's management control.
- 4.3.2 The Board ensures that such agreements in item 4.3.1 do not obstruct the Board's performance of duties, e.g., eligible candidates as successors.
- 4.3.3 The Board oversees disclosure of information under such agreements which may affect the Company's control.

**Principle 4.4**

The Boards oversees personnel management and development for talents, skills, experiences and incentives as appropriate.

- 4.4.1 The Board oversees management of human resources in line with the organization's direction and strategies in order for staff at every level to have knowledge, competencies and incentives as appropriate, and to be fairly treated so as to retain talented personnel with the organization.
- 4.4.2 The Board establishes a provident fund or other mechanisms to ensure that staff maintains sufficient savings for retirement, and encourages them to learn about financial literacy and select investment policies in line with their age ranges and risk levels.

**Principle 5: Responsible business operations****Principle 5.1**

The Board is committed to and supports activities to generate values to businesses in parallel with contributions to clients or their related persons, and be socially and environmentally responsible.

- 5.1.1 The Board focuses on creating organizational culture and oversees the management team to apply this culture as part of review of strategies, development and improvement plans and monitoring of operations.
- 5.1.2 The Board promotes such activities for value added to the Company under change factors, which may include business modeling, conceptual design and development of products and services, research and improvements of production and work processes, including collaboration with trading partners. The above activities should be undertaken for mutual benefits of the Company, clients, trading partners, society and the environment without supporting any improper conduct, illegal or unethical activities.

**Principle 5.2**

The Board oversees the management team to operate business with social and environmental responsibility as reflected in the operational plan to ensure that every unit in the organization proceeds in alignment with the Company's objectives, key goals and strategies.

- 5.2.1 The Board provides a mechanism to ensure that the Company operates businesses in accordance with the code of ethics, social and environmental responsibility, without infringing rights of stakeholders, as guidelines for all units in the organization to achieve the objectives and key goals with sustainability, and establishes the code of conduct to cover the following matters:
- (1) Responsibility to Staff and Employees The Company shall comply with applicable laws and standards and fairly treat its staff and employees with respect for human rights, by way of, among others, fair remuneration and other benefits, provision of welfare at the minimum legal requirements or more as appropriate, maintenance of occupational health and safety in workplace, knowledge training, skill development and promotion of career path, as well as opportunity for other skill development.
  - (2) Responsibility to Clients The Company shall comply with applicable laws and standards and take into account health, safety, fairness, client confidentiality, after-sale services throughout the life cycle of services, evaluation of client satisfaction for development and improvement of services, including responsible advertisements, public relations, and sales conduct without misleading or taking advantage of clients' misunderstanding.
  - (3) Responsibility to Trading Partners The procurement process and the conditions of contracts or agreements shall be fair, and the Company shall provide trading partners with knowledge, assist them to develop their potential and upgrade their production and service capacity to meet standards. They shall also be communicated and encouraged to respect human rights, treat their labor fairly, and be socially and environmentally responsible, and shall be monitored and evaluated for the purpose of mutual and sustainable business development.
  - (4) Responsibility to Communities Business knowledge and experience shall be applied for development of projects clearly beneficial to communities, subject to monitoring and evaluation of progress and achievements in the long run.
  - (5) Environmental Responsibility The Company shall prevent, reduce, manage and seek to ensure that the Company shall not create or cause any negative impact on the environment, which extends to the use of raw materials, energy, water, revolving resources, discharge and management of waste from business operations, greenhouse gas emission, etc.
  - (6) Fair Competition The Company shall operate businesses transparently without employing any unfair competitive advantage.
  - (7) Anti-Fraud and Corruption The Company shall comply with applicable laws and standards, and adopt and announce its anti-corruption policy to the public. The Company may consider participating in anti-corruption network collaboration, and encourage other companies and trading partners to adopt and announce their anti-corruption policies and participate in anti-corruption network collaboration as well.

**Principle 5.3**

The Board monitors the management team to allocate and manage resources efficiently and effectively, taking into account impact and development of resource throughout the value chain to achieve objectives and key goals with sustainability.

- 5.3.1 The Board realizes the necessity of resources to be used, and is aware of impact of respective resources on one another.

- 5.3.2 The Board realizes that different business models cause different impact on resources, therefore, a decision to select any business model depends on impact and cost-efficiency of resources, on the basis of ethics, responsibility and sustainable value creation of the Company.
- 5.3.3 The Board oversees to ensure that for the purpose of achieving the objectives and key goals, the management team reviews, develops and manages the efficient and effective use of resources, always taking into account changes in internal and external factors.  
Resources to be taken into account by the Company at least include 4 categories, namely financial capital, human capital, social and relationship capital, and natural capital.

#### Principle 5.4

The Board establishes a framework for oversight and management of information technology at corporate level to be compatible with the Company's requirements, and utilizes information technology to enhance its business opportunities, operational development, and risk management, so as to achieve the Company's objectives and key goals.

- 5.4.1 The Board adopts a policy on allocation and management of information technology resources, which extends to allocation of sufficient resources for business operations and guidelines for scenarios where resources may not be sufficient allocated as required.
- 5.4.2 The Board oversees the organization's risk management to cover information technology risks.
- 5.4.3 The Board adopts policies and measures regarding information system security. The framework for oversight and management of information technology at corporate level includes the following:
- (1) The Company complies with laws, regulations, requirements and standards relating to use of information technology.
  - (2) The Company implements data security system in terms of confidentiality, integrity and availability, and prevent misuse or unauthorized revisions of information.
  - (3) The Company considers information technology risks and adopts measures for risk management by various means, e.g., business continuity management, incident management, asset management, etc.
  - (4) The Company considers allocating and managing information technology resources, sets out criteria and factors for prioritization of information technology plans, e.g., compatibility with strategies, impact on business operations, urgency of implementation, budgets and information technology human resources, as well as alignment with business model, etc.

#### Principle 6: Ensure effective risk management and international control

##### Principle 6.1

The Board oversees to ensure that the Company duly implements risk management and internal control systems to efficiently achieve the objectives, in compliance with applicable laws and standards.

- 6.1.1 The Board understands the Company's material risks and approves risk appetite.
- 6.1.2 The Board considers and approves the risk management policy in line with the Company's objectives, key goals, strategies and risk appetite, to serve as risk management framework for everyone in the organization towards the same direction. The Board focuses on early warning and thus regularly reviews the risk management policy, e.g., once a year.
- 6.1.3 The Board oversees the Company to identify risks by considering both external and internal factors which may prevent the Company from achieving its objectives.  
Major risks to which the Company gives priority may be categorized into strategic risk, operational risk, financial risk, and compliance risk, etc.
- 6.1.4 The Board oversees to ensure that the Company assesses impact and likelihood of occurrence of identified risks for prioritization, and adopts effective risks management, e.g., risk tolerance (take), risk mitigation or control (treat), risk avoidance (terminate), and risk transfer (transfer).
- 6.1.5 The Board may empower the risk management team or the Audit Committee to screen items 6.1.1 - 6.1.4 before submission to the Board for consideration.
- 6.1.6 The Board regularly monitors and assesses the efficiency of risk management.
- 6.1.7 The Board is in charge of overseeing the Company to operate its businesses in compliance with applicable laws and standards, both locally and internationally.
- 6.1.8 If the Company has subsidiaries or other businesses in which the Company substantially invests (e.g., holding from 20 percent, but not exceeding 50 percent of voting shares), the Board also takes into account the assessment of their internal control and risk management systems as part of its consideration of items 6.1.1 - 6.1.7.

**Principle 6.2**

The Board appoints the Audit Committee to perform its duties efficiently and independently.

- 6.2.1 The Board appoints the Audit Committee comprising at least 3 members, all of whom are independent directors with the qualifications and functions under the criteria of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.
- 6.2.2 The Board designates the Audit Committee's duties in writing in the form of the Audit Committee Charter which describes its tenure, scope of powers and duties. The Audit Committee's duties are at least as described in its charter.
- 6.2.3 The Board oversees the Company to adopt mechanisms or tools by which the Audit Committee has access to necessary information to discharge its duties, e.g., the Audit Committee is empowered to summon relevant personnel to provide information, discuss with the auditor, or seek independent opinions from any other professional consultants to support its consideration.
- 6.2.4 The Board arranges for personnel or internal audit unit which is independent to discharge the duties for development and review of the efficiency of risk management and internal control systems, and report to the Audit Committee, and disclose the review report in the annual registration statement/annual report (Form 56-1 One Report).
- 6.2.5 The Audit Committee provides its opinion on the sufficiency of the risk management and internal control systems, and disclose the same in the annual registration statement/annual report (Form 56-1 One Report).

**Principle 6.3**

The Board monitors and manages potential conflicts of interest among the management team, the Board or shareholders, and prevents any misuse of assets, information and opportunities of the Company, and transactions with those related to the Company in any inappropriate manner.

- 6.3.1 The Board oversees to adopt data security system, including policies and procedures for confidentiality, integrity and availability, and manage market sensitive information. Moreover, the Board ensures that directors, senior executives and staff as well as third parties concerned, e.g., legal counsels, financial advisors, also comply with such data security system.
- 6.3.2 The Board oversees to manage and monitor transactions which may give rise to conflicts of interest, and adopts guidelines and practices for execution of such transactions in compliance with procedures and disclosure of such information as required by law and in the interests of the Company and shareholders as a whole, whereby those who have an interest in such transaction should not participate in the decision-making.
- 6.3.3 The Board requires directors to report their interests at least before consideration of any agenda matters of Board meetings, and record the same in minutes of Board meetings. The Board causes directors with material interests which may prevent them from providing independent opinions to be excused from participating in the consideration of such matters.

**Principle 6.4**

The Board clearly establishes and communicates anti-corruption policy and practices at all levels of the organization and with third parties to put them into practice, and supports activities that promote and raise awareness of staff for compliance with applicable laws and regulations.

**Principle 6.5**

The Board oversees the Company to provide a mechanism for complaints and response to whistleblowing.

- 6.5.1 The Board oversees mechanism and process to handle (record, follow up development, resolve and report) complaints of stakeholders and provides convenient and more than one channels for complaints, which are disclosed on the website or in the annual registration statement/annual report (Form 56-1 One Report).
- 6.5.2 The Board adopts clear policies and guidelines for whistleblowing through channels available on the Company's website or via independent directors or named member(s) of the Audit Committee, including procedures for investigation, handling and report to the Board.
- 6.5.3 The Board provides appropriate measures to protect whistleblowers who act in good faith.

**Principle 7: Maintain financial integrity and disclosure****Principle 7.1**

The Board is responsible to ensure that the financial reporting and disclosure of material information are accurate, sufficient, timely and comply with applicable rules, standards and practices.



- 7.1.1 The Board ensures that personnel in charge of preparation and disclosure of information are knowledgeable, skillful and experienced for the duties and responsibilities, and sufficient in number. Such personnel include top executive in accounting and finance, bookkeeper, internal auditor, Company Secretary and Investor Relations.
- 7.1.2 To approve any disclosure of information, the Board takes into account relevant factors, and in case of financial reports, at least the following factors are to be considered:
  - (1) Results of assessment on sufficiency of the internal control system;
  - (2) The auditor's opinion on financial reports and observations on the internal control system, including its observations via other communication channels (if any);
  - (3) The Audit Committee's opinions;
  - (4) Compatibility with the Company's objectives, key goals, strategies and policies.
- 7.1.3 The Board oversees disclosure of information, including financial statements, annual registration statement/annual report (Form 56-1 One Report), to sufficiently reflect its financial position and operating results, and facilitates the Company's preparation of management discussion and analysis (MD&A) in support of disclosure of quarterly financial statements. This is to ensure that investors receive information and better understand changes in the Company's financial position and operating results in each quarter other than simply relying on numerical figures in the financial statements.
- 7.1.4 In case of disclosure of any information in connection with any particular director, such director is required to ensure accuracy and completeness of his/her disclosed information, e.g., shareholders in his/her group, disclosure of shareholders' agreement in his/her group.

#### Principle 7.2

The Board monitors the sufficiency of its financial liquidity and debt serviceability.

- 7.2.1 The Board oversees the management team to monitor and assess the Company's financial position, and reports the same to the Board on a regular basis. The Board and the management team jointly and promptly find solutions to problems should there be any indicators of possible issues regarding its financial liquidity and debt-serviceability.
- 7.2.2 For the purpose of approving any transactions or proposing opinions to a meeting of shareholders for approval, the Board ensures that the execution of such transactions will not affect its business continuity, financial liquidity or debt-serviceability.

#### Principle 7.3

While the Company sustains or is likely to sustain any financial problems, the Board ensures that the Company has its plans or other mechanisms to resolve such financial problems, without compromising rights of stakeholders.

- 7.3.1 If the Company is likely unable to service its debts or sustains any financial problems, the Board closing monitors and oversees the Company to operate its businesses with due care, and comply with the disclosure requirements.
- 7.3.2 The Board oversees the Company to come up with its plans to resolve financial problems, taking into account fairness to stakeholders, including creditors, and follow up such problems, whereby the management team is required to regularly provide status report.
- 7.3.3 The Board ensures that any decisions made to resolve the Company's financial problems by any means are justifiable.

#### Principle 7.4

The Board considers preparing the sustainability report as appropriate.

- 7.4.1 The Board considers the suitability for disclosure of information on compliance with the law, the code of conduct, anti-corruption policy, treatment of staff and stakeholders, including fair treatment and respect for human rights, as well as social and environmental responsibility, considering the reporting framework locally or internationally accepted. Such disclosure may be made in the annual registration statement/annual report (Form 56-1 One Report) or in a separate book, as applicable.
- 7.4.2 The Board oversees disclosed information to be material and reflect activities towards sustainable value creation to the Company.

#### Principle 7.5

The Board oversees the management team to set up a unit or personnel responsible for Investor Relations matters to communicate with shareholders, other stakeholders, e.g., investors, analysts, in an appropriate, equal and timely manner.

- 7.5.1 The Board adopts communication policy and disclosure policy to ensure that its communication and disclosure of information to third parties proceed appropriately, equally and timely through proper channels,

- protect confidential information and market sensitive information, and its communication is made consistently throughout the entire organization for compliance with such policies.
- 7.5.2 The Board appoints responsible persons to make information available to third parties, provided that such persons are eligible to perform such duties and understand the Company's businesses, including objectives, key goals, values and are well capable of communicating with the capital market.
- 7.5.3 The Board oversees the management team to direct and support Investor Relations matters by way of, e.g., practices for provision of information, insider trading policy, and clearly set out duties and responsibilities of the Investor Relations unit to ensure efficient communication and disclosure of information.

#### Principle 7.6

The Board promotes use of information technology for dissemination of information.

- 7.6.1 Other than information disseminated as required and through the channels of the Stock Exchange of Thailand, the Board considers disclosing information, both Thai and English, through other channels, such as, the Company's website, on a regular basis, and provide up-to-date information. The Company discloses at least the following information on its website:
- (1) Vision and values of the Company
  - (2) Nature of its businesses
  - (3) Lists of the Board of Directors and executives
  - (4) Current and previous financial statements and reports on financial position and operating results
  - (5) Annual Registration Statement/Annual Report (Form 56-1 One Report) available for download
  - (6) Any other information or documents presented by the Company to analysts, fund managers or media
  - (7) Direct and indirect shareholding structure
  - (8) Structure of the Group, including subsidiaries, associated companies, joint venture companies, and special purpose enterprises/vehicles (SPEs/SPVs)
  - (9) Direct and indirect major shareholders holding from 5 percent of all issued and voting shares
  - (10) Direct and indirect shareholding of directors, major shareholders, senior executives
  - (11) Notices of ordinary and extraordinary general meetings of shareholders
  - (12) Articles of Association and Memorandum of Association
  - (13) Corporate Governance Policy, Anti-Corruption Policy, Information Technology Security Policy and Risk Management Policy
  - (14) Charter or duties, responsibilities, qualifications, tenure of the Board of Directors, including matters to be approved by the Board; and charters or duties and responsibilities, qualifications, and tenure of the Audit Committee and the Nomination and Remuneration Committee
  - (15) Code of Conduct
  - (16) Contact details of units or complaints or person responsible for Investor Relations matters, Company Secretary, e.g., names of persons authorized to provide information, telephone numbers, e-mail addresses

#### Principle 8: Promote engagement and communication with shareholders

##### Principle 8.1

The Board oversees to ensure that shareholders participate in making major decisions of the Company.

- 8.1.1 The Board causes material matters, including issues as required by law and issues which may potentially affect the direction of the Company's operations, to be considered and/or approved by shareholders, whereby such material matters are incorporated on the agenda of the shareholders' meeting.
- 8.1.2 The Board encourage shareholders' participation by the following means:
- (1) Minor shareholders shall be allowed to propose any matters on the meeting agenda before the date of the shareholders' meeting, in which case, the Board of Directors shall consider including such matters proposed by the shareholders on the meeting agenda. Should the Board of Directors not include any matters proposed by the shareholders on the meeting agenda, the Board of Directors shall provide reasons for such decision to the shareholders' meeting.
  - (2) Minor shareholders shall be allowed to nominate candidates to be appointed as directors. The Board shall disclose such criteria for the above arrangements to shareholders in advance.
- 8.1.3 The Board ensures that a notice of a meeting of shareholders contains accurate, complete and sufficient information for shareholders to exercise their rights.
- 8.1.4 The Board causes a notice of a meeting of shareholders, together with supporting documents, to be sent out and published on the Company's website at least 28 days before the date of the meeting.
- 8.1.5 The Board allows shareholders to send questions in advance before the date of the meeting, by prescribing and publishing such criteria for advance questions on the Company's website.
- 8.1.6 A notice of a meeting of shareholders and supporting documents are prepared in English and disseminated together with Thai version. Such notice of shareholders' meeting contains the following particulars:
- (1) Date, time and place of the shareholders' meeting;

- (2) Meeting agenda, which indicates as matters for information or for approval, to be clearly separately discussed, e.g., in the agenda regarding directors, election of directors and approval of directors' remuneration are two different matters;
- (3) Purpose and reasons, and opinions of the Board on the respective matters proposed to the meeting, including:
  - (a) Approval of dividend payment – Dividend Payment Policy, proposed rate of dividend to be paid, reasons and supporting information, and in case of proposed suspension of dividend payment, specify reasons and supporting information;
  - (b) Appointment of directors – Specify names, ages, education and work backgrounds, number of listed and general companies with directorship, nomination criteria and procedures, category of nominated directors, and in case of nomination of the existing directors to resume office, specify information on meeting attendance in the previous year and appointment date(s) as the Company's directors;
  - (c) Approval of directors' remuneration – Policy and criteria for remuneration of directors in the respective positions, and every form of remuneration, both monetary and other rights and benefits;
  - (d) Appointment of auditor – Name of auditor, audit firm, experience, independence of the auditor, audit fee and non-audit fee;
- (4) Proxy forms as designated by the Ministry of Commerce;
- (5) Other supporting information, e.g., voting procedures, counting and announcement of voting results of respective classes of shares, profiles of independent directors proposed by the Company as proxy holders, documents to be presented by shareholders to attend the meeting, supporting documents of proxy forms, and map of the meeting place, etc.

## Principle 8.2

The Board oversees the shareholders' meeting to be duly, transparently and efficiently conducted to enable shareholders to exercise their rights.

- 8.2.1 The Board schedules the date, time and place of the meeting, taking into account the convenient attendance by shareholders, e.g., proper and sufficient time for discussion, meeting place convenient for commute, etc.
- 8.2.2 The Board ensures that there are no actions which restrict the opportunity to attend a meeting or cause any unreasonable burden on shareholders, for instance, shareholders or proxies should not be required to produce any identity documents or evidence beyond those required by the practices of the relevant regulatory agencies.
- 8.2.3 The Board promotes use of technology in the conduct of the shareholders' meeting, namely registration of shareholders, vote counting and display, so that the meeting proceeds rapidly, accurately and precisely.
- 8.2.4 The Board Chairman presides over a meeting of shareholders, conducts the meeting in compliance with the applicable laws, rules and regulations, and the Company's articles of association, allocates time for each matter on the agenda per the notice of the meeting as appropriate, and allows shareholders to share their opinions and ask questions to the meeting in relation to the Company.
- 8.2.5 In order to enable shareholders to participate in major decisions, directors as attendees and concurrently shareholders, do not support any unnecessary addition of agenda matters which were not notified in advance, particularly important matters for which shareholders need time to study information before making their decisions.
- 8.2.6 All directors and relevant executives are encouraged to attend the meeting for shareholders to ask questions on the relevant matters.
- 8.2.7 Before the meeting is called to order, the Company advises shareholders of the number and percentage of shareholders present at the meeting in person and by proxy, meeting procedures, vote casting and counting.
- 8.2.8 In case of any agenda item that contains multiple matters, the chairman of the meeting arranges for voting on each matter separately, e.g., shareholders may exercise their rights to appoint directors individually in the agenda item for appointment of directors.
- 8.2.9 The Board promotes use of voting cards in important matters, and encourages independent persons to assist in vote counting or checking at the meeting, and discloses such votes "For," "Against," and "Abstention" on each item to the meeting and records such votes in minutes of the meeting.

## Principle 8.3

The Board oversees disclosure of resolutions of the meeting and minutes of shareholders' meeting to be made accurately and completely.

- 8.3.1 The Board ensures the Company discloses resolutions of shareholders' meeting, with voting results, by the following business day through the news portal of the Stock Exchange of Thailand and on the Company's website.
- 8.3.2 The Board oversees filing of a copy of minutes of shareholders' meeting to the Stock Exchange of Thailand within 14 days from the date of the shareholders' meeting.
- 8.3.3 The Board oversees minutes of shareholders' meeting to record at least the following particulars:



- (1) List of directors and executives present at the meeting and percentage of directors' presence and absence;
- (2) Voting procedures and counting, meeting resolutions, and voting results (For, Against, Abstention) of each agenda item;
- (3) Questions and answers at the meeting, including names of those who asked and answered questions.

## Code of Conduct

### 1. Conduct towards Shareholders

The Company recognizes shareholders as business owners, and as such, focuses on ethical business operations, respect for rights of shareholders, and responsibility to shareholders, in accordance with the following practices:

- (1) To operate businesses honestly, in good faith and fairly to all shareholders in the best interests of shareholders as a whole, with social responsibility in respect of laws and ethics, and be committed to contributions to persons, communities, society and the environment.
- (2) To operate businesses through standard operational and control systems and utilize knowledge and competencies to the fullest with due care, sufficient information and evidence for reference, and compliance with laws, the Company's articles of association, policies, resolutions of the Board and shareholders, and relevant requirements as well as strict compliance with good corporate governance.
- (3) To regularly, equally and fully disclose information, operating results and financial positions of the Company and its subsidiaries to shareholders.
- (4) To oversee directors, executives and staff of the Company and its subsidiaries to refrain from seeking personal gain and gain of others by using any non-public information of the Company and its subsidiaries, or from taking any actions which may give rise to conflicts of interest with the Company and its subsidiaries.
- (5) To refrain from taking any actions which may give rise to conflicts of interest with the Company and its subsidiaries.

### 2. Conduct towards Staff

The Company always regards all staff as the most valuable resources of the Company and its subsidiaries, and they serve as contributing factors behind successful achievement of the Company's goals. The Company thus focuses on development and promotion of organizational cultures as well as good work environment, in accordance with the following practices:

- (1) To manage human resources to be aligned with strategies and goals of the Company and its subsidiaries, adhere to and promote morality and ethics at every level of the Company and its subsidiaries, and monitor and resolve any potential conflicts of interest in the Company and its subsidiaries.
- (2) To closely oversee staff on the basis of justice without prejudice.
- (3) To politely treat staff with honor, regard and respect for their pride, dignity, individualism and human rights.
- (4) To appoint and rotate staff, including their rewards and punishment, in good faith based on their knowledge, competencies and qualifications.
- (5) To provide staff with fair remuneration given market circumstances, business competition, job description, performance, knowledge and competencies of individual staff, as well as the Company's ability to pay such remuneration.
- (6) To regularly focus on staff knowledge and competency development, e.g., seminars, training, and widespread opportunities for other skill development for all staff.
- (7) To always maintain the occupational safety, health and work environment for the safety of life and property of staff, and provide welfare at the minimum legal requirements or more as appropriate.
- (8) To encourage staff to provide suggestions or submit complaints concerning work performance, and related solutions for the benefit of all parties, and foster good relationships for collaboration.

### 3. Conduct towards Clients

The Company is committed to ensuring client satisfaction and confidence by creating, offering and managing products and services of the Company and its subsidiaries that meet standards and ethical requirements, under the following principles:

- (1) To deal with clients with sincerity, keep promises made with them, provide quality services in response to clients' needs, and treat them fairly in the provision of services without discrimination, and be available to provide suggestions and assistance to clients with courtesy and polite interaction.
- (2) To develop services in terms of diversity, quality and standard in response to clients' needs.
- (3) To disseminate news, information, advertisements and public relations, and promote sales and services duly, fairly, sufficiently and timely for clients, to ensure that clients have sufficient information for their decision-making, without any exaggeration in any advertisements or communications through other

- channels with clients which may mislead clients about quality or conditions of the services, and without taking advantage of clients' misunderstanding.
- (4) To comply with terms and conditions fairly made with clients, failing which, give prompt notice to clients to jointly find solutions.
  - (5) To respond clients' needs rapidly and arrange for a client relations system for complaints regarding quality of services, and a mechanism to regularly oversee, monitor and evaluate services to clients.
  - (6) To refrain from disclosing clients' information known in the course of business operations that should have been reserved, unless required by law to be disclosed.

#### 4. Conduct towards Trading Partners

The Company takes into account equality and integrity in its business operations and protection of mutual benefits with trading partners by complying with rules of practice as mutually agreed upon, laws, regulations, requirements and customary practices, and thus sets out the following practices:

- (1) To treat trading partners equally and fairly on the basis of mutual benefits in fairness to both sides, whereby the Company and its subsidiaries strictly comply with contracts or conditions mutually agreed upon, failing which, give prompt notice to trading partners to jointly find solutions.
- (2) In the course of business negotiation, to refrain from demanding, accepting or paying any benefits in bad faith in dealing with trading partners, both directly and indirectly, and if there is any occurrence of demand, acceptance or payment of any benefits in bad faith, disclose details thereof to trading partners and jointly find solutions on the basis of justice and rapidity.
- (3) To provide accurate, clear, complete and unbiased information ensure fair, transparent and auditable competition.
- (4) To keep information provided by clients confidential.
- (5) To refrain from disclosing confidential information or documents of the Company and its subsidiaries to other unauthorized persons.
- (6) To develop and maintain sustainable relationships with trading partners, promote the building of service quality, image and reliability in collaboration with the Company and its subsidiaries.
- (7) To ensure that the procurement process and the conditions of contracts or agreements are fair toward fair competition.
- (8) To provide training partners with knowledge, develop their potential and upgrade their service capacity to meet standards.
- (9) To communicate and encourage training partners to respect human rights, treat their labor fairly, and be socially and environmentally responsible, as well as monitor and evaluate trading partners for the purpose of mutual and sustainable business development.

#### 5. Conduct towards Creditors

The Company adheres to the practices for fair treatment and responsibility to creditors, taking into account the mutual best interests, as follows:

- (1) To strictly observe and comply with the conditions with creditors of the Company and its subsidiaries, in respect of repayments, care of collateral, and other conditions, failing which, give prompt notice to creditors to jointly find solutions.
- (2) Should there be any events which may materially affect the financial position and debts to be repaid, the Company and its subsidiaries shall give prompt notice thereof to creditors to jointly find ways to prevent or resolve such events to avoid damage.
- (3) To regularly provide accurate and complete financial reports to creditors in a timely manner.

#### 6. Conduct towards Competitors

The Company fairly treats competitors of the Company and its subsidiaries within the legal framework for competition under the following practices:

- (1) To act within the legal framework regarding fair, transparent and equal competition.
- (2) To refrain from seeking competitors' confidential information by any means in bad faith or inappropriate, e.g., bribery of competitors' staff, etc.
- (3) To refrain from discrediting competitors' reputation by way of malicious accusations, fake news or attacks to competitors.
- (4) To refrain from agreeing with competitors or any persons to reduce or restrict competition, and from entering into any commercial terms or taking any actions which may implicitly cause unfair competition or monopoly.
- (5) To refrain from disclosing or providing confidential information of the Company or its subsidiaries to competitors while dealing with them.

## 7. Conduct towards Communities, Society and the Environment

The Company gives priority to communities, society and the environment, and is well aware that the Company and its subsidiaries are members of society and must be responsible for social contribution and support to community activities and environmental protection, under the following practices:

- (1) To manage and oversee the Company and its subsidiaries to be responsible for and observe customary practices and traditions of communities and society, including environmental protection.
- (2) To prevent, reduce, manage and seek to ensure that the Company and its subsidiaries shall not create or cause any negative impact on the environment, which extends to the use of raw materials, energy, water, revolving resources, discharge and management of waste from business operations, greenhouse gas emission, etc.
- (3) To regularly organize activities for contribution to society, communities and the environment to improve the quality of life in communities and society, both on its own accord and in collaboration with public sector and communities.
- (4) To respond rapidly and effectively to events giving rise to impact on the environment and communities from the operations of the Company and its subsidiaries, and provide full cooperation with state officials and relevant authorities.
- (5) To regularly build and raise awareness, and communicate and provide staff in every level with knowledge about community, social and environmental responsibility.
- (6) To apply business knowledge and experience of the Company and its subsidiaries for development of projects clearly beneficial to communities, and monitor and evaluate development thereof and long-term achievements.

## 8. Conduct towards Public Sector/Regulatory Agencies

The Company stresses the importance of compliance with laws, regulations, requirements and rules applicable to the business operations of the Company and its subsidiaries, including collaboration with public sector/regulatory agencies, whereby the Company sets out the following guidelines for conduct towards public sector/regulatory agencies to avoid any activities which may lead to misconduct:

- (1) To fully and strictly comply with the laws, regulations, requirements, criteria, measures and policies set out by public sector/regulatory agencies.
- (2) To provide cooperation in activities hosted by public sector/regulatory agencies as part of strengthening the economic growth and prosperity.
- (3) To act duly and straightforwardly when contacting and dealing with public sector/regulatory agencies.
- (4) To familiarize or build good relationships with public sector/regulatory agencies as appropriate and practicable, e.g., public discussions, congratulations on special occasions or courtesy interactions.

In addition, the Company focuses on and gives its importance to anti-corruption, whereby the Company has established the Anti-Corruption Policy as guidelines for the Company and its subsidiaries for compliance with applicable laws and regulations.

## Director, Executive and Staff Conduct

In compliance with the Code of Conduct, the Company has adopted the code of conduct for directors, executives and staff of the Company and its subsidiaries in the course of their work performance on the basis of ethics, integrity and good faith, as follows:

### 1. Director and Executive Conduct

All directors and executive staff must comply with regulations, requirements, announcements and orders of the Company and of their higher supervisors, as follows:

- (1) To support policies and strict compliance with regulations, requirements, orders, agreements, announcements or circular letters of the Company and its subsidiaries, which have been announced to everyone.
- (2) To perform duties honestly, in good faith and equally, and promptly report any events which may cause damage to reputation and property of the Company and its subsidiaries.
- (3) To act politely, with honor and respect to colleagues.
- (4) To perform duties attentively and diligently, maintain order and corporate governance of the Company and its subsidiaries as a role model to general staff to ensure prosperity of the Company and its subsidiaries and compliance with the standard of ethics.
- (5) To strictly protect benefits and secrets of the Company, its subsidiaries and clients or in connection with any businesses that should not have been disclosed by the Company and its subsidiaries, whereby news and information regarding businesses, finance and individuals of the Company and its subsidiaries must

be duly and carefully disseminated only to the extent legally permitted and compliant. Therefore, throughout and after their status as staff of the Company and its subsidiaries (as the case maybe), all staff agrees to keep the above secrets confidential. Should there be any disclosure or transmission to others or use of such information for any other purposes than their performance of duties to the Company or its subsidiaries, staff agrees to be held responsible and compensate for any damage actually caused to the Company or its subsidiaries in all respects.

- (6) To assist or try to safeguard and protect property of the Company and its subsidiaries from damage or loss, whether due to persons or any public disaster to the fullest extent possible, and refrain from using any items, whether equipment or property, of the Company or its subsidiaries for person use or for others irrelevant to business operations of the Company and its subsidiaries.
- (7) To administer work by adhering to and promoting morality and ethics at every level of the Company and its subsidiaries, and monitor and resolve any potential conflicts of interest in the Company and its subsidiaries.
- (8) To closely supervise their subordinates in the line of command on the basis of justice without prejudice.
- (9) To work as a team and open to opinions of others.
- (10) To strictly comply with, and support and supervise staff under the line of command to strictly comply with, regulations, discipline, policies and requirements of the Company and its subsidiaries in the use of information technology systems, computer systems, computer data, computer traffic data of the Company and its subsidiaries, to ensure that the use of information technology and computer systems of the Company and its subsidiaries comply with the computer, copyright, personal data protection laws or other applicable laws, and prevent any damage to reputation and image of the Company and its subsidiaries.

## 2. Undesirable Conduct for Directors and Executives

All directors and executive staff must refrain from acting or behaving themselves in the following manners detrimental to the Company and its subsidiaries and their own, namely:

- (1) To use their working hours at the Company or its subsidiaries for other business than for the benefits of the Company or its subsidiaries or for person affairs.
- (2) To engage in any business of the same nature as or in competition with the Company or its subsidiaries, whether for personal gain or gain of others, or become a shareholder with managerial powers which may cause damage to the Company or its subsidiaries, whether directly or indirectly.
- (3) To behave themselves in any manner detrimental to their positions, duties and credentials of the Company or its subsidiaries.
- (4) To provide or use false information or conceal any truth that should have been provided to the Company or its subsidiaries, or distort any truth to acquire personal gain or gain of others which may cause damage to the Company or its subsidiaries, whether directly or indirectly.
- (5) To perform work negligently, or take any action inappropriate for their performance of duties as good directors and executives to duly accomplish work in good faith.
- (6) To obstruct or take any action that obstructs due performance of any authorized persons in the Company or its subsidiaries, or issue any orders for staff to misbehave or act unethically.
- (7) To breach civil and criminal laws which cause serious damage to themselves or others, whether intentionally or otherwise.
- (8) To disclose wages or salaries, or salary increase of themselves or others, whether intentionally or otherwise.
- (9) To demand or accept gifts, whether in the form of money, property or any other benefits, from clients, trading partners, competitors or any other persons in business dealing with the Company and its subsidiaries, or any entertainment proven to be unreasonably beyond appropriate courtesy in the ordinary course, or any activities which may affect performance and business decisions, including image of the Company and its subsidiaries, should also comply with such practices set forth in the Anti-Corruption Policy of the Company and its subsidiaries.
- (10) To bribe, whether directly or through third parties, and/or abuse their influence on state officials, clients or trading partners, which constitution violation of the Anti-Corruption Policy of the Company and its subsidiaries.
- (11) To add, delete or revise by any means any records or information to intentionally change or distort operating results and accounting records to be contrary to the truth for any purpose whatsoever.
- (12) To make payments or business arrangements intended or understood as part of such payments or business arrangements for other purposes than the objectives specified in the relevant documents for payments or business arrangements.
- (13) To become insolvent or have any particular reason presumed by law to be insolvent.
- (14) To fail to protect information on intellectual property of the Company and its subsidiaries or obtained by the Company and its subsidiaries in the course of performance of duties by staff.
- (15) To imitate products and infringe intellectual property of others.
- (16) To take any action to unduly seek personal gain or gain of others.
- (17) To have any unit other than the Purchasing Department request support from counterparties or trading partners (if such support is necessarily required for the benefit of the Company or its subsidiaries, such units shall discuss with the Purchasing Department to be in charge of such request, except for marketing activities, the marketing unit of the Business Development and Investor Relations Department shall be in

- charge.
- (18) To take any action to overlook or facilitate any persons to unduly benefit from or access or interfere with the information technology systems, computer systems, computer data, computer traffic data of the Company and its subsidiaries or without permission from the Company or its subsidiaries, or intentionally support or allow to happen or exist any misconduct of service providers under the computer, copyright, personal data protection laws or other applicable laws.

### 3. Staff Conduct

In order to promote efficient and effective work performance, staff of the Company and its subsidiaries should comply with the following practices:

- (1) To perform work honestly, in good faith, transparently, diligently and actively, and improve their performance efficiency for themselves, the Company and its subsidiaries.
- (2) To have discipline and behave in strict compliance with work rules and regulations of the Company and its subsidiaries, and customary practices, whether in writing or otherwise.
- (3) To respect and obey their supervisors' orders in accordance with policies and regulations of the Company and its subsidiaries.
- (4) To act in harmony among colleagues in the Company and its subsidiaries, assist one another, and prevent any conflicts which may be harmful to others in the Company and its subsidiaries, as well as promote and maintain the sense of unity and synergy among staff.
- (5) To respect rights of other staff, including the management team, and give honor to one another, avoid disclosing or criticizing any information or issues of others, both performance and personal affairs, which may cause damage to staff, the Company and its subsidiaries.
- (6) To refrain from offering gifts to supervisors, and avoid accepting any gifts that may make them feel awkward to perform duties in the future, and if that is inevitable, give prompt notice to their supervisors.
- (7) To refrain from abusing their positions, duties or benefits from work for personal gain or gain of their associates, or from engaging in any business in competition with the Company and its subsidiaries.
- (8) To treat clients and trading partners honestly, in good faith and equally.
- (9) To strictly keep confidential information of clients, trading partners, the Company and its subsidiaries confidential.
- (10) To avoid any actions which may jeopardize reputation and image of the Company and its subsidiaries, or which may become subsequently problematic to the Company or its subsidiaries.
- (11) To report any matters known to them to their supervisors without delay when such matters may affect the operations or reputation of the Company or its subsidiaries.
- (12) To maintain rights, benefits and property of the Company and its subsidiaries in good condition for optimum and safe utilization, without wasting, loss, damage or deterioration before reasonable time.

### Complaints and Whistleblowing

The Company and its subsidiaries implement the Whistleblowing Policy as a means for all directors, executives and staff of the Company and its subsidiaries, including stakeholders, to submit complaints or report any finding of misconduct or violation of the Code of Conduct.

### Monitoring of Compliance with the Code of Conduct

This Code of Conduct compiles best practices in various areas and provides the scope of standard practices subject to the ethical and moral frameworks as duties and responsibilities of all directors, executives and staff to be aware of and familiarize themselves with, and strictly comply with the Code of Conduct, which is compulsory and may not be excused by claiming that they are not aware of this Code of Conduct.

It is the duties of the Board of Directors and executives to oversee and provide advice to their subordinates to be aware of, understand and strictly comply with this Code of Conduct.

### Punishment

The Company and its subsidiaries regard this Code of Conduct is a form of discipline with which all directors, executives and staff must strictly comply. Should there be any information or evidence to reasonably believe that an alleged person has breached the Code of Conduct of the Company or its subsidiaries, the Company shall give the alleged person the right to acknowledge the allegation and prove himself/herself by producing additional information or evidence to demonstrate that he/she was not involved in the alleged misconduct.

Should the alleged person be found to have breached the Code of Conduct of the Company or its subsidiaries, such person, whether he/she be a director, executive or staff of the Company or its subsidiaries, shall be subject to disciplinary review under the regulations set forth by the Company and its subsidiaries, and if such action is illegal, he/she shall be subject to both legal penalty and disciplinary actions under the regulations of the Company and its subsidiaries, including the following punishment:



1. Punishment for Executive Staff

- 1.1 Non-serious violation: Such executive will be given written warning describing such violation, including basis on which such violation is considered. Such executive will also be given an opportunity to answer such allegation to his/her supervisor. If such issue cannot be resolved, the issue will be forwarded to the Board for consideration, and the Board's decision is deemed final. Any repeated violation or failure by such executive to remedy his/her first violation per the written warning shall be subject to disciplinary actions, which may result in termination of employment.
- 1.2 Serious violation includes the following actions, e.g., offering or acceptance of bribery, fraud, disclosure of confidential information or intellectual property of the Company or its subsidiaries to third parties, and any actions detrimental to credentials of the Company or its subsidiaries, or conceal or fail to report any material information or documents to supervisors, in which case, the Company or its subsidiaries may consider terminating employment without severance pay and without first issuing any written warning.

2. Punishment for Staff

Should any staff act in any manner giving rise to conflicts of interest with the Company or its subsidiaries, such issue shall be considered in accordance with the management structure of the Company or its subsidiaries, and work rules and regulations. Each unit will initially consider and conclude the issue for submission to higher supervisors and in the upper line of command in order to decide on such misconduct and impose punishment as appropriate. Should such conflicts of interest be serious and cause adverse damage, which may not be within the authority of the unit in charge, such issue may be further submitted to the Executive Committee of the Company for consideration, conclusion and punishment as follows:

- (1) Verbal warning;
- (2) Written warning;
- (3) Wage cut;
- (4) Work suspension;
- (5) Termination without severance pay under the labor protection law;
- (6) Legal prosecution.

**Disclosure and Review of the Code of Conduct**

The Company discloses the Code of Conduct in the annual registration statement/annual report (Form 56-1 One Report) and on its website, and reviews the Code of Conduct annually.

**Insider Trading Policy**

In order to protect rights and rest shareholders and investors assured of the Company's securities price, and to comply with the Securities and Exchange Act B.E. 2535 (1992) (as amended) (the "**SEC Act**") and applicable rules and regulations concerning insider trading, and prevention of unfair practices regarding securities trading, Chase Asia Public Company Limited (the "**Company**") thus adopts the Insider Trading Policy to ensure that directors, executives and staff (including their respective spouses and minor children), who have access to the Company's information, shall have duties to comply with the following requirements:

1. The Company shall educate directors, executives, including those holding management positions in accounting or finance from department manager level upward or equivalent, about their duties to prepare and submit reports on their holding of the Company's securities and changes thereof, and the of their respective spouses or cohabiting couples and minor children, including legal entities under the applicable criteria, and reports on acquisition or disposal of securities in the Company, to the Office of the Securities and Exchange Commission (the "**SEC Office**") pursuant to Section 59 and Section 246, and the penalties under Section 275 and Section 298 of the SEC Act.
2. Directors and executives, including those holding management positions in accounting or finance department manager level upward or equivalent, shall be required to prepare and submit reports on their holding of the Company's securities and changes thereof, and that of their respective spouses or cohabiting couples and minor children, including legal entities under the applicable criteria, and reports on acquisition or disposal of securities in the Company, with a copy thereof to the Company Secretary prior to submission to the SEC Office every time. Such reports on changes in securities holding or acquisition or disposal of securities shall be prepared and submitted to the SEC Office within 3 business days from date of purchase, sale, transfer or acceptance of transfer of such securities, or from the date of acquisition or disposal of such securities. Should any directors and executives not be listed on the database of directors and executives, they shall prepare and submit reports on changes in securities holding to the SEC Office within 7 business days from the date of purchase, sale, transfer or acceptance of transfer of securities, and the Company has notified the list of directors and executives in accordance with the procedures set out by the Securities and Exchange Commission (the "**SEC**").

3. Directors, executives and staff shall be prohibited from using or disclosing non-public information which is material to changes in price or value of securities ("**Inside Information**") to third parties, whether directly or indirectly, and by any means, knowingly or ought to know that such third parties may use such information for securities trading, whether for themselves or for others, except where such action does not have the characteristics of taking advantage of other persons as specified by the SEC.
4. Directors, executives, including those holding management positions in accounting or finance from department manager level upward or equivalent and those involved who know or possess Inside Information shall be prohibited from trading the Company's securities during a period 30 days before disclosure of financial statements or other information likely to affect securities price or any decision to invest in the Company's securities until the Company shall have disclosed such information to the public, and should refrain from securities trading until a lapse of 24 hours from disclosure of such information to the public. The Company shall inform in writing its directors and executives, including those holding management positions in accounting or finance from department manager level upward or equivalent, to refrain from trading the Company's securities, at least 30 days in advance before disclosure of information to the public.
5. Directors, executives and staff of the Company shall be prohibited from informing, disseminating or certifying any statement that is false or materially misleading about financial position, operating results, price of the Company's securities or any other information relating to the Company in such manner that is likely to affect securities price or any decision to invest in securities.
6. Directors, executives and staff of the Company or former directors, executives and staff of the Company shall be prohibited from disclosing Inside Information and/or the Company's confidential information, as well as confidential information of the Company's trading partners known to them in the course of performing their duties, to any third parties, regardless of whether such disclosure shall have caused any damage to the Company, clients and its trading partners.
7. Directors, executives and staff of the Company or former directors, executives and staff of the Company shall be required to keep Inside Information and/or the Company's confidential information, and to use the Company's Inside Information only for the purpose of the Company's business operations. Directors, executives and staff of the Company shall be prohibited from using the Company's Inside Information and/or confidential information for personal gain or gain of others, whether directly or indirectly, and whether with or without compensation therefor.
8. Directors, executives and staff of the Company who possess Inside Information should be cautious about storage, duplication and shredding of documents, storage and deletion of electronic data which is confidential when not in use, from any improper disclosure or misuse.
9. Directors, executives and staff of the Company who possess Inside Information and/or confidential information should be mindful of their conversation or discussion about such information with any persons inside or outside their units in order to prevent those who are not involved from access to Inside Information and/or confidential information.
10. To ensure that the Company has an effective internal control system to prevent any leak of Inside Information and/or confidential information, the Company has classified persons/units which possess Inside Information and/or confidential information for the purpose of restricting the number of persons/units with access to or involved with Inside Information and/or confidential information in the course of performing duties.

In addition, any violation of the above requirements may be regarded as misconduct under the applicable laws, and the Company has set out disciplinary actions to be imposed on exploitation of Inside Information and/or confidential information for personal gain or gain of others as appropriate to the circumstances, from verbal warning, written warning, probation, wage cut, work suspension without pay or dismissal from employment, depending on intention and gravity of such misconduct.

#### Policy Review

The Inside Trading Policy shall be reviewed and evaluated annually.

#### **Anti-Corruption Policy**

Chase Asia Public Company Limited (the "**Company**") focuses on and is committed to anti-corruption to protect rights of investors and shareholders and strengthen their confidence that the Company operates its businesses with transparency and awareness of anti-corruption of any form by way of communication with all stakeholders and through the practices that promote directors, executives, staff and employees of the Company, its subsidiaries or any persons acting for or on behalf of the Company and its subsidiaries ("**Related Persons**"), regardless of whether they

have such powers and duties, to perform their duties honestly, in good faith and transparently, with awareness of anti-corruption of any form. In this regard, the Company has established an anti-corruption policy as guidelines for the Company and its subsidiaries in compliance with the applicable laws, rules and regulations, the details of which are disclosed to the public on the Company's website.

The Company has assessed corruption risk in the operational procedures which may be exposed to corruption, required an audit of compliance with this Anti-Corruption Policy as part of the internal audit plan. The Audit Committee reviews the completeness and sufficiency of the internal control system to ensure that the anti-corruption measures are sufficient and efficient, and reports the results thereof to the Board accordingly. In addition, there are also guidelines for review of practices and requirements of relevant arrangements from time to time to be consistent with changes in businesses, regulations, requirements and provisions of laws.

## 1. Definitions under the Anti-Corruption Policy

"Corruption" refers to an undue exercise of powers acquired or misuse of available assets for personal gain or gain of the Related Persons, or which jeopardizes an interest of others. One form of corruption includes bribery by way of solicitation, offering, giving or accepting bribes in the form of valuable items, money or any other benefits, conflicts of interest, fraud, money laundering, concealment of facts, or obstruction of justice, trading in influence. Corruption involves not only relationships between private sector and government agencies, but also transactions between private individuals or entities.

"Bribery" refers to an offer, promise to give or giving, including demand or acceptance of items or any other benefits, whether directly or indirectly, to incentivize any illegal or unethical actions in order to acquire or maintain businesses or to protect any other benefits against the law or contrary to the Code of Conduct.

"Items or any other benefits" refers to money, property or any other benefits given out of courtesy as rewards or recompense, privileges, as well as reimbursement of expenses for traveling or tour packages, accommodation, meals or the like, and whether they be in the form of vouchers, tickets or any other documentary evidence.

"Entertainment expenses and gifts" refers to expenses incurred by the Company's activities to foster good relationships or occasionally as a token of social expression, whereby entertainment expenses include costs of accommodation, traveling for company visits, study visits, or food and beverages; and gifts refer to money, products, services, gift vouchers, etc.

"Political support" refers to any form of support, monetary or non-monetary, to political parties, politicians or candidates for political election. Non-monetary support includes any grant or donation of items, courtesy services, advertisements to promote or participate in any political campaigns, including staff time contribution.

## 2. General Provisions: Anti-Corruption Practices

2.1 Related Persons shall comply with the following practices:

- 2.1.1 To strictly observe the practices in this Anti-Corruption Policy, the Code of Conduct, and rules, regulations and the articles of association of the Company and its subsidiaries without involving in any form of corruption, whether directly or indirectly.
- 2.1.2 To refrain from taking any actions with the intention of corruption and/or bribery of any Related Persons in such matters under their direct or indirect duties and responsibilities to obtain any interest to the entities, themselves or Related Persons.
- 2.1.3 To refrain from ignoring or neglecting any actions regarded as fraud and corruption in connection with the Company or its subsidiaries, as it is their duties to report such occurrence to supervisors or persons in charge, and provide cooperation in the fact-finding investigations.
- 2.1.4 To have the duties and responsibilities to take care of and use the Company's assets to the maximum benefits of the Company, and refrain from using them for personal gain or gain of others.

2.2 The Company and its subsidiaries shall ensure fairness and protect those who deny corruption or report any information regarding corruption to the Company and its subsidiaries.

2.3 Any person convicted of corruption shall be regarded as a breach of the Code of Conduct and shall be subject to punishment under the Company's regulations and may also be liable for legal penalty.

2.4 The Company shall regularly implement an effective and efficient audit process and internal control system in respect of accounting, finance, records and others, including risk management system for corruption prevention.

2.5 The Company shall adopt a human resources management process to reflect the Company's commitment to anti-corruption measures, and focus on dissemination and education of its personnel about matters subject to compliance with the Anti-Corruption Policy.



**3. Procurement Practices**

- 3.1 The Purchasing Department shall comply with the rules or procedures designated in the operational manual and the procurement procedures of the Company and its subsidiaries, and the procurement process shall be executed by authorized persons in fairness to all parties concerned. The decision-making shall take into account price justifications, quality and services to be obtained, including various standards expected of suppliers or service providers, e.g., environmental standards, industrial standards, etc.
- 3.2 The Purchasing Department shall act transparently without any actions which may derive any personal benefits by abusing such procurement capacity and duties, whether directly or indirectly, and refrain from using any information known to them in the procurement process for personal gain or gain of others.
- 3.3 Related Persons shall not offer bribes for the purpose of bidding or collusion in bidding which may result in favorable treatment and in exchange for return in the procurement process, or contractual performance, both before and during bidding, and after execution of contracts, or to protect any other undue benefits contrary to the Code of Conduct, including any form of corruption which may likewise result in favorable treatment or in exchange for return.

**4. Practice on Entertainment Expenses and Gifts, Property or Other Benefits**

- 4.1 Related Persons shall be prohibited from offering or demanding entertainment expenses and gifts, items or any other benefits from business connections, clients, creditors, trading partners, collaborators, business partners and other stakeholders, except where such offering or demand is accepted by customary practices, traditions, culture or social etiquette, provided that it must be reasonable, appropriate and transparent, in compliance with the policies, regulations and traditional practices on respective occasions, and that evidence of such expenses must be kept, recorded as actually incurred, and accompanied by receipts or evidence for audit purposes at a later date.
- 4.2 No money, property, items or any other benefits shall be demanded from or offered to any business connections which may influence any decision to be made unfairly or with the intention to unduly persuade any action or inaction or in exchange for any undue privilege.

**5. Entertainment Practices**

- 5.5 "Entertainment expenses" refers to expenses incurred by activities of the Company and its subsidiaries to foster good relationships or occasionally as a token of social courtesy, whereby entertainment expenses may include costs of accommodation and/or traveling for company visits or study visits, food and beverages, which may be regarded as bribery if they are given to persuade any state officials to unduly perform their duties.
- 5.2 No entertainment shall be allowed for any government agencies or state officials on each occasion in excess of the value set forth by law, and such expenses must be paid as incentives to persuade any state officials to unduly perform their duties or any decision for business interest of the Company and its subsidiaries, whereby they must be recorded as actually incurred and accompanied by receipts or evidence.
- 5.3 Entertainment expenses by business etiquette should be duly and actually disbursed, subject to report and/or approval as specified in the level of authority.
- 5.4 Disbursement of entertainment expenses excludes expenses of staff's family member(s).

**6. Charitable Donation and Support Practices**

- 6.1 The Company and its subsidiaries contribute charitable donations and support for development of communities and society, the quality of life and the economy to strengthen communities and society, provided that such charitable donations and support to charities or other entities shall follow the procedures under the level of authority, and must be requested in writing with the objectives of charitable donations and support, together with other supporting documents, to authorized persons at the respective levels.
- 6.2 The Company and its subsidiaries may act as sponsor as a means to promote businesses of the Company and its subsidiaries different from charitable donations, which may be in various forms, e.g., sponsor of cultural, arts, educational activities, etc.
- 6.3 Related Persons shall be cautious to ensure that no charitable donations and sponsorships shall be used in avoidance of bribery or offering of benefits or return to any individual person, and to persuade any unlawful action or inaction contrary to the scope of ethics, and in such manner than changes the original beneficial purposes, in order for such persons or units that receive the donations to purchase products or service of the Company and its subsidiaries, or enter into contracts or offer any business return or personal benefits to Related Persons. Charitable donations and sponsorships must proceed transparently and comply with applicable laws.

**7. Political Support Practices**

- 7.1 The Company and its subsidiaries have no practices to provide assistance, support or represent any political party in public activities, whether financially or otherwise, nor they act in any manner giving the impression to others that the Company and its subsidiaries are politically involved or inclined or favor any political party or those with political powers, whether directly or indirectly.
- 7.2 If the Company and its subsidiaries wish to provide any political support to promote democracy, such support shall not be contrary to the applicable legal principles or provided in the hope of any special treatment in return.
- 7.3 Related Persons shall enjoy their political rights and freedoms under the laws, provided that they shall not take any actions that compromise the neutrality of the Company and its subsidiaries or cause damage from their political involvement.
- 7.4 Related Persons shall not carry out any political activities in the Company and its subsidiaries nor shall they use any resources of the Company and its subsidiaries for such purposes.

**8. Training and Communication Practices**

- 8.1 Related Persons shall receive regular training on anti-bribery and corruption to be aware of this Policy and various forms of corruption, risks from involvement in bribery, and procedures for report on any finding or suspicions of fraud and corruption.
- 8.2 Related Persons shall be provided with a copy of this Policy to ensure that they acknowledge and understand the policies of the Company and its subsidiaries regarding anti-corruption and bribery. Moreover, this Policy and its updates are available on the website and electronic channels of the Company and its subsidiaries.

**9. Channels for Whistleblowing or Complaints and Protection of Informants**

The Company and its subsidiaries provide secure channels for reporting any violations or finding of fraud and corruption, and establish consideration procedures and protective measures and remedial actions for informants or complainants under the whistleblowing and complaint policy of the Company and its subsidiaries.

**10. Punishment**

Any persons who violate or breach the above policies and practices shall be subject to disciplinary review under the work rules and regulations of the Company and its subsidiaries, and shall be liable to pay damages to the Company, its subsidiaries or those affected by such violation or breach, and may also be liable for legal penalty if such action is illegal.

**11. Policy Review**

The Anti-Corruption Policy shall be reviewed and evaluated annually.

**Policy on Investment in Subsidiaries and Associated Companies**

Chase Asia Public Company Limited (the “**Company**”) has policies to invest in subsidiaries or associated companies to support its business operations, and invest in companies compatible with the Company’s goals, vision and growth strategies to increase its operating results or profits, or invest in synergy business for the Company to enhance the Company’s competitiveness. Subsidiaries and/or associated companies may consider further investing other businesses, provided with potential growth or business extension or beneficial to the Group’s businesses, taking into account the feasibility of investment, potential and risk factors from investment, subject to effective investment analysis. Such investment must be approved and/or authorized by the Board of Directors’ meeting or shareholders’ meeting (as applicable) of the Company, and the procedures for approval of investment must proceed in compliance with the relevant notifications of the Capital Market Supervisory Board, of the Securities and Exchange Commission, and of the Board of Governors of the Stock Exchange of Thailand.

**Policy on Investment in and Oversight of Subsidiaries and Associated Companies**

The Company adopts the policy on oversight and management of subsidiaries and associated companies for the purpose of putting in place both direct and indirect measures and mechanisms to enable the Company to oversee and manage businesses of subsidiaries and associated companies, including monitor them to comply with the Company’s policies and applicable rules and laws, so as to safeguard the Company’s investment and interests in those subsidiaries and associated companies, which will lift the Company’s shareholders’ confidence, with the details as follows:

- (a) The Company shall appoint its representatives as directors or executives in subsidiaries and associated companies. The number of representative directors or executives in subsidiaries and associated companies reflects the Company's shareholding in those subsidiaries or associated companies and/or the arrangements between the Company and those subsidiaries or associated companies, to efficiently and effectively manage such subsidiaries and associated companies in line with the Company's policies, and in compliance with the laws, and the Company's policies and business plan.
- (b) The Company shall regularly oversee and monitor the operations of subsidiaries and associated companies in which it has invested, and ensure that they prepare, keep and record their books of accounts, and disclose their financial positions and operating results, transactions between subsidiaries and related persons, acquisition or disposal of assets, or any other material transactions with accurate and complete information, based on the same rules on disclosure and execution of transactions as those applicable to the Company, and subject to the rules and procedures under the securities and exchange laws, requirements, notifications, orders or regulations of the Office of the Securities and Exchange Commission, the Capital Market Supervisory Board, and the Stock Exchange of Thailand.
- (c) For the purpose of execution of any transactions or arrangements by subsidiaries, which are material to or affect the Company's financial position and operating results, or which fall into or constitute an acquisition or disposal of assets under the Notifications on Acquisition or Disposal of Assets or a connected transaction under the Notifications on Connected Transactions, in respect of which the Company requires prior approval from the Board of Directors' meeting and/or the shareholders' meeting and/or the relevant authorities under the laws, the subsidiaries may execute such transactions or arrangements only after such approval from the Board of Directors' meeting and/or the shareholders' meeting and/or the relevant authorities (as the case may be) shall have been duly obtained.  
  
Moreover, in the execution of transactions or upon occurrence of certain events in respect of subsidiaries, which requires the Company to disclose information to the Stock Exchange of Thailand under the criteria set forth in applicable notifications, the representative directors or executives in such subsidiaries shall report to the Company's management team as soon as they become aware that the subsidiaries plan to execute such transactions or upon occurrence of such events.
- (d) The Company shall set out necessary measures and procedures to make sure that its subsidiaries shall duly and fully disclose their operating results and financial positions, and the Company shall take necessary steps to monitor such disclosure to be made accurately and completely.
- (e) The Company shall put in place an internal control system in its subsidiaries to be appropriately, sufficiently and prudently implemented, and ensure that their transactions are duly executed in accordance with the applicable rules and laws.
- (f) Directors and executives representing the Company in its subsidiaries and associated companies shall ensure that those who have an interest in any matters or a conflict of interest with the subsidiaries or associated companies, whether directly or indirectly, shall not participate in the approval of such matters.
- (g) The Company shall regularly review the reports on operating results of subsidiaries and associated companies for the purpose of planning and setting its operational goals accordingly.

#### Policy Review

In order for this Policy on Investment in and Oversight of Subsidiaries and Associated Companies to remain applicable and consistent with circumstances, business status or changing rules and regulations, the Company schedules to review this Policy annually.

#### **Policy on Prevention of Conflicts of Interest**

Chase Asia Public Company Limited (the "**Company**") has adopted this Policy on Prevention of Conflicts of Interest on the basis that the consideration of various transactions must proceed transparently and any decisions on business operations must be made in the best interests of the Company and its shareholders, and take into account the benefits as a whole of staff, clients, trading partners and society in support of the decision-making, and should avoid any actions which may give rise to conflicts of interest. In this regard, those involved or having an interest must inform the Company of their relationships or interest in such matters to be considered or transactions to be derived benefits, whether directly or indirectly, from the execution of such transactions with the Company or its subsidiaries, and those involved or having an interest shall not participate in the consideration and cast their votes to approve such transactions.

Directors, executives and staff of the Company are required to comply with the requirements and considerations in relation to the Policy on Prevention of Conflicts of Interest, as follows:

1. To promptly disclose and report information on their interest and that of their related persons to the Board of Directors to be aware of their relationship and transactions with the Company and/or subsidiaries in such manner likely to give rise to conflicts of interest before executing the transaction. In this regard, directors and executives involved in the business management of the Company or its subsidiaries shall be required to prepare and submit reports on their interest to the Company Secretary who shall survey on a yearly basis at the end of each year such interest of directors, executives and/or related persons, and submit such information to the Audit Committee and the Board of Directors for information at least once a year.
2. To avoid any connected transactions with themselves and/or related persons which may give rise to conflicts of interest with the Company and its subsidiaries, and refrain from taking any actions in such manner in conflict with the interest of the Company or its subsidiaries or for personal gain and/or gain of related persons. If it is necessary to execute such transactions, the criteria and authority to approve related party transactions or connected transactions shall be strictly complied with.
3. To oversee the Company and the management team to accurately, fully and timely disclose information which may give rise to conflicts of interest with stakeholders, persons with conflicts of interest, and related persons. In this regard, the Board of Directors shall cause the Company and its subsidiaries to disclose information as required by the applicable rules on execution of connected transactions in the Annual Registration Statement/Annual Report (Form 56-1 One Report) or disclose information memorandum under the applicable rules and regulations.
4. The following actions which will cause directors, executives, staff or related persons of the Company to derive other financial benefits than those that should have been received in the ordinary course, or which will cause the Company or its subsidiaries to sustain damage, shall be presumed as material conflicts of interest with the Company and its subsidiaries, as follows:
  - 4.1. Execution of transactions between the Company or its subsidiaries and connected persons not in compliance with the applicable rules and policies on connected transactions;
  - 4.2. Use of information of the Company or its subsidiaries known to them, unless such information has been disclosed to the public;
  - 4.3. Use of assets or business opportunity of the Company or its subsidiaries in violation of the securities and exchange laws.
5. In case of transactions with the same commercial terms as those an ordinary person would agree with any contractual party under similar circumstances with transparency and fairness as if they were transactions executed with third parties and in the Company's best interests, on the basis of commercial negotiation without any influence from their status as directors, executives, staff or related persons of the Company, such transactions shall be summarized for submission to the Audit Committee and the Board of Directors for information and comment for each quarter in which such transactions are executed.
6. In case of other transactions which are regarded as connected transactions or related party transactions without the same commercial terms as approved in principle by the Board of Directors, or the characteristics and sizes of which are outside the authority of the management team or the Executive Committee, the Audit Committee shall first consider and comment on the necessity and justification of such transactions before proposing and seeking approval from a meeting of the Board of Directors and/or shareholders (as the case may be), subject to compliance with the applicable rules and policies on connected transactions.
7. To oversee and ensure that the Company and its subsidiaries shall comply with the articles of association and the Code of Conduct, the securities and exchange laws, and other applicable laws, and duly, efficiently and sufficiently implement internal control, risk management and anti-corruption systems, to ensure that such arrangements by the Company and its subsidiaries comply with the applicable laws, rules, requirements and policies, and disseminate information to staff of the Company and its subsidiaries for understanding and compliance accordingly.
8. To avoid any business operations, engagement, investment, shareholding or being directors, executives or consultants, whether directly or indirectly, in any companies engaging in the same businesses as the Company or its subsidiaries, or competing with the Company or its subsidiaries. Such shareholding or status of directors, executives or consultants in other companies may be allowed insofar as it can be proven that such shareholding or positions shall not be in conflict with the interest of the Company or its subsidiaries and their performance of duties in the Company or its subsidiaries, subject to compliance with the criteria as required in the applicable laws.
9. To avoid involvement in any business or events which may cause conflicts of interest or financial obligations of any form with business connections.
10. Stakeholders shall not provide any comment, consider and approve any matters in which they have an interest or a conflict of interest, whether directly or indirectly.

The Company shall carefully consider resolving conflicts of interest with integrity, good faith, reasons and independence, subject to the Code of Conduct and corporate governance to ensure its transparent operations.

#### Policy Review

The Policy on Prevention of Conflicts of Interest shall be reviewed and evaluated annually.

### **Board and Committee Charters**

#### **Board Charter**

##### **1. Purpose**

The Board of Directors, as shareholders' representatives, takes the role and duties to oversee the management of Chase Asia Public Company Limited (the "**Company**") to comply with resolutions of shareholders' meetings, laws, objectives and its articles of association, by prescribing objectives and goals, vision, mission, strategies, operational policies, as well as monitor, evaluate and report on performance, for sustainable value creation to the businesses, and returns on investment, based on their expertise, the Corporate Governance Code, and the Code of Conduct of the Company.

##### **2. Board Composition and Qualifications**

- (1) Directors shall be knowledgeable, competent, honest and ethical to carry on the business operations with sufficient time commitment to contribute their knowledge, competence and perform the duties for the Company, should consist of diverse qualifications according to the Board Skills Matrix set out by the Company, and each director should not hold directorship in more than 5 listed companies.
- (2) Directors shall have qualifications without prohibited characteristics under the public limited companies laws, securities and exchange laws, including notifications, requirements and/or other applicable laws, and the Company's articles of association, and shall not have any untrustworthy characteristics under the Notifications of the Securities and Exchange Commission. At the time when the Company files its application for permission for initial public offering of new shares with the Office of the Securities and Exchange Commission, directors must be listed on the database of directors and executives of issuing companies under the Notification of the Capital Market Supervisory Board on Rules for Listing Names on Database of Directors and Executives of Issuing Companies.
- (3) Directors shall not engage in any business of the same nature as and competing with the Company, or become a partner in an ordinary partnership, or a partner with unlimited liability in a limited partnership, or a director of a private company or other companies engaging in any business of the same nature as and competing with the Company's business, whether for personal gain or gain of others, unless they have informed the shareholders' meeting of such status before such resolution for their appointment.
- (4) The Board shall be composed of not less than 5 but not exceeding 12 directors, namely Board Chairman and directors in number appropriate to the business, and not less than one half of all directors must be resident in Thailand.
- (5) The Board shall include independent directors representing at least one-third of all directors, but not less than 3 independent directors. Independent directors shall be independent under such criteria prescribed by the Securities and Exchange Commission, the Capital Market Supervisory Board, and the Stock Exchange of Thailand.
- (6) The Board shall elect one of the directors as Board Chairman, and if the Board Chairman deems it appropriate, one or more directors may be elected as Vice-Chairman or Vice-Chairmen, whose duties shall be as delegated by the Board Chairman.
- (7) The Board Chairman and the Chief Executive Officer must not be the same person.
- (8) If the Board Chairman and the Chief Executive Officer are not clearly separated, e.g., the Board Chairman is not an independent director, the Board Chairman and the Chief Executive Officer are members of the same family, or the Board Chairman is a member of the Executive Committee or team, or tasked with management duties and responsibilities, the Board should promote counterbalancing between the Board and the management team, whereby (a) the Board is composed of independent directors representing more than one half of its members; or (b) one of the independent directors is appointed to jointly consider setting meeting agenda of the Board, in order to comply with the Corporate Governance Policy of the Company.



### 3. Appointment and Tenure

The Nomination and Remuneration Committee shall screen, recruit and nominate candidates fully qualified under Clause 2 above to be appointed as directors, and submit such nominations to a meeting of the Board and then a meeting of shareholders for further consideration and appointment.

At every annual ordinary general meeting of shareholders, one-third of the directors at that time shall vacate office. If the number of directors is not a multiple of three, then the number nearest to one-third shall vacate office. Directors due to vacate office in the first and second years after its conversion into a public limited company shall be drawn by lots. In subsequent years, directors with the longest tenure shall vacate office. Upon retirement by rotation, such directors may be re-elected to resume office.

Other than vacancy by rotation, directors shall vacate office upon:

- (1) Death;
- (2) Resignation, provided that any director wishing to resign shall tender a resignation letter to the Board Chairman, and such resignation shall take effect as of the date such resignation letter has reached the Board Chairman;
- (3) Being disqualified or having any prohibited characteristics under the public limited companies laws and/or the securities and exchange laws;
- (4) Being removed by resolution of a meeting of shareholders (with votes of not less than three-fourths of shareholders present at the meeting and entitled to vote, representing in aggregate not less than one half of the number of shares held by shareholders present at the meeting and entitled to vote);
- (5) Being removed by a court order.

In case of any vacancy on the Board for any reason other than retirement by rotation, the Board, by recommendation of the Nomination and Remuneration Committee, shall appoint a person who is fully qualified without any prohibited characteristics under the law as specified in Clause 2 above to fill the vacancy, with votes of not less than three-fourths of the number of the remaining directors, except where the remaining tenure of such director is less than 2 months, the replacement director shall hold office only for the remaining tenure of the director whom he/she replaces.

Successive tenure of independent directors shall not exceed 9 years from the date of first appointment as independent directors. However, if any independent directors are to be appointed to further resume office, the Board should consider the necessity therefor as appropriate.

Appointment, qualifications and tenure of directors shall comply with applicable laws, rules/basis, regulations, requirements and notifications of regulatory agencies. The Board shall appoint the Company Secretary with the required and suitable knowledge and experience to be in charge of various arrangements in the name of the Company, and facilitate the Board's performance of duties in the Company's business operations in compliance with applicable laws, notifications and regulations, and set out his/her scope, powers, authority and responsibilities, and may remove him/her from such position as it deems appropriate.

### 4. Scope, Roles, Duties and Responsibilities of Board Chairman

- (1) To oversee, monitor and ensure that the Board's performance of duties is efficient and achieves the objectives and key goals of the organization.
- (2) To ensure that all directors are involved in promoting organizational culture based on ethics and corporate governance.
- (3) To set meeting agenda of the Board in consultation with the Chief Executive Officer, and have measures in place to include important matters in meeting agenda.
- (4) To allocate sufficient time for the management team to propose matters and for directors to discuss material issues thoroughly, and encourage directors to duly exercise discretion and independently share their opinions.
- (5) To promote good relationships between executive and non-executive directors and between the Board and the management team.

### 5. Scope, Roles, Duties and Responsibilities of the Board

The Board shall have powers, authority and responsibilities in the Company's business operations with integrity in the best interests of the Company, and oversee, control, prevent and management conflicts of interest to safeguard the Company's benefits as a whole, without limitation to only any specific group of shareholders. The Board is generally empowered and authorized to oversee the Company's policies, effective management process, and monitoring system for compliance with such policies, as follows:

- (1) To perform its duties with due care (duty of care), integrity (duty of loyalty), and oversee the operations of the Company and its subsidiaries in compliance with laws, rules, regulations, its articles of association and shareholders' resolutions (duty of obedience) to protect rights and benefits of the Company and its subsidiaries.
- (2) To set out objectives and goals, vision, mission, strategies, operational policies, allocation of major resources to achieve such objectives and goals, and empower the management team to perform efficiently and effectively, and monitor, evaluate and oversee the administration and management matters by management team of the Company and its subsidiaries to be aligned with policies, goals, business plans, budgets, management structure and level of authority, as well as support effective and safe use of innovations and technologies.
- (3) To consider and approve annual business plan and budget proposed by the management team, and consider and approve the Company's important matters as required by laws, its articles of association and guidelines.
- (4) To oversee the business operations under the corporate governance principles to facilitate the Company's competitiveness and good operating results for the benefit of shareholders, stakeholders, society and long-term impact, and also support environmental impact mitigation and development without compromising its resilience and adaptation under changing circumstances.
- (5) To support creation or use of innovations and technologies to generate values to businesses in parallel with contributions to clients or their related persons, and be socially and environmentally responsible, oversee the management team to operate businesses with social and environmental responsibility as reflected in the operational plan, to ensure that every unit in the organization proceeds in alignment with its objectives, goals and strategies.
- (6) To appoint directors or executives in subsidiaries or associated companies at least representing its shareholding in those subsidiaries or associated companies, in order to control their management to be in line with the Company's policies, and transactions to be duly executed in accordance with laws, including full and accurate disclosure of financial positions, operating results, connected transactions and acquisition or disposal of material assets.
- (7) To oversee the Company and its subsidiaries to adopt sufficient and effective risk management systems and internal control to efficiently achieve objectives, and appoint an audit committee to perform its duties efficiently and independently to review and ensure that such internal control and internal audit systems are sufficient, effective and efficient in compliance with laws.
- (8) To monitor, oversee, prevent and manage any potential conflicts of interest between stakeholders of the Company and its subsidiaries and the management team, the Board or the Company's shareholders, including prevention of any misuse of property, information and opportunities of the Company and its subsidiaries, or execution of transactions with persons with potential conflicts of interest/connected persons of the Company or its subsidiaries in any inappropriate manner. For this purpose, should any director have an interest in any transaction with the Company or subsidiaries or change his/her shareholding in the Company and/or subsidiaries, he/she shall give notice thereof to the Company without delay.
- (9) To oversee the Company to ensure that it has a data security system in place, including policies and practices for maintenance of confidentiality, reliability and availability of information, as well as management of information which may affect securities price.
- (10) To ensure that the Company and its subsidiaries have effective and reliable accounting and financial reporting systems, prepare financial reports, and oversee the Company to prepare its annual report and disclose its financial statements and material information which are accurate, sufficient, timely and compliant with applicable rules, regulations, standards and practices (duty of disclosure), as well as review the sufficiency of the Company's financial liquidity and debt-serviceability.
- (11) To consider approving the selection and proposed appointment of the Company's auditor, and to consider fixing remuneration as appropriately proposed by the Audit Committee before proposing the matter to the annual ordinary general meeting of shareholders for consideration and approval.
- (12) To consider approving quarterly financial statements reviewed by the auditor and commented by the Audit Committee, and to consider approving the audited annual financial statements and commented by the Audit Committee to be proposed to the annual ordinary general meeting of shareholders for consideration and approval.
- (13) To acknowledge the Audit Committee's report and other committees' reports of the Company.

- (14) To consider appointing directors to fill any vacancy for other reasons than retirement by rotation.
- (15) To consider appointing and changing the Company's authorized signatory directors.
- (16) To consider appointing and removing committee members and designate powers and authority of the committees to facilitate and support the Board's performance of duties, and oversee the committees' performance in compliance with their respective charters, and to regularly consider approving the criteria for performance review at least once a year.
- (17) To establish succession plans for the Chief Executive Officer, senior executives and personnel in key positions of the Company, whereby the Chief Executive Officer shall report the implementation of succession plans to the Board for information from time to time at least once a year, and oversee personnel management and development to ensure the number of personnel, talents, skills, experiences and incentives as appropriate.
- (18) To consider approving criteria for nomination of candidates for the Chief Executive Officer, appointment of the Chief Executive Officer, and determining a framework of remuneration policies and forms, determination of remuneration and the Chief Executive Officer's performance review as proposed by the Nomination and Remuneration Committee.
- (19) To consider approving a framework of remuneration policies and forms, determination of remuneration and senior executives' performance review as proposed by the Chief Executive Officer.
- (20) To consider appointing and removing the Company Secretary under the securities and exchange laws to facilitate the Board's performance to ensure that the Company's business operations comply with applicable laws, notifications, regulations and articles of association.
- (21) To consider approving and commenting on material transactions, e.g., acquisition or disposal of assets of the Company or its subsidiaries, new business investment, and any arrangements or connected transactions, except where such transactions also require approval from a meeting of shareholders, provided that such consideration and approval shall comply with the securities and exchange laws and/or applicable notifications, requirements and/or regulations of the Stock Exchange of Thailand.
- (22) To consider approving interim dividends to shareholders when it is apparent that the Company's profit so justifies, and report such dividend payments to the next meeting of shareholders.
- (23) To hold a meeting of shareholders as the annual ordinary general meeting within 4 months from the end of the Company's fiscal year, and oversee such meeting of shareholders to be duly, transparently and efficiently conducted to enable shareholders to exercise their rights, and be involved in making major decisions, as well as ensure disclosure of meeting resolutions and prepare accurate and full minutes of shareholders' meeting, including effective communication with shareholders and other stakeholders.
- (24) To have a mechanism for complaints and responsive actions to complaints or whistleblowing.
- (25) To perform any other duties in relation to the Company's businesses as delegated by shareholders.

The Board of Directors may authorize one or several directors or any other persons to perform any particular action on its behalf, provided that the scope of powers, authority and responsibilities must not be delegated by way of power of attorney or substitute power of attorney in such manner which empowers the Board or its attorney-in-fact to consider and approve transactions in which they or persons with potential conflicts of interest (as defined by the relevant notifications of the Securities and Exchange Commission and/or of the Capital Market Supervisory Board and/or of the Stock Exchange of Thailand and/or of the relevant authorities) may consider and approve transactions in which they have an interest or receive any form of benefits, or with any other conflicts of interest with the Company or its subsidiaries, except for approval of transactions in compliance with such policies and criteria previously approved by a meeting of shareholders and/or the Board.

## **6. Meetings and Resolutions**

- (1) The Company shall hold Board meetings at least once every three months.
- (2) The Board Chairman shall call a Board meeting and may conduct such meeting via electronic media, subject to compliance with rules and procedures prescribed by applicable laws. Directors shall attend Board meetings in person.
- (3) For the purpose of calling Board meetings, the Board Chairman, the Company Secretary or any delegated person shall send a notice of meeting to directors at least 7 days before the meeting dates, except in case



of urgency to protect the Company's rights or benefits, meetings may be called by other means and with shorter notice.

- (4) The Board may invite other persons to attend its meetings as it deems appropriate.
- (5) Board meetings shall be conducted in compliance with applicable laws and the Company's articles of association, and require the presence of not less than one half of all directors to constitute a quorum.
- (6) The Board Chairman shall preside over a meeting of shareholders. If the Board Chairman is absent or unable to perform the duty, Vice-Chairman shall preside over the meeting. In the absence of any Vice-Chairman, or a Vice-Chairman is appointed, but unable to perform the duty, one of the directors present at the meeting shall be selected to preside over the meeting. The Board may invite other persons to attend its meetings as it deems appropriate.
- (7) Decisions of the Board meeting shall be adopted by a majority of votes of directors present at the meeting. Each director has one vote. In case of an equality of votes, the presiding chairman of the meeting shall have a casting vote. Directors who have an interest in any matter must not be present at the meeting and are not entitled to vote on such matter.

## 7. Remuneration

The Board, by recommendation of the Nomination and Remuneration Committee, shall establish monetary and non-monetary remuneration policies, the consideration of which must be transparent and suitable for their duties and responsibilities, and comparable with the same business standard, and the Board remuneration must be approved by a meeting of shareholders.

## 8. Performance Review

The Board shall conduct its performance review at least once a year, both as a group and on an individual basis, to jointly consider their performance and problems in the operations during the previous year for correction and improvement of its performance efficiency. The Board may conduct such review by way of self-evaluation. The Board may engage an outsource consultant to assist in providing guidelines and recommending issues for performance review of the Board in line with such criteria and timeline as it deems appropriate. The Company shall disclose such criteria, procedures and overall performance review in the annual registration statement/annual report (Form 56-1 One Report).

## 9. Charter Review

The Board shall review its charter at least once a year to ensure that the charter remains compatible with the organization's direction and applicable laws.

## Audit Committee Charter

### 1. Purpose

Chase Asia Public Company Limited (the "**Company**") realizes the significance of corporate governance, and thus appoints the Audit Committee to be essentially instrumental in supporting the Board's independent performance of duties, promoting corporate governance systems, and overseeing and auditing administration, internal control and compliance with rules and regulations of relevant regulatory agencies, including preparation of financial and risk management reports, to ensure that the Company's performance and disclosure of information are accurate, transparent, reliable and meet quality requirements to promote the performance efficiency. The Audit Committee is tasked to provide independent and fair opinions to ensure integrity and reliability for shareholders and stakeholder.

### 2. Composition and Qualifications of the Audit Committee

- (1) Members of the Audit Committee must have sufficient knowledge and experiences to discharge their duties in such capacity, and sufficient time commitments for their performance.
- (2) The Audit Committee shall be composed of at least 3 qualified independent directors, and at least one member of the Audit Committee shall have the required knowledge and experience in accounting or finance to be sufficiently capable of reviewing the reliability of financial statements.
- (3) The Audit Committee shall appoint one member as Chairman of the Audit Committee and the Audit Committee shall appoint a secretary to the Audit Committee.

- (4) Members of the Audit Committee must be fully qualified as independent directors under the criteria of the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand, and regulatory agencies, and must be impartial, have no benefit or interest, whether directly or indirectly, which may affect their independent discretion under their duties and responsibilities.
- (5) They shall not be authorized by the Board to make decisions on the business operations of the Company, its parent company, subsidiary, associated company, subsidiary in the same tier, major shareholder or controller of the Company.
- (6) They shall not be directors of its parent company, subsidiary, or subsidiary in the same tier which is a listed company.

### 3. Appointment and Tenure

- (1) The Board or shareholders' meeting of the Company, by recommendation of the Nomination and Remuneration Committee shall appoint or remove members of the Audit Committee.
- (2) Members of the Audit Committee shall hold office according to the tenure of their directorship. The Board may appoint any member of the Audit Committee who is due to retire by rotation to resume office as it deems appropriate.
- (3) Other than vacancy by rotation, members of the Audit Committee shall vacate office upon:
  - (a) Death;
  - (b) Resignation, provided that the Chairman of the Audit Committee or any member of the Audit Committee wishing to resign shall tender a resignation letter to the Board Chairman;
  - (c) Being disqualified or having any prohibited characteristics under the public limited companies laws and/or the securities and exchange laws;
  - (d) Being removed by resolution of a Board meeting.

In case of any vacancy on the Audit Committee for any reason other than retirement by rotation, the Board, by recommendation of the Nomination and Remuneration Committee, shall appoint a new member who is fully qualified without any prohibited characteristics under the law as specified in Clause 2 above immediately or at the latest within 3 months from the date of vacancy of member(s) of the Audit Committee, so as to ensure the continuous performance of the Audit Committee. The replacement member of the Audit Committee shall hold office only for the remaining tenure of his/her directorship.

### 4. Scope, Roles, Duties and Responsibilities of the Audit Committee

- (1) To review financial reports of the Company and its subsidiaries to ensure accurate, full, reliable and sufficient disclosure in accordance with the financial reporting standards, in coordination with the external auditor and executives responsible for preparing both quarterly and annual financial reports, and the Audit Committee may suggest the auditor to review or audit any particular transactions deemed as important and necessary matters during the audits of the Company and its subsidiaries.
- (2) To review internal control system, internal audit system and risk management of the Company and its subsidiaries to ensure adequacy, effectiveness and efficiency, and consider the independence of the internal audit unit, and approve appointment, transfer, termination of head of the internal audit unit or any other unit in charge of internal audit.
- (3) To consider and approve annual budgets, manpower and resources essential to the Internal Audit Department's performance, and meet with the head of the Internal Audit Department to discuss important issues at least once a year without the presence of the management team.
- (4) To review the Company's compliance with the securities and exchange laws, the Stock Exchange of Thailand's requirements, and other laws and standards applicable to the Company's businesses.
- (5) To consider, select and nominate an independent person for appointment as auditor, and propose the auditor's fees, taking into account the reliability, sufficiency of resources, audit workloads of the audit firm, and experience of the personnel authorized to conduct the Company's audit, and meet with the auditor without the presence of the management team at least once a year.
- (6) To consider connected transactions or transactions with potential conflicts of interest, acquisition or disposal of assets of the Company and its subsidiaries to be duly and completely executed in compliance with the securities and exchange laws, and the requirements of the Stock Exchange of Thailand, to ensure that such transactions are reasonable and in the best interests of the Company and its subsidiaries.

- (7) To be empowered to summon and instruct relevant management team, unit heads or staff of the Company to share opinions, meet or provide any documents as it deems relevant and necessary, and to seek independent opinions from any other professional consultants as necessary at the Company's expense.
- (8) To prepare the Audit Committee's report to be disclosed in the Company's annual report, and such report must be signed by the Chairman of the Audit Committee and should contain the following particulars:
  - (a) Opinion on accuracy, completeness and reliability of the Company's financial report;
  - (b) Opinion on sufficiency of the Company's internal control system;
  - (c) Opinion on compliance with the securities and exchange laws, the SET's requirements or laws applicable to the Company's businesses;
  - (d) Opinion on the auditor's eligibility;
  - (e) Opinion on transactions with potential conflicts of interest;
  - (f) Number of meetings of the Audit Committee and members' attendance records.
  - (g) Opinion or overall observations from the Audit Committee's performance of duties under its charter;
  - (h) Any other particulars that should be made known to shareholders and general investors under the scope, authority and responsibilities delegated by the Board.
- (9) To report to the Board any finding or suspicion of the following transactions or actions which may materially affect the Company's financial position and operating results so as to resolve them within such time as the Audit Committee deems appropriate:
  - (a) Transactions giving rise to or potentially giving rise to conflicts of interest;
  - (b) Fraud or unusual issues or major flaws in the internal control system;
  - (c) Violations of the securities and exchange laws, the SET's requirements and notifications or laws applicable to the Company and/or its businesses.

Should the Board fail to resolve such matters within the above time, any member of the Audit Committee may report such transactions or actions to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.
- (10) To respond to complaints and whistleblowing regarding misconduct, corruption or failure to comply with laws, rules, regulations and the Company's code of conduct, and oversee fact-finding investigations and impose penalty independently as appropriate in compliance with relevant policies set out by the Board.
- (11) To perform any other duties as delegated by the Board and approved by the Audit Committee.

## 5. Meetings and Resolutions

- (1) The Audit Committee shall meet at least 4 times a year according to the financial reporting period, and shall be empowered to call additional meetings as necessary. The Chairman of the Audit Committee may call a special meeting of the Audit Committee upon request by any member of the Audit Committee, internal auditor, auditor or the Board Chairman to consider other essential and urgent issues as it deems appropriate.
- (2) The Chairman of the Audit Committee shall call a meeting of the Audit Committee and may conduct such meeting via electronic media, subject to compliance with rules and procedures prescribed by applicable laws. Members of the Audit Committee shall attend its meetings in person.
- (3) For the purpose of calling meetings of the Audit Committee, the Chairman of the Audit Committee, the secretary to the Audit Committee or any delegated person shall send a notice of meeting to members of the Audit Committee at least 7 days before the meeting dates, except in case of urgency to protect the Company's rights or benefits, meetings may be called by other means and with shorter notice.
- (4) The Audit Committee may invite other persons to attend its meetings as it deems appropriate.
- (5) A special meeting with the management team or internal auditor or auditor must be held at least once a year.
- (6) The Audit Committee's meetings require the presence of not less than one half of all members of the Audit Committee to constitute a quorum.
- (7) The Chairman of the Audit Committee shall preside over a meeting of the Audit Committee. If the Chairman of the Audit Committee is absent or unable to perform the duty, one of the members of the Audit Committee present at the meeting shall be selected to preside over the meeting.
- (8) Decisions of the Audit Committee's meeting shall be adopted by a majority of votes of members of the Audit Committee present at the meeting. Each member has one vote. In case of an equality of votes, the presiding

chairman of the meeting shall have a casting vote. Any member of the Audit Committee who has an interest in any matter must not be present at the meeting and are not entitled to vote on such matter.

## 6. Reporting

The Audit Committee shall report on its performance to the Board for information and prepare the Audit Committee's performance report to be disclosed in the annual registration statement/annual report (Form 56-1 One Report) of the Company, and signed by the Chairman of the Audit Committee.

## 7. Remuneration

The Chairman and members of the Audit Committee shall receive remuneration from the Company as approved by the Board, by recommendation of the Nomination and Remuneration Committee, and as proposed to and approved by the annual ordinary general meeting of shareholders.

## 8. Performance Review

The Audit Committee shall conduct its performance review at least once a year, both as a group and on an individual basis, to jointly consider their performance and problems in the operations during the previous year for improvement. The Audit Committee may conduct such review by way of self-evaluation, and report the performance review to the Board for information. Such criteria, procedures and overall performance review shall be disclosed in the annual registration statement/annual report (Form 56-1 One Report).

## 9. Charter Review

The Audit Committee shall review its charter at least once a year for submission to the Board for approval.

# Nomination and Remuneration Committee Charter

## 1. Purpose

To promote the good corporate governance and transparency in the nomination and remuneration of directors, committee members, and the Chief Executive Officer, Chase Asia Public Company Limited (the "**Company**") appoints the Nomination and Remuneration Committee to set out criteria and guidelines for nomination and remuneration of directors, committee members, and the Chief Executive Officer of the Company, including recruitment, selection and nomination of eligible candidates to be appointed as directors, committee members, and the Chief Executive Officer of the Company, and determination of their remuneration, and provide plans for development, training and succession planning for senior executives, as well as other delegated tasks, for reporting to the Board and/or shareholders' meetings (as the case may be).

## 2. Composition and Qualifications of the Nomination and Remuneration Committee

- (1) The Nomination and Remuneration Committee shall be composed of at least 3 members, and at least 1 member shall be an independent director.
- (2) Members of the Nomination and Remuneration Committee must have knowledge, competencies and experiences and understand their qualifications, duties and responsibilities, as well as be familiar with corporate governance principles, impartial and independent, and provide sufficient time commitments for their performance of duties.
- (3) The Nomination and Remuneration Committee shall appoint one member as Chairman of the Nomination and Remuneration Committee, provided that the Chairman of the Nomination and Remuneration Committee should be an independent director. The Nomination and Remuneration Committee shall appoint a secretary to the Nomination and Remuneration Committee.
- (4) Members of the Nomination and Remuneration Committee shall not engage in any business of the same nature as and competing with the Company, or become a partner in any business, or a director of other companies engaging in any business of the same nature as and competing with the Company's business, whether for personal gain or gain of others, unless they have informed the Board meeting of such status before their appointment.

## 3. Appointment and Tenure

- (1) The Board shall appoint or remove the Nomination and Remuneration Committee.

- (2) Members of the Nomination and Remuneration Committee shall hold office for a term of three years each from the date of their appointment, according to the tenure of their directorship. Upon completion of the tenure, the Board may appoint such member of the Nomination and Remuneration Committee to resume office as it deems appropriate.
- (3) Other than vacancy by rotation, members of the Nomination and Remuneration Committee shall vacate office upon:
- (a) Death;
  - (b) Resignation, provided that the Chairman or any member of the Nomination and Remuneration Committee wishing to resign shall tender a resignation letter to the Board Chairman;
  - (c) Being disqualified or having any prohibited characteristics under the public limited companies laws and/or the securities and exchange laws;
  - (d) Being removed by resolution of a Board meeting.

In case of any vacancy on the Nomination and Remuneration Committee for any reason other than retirement by rotation, the Board, by recommendation of the remaining members of the Nomination and Remuneration Committee, shall appoint a new member who is fully qualified without any prohibited characteristics under the law as specified in Clause 2 above to fill the vacancy. The replacement member of the Nomination and Remuneration Committee shall hold office only for the remaining tenure of such member whom he/she replaces.

#### **4. Scope, Roles, Duties and Responsibilities of the Nomination and Remuneration Committee**

- (1) To consider the Board structure and composition in terms of the number of directors to suit business sizes, categories and complexity, in line with business strategies and changing circumstances, and review qualifications of directors, committee members and the Chief Executive Officer in terms of skills, experiences, and expertise in relation to the Company's businesses.
- (2) To set out criteria and procedures for nomination for eligible candidates as directors, committee members and the Chief Executive Officer to suit the business nature and operations of the organization, by prescribing their qualifications and expertise in the respective areas required, using such effective tools as Board Skills Matrix to support the nomination, and select candidates in accordance with the agreed procedures, including their expertise, to be proposed to the Board of Directors for consideration and appointment and/or to a meeting of shareholders for further consideration and appointment (as the case may be), provided that shareholders shall be provided with sufficient information regarding nominated candidates in support of their decision-making.
- (3) To nominate directors and committee members upon retirement by rotation to the Board for consideration, whereby the existing members may be nominated to resume their office, taking into account their performance in such capacity, or invite nominations from shareholders, or use an external firm to recruit or consider candidates from the chartered director pool, or have each director nominate eligible candidates, etc.
- (4) To consider the list of nominated candidates and select those fully qualified to be proposed to the Board of Directors for consideration and appointment and/or to a meeting of shareholders for further consideration and appointment (as the case may be), provided that shareholders shall be provided with sufficient information regarding nominated candidates in support of their decision-making.
- (5) To approach such qualified candidates to ensure that they are willing to hold directorship if appointed by a meeting of the Board of Directors or shareholders (as the case may be).
- (6) To consider the independence and qualifications of each independent director to ensure that a candidate for independent directorship or such particular independent director is or remains fully qualified in compliance with the applicable rules and/or laws.
- (7) To consider the criteria for nomination of the Chief Executive Officer, recruit, screen and recommend the most suitable and qualified candidate to be appointed as Chief Executive Officer to the Board of Directors for consideration and approval.
- (8) To review the current criteria for remuneration of the Board, committees and the Chief Executive Officer in comparison with information on remuneration of other companies in the same industry as the Company, and its operating results, and prescribe effective criteria to achieve the desired outcome, to be fair and supportive of the Company's successful operations.
- (9) To consider the criteria for performance review of the Chief Executive Officer as delegated by the Board.

- (10) To consider the criteria for remuneration of the Board, committees and the Chief Executive Officer, both monetary and non-monetary, to be appropriate and aligned with the Company's strategies and long-term goals, considering their burdens, scope, roles, duties and responsibilities, including expected benefits.
- (11) To fix remuneration of the Board, committees and the Chief Executive Officer in compliance with the payment criteria as agreed and proposed to the Board of Directors for approval and/or to a meeting of shareholders for further consideration and approval (as the case may be).
- (12) To consider suitability and grant approval for any new securities offering to directors and staff, on the basis of fairness towards shareholders, and motivate directors and staff to perform their duties to create values to shareholders in the long run and effectively retain talented personnel.
- (13) To consider succession planning policy for the Chief Executive Officer, senior executives and personnel in key positions of the Company.
- (14) To suggest a procedure for performance review of the Board, committees and the Chief Executive Officer, which shall be reviewed yearly, and monitor and conclude the performance review to the Board of Directors so as to improve the performance efficiency and enhance knowledge and competence of the Board, committees and the Chief Executive Officer.
- (15) To perform any other duties as delegated by the Board.

## **5. Meetings and Resolutions**

- (1) The Nomination and Remuneration Committee shall hold its meetings at least once a year.
- (2) The Chairman of the Nomination and Remuneration Committee shall call a meeting of the Nomination and Remuneration Committee and may conduct such meeting via electronic media, subject to compliance with rules and procedures prescribed by applicable laws. Members of the Nomination and Remuneration Committee shall attend its meetings in person.
- (3) For the purpose of calling meetings of the Nomination and Remuneration Committee, the Chairman of the Nomination and Remuneration Committee, the secretary to the Nomination and Remuneration Committee or any delegated person shall send a notice of meeting to members of the Nomination and Remuneration Committee at least 7 days before the meeting dates, except in case of urgency to protect the Company's rights or benefits, meetings may be called by other means and with shorter notice.
- (4) The Nomination and Remuneration Committee may invite other persons to attend its meetings as it deems appropriate.
- (5) The Nomination and Remuneration Committee's meetings require the presence of not less than one half of all members of the Nomination and Remuneration Committee to constitute a quorum.
- (6) The Chairman of the Nomination and Remuneration Committee shall preside over its meetings. If the Chairman of the Nomination and Remuneration Committee is absent or unable to perform the duty, one of the members of the Nomination and Remuneration Committee present at the meeting shall be selected to preside over the meeting.
- (7) Decisions of the Nomination and Remuneration Committee's meeting shall be adopted by a majority of votes of members of the Nomination and Remuneration Committee present at the meeting. Each member has one vote. In case of an equality of votes, the presiding chairman of the meeting shall have a casting vote. Any member of the Nomination and Remuneration Committee who has an interest in any matter must not be present at the meeting and are not entitled to vote on such matter, except for the consideration of remuneration to the Nomination and Remuneration Committee and the entire Board.

## **6. Reporting**

The Nomination and Remuneration Committee shall report on its performance to the Board for information and prepare the Nomination and Remuneration Committee's performance report to be disclosed in the annual registration statement/annual report (Form 56-1 One Report) of the Company.

## **7. Remuneration**

The Nomination and Remuneration Committee shall consider fixing remuneration of the Chairman and members of the Nomination and Remuneration Committee, and seek approval from the Board, and then propose to seek approval from the annual ordinary general meeting of shareholders.



## 8. Performance Review

The Nomination and Remuneration Committee shall conduct its performance review at least once a year, both as a group and on an individual basis, to jointly consider their performance and problems in the operations during the previous year for correction and improvement of its performance efficiency. The Nomination and Remuneration Committee may conduct such review by way of self-evaluation, and report the performance review to the Board for information. Such criteria, procedures and overall performance review shall be disclosed in the annual registration statement/annual report (Form 56-1 One Report).

## 9. Charter Review

The Nomination and Remuneration Committee shall review its charter at least once a year for submission to the Board for approval.

## Executive Committee Charter

### 1. Purpose

To support the operations and sustainable growth of Chase Asia Public Company Limited (the “**Company**”), the Board thus appoints the Executive Committee to be composed of qualified members to manage and control the Company’s businesses in compliance with applicable laws, rules/basis, objectives, regulations, requirements, notifications of regulatory agencies, resolutions of the Board and shareholders, policies, goals, strategies and operational plans as delegated by the Board, and in line with the Corporate Governance Code and the Code of Conduct.

### 2. Composition and Qualifications of the Executive Committee

- (1) The Executive Committee shall be composed of at least 3 members, and they do not need to hold the Company’s directorship.
- (2) The Executive Committee shall appoint one member from the Board as its chairman, and shall appoint a secretary to the Executive Committee. The Chairman of the Executive Committee and the Board Chairman must not be the same person.
- (3) Members of the Executive Committee must have knowledge, competencies and experiences which are helpful to the Company’s business operations, are honest and ethical to carry on the business operations, with sufficient time commitment to the Company, and without any prohibited and untrustworthy characteristics under laws or rules/basis, notifications, regulations, requirements of regulatory agencies.
- (4) Members of the Executive Committee shall not engage in any business of the same nature as and competing with the Company, or become a partner or executive in other legal entities engaging in any business of the same nature as and competing, both directly and indirectly, with the Company’s business, unless they have informed the Board meeting of such status for acknowledgment and approval before their appointment.

### 3. Appointment and Tenure

- (1) The Board shall appoint or remove members of the Executive Committee by recommendation of the Nomination and Remuneration Committee.
- (2) Directors holding office as members of the Executive Committee shall hold such office according to the tenure of their directorship. Upon completion of the tenure, the Board may appoint such member of the Executive Committee to resume office as it deems appropriate.
- (3) Members of the Executive Committee who are executives of the Company shall hold such office according to the tenure of their executive positions of the Company, unless otherwise determined by resolution of the Board.
- (4) Members of the Executive Committee who are third parties and are neither directors nor executives of the Company shall hold such office for a term not exceeding 3 years each, unless otherwise determined by resolution of the Board. Upon completion of the tenure, they may be reappointed to resume office as appropriate.
- (5) Other than vacancy by rotation, members of the Executive Committee shall vacate office upon:
  - (a) Death;



- (b) Resignation, provided that the Chairman or any member of the Executive Committee wishing to resign shall tender a resignation letter to the Board Chairman;
- (c) Being disqualified or having any prohibited characteristics under the public limited companies laws and/or the securities and exchange laws (in case such member of the Executive Committee is a director);
- (d) Being removed by resolution of a Board meeting.

In case of any vacancy on the Executive Committee for any reason other than retirement by rotation, the Board, by recommendation of the remaining members of the Nomination and Remuneration Committee, shall appoint a new member who is fully qualified without any prohibited characteristics under the law as specified in Clause 2 above to fill the vacancy immediately or at the latest within 3 months from the date of vacancy of member(s) of the Audit Committee, so as to ensure the continuous performance of the Executive Committee. The replacement member of the Executive Committee shall hold office only for the remaining tenure of such member whom he/she replaces.

#### **4. Scope, Roles, Duties and Responsibilities of the Executive Committee**

- (1) To set out vision, strategies, policies, goals, business plans, management structure and level of authority of the Company to be proposed to the Board for approval and further implementation as approved by the Board, including monitoring of such performance to ensure efficiency.
- (2) To have powers, duties and responsibilities for management in the ordinary course of business of the Company, and consider approving transactions in the ordinary course of business, subject to the level of authority and/or scope of powers delegated by the Board, in compliance with applicable laws, rules/basis, objectives, regulations, requirements, notifications of regulatory agencies, meeting resolutions of the Board and shareholders, as well as the Company's corporate governance policy and code of conduct.
- (3) To approve and oversee management in compliance with policies, goals, strategies, annual operational plans and budgets as approved by the Board and/or the level of authority, including monitoring to achieve both short-term and long-term goals.
- (4) To screen business plans, budgets, management structure, level of authority and policies to be compatible with objectives, vision, mission, policies, key goals and business strategies of the Company as suggested by the Chief Executive Officer, before proposing the same to the Board of Directors for consideration/approval, except those under other committees' powers, including the Audit Committee or the Nomination and Remuneration Committee, and to consider screening the management team's proposals.
- (5) To oversee the Company's management through the Chief Executive Officer to be in line with such policies set forth by the Board, and report performance from time to time to the Board.
- (6) To consider appointing or removing a risk management team, and approve the risk management team charter to define an enterprise risk management framework, seek to ensure effective risk management system or process, and control risks and mitigate impact thereof to the Company's businesses.
- (7) To approve appointment of consultants in various areas essential to the Company's operations within budgets approved by the Board.
- (8) To plan or provide other mechanisms to prevent or resolve financial issues, taking into consideration stakeholders' rights.
- (9) To conduct feasibility study for implementation of new projects, approve project investment within the powers delegated by the Board, including execution of legal transactions relating to such matters.
- (10) To consider and approve financial transactions with financial institutions, e.g., account opening, borrowing of loans, application for credits, mortgage, pledge, overdrafts from financial institutions, guarantee, including purchase and sale, and registration of land ownership, for the purpose of the Company's business operations, as well as execution of legal transactions, contracts, proposals, contact for legal transactions with government agencies to obtain rights for the Company, and/or any arrangements relating to such matters until completion in accordance with the level of authority, and/or as designated by the Board and/or under applicable laws, rules and regulations.
- (11) To perform any other duties as delegated by the Board.

#### **5. Meetings and Resolutions**

- (1) The Executive Committee shall meet at least once a month or as it deems appropriate.

- (2) The Chairman of the Executive Committee shall call a meeting of the Executive Committee and may conduct such meeting via electronic media, subject to compliance with rules and procedures prescribed by applicable laws. Members of the Executive Committee shall attend its meetings in person.
- (3) For the purpose of calling meetings of the Executive Committee, the Chairman of the Executive Committee, the secretary to the Executive Committee or any delegated person shall send a notice of meeting to members of the Executive Committee at least 7 days before the meeting dates, except in case of urgency to protect the Company's rights or benefits, meetings may be called by other means and with shorter notice.
- (4) The Executive Committee may invite other persons to attend its meetings as it deems appropriate.
- (5) The Executive Committee's meetings require the presence of not less than one half of all members of the Executive Committee to constitute a quorum.
- (6) The Chairman of the Executive Committee shall preside over its meetings. If the Chairman of the Executive Committee is absent or unable to perform the duty, one of the members of the Executive Committee present at the meeting shall be selected to preside over the meeting.
- (7) Decisions of the Executive Committee's meeting shall be adopted by a majority of votes of members of the Executive Committee present at the meeting. Each member has one vote. In case of an equality of votes, the presiding chairman of the meeting shall have a casting vote. Any member of the Executive Committee who has an interest in any matter must not be present at the meeting and are not entitled to vote on such matter.

## **6. Reporting**

The Executive Committee shall report on its performance to the Board for information and prepare the Executive Committee's performance report to be disclosed in the annual registration statement/annual report (Form 56-1 One Report) of the Company.

## **7. Remuneration**

The Chairman and members of the Executive Committee shall receive remuneration from the Company as approved by the Board, by recommendation of the Nomination and Remuneration Committee, and as proposed to and approved by the annual ordinary general meeting of shareholders.

## **8. Performance Review**

The Executive Committee shall conduct its performance review at least once a year, both as a group and on an individual basis, to jointly consider their performance and problems in the operations during the previous year for correction and improvement of its performance efficiency. The Executive Committee may conduct such review by way of self-evaluation, and report the performance review to the Board for information. Such criteria, procedures and overall performance review shall be disclosed in the annual registration statement/annual report (Form 56-1 One Report).

## **9. Charter Review**

The Executive Committee shall review its charter at least once a year for submission to the Board for approval.

**Attachment 6 Reports of the Audit Committee and Other Committees****Report of the Audit Committee**

The Audit Committee performs its duties independently to protect the Company's benefits under the scope as described in the Audit Committee Charter. The Audit Committee focuses on review of financial reports, internal control system and connected transactions, which are critical to the business operations and good corporate governance. In 2022, the Audit Committee held a total of 5 meetings with the required presence of members of the Audit Committee to constitute a quorum, the essence of which is summarized as follows:

1. Review of Financial Statements

The Audit Committee reviewed quarterly and annual financial statements, including related financial reports, in association with the auditor and the management team. The Audit Committee made inquiries and provided opinions on issues which may affect the financial statements, e.g., the auditor's observations, EIR calculation, etc., to ensure that the financial statements were prepared according to generally accepted accounting principles, and disclosed sufficient information.

2. Review of Connected Transactions

The Audit Committee reviewed connected transactions or transactions with potential conflicts of interest, and was of the view that such connected transactions were executed on an arm's length basis and beneficial to the Company's business operations, including disclosure of sufficient information.

3. Consideration of Appointment of the Auditor for the Year

The Audit Committee considered selecting, proposing appointment of and audit fee to, PricewaterhouseCoopers ABAS Ltd. as the auditor of the Company and its subsidiaries for the year 2022, and held regular meetings between the Audit Committee and the Company's auditor for discussion of audit issues and solutions to significant issues in a timely manner.

4. Review of Risk Management Process

The Audit Committee reviewed the sufficiency of risk management process of the Company and its subsidiaries, and also considered the sufficiency and suitability of factors and impact on the Group's operations to ensure comprehensive risk management.

5. Oversight of Internal Audit

The Company's Audit Committee considered and reviewed the scope of work, burdens, duties and responsibilities as well as annual operational plans of the Internal Audit Unit by discussing with the independent internal auditor regarding annual audit planning and approval for the year 2022. Such task also covered an assessment of the sufficiency and suitability of personnel and the independence of the internal audit operations, regular monitoring of performance and solutions according to the audit report on material issues, which would lead to effective internal control system, efficient risk management and sound corporate governance.

6. Compliance Review

The Audit Committee reviewed the Company's compliance with laws, regulations, and requirements applicable to the Company's businesses under the Corporate Governance Code, and supported and ensured the operations in accordance with safety standards.

In conclusion, the Audit Committee has performed its duties as specified in the Audit Committee Charter, utilized its knowledge and competencies with due care, and independence in its performance, and obtained information and good cooperation from the Company's management team. The Audit Committee is of the opinion that (1) the Company's financial reports are accurate in accordance with generally accepted accounting standards and fully and sufficiently disclose material information; (2) its internal control and audit systems are appropriate and efficient for the preparation of financial statements and the Company's business operations; (3) its enterprise risk management system is sufficient and efficient; and (4) the Company has duly complied with applicable laws, requirements and regulations.

-Mr. Grish Attagrish-  
(Mr. Grish Attagrish)  
Chairman of the Audit Committee  
Chase Asia Public Company Limited

**Report of the Nomination and Remuneration Committee**

The Nomination and Remuneration Committee has performed its duties as described in the Nomination and Remuneration Committee Charter. In 2022, the Nomination and Remuneration Committee held one meeting, with the presence of all of its members representing 100 percent, to discharge the duties as delegated by the Board, which may be summarized as follows:

1. The Committee nominated candidates to be appointed as directors to replace those due to retire by rotation, consider their respective performance in the past, to the Board of Directors' meeting and the shareholders' meeting for consideration and approval.
2. The Committee fixed remuneration for the Board, committees and the Chief Executive Officer for the year 2022 as appropriate and aligned with the Company's strategies and long-term goals, considering their burdens, scope of their accountability and responsibility, including expected benefits to be derived, and in comparison with information on remuneration other companies in similar industry, and proposed the same to the Board of Directors' meeting and the shareholders' meeting for consideration and approval.
3. The Committee set out procedures for performance review of the Board, committees and the Chief Executive Officer to improve the performance efficiency and enhance knowledge and competence of the Board, committees and the Chief Executive Officer.

*- Mrs. Wansuda Thanasaranart-*  
(Mrs. Wansuda Thanasaranart)  
Chairman of the Nomination and Remuneration  
Committee  
Chase Asia Public Company Limited

**Report of the Executive Committee**

The Executive Committee has performed its duties as described in the Executive Committee Charter. In 2022, the Executive Committee held a total of 14 meetings, with the presence of all of its members representing 98.81 percent, to perform such duties as delegated by the Board, which may be summarized as follows:

1. The Committee considered monthly and yearly progress of its business operations, including development and tentative performance under the business plans in the future.
2. The Committee oversaw and provided consultation in relation to business operations of the Company and its subsidiaries to be in line with policies, goals and operational plans, and monitored budget management in various investment projects of the Company and its subsidiaries as approved by the Board for efficiency and effectiveness. The overall performance was monitored monthly to drive the Company's businesses to achieve its goals.
3. The Committee appointed the risk management team and approved the risk management team charter to ensure that the Company's risk management extended to effective and systematic analysis, management and administration in line with the risk management policy and plans.
4. The Committee considered approving transactions in the ordinary course of the Company's businesses according to its operational plans.

*-Mr. Pracha Chaisuwan-*  
(Mr. Pracha Chaisuwan)  
Chairman of the Executive Committee  
Chase Asia Public Company Limited

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