

DEBT
CONSOLIDATION



Rod Tam Ngon



Click2Gold



Digital
Transformation

HIRE
PURCHASE





Vision

Become the leader of the non-bank financial service provider



Mission

We provide a diverse array of loans and financial products to provide opportunities for financial and investment. Our approach integrates considerations for corporate governance, social responsibility, and environmental impact. We maintain exceptional service standards and prioritize the efficient management of credit quality.



Goals

Committed to leadership in diversified financial services, We are prepared to propel the organization forward through data, innovation, and platforms. Our goal is to expand the service Business direction digital transformation by 2025.



Strategies

- Sales representatives of “Rod Tam Ngoen” are professionals, skillful and experienced including recruiting local sales representatives and focusing on equal treatment to all customers.
- Agents of “Rod Tam Ngoen” covering all regions throughout Thailand.
- Reaching customers through branch networks and franchise branches of affiliated companies with more than covering all regions in Thailand.
- Continuously expanding the types of services to meet the needs of more diverse customers.
- Digitizing work processes to enhance service efficiency and minimize operating costs.
- Broaden the sales scope to include more related products, such as insurance and credit line protection insurance.

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Message from the Chairman of the Board

Dear Shareholders and Stakeholders,

SG Capital Public Company Limited (“the Company”), a member of the Singer Thailand group, has reached a significant milestone by successfully registering on the Stock Exchange of Thailand. This achievement is a source of great pride for the Company and its shareholders. The success is attributed to the collaborative efforts of the Board of Directors, management, and employees, who have worked with full dedication to foster continuous business growth over the past several years. This collaborative effort has instilled confidence and trust among all stakeholders.

In 2023, the Thai economy exhibited a slower growth of 1.9% compared to the previous year’s 2.5%. This deceleration was attributed to the uneven recovery across various business sectors. The household debt-to-Gross Domestic Product (GDP) ratio remained elevated, particularly among vulnerable low-income households. Conclusion of the Bank of Thailand’s financial assistance measures for COVID-19-affected borrowers impacted purchasing power, debtor quality, and repayment capabilities, leading the Company to incur a net loss of 2,275 million Baht in fiscal year 2023. Despite these challenges, the Company proactively managed the quality of its debtor portfolio, emphasizing strict control over new credit releases. Additionally, it implemented process improvements by integrating technology for enhanced efficiency and reduced management costs, ensuring competitiveness in the industry.

Moreover, the Company maintains a steadfast commitment to conducting business within the framework of good corporate governance and ethical practices. In the preceding year, the Institute of Directors (IOD), accorded the Company an “Excellent” evaluation in corporate governance a notable achievement, marking the first time the Company received the highest rating. Additionally, the Company achieved a perfect score of 100 points in the Annual General Meeting (AGM Checklist) assessment for the year 2023 conducted by the Thai Investors Association. The Company is also an active member of the Thai Private Sector Collective Action Against Corruption (CAC). These accolades underscore the Company’s dedication to growth and collaboration with stakeholders across diverse sectors.

Finally, on behalf of the Board of Directors, we express gratitude to the shareholders and all stakeholders. With the enduring confidence and trust in the Company and the dedicated ability of the Board of Directors, executives, and employees, we pledge to drive business growth, ensuring fair returns for shareholders. Adhering to principles of good governance at every operational step is our commitment for the company’s sustainable growth.



Mr. Bibit Bijaisoradat
Chairman of the Board / Independent Director



Message from the CEO

In the past year, 2023, it is considered a notably challenging period for the Company in conducting business. This includes an economic recovery that was slower than anticipated, delayed formation of the government, a budget not evenly distributed across all business sectors, an upward trend in interest rates, an increased cost of living reflected in both commodity and fuel prices, household debt remaining high compared to GDP, particularly among vulnerable groups with lower incomes. Additionally, the cessation of financial assistance measures for debtors impacted by COVID-19 has universally affected the operations of companies, leaving no room for avoidance.

The Company leverages funds acquired from the Stock Exchange to maintain a competitive edge in its lending operations, facilitating the expansion of its loan portfolio, particularly in Rod Tam Ngoen loans. Despite facing intense competition, the Rod Tam Ngoen loan portfolio grew by 17% to 10,589 million Baht by the end of 2023, compared to the previous year. Some of this portfolio was allocated to repay loans from Singer Thailand Public Company Limited with the goal of reducing financial costs. To address challenges, the Company tightened its loan approval policy across all products to mitigate anticipated risks. In the mid-year, debt write-offs were implemented for a group of debtors considered unlikely to recover, accompanied by additional credit loss provisions in alignment with Bank of Thailand policies. Consequently, the Company incurred a net loss of 2,275 million Baht.

In the fiscal year 2023, the Company remains committed to fostering sustained growth in its financial services sector. This dedication involves optimizing existing credit products, such as Rod Tam Ngoen loans, appliance loans, and employee welfare loans, alongside introducing innovative credit products to diversify risk and facilitate continuous portfolio expansion. A key strategy in this pursuit is the implementation of Digital Transformation, leveraging technology to streamline product delivery to customers with precision, efficiency, and effectiveness. This approach aims to establish a lasting positive customer experience, reduce operational costs, and enhance competitiveness in the non-bank financial services sector. Furthermore, the Company prioritizes adherence to Environmental, Social, and Governance (ESG) principles in its policies and operational practices. This entails evaluating the impact on all stakeholders, including employees, partners, shareholders, communities, society, and the environment.

On behalf of SG Capital Public Company Limited, I express our sincere gratitude to our shareholders, investors, business partners, and, most significantly, our customers for their enduring trust and support over the years. Our heartfelt thanks also go to the Company's management and staff for their unwavering dedication and contributions to our operations. We remain steadfast in operating at full capacity, guided by principles of good corporate governance, to maximize benefits for all stakeholders in a sustainable manner.



Mr. Anothai Sritiapetch
Chief Executive Officer

Board of Directors



1

Mr. Bibit Bijaisoradat

Chairman of the Board of Directors /
Independent Director /
Chairman of the Nomination and
Remuneration Committee

2

Mr. Suranit Sorasuchart

Vice Chairman /
Independent Director /
Chairman of the Audit Committee /
Chairman of the Environment, Social
and Governance (ESG) Committee

3

3. Mr. Pongsak Achakulwisut

Chairman of the Risk Management
Committee / Independent Director /
Member of the Audit Committee /
Member of the Risk Management
Committee

4

Mr. Pisit Puapan

Independent Director /
Member of the Audit Committee /
Member of the Risk Management
Committee

5

Mr. Piranart Chokwatana

Director

6

Mr. Narathip Wirunechatapant

Chairman of the Executive Committee /
Director /
Member of the Nomination and
Remuneration Committee

7

Mr. Anothai Sritiapetch

Director / Chief Executive Officer /
Member of the Executive Committee /
Member of the Risk Management Committee / Member of the
Environment Social and Governance (ESG) Committee

Executives Team



1

Mr. Anothai Sritiapetch

Chief Executive Officer

2

Ms. Jatupom Konghun

Chief Financial Officer /
Member of the Executive Committee /
Member of the Risk Management
Committee /
Member of The Environment, Social
and Governance (ESG) Committee

3

Mr. Noppadol Sangpratoom

Assistant Executive Vice President of
Sales Management / Vice President
Sales Department (Acting)
Member of the Executive Committee /
Member of the Environment, Social
and Governance (ESG) Committee

4

Ms. Nattaya Uppamaame

Senior Vice President of Accounting &
Finance Division /
Senior Vice President of Operations &
Credit Approval Division (Acting) /
The person supervising accounting

Part **1**

Business Operation and Performance

1. Structure and Operation of the Company
2. Risk Management
3. Driving Business for Sustainability
4. Management Discussion and Analysis
5. General Information and Other Significant Information





1. Structure and Operation of the Company

1.1 Policy and Business Overview

SG Capital Public Company Limited was established on June 27, 2012, by Singer Thailand Public Company Limited (“SINGER” or collectively with its subsidiaries, referred to as the “SINGER Group”). Originally named Singer Leasing (Thailand) Company Limited with a registered capital of 1.00 million Baht, it operated in leasing products, electrical appliances, household appliances (Home Appliances), and commercial electrical appliances (Commercial Appliances). The Company underwent a hire purchase business transfer, including related assets from SINGER. This transfer, approved by the Extraordinary General Meeting of SINGER’s shareholders on November 26, 2012, led to a name change to SG Capital Company Limited on July 25, 2016. Subsequently, the Company diversified its services to meet diverse customer needs. In 2017, the scope expanded to include car leasing, registration title transfer, and car registration pawn loans (personal loans under supervision with vehicle registration as collateral) under the brand “Rod Tam Ngoen.” In 2018, SG Capital initiated the employee welfare loan business (“Debt Consolidation”) to assist employees of private companies managing high debt burdens, recognizing growth opportunities in this sector. Further diversification occurred in 2021 with the launch of an online gold installment loan business (“Click2Gold”). This initiative aimed to support individuals lacking a lump sum of money and with relatively lower incomes to save and accumulate wealth through gold installment payments.

As of December 31, 2023, the Company employs 290 salespeople covering all regions throughout Thailand. It manages a total of over 163,128 contracts for various types of loans, serving more than 139,852 customers.

For the year ending December 31, 2023, the Company recorded interest income from hire purchase contracts and loans totaling 2,089.38 million Baht. However, there is a net operating loss for 2023 amounting to 2,275.28 million Baht. The total assets stand at 13,454.87 million baht.

Having transformed into a public company on August 18, 2021, and subsequently listed on the Stock Exchange of Thailand on December 13, 2022, the Company’s registered capital and paid-up capital, as of December 31, 2023, amount to 3,270.00 million Baht, divided into 3,270.00 million common shares with a par value of 1.00 baht per share.

1.1.1 Vision, Mission, Core Values and Business Goals

Vision

Become the leader of the non-bank financial service provider

Mission

We provide a diverse array of loans and financial products to provide opportunities for financial and investment. Our approach integrates considerations for corporate governance, social responsibility, and environmental impact. We maintain exceptional service standards and prioritize the efficient management of credit quality.

Goal

Committed to leadership in diversified financial services, we are prepared to propel the organization forward through data, innovation, and platforms. Our goal is to expand the service business using digital technology by 2025.

Significant Competitive Strategies of the Company

(1) Salespeople in the Rod Tam Ngoen group are professionals with experience and abilities. They also recruit sales staff from local residents, ensuring equal care for every customer

The majority of the Company’s Rod Tam Ngoen salespeople have extensive sales experience and strong



sales abilities. The Company prioritizes hiring local salespeople to enhance understanding of customers in the area, ensuring closer interaction and better service provision. This approach acknowledges potential differences in culture, language, occupation characteristics, and unique needs in each area. Furthermore, employing local staff facilitates more effective preliminary background checks on customers and enables close follow-up on customer debts.

Additionally, the Company emphasizes providing high-quality credit services to all customers uniformly. Sales staff undergo both theoretical and practical training organized by a head office team. Monthly sessions are conducted for new hires, and regular training is provided for existing sales staff. This ensures that the Company's sales team delivers loan services with a comprehensive understanding of the product, a service-oriented approach, and a commitment to treating all customers respectfully and fairly. The goal is to foster trust among customers, leading to a continuous expansion of the Company's customer base.

(2) An agent in a diverse Rod Tam Ngoen group, generating income and covering various regions across Thailand

The Company not only reaches potential customers in need of Rod Tam Ngoen services through its in-house sales team in the Rod Tam Ngoen loan business group but also fosters strong partnerships with dealers and agents throughout various provinces in Thailand. As of

December 31, 2023, the Company boasts a network of 2,490 agents. Dealers and agents play a pivotal role in presenting the Company's services to customers seeking car loans, collaborating with the Company's sales staff to verify document completeness, and liaising with the credit consideration department for loan approval. The Company's sales team within the Rod Tam Ngoen loan group takes charge of communication, coordination, and relationship maintenance with these networks. Known for its customer-centric approach, the company is recognized as a loan service provider that prioritizes customer welfare, offering friendly and transparent loan consideration processes. This reputation has garnered trust from various business partners, who willingly refer new customers to the Company. As of December 31, 2023, the Company has successfully facilitated new Rod Tam Ngoen loan through this channel, constituting 30% of the total Rod Tam Ngoen loan during the specified period.

(3) Access to customers through a vast network comprising over 125 branches and franchise branches affiliated with partner companies coverage in every region throughout Thailand

In addition to the Company's professional sales team catering to the Rod Tam Ngoen group, machinery hire purchase, and welfare loan business sectors, new customers are acquired through the sale of leasing products. Through is the affiliated companies. As of December 31,

2023, the affiliated companies' branch network consists of over 125 branches distributed across all regions in Thailand. The sales personnel of these affiliated companies undergo a rigorous recruitment process, ensuring they possess service-oriented qualities and a comprehensive understanding of the distributed products and consumer needs. This approach directly contributes to operational efficiency within the group of companies, fostering synergy. The company have formalized their collaboration through a memorandum of understanding for mutual business support, including telephone sales contracts to assist customers interested in purchasing products from affiliated companies through loan applications with the Company.

(4) Consistently broadening its range of services to cater to the evolving needs of a more diverse customer base

In its pursuit of becoming a leader in the loan service industry, the Company has consistently expanded its service portfolio to cater to a diverse customer base. In 2018, the Company initiated the provision of employee welfare loans, aiming to assist employees burdened by high debts by offering lower interest rates compared to credit cards, cash cards, or personal loans. This initiative involved collaborations through memoranda of understanding with various companies. In 2021, a new service model was introduced, focusing on loans for purchasing gold in collaboration with Aurora Design Company Limited ("Aurora Diamond Gold Shop"). This aimed to target customers seeking to buy gold using the Company's loan services. In 2023, the Company further expanded its offerings through a memorandum of understanding with Majuleephijitgun Company Limited ("Yaowarat Bangkok Gold Shop"). This collaboration involved providing loans for the purchase

of gold jewelry. Additionally, the Company launched the LINE application "LINEOA @sgcapital" on mobile phones, compatible with both Android and iOS systems. This initiative aimed to enhance the installment payment channel for gold jewelry and gold bars through the online platform Click2Gold.

(5) Digitizing work processes to enhance service efficiency and minimize operating costs

The Company is actively transforming into a more digitized organization. In 2023, AI technology and systems were integrated into various aspects of the Company, including strategy formulation, digital groundwork, business operations, service provision, credit assessment, and debt collection. This signifies a significant initial step the Company has taken in the past year.

(6) Broaden the sales scope to include more related products, such as insurance and credit line protection insurance

Moreover, the company has collaborated with SG Broker Company Limited ("SG Broker"), a subsidiary of Singer Thailand Public Company Limited, to create an innovative life insurance service. This collaboration aims to expand opportunities and enhance customer protection, enabling them to access financial planning tailored to their specific goals. The partnership also facilitates convenient access for customers interested in credit line protection insurance, particularly for Rod Tam Ngoen loan customers. This insurance offering includes life and accident protection, along with installment compensation in the event of temporary total disability, providing customers with peace of mind and stability as they move forward.

1.1.2 Significant changes and developments

Year	Details
2012	<ul style="list-style-type: none"> The Company was founded on June 27, 2012, initially named "Singer Leasing Thailand Company Limited," with a registered capital of 1.00 million Baht. This capital was divided into 1,000 common shares, each having a par value of 1,000.00 baht. The primary purpose of the company was to engage in the business of leasing products under the SINGER brand. The Company augmented its paid-up registered capital from 1.00 million baht to 850.00 million Baht by issuing an additional 850,000 common shares, each having a par value of 1,000.00 baht.

Year	Details
2013	<ul style="list-style-type: none"> he Company raised its paid-up registered capital from 850.00 million Baht to 1,450.00 million Baht by issuing an additional 600,000 common shares, each with a par value of 1,000 Baht.
2014	<ul style="list-style-type: none"> The Company commenced its operations in providing machinery leasing services (“Captive Finance”)
2015	<ul style="list-style-type: none"> he ultimate shareholder, underwent a change as Jaymart Public Company Limited (“JMART”) acquired SINGER shares, constituting 24.99% of the total SINGER shares, from SINGER (Thailand) B.V.
2016	<ul style="list-style-type: none"> Change to “SG Capital Company Limited.”
2017	<ul style="list-style-type: none"> Started the business of providing loan services with car registration as collateral and car hire purchase loans with registration ownership transfer under the brand “ Rod Tam Ngoen “
2018	<ul style="list-style-type: none"> The Company commenced the business of providing employee welfare loans (“Debt Consolidation”) in collaboration with several reputable companies boasting stable financial positions. This initiative aims to assist employees from various companies in reducing interest costs.
2019	<ul style="list-style-type: none"> The Company obtained a letter of permission to operate a personal loan business under supervision on December 18, 2019, from the Ministry of Finance.
2021	<ul style="list-style-type: none"> The Company has been certified by the Thai Institute of Directors (“IOD”) as a member of the Thai Private Sector Coalition Against Corruption (“CAC”). This certification is valid for a period of 3 years, effective from September 30, 2021. The ultimate shareholder underwent a change as SINGER offered additional common shares to existing shareholders through a Right Offering and Private Placement. Additionally, U City Public Company Limited (“U”) acquired additional capital shares of SINGER, leading to a shareholding proportion of 24.30% of the total paid-up shares. Consequently, JMART’s shareholding in SINGER decreased from 34.64% to 26% of the total paid-up shares. The Company initiated an online gold instalment loan business named “Click2Gold” in collaboration with Aurora Design Company Limited (“Aurora Diamond Gold Shop”). The Company elevated its paid-up registered capital from 1,450.00 million Baht to 2,450.00 million Baht through the issuance of an additional 1,000,000 common shares, each with a par value of 1,000.00 Baht. The Extraordinary General Meeting of Shareholders No. 2/2021 on October 14, 2021, resolved to approve the following significant matters: <ul style="list-style-type: none"> Approved the transformation of the Company from a limited company to a public company. Approved the change in the par value of shares from the original 1,000 Baht per share to the new par value of 1 baht per share Approved the listing of the Company’s common shares as listed securities on the Stock Exchange of Thailand. Additionally, the Company was authorized to enter into securities registration agreements with the Stock Exchange of Thailand. At the SINGER’s Board of Directors Meeting No. 245 on July 30, 2021, it was resolved to approve the Company’s transformation into a public limited company. The decision also included an increase in the registered capital by an additional 820 million shares, equivalent to 25.08% of the total registered capital. As of September 30, 2022, SINGER reported information to the Stock Exchange of Thailand regarding the initial public offering of additional shares (IPO) and the listing of the Company’s shares on the Stock Exchange of Thailand.

Year	Details
	<ul style="list-style-type: none"> - Approved an increase in the registered capital of the Company by 820 million Baht, raising it from the existing 2,450 million Baht to 3,270 million Baht. This increase involves the issuance of new shares totaling 820 million Baht, each with a par value of 1.00 Baht per share. These newly issued shares are intended for sale to the general public for the first time through the Initial Public Offering (IPO).
2022	<ul style="list-style-type: none"> • The Company entered into a memorandum of understanding with Power Buy Company Limited (“Power Buy”) to facilitate loans for the purchase of products distributed by Go! Power stores. • The Company has entered into a memorandum of understanding with HomeHub Company Limited (“HomeHub”) to offer loan services for the purchase of electrical appliances, furniture, tools, kitchenware, electrical equipment, and home decoration items distributed by HomeHub. • Listed on the Stock Exchange of Thailand on December 13, 2022
2023	<ul style="list-style-type: none"> • The Company entered into a memorandum of understanding with Faarun Crop for Thai Company Limited to expand registered loan business services. This initiative aims to elevate the status of Thai agriculture, offering a flexible investment solution to enhance productivity. • The Company entered into a memorandum of understanding to collaborate with Majuleephijitgun Company Limited (“Yaowarat Bangkok Gold Shop”) to implement a project offering loans for the purchase of gold jewelry. Additionally, the Company launched the LINE application LINEOA @ sgcapital on mobile phones, compatible with both Android and iOS systems. This initiative is aimed at expanding the channel for installment payments for gold jewelry and gold bars through the online platform Click2Gold. • The Company received an assessment of corporate governance for the year 2023, achieving the level of “Excellent” from the Thai Institute of Directors Association (IOD) for the first time. Furthermore, in the evaluation of the 2023 Annual General Meeting of Shareholders (AGM Checklist) conducted by the Thai Investors Association, the Company attained a perfect score of 100 points. • The Company entered into a memorandum of understanding with three prominent organizations to collaborate on initiatives encompassing the agriculture, fertilizer, medicine, and chemical pharmaceutical groups. This collaboration also involves the unmanned aerial vehicle (drone) group and the market expert group, all with the shared goal of assisting farmers. The focus is on leveraging drone technology in agriculture to enhance the quality of produce, reduce production costs, and minimize environmental impact. • The company expanded its reach by opening four HUB branches to support the influx of new customers. These branches are located in Rangsit, Nakhon Ratchasima, Hat Yai, and Amata Nakhon.

1.2 Nature of business

The Company, headquartered in Bangkok, operates as a non-financial financial service provider that is not a financial institution and offers loans under the name “SG Capital.” The services provided include:

1. Hire purchase loans for electrical appliances and household appliances (Home Appliances) and commercial electrical appliances (Commercial Appliances).
2. Vehicle loan “Rod-Tam-Ngoen” (hire purchase loan with vehicle registration books transferred and loan with vehicle registration book as collateral)

3. Employee welfare loans (Debt Consolidation).
4. Online gold financing (“Click2Gold”)
5. Other types of loans, including loans for purchasing goods.

As of December 31, 2023, SG Capital Public Company Limited reported operating results, indicating total assets of 13,454.87 million Baht. The total income for the year ending December 31, 2023, amounted to 2,169.49 million Baht, reflecting a decrease of 269.27 million Baht or 11.04% compared to the previous year.

Furthermore, as of December 31, 2023, the Company reported total loans of all types amounting to 12,160.16 million Baht. This represents a decrease of 15.52% compared to the end of 2022. The shareholders' equity stood at 3,121.44 million Baht, indicating a decrease of 45.73% compared to the end of the year 2022.

1.2.1 Income structure

Interest Income	Financial statements for the year ending on					
	December 31, 2021		December 31, 2022		December 31, 2023	
	Million Baht	% ¹	Million Baht	% ¹	Million Baht	% ¹
Interest Income from Hire Purchase Loan	1,056.63	59.30	1,296.69	53.17	729.05	33.60
- Hire purchase of electrical appliance ²	1,023.12	57.42	1,270.69	52.10	713.96	32.91
- Machinery hire purchase (Captive Finance)	33.51	1.88	26.00	1.07	15.09	0.70
Interest Income from vehicle loan	659.73	37.03	1,068.55	43.82	1,303.92	60.10
“Rod-Tam-Ngoen”						
- Auto Hire Purchase Loan with Vehicle Registration Books Transferred	86.56	4.86	134.07	5.50	124.52	5.74
- Loan with Vehicle Registration Books as Collateral	573.17	32.17	934.48	38.32	1,179.40	54.36
Interest Income of Debt Consolidation	19.19	1.08	32.14	1.32	53.60	2.47
Interest Income of Gold Financing	0.39	0.02	1.69	0.07	2.81	0.13
“Click2Gold”and others						
Total interest income	1,735.93	97.42	2,399.08	98.37	2,089.38	96.31
Other income	45.89	2.58	39.68	1.63	80.11	3.69
Total income	1,781.82	100.00	2,438.76	100.00	2,169.49	100.00

Remarks : 1. Percentage calculated relative to total income

2. Income from electrical appliance hire purchase loans includes subsidies from major shareholders, which support loans from hire purchase contracts and are treated as part of interest income. This aligns with the principles outlined in TFRS 9.

The Company's primary income at the end of 2021, 2022, and 2023 is derived from interest income from loan services, constituting proportions of 97.42%, 98.37%, and 96.31%, respectively.

1.2.2 Nature of product or service and business innovation development

1.2.2.1 Nature of product or service

The Company engages in providing secured and unsecured loans, including supervised personal loans, specifically those secured by vehicle registration. This category falls under the supervision of the Bank of Thailand (“BoT”). In December 2019, the Ministry of Finance granted the Company permission to operate a supervised personal loan business with vehicle registration as collateral. The Company's loan products can be categorized into five main groups based on business operations and loan types as follows:

(1) Hire purchase loans for electrical appliances and household appliances (Home Appliance) and commercial appliances (Commercial Appliance)

The Company offers hire purchase services to both general retail customers and commercial customers



interested in acquiring (1) electrical equipment and household appliances (Home Appliances) such as air conditioners, refrigerators, washing machines, water filters, mobile phones, etc., and (2) Commercial appliances including freezers, beverage coolers, coin-operated top-up machines, gas filling machines, coffee machines, etc. Prospective borrowers entering a hire-purchase contract are required to make monthly installments covering both principal and interest, determined based on their credit limit. The Company evaluates applicants based on salary evidence, debt repayment capacity, and qualifications of both the applicant and guarantor (where applicable). Typically, hire-purchase contracts for household electrical appliances have a term not exceeding 48 installments, while lease-purchase contracts for commercial electrical appliances have a duration not exceeding 72 installments.

To facilitate the sale of products in the electrical appliances and household appliances (Home Appliances) and commercial electrical appliances (Commercial Appliances) categories, the Company has established agreements with affiliated companies, creating a mutually beneficial synergy. This partnership streamlines credit sales, making it easier for affiliates to sell products through credit options and expanding the customer base for the Company. The primary share of the portfolio and interest income in providing electrical appliance hire purchase loans is derived from an agreement with SINGER, outlined in a memorandum of understanding. SINGER's sales staff actively promotes the Company's credit services to

customers interested in purchasing electrical appliances through leasing, managing documentation, and facilitating communication with the Company for product delivery. They also oversee installment payments and address defaults if they occur. However, the approval of loans for customers seeking to lease products from SINGER is subject to the Company's discretion based on specified criteria, conditions, and evaluation methods.

In 2023, the Company entered a cooperative agreement with prominent national companies to issue loans to farmers for purchasing fertilizer. This arrangement allows farmers to make installment payments at any bank nationwide within the specified period.

(2) Vehicle Loan “Rod-Tam-Ngoen”

The Company provides car loan services to general retail customers and corporate customers who own cars under the brand “Rod-Tam-Ngoen” which covers both (1) hire-purchase loan with vehicle registration books transferred and (2) Loan with vehicle registration books as collateral (Personal loan under supervision with car registration as collateral). The types of cars that customers can request for service include trucks, personal cars, and commercial vehicles (pickup trucks and vans), which customers must use the vehicle registration manual as collateral when applying for a loan and must be the owner of the vehicle. The customer must pay monthly installments consisting of principal and interest.

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สมัครเลย!

When considering offering Rod-Tam-Ngoen loan services, the Company evaluates two primary factors: (1) the customer's preference for either car hire purchase loan service, transfer of ownership of the car registration book, or car registration pawn loan type, and (2) possession of the customer's vehicle for the specified period outlined by the Company. In determining the credit limit, the Company assesses the type and value of collateral, the borrower's ability to repay debt, and verifies the qualifications of customers and guarantors, as applicable. Additionally, the Company adheres to a policy specifying a maximum contract period of 72 installments and sets a maximum asset age limit of 25 years (including the contract period) for collateral. Typically, cars registered as collateral for the Company's loans fall within this average age range.

As of December 31, 2023, the collateral vehicles can be categorized by age as follows:

Age of the collateral vehicle	Proportion (%)
0 – 5 years	11.14
6 – 10 years	39.01
11 – 15 years	29.19
16 – 20 years	13.19
21 – 25 years	3.99
Over 25 years	3.48
Total	100.00

Each customer can request a loan service with vehicle registration as collateral, limited to one contract per collateral. The Company earns interest income, fee income, and other service income from lending at mutually

agreed rates specified in the contract. For car registration pawn loans, which do not require the transfer of vehicle ownership, it falls under the category of personal loans under supervision. The Company may levy service fees, with the total combined rate of interest income, fines, service fees, and other fees not exceeding the maximum interest rate (Effective Rate) set by the BoT1. Moreover, besides interest income, fines, service fees, or similar charges, the Company may collect reasonable expenses actually incurred as per BoT guidelines. However, customers receiving this type of loan service still retain ownership of their vehicle and can continue to use it as normal.

This loan type is categorized as a car registration pawn, which falls under personal loans supervised by using vehicle registration as collateral. To verify ownership, loan applicants must submit the original vehicle registration document to the Company. While there's no need for a formal ownership transfer at the Department of Land Transport, customers must sign a transfer request form and receive a power of attorney from the department. In the event of defaulting on three consecutive installments, customers agree to transfer ownership and surrender the vehicle to the Company for sale, with proceeds used to repay the debt. Collateral vehicles must adhere to the regulations outlined in the Road Traffic Act B.E. 2522 ("Traffic Act"). Accepted vehicle types include personal cars, commercial vehicles (pickup trucks and vans), and trucks. As of December 31, 2021, 2022, and 2023, the Company's loan portfolio for Rod Tam Ngoen Loan is detailed in the following table.

The structure of the Rod Tam Ngoen loan portfolio is divided into types of loans	As of					
	December 31, 2021		December 31, 2022		December 31, 2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Auto Hire purchase Loan with Vehicle Registration Books Transferred	694.64	11.49	811.63	8.46	718.07	6.35
Loan with Vehicle Registration Books as Collateral	5,349.38	88.51	8,775.40	91.54	10,591.71	93.65
Total outstanding receivables	6,044.02	100.00	9,587.03	100.00	11,309.78	100.00

The structure of the Rod Tam Ngoen loan portfolio is divided into types of loans	As of					
	December 31, 2021		December 31, 2022		December 31, 2023	
	Million Baht	%	Million Baht	%	Million Baht	%
(Less) allowance for doubtful accounts	(43.52)	(0.72)	(94.23)	(0.98)	(639.37)	(5.65)
Total outstanding receivables – Net	6,000.50	99.28	9,492.80	99.02	10,670.41	94.35

¹ According to Thailand's announcement No. SorNorSor. 12/2020, Re: Outlines Criteria, Methods, and Conditions for Conducting Personal loan Businesses under Supervision, operators are permitted to charge interest, service fees, fines, or any other fees to consumers. However, when aggregated, these charges must not exceed 24% per year (Effective rate) for loans secured by car registration. This regulation came into effect on August 1, 2020, except for loans with predetermined installment repayment periods specified before the effective date.

(3) Employee welfare loans (Debt Consolidation)

Employee welfare loans are designed to assist employees of private companies who demonstrate commendable performance but face significant debt burdens. The Company consolidates employees' credit card debts, cash card balances, and personal loans from various financial institutions, offering lower interest rates compared to traditional lenders. This initiative aims to alleviate financial strain and enhance employees' quality of life. The maximum loan amount is set at 15 times the employee's income or up to 2 million baht per employee. Contracts are capped at 72 periods. As of December 31, 2023, the Company has established partnerships with 103 reputable companies,

many of which boast strong financial standings and some are listed on the Stock Exchange of Thailand.

Although employee welfare loans are unsecured, installment payments are facilitated through direct deductions from the employee's salary, which are remitted by the Company that has partnered with the lending institution. This arrangement mitigates the risk of defaults, ensuring timely repayment of installments.

The Company initiated offering employee welfare loans in November 2018. As of December 31, 2023, it served 2,531 customers from diverse companies. Interest income from these loans amounted to 53.60 million Baht, constituting 2.47% of total income.

(4) Online gold financing (“Click2Gold”)

The Company introduced online gold financing loans as a new product line in the third quarter of 2021 through a partnership with Aurora Design Company Limited (“Aurora Diamond Gold Shop”). This initiative targets

customers seeking to purchase gold for savings and wealth accumulation, offering installment payments facilitated by the Company's loan services. In 2023, the Company expanded its offerings by partnering with “Yaowarat Bangkok Gold Shop” to provide loans for purchasing

gold jewelry. Additionally, the Company launched the LINE application LINEOA @sgcapital on mobile phones, available on both Android and iOS systems, to provide another

avenue for installment payments for gold jewelry and gold bars through the Click2Gold online platform.



(5) Other loans

The Company has collaborated with Power Buy Company Limited (“Power Buy”) to offer loan services for products available at “go! Power” stores. Additionally, Power Buy has partnered with Home Hub Company Limited (“HomeHub”) to extend loan services for purchasing electrical appliances, furniture, tools, kitchenware, electrical equipment, and home decoration items offered by Homehub. As of December 31, 2023, the outstanding loan

receivables accounted for approximately 0.04% of the total loan balance, which is currently insignificant. However, it’s important to note that providing such services falls under the category of personal loans supervised by the Company. Service fees can be charged, adhering to regulations set by the Bank of Thailand (BoT) regarding the highest combined rate of interest income, fines, service fees, and fees, ensuring compliance with key laws and regulations as detailed in the table below:

Loan types	Personal loans under supervision ¹	Announcement of the committee regarding contracts			Maximum interest rates and fees
		Providing loans	Hire purchase for cars or motorcycles	Hire purchase for electrical appliances	

Hire purchase for electrical appliances

1. SINGER’s Electrical appliances	N/A	N/A	N/A	√	- Not specified -
2. Hire purchase mobile phones from Jaymart	N/A	N/A	N/A	√	- Not specified -
3. Consumer loans for purchasing products distributed by GO! Power and Home Hub	√	√	N/A	N/A	Not exceeding 25% per annum (Effective rate)

Loan types	Personal loans under supervision ¹	Announcement of the committee regarding contracts			Maximum interest rates and fees
		Providing loans	Hire purchase for cars or motorcycles	Hire purchase for electrical appliances	

Rod-Tam-Ngoen

1. Auto Hire purchase Loan with Vehicle Registration Books Transferred	N/A	N/A	√	N/A	(1) In the case of new cars, not exceeding 10% per annum (Effective rate). (2) In the case of used cars, not exceeding 15% per annum (Effective rate); and... (3) In the case of motorcycles, not exceeding 23% per annum (Effective rate).
2. Loan secured by vehicle registration - individual	√	√	N/A	N/A	Not exceeding 24% per annum (Effective rate)
3. Loan secured by vehicle registration - corporate entity	N/A	√	N/A	N/A	Not exceeding 15% per annum
Employee welfare loans	N/A	√	N/A	N/A	Not exceeding 15% per annum
Gold installment loans	N/A	√	N/A	N/A	Not exceeding 15% per annum

Remark: 1. Personal loans under the Ministry of Finance announcement Re; Mandatory Permission Requests as per Section 5 of Revolutionary Council Announcement No. 58

1.2.2.2 The process for credit consideration, payment receipt, and credit collection follow-up

The Company has established steps and processes for loan approval and payment receipt from customers, enabling Company employees to accurately and promptly assess customer loan requests. This includes a comprehensive understanding of the process for verifying customer information. Moreover, the Company maintains a stringent review process for customer information to ensure the quality of loans granted. Additionally, the Company offers convenient payment channels that undergo thorough verification for accuracy.

Important processes in providing credit services encompass the loan consideration, payment acceptance, installment handling, debt collection, collateral seizure and auction, and account closing processes. The Company conducts business meticulously in each of these vital steps. Details are outlined as follows.

The loan consideration process, payment receipt process, collateral follow-up (if applicable), and account closure processes are outlined as follows:

(1) Hire purchase loans for electrical appliances and household appliances (Home Appliance) and commercial appliance

In case of leasing electrical appliances and household appliances, as well as commercial electrical appliances:

(1.1) Loan consideration process

The distributor's sales staff will introduce the distributor's products and the Company's credit services to customers interested in hire purchase of electrical appliances and machinery. They will assist customers in completing and storing loan application documents for submission to the Company. Loan approval will be based on company criteria and conditions. Upon approval, the sales staff will receive an approval code for sales reporting

and product delivery. Proof of product delivery must be obtained from customers for forwarding to the Company.

In assessing loans for each customer, the Company prioritizes evaluating the qualifications of both the customer and, where applicable, the guarantor to mitigate potential repayment risks. This evaluation includes reviewing the customer's debt repayment history, ability to repay, and collateral quality to determine suitable installment plans and credit limits aligned with their needs and financial capacity. For hire purchase loans for electrical appliances and machinery, customers interested in this service will be guided by affiliated company sales staff to complete leasing application documents. These documents include requested supporting materials such as a copy of the national ID card, a consent letter for credit bureau information disclosure, recent six months' bank statements, a copy of the bank passbook, a photograph of the customer with their ID card, and documents demonstrating income or occupation (e.g., business registration certificate or farmer registration book). Following completion, the affiliated company's sales staff will input customer information into the Company's system, where basic details will be cross-referenced with the database. The Company refrains from extending credit to individuals listed on its prohibited persons list ("Blacklist"), including those with a history of debt default. The Company maintains a daily update policy for the "Blacklist" to ensure current information accuracy.

Additionally, the Company conducts checks on customer information through the Anti-Money Laundering Office database to further enhance scrutiny after screening against the "Blacklist." Once clearance from both databases is obtained and the customer meets the established criteria, the Credit Consideration Center will initiate contact. This interaction aims to gather necessary information, verify identity, and ensure the accuracy of details intended for the approval process.

However, if a customer requests a hire purchase loan exceeding 110,000 Baht, the Company will require documentation of income and conduct a credit history check, including additional debt repayment records. The credit information department will verify the customer's credit history through the Company's database and the National Credit Bureau ("NCB" or "Credit Bureau"). The Company has been a member of the National Credit Bureau since January 23, 2013, enabling credit checks on both individuals and legal entities. To access customer

information from the database, the Company must obtain a credit bureau disclosure letter signed by the customer. The sales staff of affiliated companies will adhere to the Company's policies or marketing strategies applicable at the time. Some affiliated company sales staff may conduct preliminary sales, subject to meeting criteria set by the Company. However, the credit consideration department has established clear criteria for evaluating credit. If a customer fails to provide complete information or necessary documents, the credit consideration department will issue preliminary approval pending receipt of additional documents. The designated sales staff must submit the required information and/or documents to the credit consideration department within 3 days. If the credit consideration department determines that the customer does not meet the criteria or has provided incomplete information and documents, it will instruct the sales staff to cancel the credit sale and require the customer to make a cash payment instead.

(1.2) Installment payment process

Currently, the Company utilizes the Bill Payment system to facilitate installment payments from customers. Each month, customers receive an invoice document by mail containing details such as the customer's name, contract number, installment amount, and payment due date. Payments can be made through various channels, including: (1) SINGER branch (for SINGER product hire purchase loans) (2) Designated bank branches and ATMs (3) Payment through the bank's Mobile Banking application (4) Internet Banking (5) Counter service. Customers can present the Bill Payment to pay installments at 7-Eleven outlets displaying the Counter Service symbol.

However, in the case of SINGER's product hire purchase loans, the Company also provides off-site installment collection services through QR Code channels within the Company's application. SINGER's sales staff manages such customers through an alternative channel, aiming to offer added convenience to customers.

The Company employs a process for monitoring installment payments and outstanding debts. This involves the Company's sales staff, telephone debt collectors (Tele Collectors), field collectors (Field Collectors), or external debt collection agencies. Monthly, the Company consolidates the results of installment tracking. If employees or external agencies are unable to track payments from a particular

customer within a specified period, the Company assigns the task to employees or other external debt collection agencies to enhance tracking efficiency. This process serves to review and prevent revenue leakage from customer payments.

(1.3) Seizure and public auction of collateral process

In the event that a customer is unable to meet their debt obligations, the Company reserves the right to terminate the contract and repossess collateral for auction after three consecutive missed installments. However, as a practice to maintain positive customer relations, the Company does not immediately seize collateral. Instead, our sales staff and field collectors engage with customers to negotiate repayment solutions. This may involve extending the repayment period to reduce the monthly debt burden and prevent customers from defaulting on their obligations. Our aim is to assist customers in managing their debt responsibly while minimizing the risk of non-payment.

The Company's sales staff or field collectors are responsible for meeting with customers to repossess the product. Once the products are seized for hire purchase loans of electrical appliances under the SINGER brand, field collectors must inspect and record the condition of the products before seizure in a report. Customers are required to sign a document acknowledging the return of the product. Subsequently, the employee must return the confiscated goods to the nearest SINGER store or company warehouse on the same day or within three days for larger items or seizure occurs outside of business hours. The branch manager of SINGER must sign the document to receive the product for delivery to the company in the next order, as per the conditions outlined in the business support memorandum. The internal audit department then inspects the product stock. Following this, employees at SINGER's branch stores or company warehouse personnel inspect the condition of products ready for use and plan sales accordingly. Products are then presented to customers through all available channels.

(1.4) Loan account closing process

Once the customer has fully paid the installment according to the contract, the Company will issue a receipt and a certificate of debt in the following month as evidence of full payment. These documents confirm to the customer that the debt has been settled. All customer loan

documents will be stored at the head office awaiting further disposal. However, if the customer wishes to close the account before the contract period expires by requesting payment all at once, the Company will provide discounts to the customer as specified.

The Company will retain information and documents as required, unless the retention period exceeds legal requirements, which is not more than 10 years after the termination of the relationship between the Company and the customer. Security measures will be implemented for storing personal information according to legal criteria. Personal information will be collected only as necessary for the intended purposes and regularly reviewed to determine the retention period.

(2) Rod Tam Ngoen loan (Car hire-purchase loan with transfer of ownership of registration book and with car registration as collateral)

(2.1) Loan consideration process

When a customer expresses interest in using the Rod Tam Ngoen loan services, the sales staff of the Company's vehicle registration loan business group will assist the customer in completing the loan service application documents and collecting supporting documents. These may include a copy of the vehicle registration manual, a copy of the national ID card, a consent letter for credit bureau information disclosure, and a photograph of the customer's collateral vehicle. Subsequently, the sales staff will input the applicant's information into the Company's system for the credit information department to conduct credit history and debt repayment checks. The credit information department will examine the customer's credit history from both the Company's database and the National Credit Bureau (NCB or Credit Bureau). The Company has been a member of the National Credit Bureau since January 23, 2013, enabling it to conduct credit checks on both individuals and legal entities. However, the Company must obtain a signed letter of consent from the customer applying for credit in order to access information from the credit bureau database. The sales staff will provide customers with a consent letter for credit bureau information disclosure during the document collection process. Upon retrieving customer information from the database, the credit information department will relay the inspection results to the credit consideration department for customer classification based on predefined criteria, primarily focusing

on the customer's debt repayment history. Simultaneously, the loan consideration department and collateral valuation section will assess the collateral vehicle's condition based on photographs provided by the sales staff to determine its value. Once the loan consideration and collateral valuation departments have completed the assessment, the sales staff will inform the customer of the collateral vehicle's value, depending on whether the loan applicant agrees to utilize the Company's services.

Once the customer agrees with the value of the collateral vehicle offered by the Company's sales staff, additional documents are collected. These include ownership transfer documents, power of attorney documents, latest payslips, recent six months' bank statements, copies of bank passbooks, and documents demonstrating occupation, such as trade registration certificates (depending on the case), documents regarding accommodation and business may also be required. Additionally, the Company's employees may be dispatched to verify the current address and place of occupation. Verification ensures that both the customer and guarantor have a clear residence address as specified in the loan approval form. Subsequently, the sales staff imports customer information into the Company's system, which checks basic customer information from the Company's database. The Company refrains from offering credit to individuals classified as prohibited persons ("Blacklist") by the Company, such as those with a history of defaulting on debt payments. The Company regularly updates its "Blacklist" to ensure current information. Furthermore, basic customer information is cross-checked with the Anti-Money Laundering Office database and the Legal Execution Department database.

After completing the checks on prohibited persons ("Blacklist") from the Anti-Money Laundering Office database and conducting investigations through the Legal Execution Department database, if the customer passes the aforementioned criteria, the credit consideration department will proceed to verify the accuracy of the loan approval documents required by the Company and evaluate the customer for approval based on predefined criteria. This evaluation may include assessing documents showing income and the results of searching for customer information from the database, among other factors. If the credit consideration department determines that the customer is suitable and meets the Company's lending criteria, they

will contact the customer to gather additional information, confirm identity, review the accuracy of information, and approve the loan in the system. Subsequently, the credit consideration center will notify the Company's sales staff of the consideration results to further inform the customer.

Upon approval, the Company's sales staff will provide customers and guarantors (as applicable) with contract documents, guarantee contracts, transfer and acceptance request forms, and power of attorney forms (as necessary) for signing. They will also collect the car registration manual set from the customer. Additionally, customers will be informed about credit limits, interest rates, fees, payment terms, and other relevant agreements.

In the case of a registration pawn loan requiring the transfer of vehicle ownership, the Company will facilitate the registration process to change the name of the vehicle owner to the Company's name. However, for registration pawn loans that do not mandate the transfer of vehicle ownership (such as personal loans supervised with vehicle registration as collateral), the Company will retain a set of ownership transfer documents. Following this, the Company will make payments to the customer via direct transfer to the customer's account or by issuing a check only. Subsequently, the Company's sales staff will send copies of contract documents and payment schedules to customers at a later stage.

(2.2) Installment payment process

Currently, the Company utilizes the Bill Payment system to facilitate installment payments from customers. Each month, customers receive an invoice document by mail containing details such as the customer's name, contract number, installment amount, and payment due date. Payments can be made through various channels, including: (1) Designated bank branches and ATMs (2) Payment through the bank's Mobile Banking application (3) Internet Banking (4) Counter service. Customers can present the Bill Payment to pay installments at 7-Eleven outlets displaying the Counter Service symbol.

The Company employs a process for monitoring installment payments and outstanding debts. This involves the Company's sales staff, telephone debt collectors (Tele Collectors), field collectors (Field Collectors), or external debt collection agencies. Monthly, the Company consolidates the results of installment tracking. If employees or external agencies are unable to track payments from a particular

customer within a specified period, the Company assigns the task to employees or other external debt collection agencies to enhance tracking efficiency. This process serves to review and prevent revenue leakage from customer payments.

(2.3) Seizure and public auction of collateral process

In the event that a customer is unable to meet their debt obligations, the Company reserves the right to terminate the contract and repossess collateral for auction after three consecutive missed installments. However, as a practice to maintain positive customer relations, the Company does not immediately seize collateral. Instead, our sales staff and field collectors engage with customers to negotiate repayment solutions. This may involve extending the repayment period to reduce the monthly debt burden and prevent customers from defaulting on their obligations. Our aim is to assist customers in managing their debt responsibly while minimizing the risk of non-payment.

As of December 31, 2023, the Company has hired 3 external collateral collection companies, after which the Field Collector or the external debt collection Company was able to seize the collateral. However, there may be cases where the Company's Field Collector is unable to seize the collateral because they cannot negotiate with the customer. Therefore, the Company hires an outside debt collection company to seize the collateral on behalf of the Company. Field collectors or external debt collection companies will park the collateral vehicles in the car park of the auction yard in the nearest area as determined by the Company. After the Company has seized the collateral from the customer, the Field Collector will record the collateral information in the system and send a letter notifying the right to redeem the collateral to the customer and the guarantor (As the case may be) by giving a redemption period. If the period has elapsed but the customer does not redeem, the Company will proceed with the auction process. The Company has a policy to sell collateral seized from customers through auctions in order to make the auction process efficient and competitive in terms of fair prices. At present, the Company has entered into a contract to conduct auctions with an outside auction service provider (Outsource), which is licensed by the Department of Provincial Administration to conduct auction and merchandise business. This service provider has a total of 21 auction centers covering 20

provinces in Thailand, consisting of (1) Bangkok Auction Center (2) Nakhon Pathom Auction Center (3) Phra Nakhon Si Ayutthaya Auction Center (4) Saraburi Auction Center (5) Nakhon Sawan Auction Center (6) Phitsanulok Auction Center (7) Chiang Mai Auction Center (8) Chiang Rai Auction Center (9) Rayong Auction Center (10) Kanchanaburi Auction Center (11) Prachinburi Auction Center (12) Khon Kaen Auction Center (13) Buriram Auction Center (14) Udon Thani Auction Center (15) Ubon Ratchathani Auction Center (16) Phetchaburi Auction Center (17) Surat Thani Auction Center (18) Nakhon Si Thammarat Auction Center (19) Hat Yai Auction Center and (20) Phuket Auction Center. On average, the auction center will hold an average of 4 auctions per month per auction center.

The Assistant Property Management Director ("The Sale Price Determination Authority") is responsible for evaluating and approving the sale of collateral. They determine the sale price based on market reference, considering factors such as car make, model, age, and similar market conditions. The sale price is set to ensure fairness and transparency in the auction process, with due consideration to market appropriateness. If the collateral remains unsold after auction, the Sale Price Determination Authority may consider reducing the price according to Company procedures. Once the collateral is sold, the Company prepares relevant documents for the transfer of ownership to the auction winner.

After selling the collateral, the Company retains the right to pursue outstanding debts from customers if the value of the collateral sold is lower than the remaining debt. In such cases, the Company will pursue debt collection from these customers in accordance with relevant laws. If customers refuse to settle the remaining debt, the Company will initiate legal proceedings through civil and commercial litigation to recover the outstanding amount.

(2.4) Loan account closing process

Car hire-purchase loan with transfer of ownership of registration book

Once the customer has fully paid according to the agreement, the accounts management team will verify the accuracy of the payments. Subsequently, the operations and business support team will send the car registration manual and ownership transfer documents back to the customer. The customer will then proceed to transfer ownership back to their name at the Department of Land

Transport. They must sign as confirmation of receiving the documents upon completion of the account closure process. All customer loan documents will be stored at the head office awaiting further disposal. However, if the customer wishes to close the account before the contract period expires by requesting payment all at once, the Company will provide discounts to the customer as specified.

Car hire-purchase loan with registration as collateral (Car registration loan)

Once the customer has fully paid according to the agreement, the accounts management team will verify the accuracy of the payments. Subsequently, the operations and business support team will send the car registration manual and ownership transfer documents back to the customer, where the customer must sign the document as confirmation of receiving the documents upon completion of the account closing process. The Company will retain information and documents as required, unless the retention period exceeds legal requirements, which is not more than 10 years after the termination of the relationship between the Company and the customer. Security measures will be implemented for storing personal information according to legal criteria. Personal information will be collected only as necessary for the intended purposes and regularly reviewed to determine the retention period.

(3) Employee welfare loans (Debt Consolidation)

(3.1) Loan consideration process

When an employee of the employer, who has a memorandum of understanding with the Company, seeks to utilize the employee welfare loan service, they are required to fill out loan service application documents and provide supporting documents. These include a copy of the national ID card, copy of house registration, employment certificate, letter of consent for account debiting, a consent letter for credit bureau information disclosure, invoices from all financial institutions for debt closure, latest pay slip, salary certificate, and recent six months' bank statements. Subsequently, the Company's sales staff will verify the applicant's information and input it into the Company's system. The credit information department will then access the NCB database to review the customer's credit usage and debt repayment history. Once the investigation

is complete, the results are forwarded to the credit consideration department, which assesses the customer's creditworthiness based on predetermined criteria, including their repayment history and debt burden.

Once the welfare loan business department notifies the customer of the approved loan amount and the customer agrees to proceed with the loan service, having verified their latest debt balance, the Company will compile a summary report of the debt balance and a check issuance list. This information is then forwarded to the bank for issuing cheque payable to each financial institution where the customer wishes to close the credit line based on the latest debt amount. On the day of cheque issuance and loan contract preparation, employees of the welfare loan business department must deliver the documents to the customer. The customer must sign the document in front of the sales staff exclusively. During this process, the Company's sales staff are required to take photos when delivering the contract and the cheque, and store certified copies of both documents for Company records. Furthermore, the sales staff must follow up on evidence of credit line closure from customers within 7 days from the date of delivering the check and signing the loan contract.

(3.2) Installment payment process

For employee welfare loans, the Company will facilitate installment payments by deducting them directly from the customer's salary account. Monthly, the Company will forward a summary of installment payments made by customers utilizing the loan service to the human resources department of the employer company, with whom the company has a memorandum of understanding. The employer's human resource department will then transfer the funds or issue a cheque to the Company, as per the specified date and time agreed upon by both parties, to cover the installments of employees availing themselves of the Company's employee welfare loan services.

(3.3) Loan account closing process

In instances where a customer seeks to close their account prematurely or notifies their employer of resignation with the intention of settling the entire outstanding amount, personnel from the welfare loan business department will ascertain the due amount from the Customer's account through collaboration with the business operations and

support department. Subsequently, they will collaborate with the customer to facilitate payment and gather evidence thereof, which will be forwarded to the operations and business support department. However, if a customer informs their employer of resignation and is unable to repay the loan in full, the Company will draft a note appended to the debt repayment agreement. This note will outline the agreed-upon installment rate for the customer to sign and commit to, with close monitoring of debt payments by employees of the welfare loan business department. The Company will retain information and documents as required, unless the retention period exceeds legal requirements, which is not more than 10 years after the termination of the relationship between the Company and the customer. Security measures will be implemented for storing personal information according to legal criteria. Personal information will be collected only as necessary for the intended purposes and regularly reviewed to determine the retention period.

(4) Online gold financing ("Click2Gold")

(4.1) Loan consideration process

When customers wish to utilize the online gold installment loan service, they can independently register a user account by providing personal information through the LINE application via LINE OA @sgcapital. They have the option to select installment payments for gold jewelry weighing from 0.5 salung to 1 baht, or gold bars weighing from 1 baht to 10 baht, with payment periods ranging from 6 to 12 months. Subsequently, the Company will coordinate with the customer to confirm their identity.

(4.2) Installment payment process

- Similar to the process of car registration loan -

(4.3) Loan account closing process

As the contract period approaches expiration, the Company will liaise with the gold shop to arrange the delivery of the pledged gold to the branch office specified by the customer. Upon the customer's completion of installment payments and fulfillment of the contract, the Company will verify the payment accuracy. Subsequently, a notification of account closure status will be sent via the LINE application, enabling customers to retrieve their gold at the designated branch office as agreed upon with the gold

shop or as communicated to the Company. Customers may provide the order number at the gold shop's branch office, allowing the gold shop to verify the information through the system. Upon confirmation of the correct order number and full payment of installments, customers will receive a One Time Password (OTP) via their registered phone number to facilitate identity verification with the gold shop.

Before delivering the gold, the gold shop will verify the customer's OTP information. Upon delivery, the gold shop will capture photos, send them as confirmation of delivery, and have the customer sign the gold delivery document as evidence. Subsequently, the company will store all customer loan documents at the head office for a designated period, awaiting further instructions for destruction.

Debt collection process

For customers who exceed the specified due date indicated on the invoice, company personnel will initiate contact with the respective customer. Debt collection procedures adhere strictly to the guidelines outlined in the Debt Collection Act B.E. 2015 (as amended), with a particular emphasis on meticulous debt tracking and control. The Company endeavors to prevent customers from falling overdue for more than 90 days, as this duration triggers a notable escalation in the provision for doubtful debts, in line with the Company's accounting policy.

Nonetheless, the Company has established a dedicated debt collection unit responsible for overseeing and managing debt collection processes. This unit evaluates options for debt recovery and control, utilizing various resources such as the Company's sales personnel, tele collectors, field collectors, or external debt collection agencies.

In 2023, the Company introduced the SG-Tracking system, designed for monitoring the performance of field collectors and documenting their achievements. Supervisors gain insight into employee whereabouts through a GPS system that tracks employee locations. This system aims to enhance team management efficiency and ensure precision in customer address verification. Additionally, the Company developed the Auto Dial-Up system to streamline debt payment follow-ups, boosting operational speed and efficiency in managing customer debts.

Table Summarizing the Tracking of Loan

Overdue period	Debt Collection Method	Submitting debt collection documents for each type of loan			
		Hire Purchase	Rod Tum Ngern ¹	Debt Consolidation	Gold Installment Loan
Submitting debt collection documents for each type of loan	<ul style="list-style-type: none"> Phone cal / SMS notification 	Sending invoices			
31 – 60 days	<ul style="list-style-type: none"> Follow-up phone calls to request payment for outstanding balances In cases contacting unsuccessful, employees will conduct on-site visits to follow up with the customer or guarantor at the address provided to the company 	Sending invoices			
61 – 90 days	<ul style="list-style-type: none"> Follow-up phone calls to request payment for outstanding balances In cases contacting unsuccessful, employees will conduct on-site visits to follow up with the customer or guarantor at the address provided to the company 	Sending contract termination notices to lessees and guarantors			
91 – 120 days	<ul style="list-style-type: none"> Follow-up phone calls to request payment for outstanding balances In cases contacting unsuccessful, employees will conduct on-site visits to follow up with the customer or guarantor at the address provided to the company External debt collection agency handles debt collection 	Follow up and return products ²			
121 – 150 วัน	<ul style="list-style-type: none"> Follow-up phone calls to request payment for outstanding balances In cases contacting unsuccessful, employees will conduct on-site visits to follow up with the customer or guarantor at the address provided to the company External debt collection agency handles debt collection 	Follow up and return products ² / Preparing to consider proposing litigation proceedings			
151 days	<ul style="list-style-type: none"> Requesting approval to proceed with legal action to enforce claims against lessees, borrowers, and guarantors (as appropriate) 	Pursuing legal action to enforce claims against lessees/ buyers or guarantors			

Remarks: 1. Car hire-purchase loan require transfer of ownership / Car hire-purchase loan not require transfer of ownership (personal loans under vehicle registration supervision)

2. Upon the expiry of 30 days from the date the customer receives the contract termination letter, the company may reclaim the collateral and settle all outstanding amounts as per the contract

For the fiscal years ending December 31, 2022 and 2023, the Company's non-performing loans to total loans (NPL Ratio) were 4.64 and 21.30, respectively.

In cases where overdue customers seek debt restructuring after defaulting on their payments and contract termination, the debt collection agency may negotiate with them to find a repayment solution. The Company will assess the customer's ability to repay and may extend the repayment period for lower monthly installments. During debt restructuring, customers will remain classified as Stage 3 debtors and will be monitored for installment payments over three months. If the customer pays three or more installments within this period, the Company will consider reclassifying them based on standard debtor classification criteria.

For certain customers, the Company may determine that pursuing legal action would yield fewer benefits. In such cases, the Company may opt to write off accounts receivable in compliance with the guidelines outlined in Ministerial Regulation No. 186 of the Revenue Code. The decision to write off bad debts will be presented to the Managing Director for approval. Subsequently, the Company will sell unrecoverable debt to a debt purchasing company through an auction, following the completion of the accounts receivable write-off process. Typically, the Company conducts a debt auction once per year.

For the fiscal years ending December 31, 2022 and 2023, the Company incurred expected credit losses of 395.21 million Baht and 3,770.82 million Baht, respectively.

1.2.3 Marketing and competition

1.2.3.1 Target Customer

The Company offers loan services to two categories of customers; (1) Retail customers, including individuals with or without collateral, who demonstrate the ability to repay debt through evidence of sufficient monthly income. Company sales staff and affiliates are responsible for verifying the identity of customers and guarantors (if applicable), assessing income based on financial evidence, and capturing photos of the customer's workplace address to evaluate their debt repayment capability. Supporting documents, such as ID card copies, house registration copies, and salary evidence, are required for loan approval, (2) Corporate customers, identified through commercial

registration certificates, company certificates, ID card copies, house registration copies, and bank statements. Directors authorized to sign on behalf of the Company must accept obligations as guarantors.

In the loan consideration process, the Company prioritizes evaluating the eligibility of customers applying for loans and reviewing the supporting documents provided by both customers and guarantors (if applicable). Regarding retail customers, individuals must meet the following qualifications:

- Age between 20 – 65 years old (depending on the case)
- Individuals with honest occupations and stable income from employment, capable of debt repayment
- Have a primary residential address
- Have suitable guarantors who can assume responsibility in case of issues (depending on the case)
- Owners of assets used as collateral (depending on the case)
- Not blacklisted by the company (depending on the case)
- Not a prohibited person as per database of persons in bankruptcy cases and property auction cases (depending on the case)
- Not individuals listed in anti-money laundering databases (depending on the case)
- Not individuals failing to meet the Company's criteria based on credit history checks from the National Credit Bureau ("NCB" or "Credit Bureau")
- Must be Thai citizens.

However, when considering customer groups classified by the type of loan, specific details will be as follows:

(1) Target customers of electrical equipment hire purchase loans

The target customer group for hire purchase loans includes; (1) Retail customers nationwide seeking to purchase electrical appliances, household goods, and mobile phones with affordable installment plans and personalized service. This demographic primarily consists of low-income earners who often lack access to credit from traditional financial

institutions, (2) entrepreneur within the community, such as grocery stores, restaurants, and dormitories, as well as larger operators requiring facilities for their staff and employees.

(2) Target customer of Rod Tam Ngoen loans

The primary target customers for registration pawn loans are predominantly individuals who own their businesses or legal entities engaged in transportation services. This includes businesses transporting various goods such as tools and appliances, food, rice, sugarcane, cement, etc. Additionally, customers seeking liquidity for expenditures are also included in this group. These customers typically offer their vehicles as collateral to secure loans, intending to utilize the funds to expand their businesses.

(3) Target customer of employee welfare loans (Debt Consolidation)

The target customer group for employee welfare loans consists of individuals employed in stable and

reputable companies. These customers have the responsibility to pay monthly interest on credit cards, cash cards, or personal loans. They seek to utilize the loan amount to settle outstanding debts from credit cards, cash cards, or personal loans. By accessing funds from the Company, they aim to alleviate the interest burden, as the Company's new interest rate is typically lower than that of credit cards, cash cards, or personal loans.

(4) Target customer of gold installment loans (Click2Gold)

The target customers for gold installment loans are individuals with limited income or cash reserves who prioritize careful spending and long-term asset accumulation through gold purchases. They prefer to purchase gold through installments to mitigate the risk of price fluctuations. This target group includes individuals with irregular employment such as contract workers, merchants, freelancers, housewives, and students who are adept at planning for savings and wealth accumulation.

1.2.3.2 Service channels

The Company effectively targets individuals seeking Rod Tam Ngoen loans through its skilled sales staff, a core competency of the business. These sales professionals excel in delivering exceptional service, prioritizing customer attention, and fostering enduring relationships. Unlike being confined to branches, each sales representative travels to visit potential customers, both individual and corporate, identified through walk-in inquiries or recommendations from existing clients. The sales staff of the car title loan business can be divided into regions with the following details:

Number of sales staff of Rod Tam Ngoen loan, divided by region	As of December 31, 2026	
	Number of sales staff (person)	Percent (%)
Northern region	46	18
Central region	60	23
Northeastern region	109	42
Southern region	45	17
Total	260	100

Additionally, the Company maintains favorable relationships with over 2,400 dealers and agents dispersed across various provinces, all of whom are registered as business partners with the Company as of December 31, 2023. The Company's sales staff are tasked with contacting and nurturing relationships with these entrepreneurs. This is because used car dealers and brokers situated in various provinces serve as essential business partners who recommend loan products to customers. The Company facilitated a total of 36.03% and 30% of all Rod Tam Ngoen loans to loan applicants through such channels in 2022 and 2023, respectively.

1.2.3.3 Pricing policy

The determination of interest rates and fees for each type of loan must adhere to the legal rate specified for each product. The Company's policy is to establish interest rates that appropriately reflect the lending risk associated with each customer. Key factors considered in determining interest rates include the type and age of collateral, service type, installment period, debt repayment ability, customer and guarantor qualifications (as applicable), and the Company's financial costs, including industry interest rate trends. However, the Company does not engage in competitive pricing strategies for interest rates and fees. Interest rate determination is contingent upon the Company's profitability and competitiveness with other industry operators. Nevertheless, the Company does not set loan interest rates lower than its financial costs. The Company has specified conditions for providing loans beyond interest rates as follows:

Loan Service Conditions ¹	Electrical Appliance Hire Purchase Loans	Rod Tam Ngoen Loan	Employee welfare loans	Online Gold Installment Loan
Credit limit	No maximum credit limit per individual	A maximum of 70 million Baht per individual	A maximum of 2 million Baht per individual	- No specific limitations -
Contract period	A maximum of 48 installments for household electrical appliances and a maximum of 72 installments for commercial electrical appliances	A maximum of 72 installments	A maximum of 72 installments	A maximum of 6 to 12 installments.
Down payment ratio or loan to value ratio	Maximum rate is 100 percent of the cash price	Approximately 85% of the loan amount	- No collateral required -	The down payment of 700 baht is considered part of the gold price and serves as confirmation of the gold price

Remark: 1. The terms and conditions for general credit services may vary based on the characteristics and repayment ability of the loan applicant, as well as the quality of collateral (if applicable).

1.2.3.4 Industrial Situation and Competition

(1) Overview of the Thai Economy

In 2023, the Thai economy is anticipated to grow by 1.7%, decelerating from the 2.5% expansion observed in 2022. This growth is underpinned by improvements in the service sector, driven by an increase in both Thai and foreign tourists. However, political uncertainties during the transitional period and delays in government formation have dampened business confidence and government spending. External challenges include the global economic slowdown, elevated interest rates, and escalating tensions

in the Middle East. Despite these headwinds, private consumption is expected to maintain robust growth, expanding by 7.1%, primarily driven by improvements in the tourism sector. However, government spending remains a drag on economic growth due to delays in enacting the 2024 Budget Expenditure Act, leading to postponements in budget disbursements and government investment projects until 2024.

Private investment is forecasted to see modest growth of 2.0%, down from 5.1% in 2022, mainly attributed to sluggish exports and industrial production. The delayed

government formation post-election has led investors to postpone investment decisions until there is more clarity on government policies. Moreover, the value of merchandise exports for 2023 is expected to decline by 1.5% due to the economic slowdown and ongoing global trade constraints resulting from geopolitical tensions.

Inflationary pressures remained elevated in early 2023, reflecting the gradual recovery of domestic spending. However, general inflation saw a sharp decline and entered negative territory in the last quarter of the year. This was partly due to measures aimed at easing the burden of living expenses, such as reductions in electricity and fuel prices. Consequently, the average inflation rate for 2023 is projected to be 1.2%, down from 6.1% in 2022.

Estimation Results	2019A	2020A	2021A	2022A	2023F
1) Economic expansion rate (%)	2.1	(6.1)	1.5	2.6	2.5
2) Consumption expansion rate					
- Private sector consumption (%)	4.0	(1.0)	0.6	6.3	7.1
- Public sector consumption (%)	1.6	1.4	3.7	0.2	(3.6)
3) Investment expansion rate					
- Private sector investment (%)	2.6	(8.2)	3.0	5.1	2.0
- Public sector investment (%)	0.1	5.1	3.4	(4.9)	(0.2)
4) Export volume of goods and services (%)	(3.0)	(19.7)	11.1	6.8	(2.0)
5) Import volume of goods and services (%)	(5.2)	(14.1)	17.8	4.1	(1.2)
6) Current account balance to GDP (%)	7.0	4.2	(2.0)	(3.2)	1.0
7) Inflation rate - Consumer Price Index (%)	0.7	(0.8)	1.2	6.1	1.2

Source: Office of the National Economic and Social Development Council (as of November 20, 2023)

Thai economic outlook for 2024

In 2024, the Thai economy is expected to grow more slowly, primarily due to sluggish export and manufacturing sectors resulting from slow global demand and the Chinese economic recovery. Structural factors are also impacting the expansion of industrial and tourism exports more than anticipated. However, domestic demand remains robust and serves as a key economic driver. Inflation is currently low but is gradually trending towards the target range at a slower pace than anticipated.

Important supporting factors for the economy include the resurgence of export expansion, robust growth in domestic demand for both consumption and private investment, and the ongoing recovery of the tourism sector. However, economic recovery faces significant risks and limitations that could lead to a slower-than-expected

expansion of the Thai economy. These include constraints in fiscal drivers, high levels of household and business debt burdens, risks of drought on agricultural products, and a greater-than-expected slowdown in trading partner economies. Additionally, there are risks stemming from geopolitical conflicts and the ongoing volatility of the global economic and financial system.

Supporting factors

1) The tourism sector is experiencing a continuous recovery aided by government support measures and enhanced capacity to accommodate tourists. International tourist numbers are projected to rise from 27.7 million in 2023 to 35.6 million in 2024, although they have not yet reached the pre-COVID-19 level of 40 million;

2. Private consumption is anticipated to maintain growth at 3.3%, bolstered by the recovery of the tourism sector and higher employment rates. Moreover, the increase in the minimum wage, along with government policies aimed at easing living expenses and stimulating spending;

3. Government spending is poised to play a more significant role in driving the economy from the second quarter of 2024 following the approval of the Annual Budget Act, which allocates a budget of 3.48 trillion baht, marking a 9.3% increase from the previous fiscal year. Consequently, public consumption and investment are expected to resume expansion, with projections of 1.5% and 3.0% growth, respectively, after experiencing contraction in 2023; and

4. Private investment is forecasted to grow at 3.5%, driven by expansion in the service sector and industries related to infrastructure investment, coupled with government policies aimed at promoting key industries.

Limitations and risk factors

1. The decline in fiscal momentum due to delays in the budget process starting in 2024, coupled with the reduction of fiscal space, will constrain policy implementation to mitigate risks in the next period. Various research centers anticipate a delay of approximately 6 months in the preparation of the fiscal year 2024 expenditure budget, primarily due to delays in the preparation process. The 2024 Budget Act enables the disbursement of budget funds around the third quarter, preceding the end of the fiscal year. Consequently, budget disbursement, particularly for the government investment budget, is expected to be lower in 2024 compared to the previous fiscal year.

2. High levels of household and business debt may constrain the expansion of domestic consumption. The household debt situation remains worrisome, with both the amount of non-income-generating debt increasing rapidly and the quality of debt deteriorating. This is partly attributed to the relatively slow economic recovery, resulting in limited improvement in household income levels. Additionally, escalating financial costs are impacting debt repayment capacity and debt quality. Over the past few years, Thai household debt has surged at a faster rate than economic growth, leading to the highest household debt-to-GDP ratio among countries with similar average per capita incomes.

Data from the Bank of Thailand (BoT) indicates that the outstanding balance of Thai household debt as of the third quarter of 2023 reached 16.2 trillion Baht, marking a 3.4% increase compared to the same period last year and accounting for 90.9% of GDP. However, this expansion has been decelerating, particularly in the third quarter, as major lenders like commercial banks exercise increased caution in loan disbursement. Such restraint could impede the recovery of domestic demand and overall economic growth.

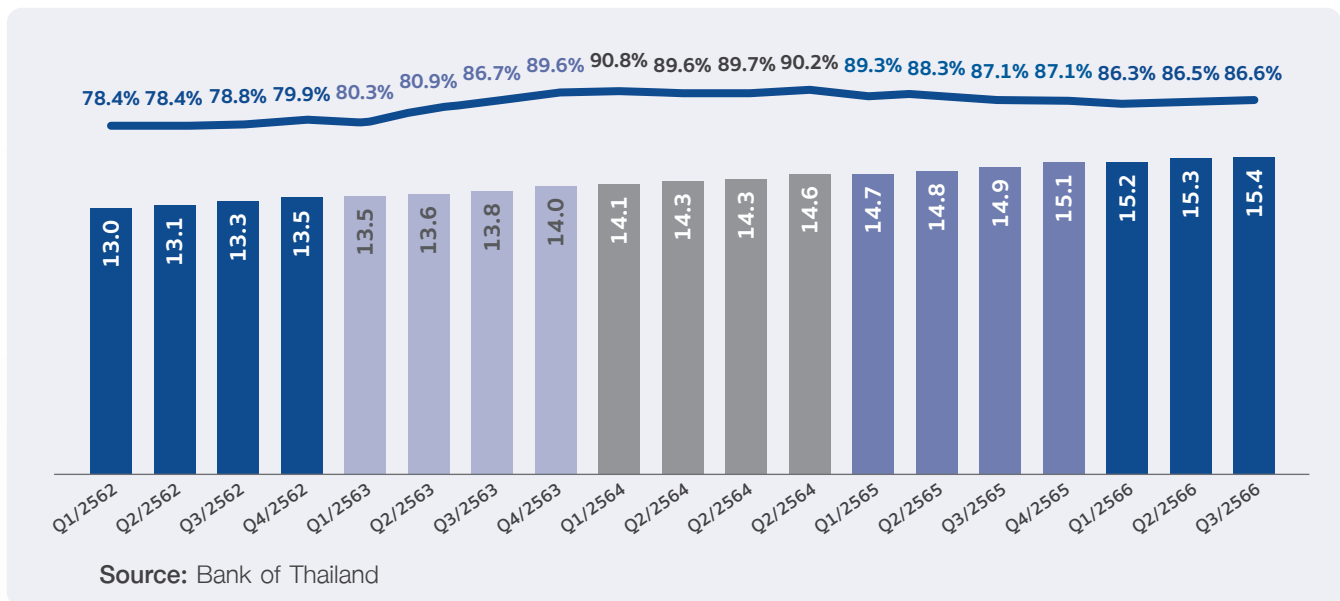
3. The impact of drought on agricultural production is significant. According to the World Meteorological Organization (WMO) report on November 8, 2023, the El Niño phenomenon is expected to exacerbate “drought” conditions, posing challenges across all sectors, particularly the Thai agricultural industry. Lower production volumes are anticipated, resulting in increased prices for agricultural products. Consequently, elevated food prices may contribute to inflationary pressures and adversely affect the export sector.

4. Risks stemming from a potentially greater-than-expected slowdown in the global economy and trade volume, along with risk conditions requiring close monitoring and assessment, include: 1) Geopolitical conflicts: These include ongoing conflicts such as the war between Israel and the Hamas group, the protracted conflict between Russia and Ukraine, and trade tensions between the United States and China. Escalation of these conflicts may lead to geopolitical and economic divisions, impacting global economic expansion and trade, and increasing volatility in money and capital markets, 2) Slowdown in the Chinese economy: China’s economy faces challenges such as debt issues in the real estate sector and a slowdown in domestic consumption, which could result in deflationary risks, 3) Energy and commodity price fluctuations: Geopolitical conflicts and events such as the war in Israel may lead to fluctuations in energy and commodity prices, potentially driving inflation higher than expected and affecting central bank monetary policies, 4) Fiscal constraints: Many countries are experiencing reduced fiscal space due to high levels of debt amid high interest rates.

(2) Situation of loans to households in Thailand

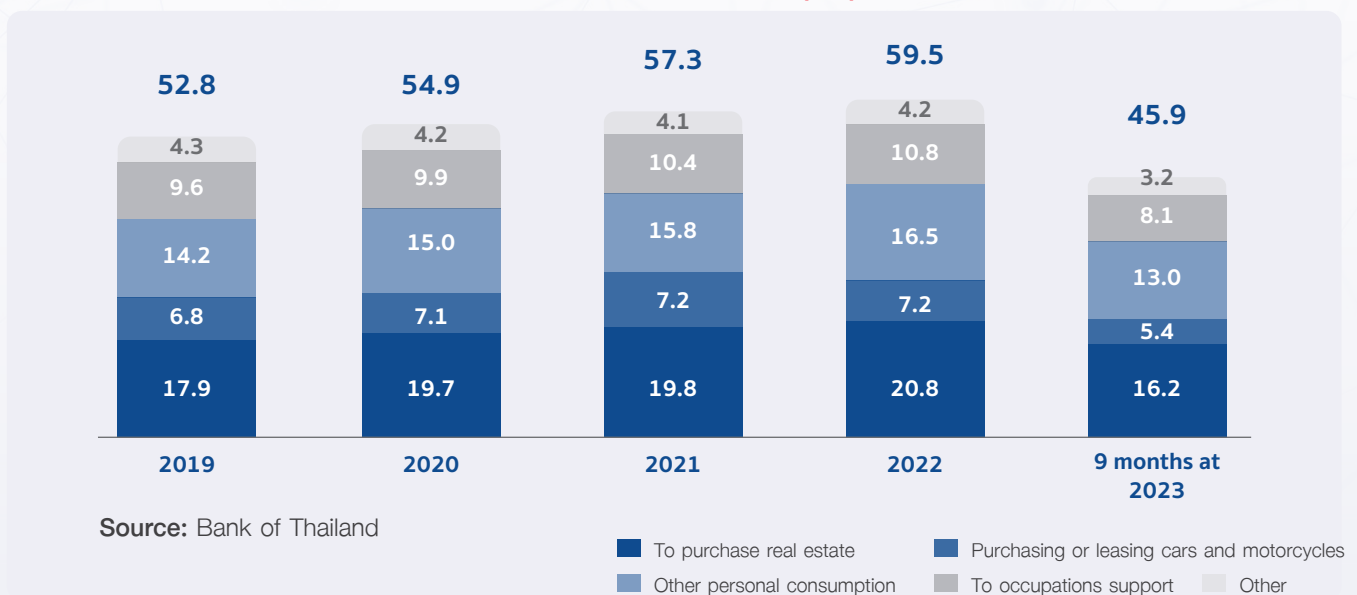
According to information from the Bank of Thailand, household debt in Thailand at the end of the third quarter of 2023 amounted to 15.4 trillion Baht, marking a 3.4% increase from the same quarter last year. The ratio of household debt to the country's gross domestic product (GDP) stood at 86.6%, slightly higher than the previous quarter. This high level of household debt is expected to hinder economic expansion, as it limits households' ability to spend and invest. Additionally, a significant number of debtors being unable to repay their debts simultaneously may pose risks to the stability of the financial system.

Table 1: Loans to households (trillion Baht) and the ratio of loans to households to GDP (%)



In this regard, when considering the statistics of loans to the household sector classified by purpose at the end of the third quarter of 2023, it was found that the top 3 highest proportions of loans consisted of: (1) Loans for the purchase of real estate, totaling 5.5 trillion Baht or 35.4% of total household debt, (2) Loans for other personal consumption, with a value of 4.4 trillion Baht, representing 28.4% of total household debt, (3) Loans for occupations, amounting to 2.7 trillion Baht, accounting for 17.5% of total household debt.

Table 2: Loans to households classified by purpose (Trillion Baht)



(3) Personal loan and hire purchase industry

The personal loan and hire purchase loan industry have grown in line with the expansion of the automobile and motorcycle sectors. In 2023, car and motorcycle sales showed a continuous upward trend, particularly in Bangkok and the central region, outpacing other provinces due to overall economic recovery and easing COVID-19 conditions, especially in the latter half of the year. This bolstered confidence among middle- and high-income consumers. However, several supporting factors and challenges will influence automotive product consumption in the upcoming period. Factors supporting automotive sales expansion in 2023 include ongoing economic recovery leading to increased employment and improved labor incomes. Additionally, the introduction of new car

models and the rising popularity of electric cars contribute positively. Nevertheless, challenges such as delayed car deliveries, particularly for electric cars dependent on imports from China, and adjustments in the leasing business, alongside purchasing power constraints in vulnerable groups due to rising living costs and household debt, especially among low-income populations scattered across regions, may impact automotive consumption demand in 2023 (Business Outlook Report, fourth quarter 2022 by the Bank of Thailand).

According to data from the Department of Land Transport, the cumulative number of registered vehicles in the country reached 44.36 million vehicles by the end of 2023. Additionally, the number of newly registered vehicles of all types totaled 3.0 million vehicles by the end of 2023.

Table 3: Cumulative number of registered vehicles nationwide (Million Vehicles)

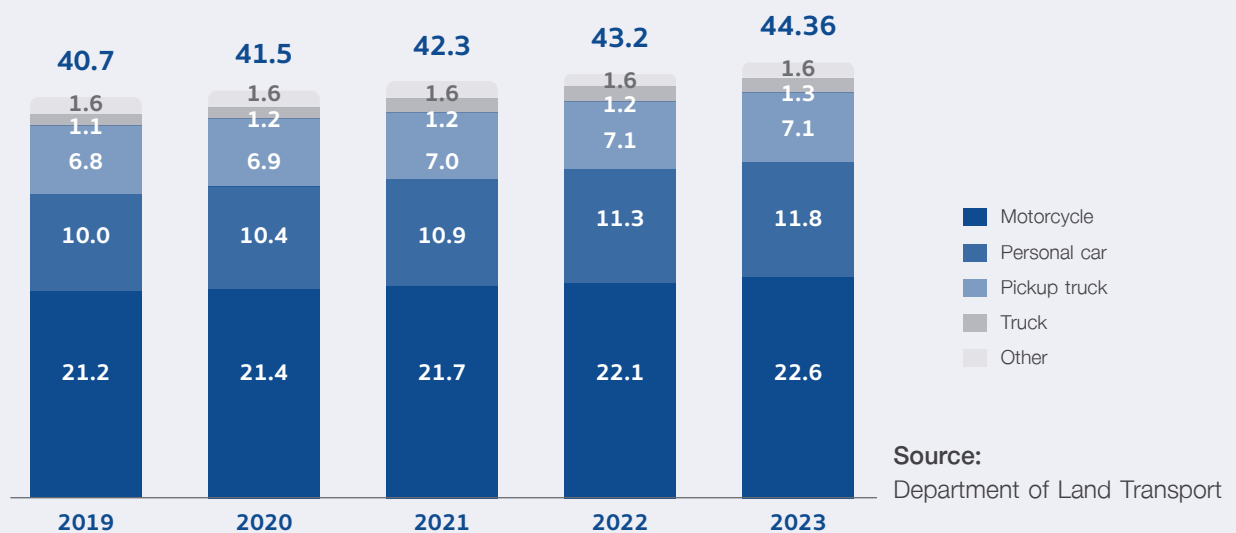
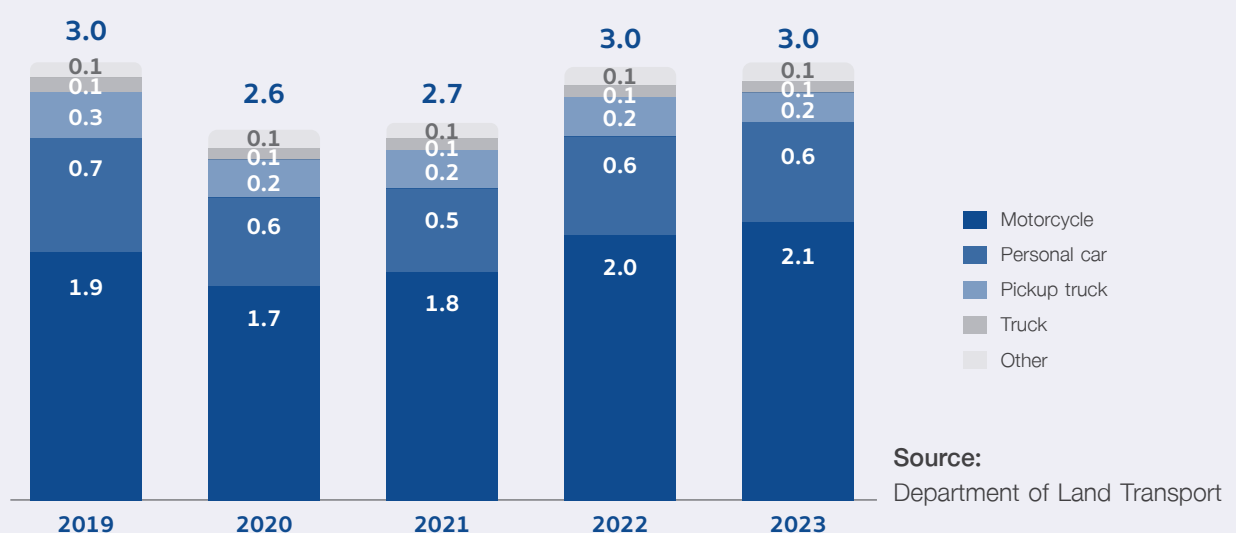


Table 4: Number of newly registered vehicles (Million Vehicles) classified by vehicle type

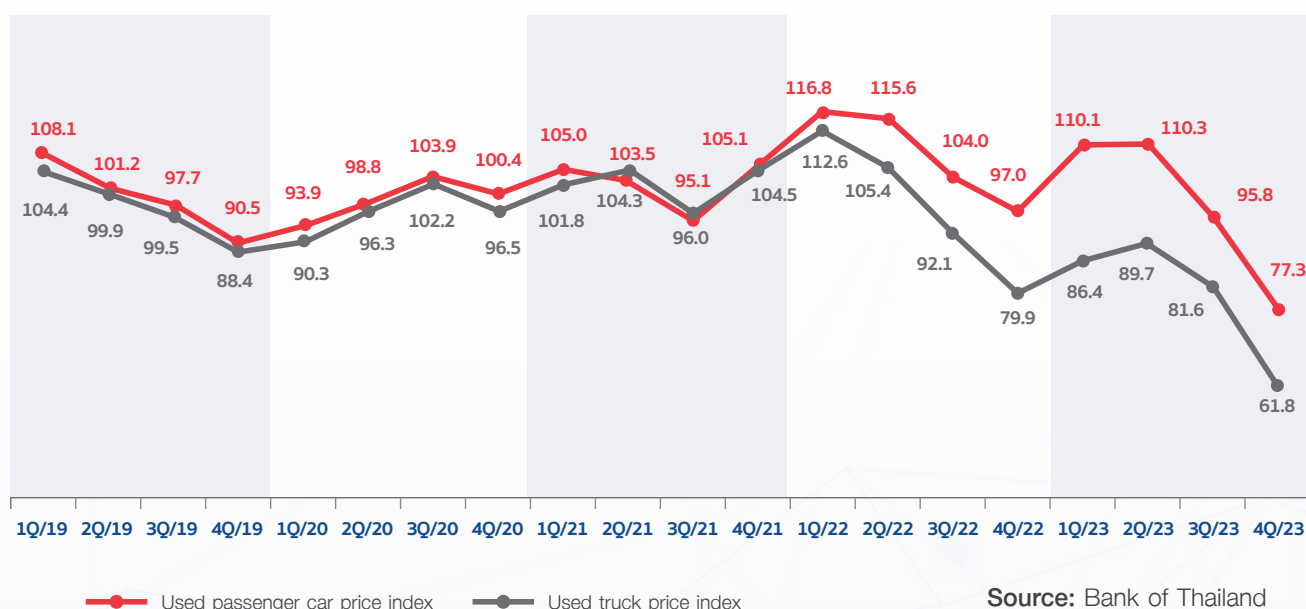


According to the Bank of Thailand, the Used Vehicle Price Index (UVPI) directly affects the stability and risk of auto lending businesses. UVPI serves as a price index reflecting the value creditors would obtain upon seizing and auctioning off a vehicle. Used car prices typically exhibit seasonal fluctuations, with prices higher at the start of the year and typically decreasing towards the year's end. This pattern reflects the tendency to sell cars quickly at year-end to avoid depreciation in their appraised value as the year concludes.

The overall used car price index for 2023 has decreased. This decline can be attributed to several factors,

including an increase in the supply of older cars entering the market, particularly those seized due to borrowers' inability to repay installments amidst rising living costs. Additionally, the introduction of new cars (as replacement products) is expected to further saturate the market, especially with the arrival of chip supplies for certain models. Moreover, the growing popularity of electric cars has led to decreased demand for used internal combustion engine cars. As a result, competition is likely to intensify with the entry of new operators into the market, including expansions by multinational companies and their affiliates.

Table 5: Used Vehicle Price Index



1.2.3.5 Competition situation

The Company operates as a non-financial institution, offering both secured and unsecured loans, competing in a market with numerous industry players, primarily consisting of hire purchase loan operators. These operators utilize vehicle registration as collateral and are licensed to conduct personal loan businesses under the supervision of the Bank of Thailand.

The Company specializes in providing loans secured by vehicle registration and hire purchase loans, particularly with trucks used as collateral. Its primary competitors include prominent non-financial business operators in

the same industry, listed on the stock exchange, such as Muangthai Capital PCL ("MTC"), Ngern Tid Lor PCL ("TIDLOR"), Ratchthani Leasing PCL. ("THANI"), Srisawad Corporation PCL ("SAWAD"), Heng Leasing and Capital PCL ("HENG"), and Star Money ("SM"). Additionally, the Company offers leasing services for electrical appliances. While it may not face direct competition from listed companies on the stock exchange providing similar loan services, it competes with other industry players such as commercial banks and small business operators not listed on the stock exchange.

Summary of comparative information on samples of non-financial loan service companies that compete with the Company

Data as of December 31, 2023	SGC	MTC	TIDLOR	THANI	SAWAD	HENG	SM
Types of loans provided							
– Hire purchase loans	✓	✓	✓	✓	✓	✓	✓
– Loan with car registration as collateral	✓	✓	✓	✗	✓	✓	✓
– Welfare loans	✓	✗	✗	✗	✗	✗	✗
– Personal loans	✗	✓	✓	✗	✓	✓	✗
– Small loans for occupations	✗	✓	✓	✗	✓	✓	✗
– Land and house loans	✗	✓	✗	✗	✓	✓	✗
– Revolving cash card	✗	✗	✓	✗	✗	✗	✗
Collateral type							
– Personal passenger cars	✓	✓	✓	✓	✓	✓	✓
– Motorcycle	✗	✓	✓	✗	✓	✓	✓
– Truck	✓	✓	✓	✓	✓	✓	✓
– Agricultural vehicles	✗	✓	✓	✗	✓	✓	✓
– House and land	✗	✓	✓	✗	✓	✓	✓
– Other types of cars	✗	✓	✗	✓	✓	✓	✓
Number of sales staff	308	9,513 ¹	4,259 ¹	220 ¹	5,343 ¹	1,475 ¹	365
Agent and Dealer	1,721	N/A	5,132 ¹	N/A	N/A	5,100 ¹	N/A
Ratio of non-performing loans to total loans (%)	3.68	2.28	0.92	2.33	2.46	3.03	4.48

Source: Annual information disclosure form, financial statements, and investor presentation documents of Muangthai Capital PCL, Ngern Tid Lor PCL, Ratchthani Leasing PCL., Srisawad Corporation PCL, Heng Leasing and Capital PCL, and Star Money

Remarks 1. Data as of December 31, 2022

- Small Industry Credit Guarantee Corporation
- Advance Finance PCL
- SBEY Credit Foncier LTD
- World Credit Foncier LTD
- Capital Link Credit Foncier LTD
- The Shika Bank Limited
- The Hokuriku Bank Limited
- The Bank of Fukuoka Limited
- The Bank of Yokohama Limited
- The Choco Chukin Bank Limited
- The Shanghai Commercial and Savings Bank, Ltd.

- Shinkin Central Bank
- The Hyakuko Bank Limited
- The Bank of Kyoto Limited
- The Okazaki Shinkin Bank
- North Pacific Bank Limited
- The Hamamatsu Shinkin Bank
- Korea Development Bank

1.2.4 Procurement of products and services

Operating a loan service business requires securing funds to provide loan services. Presently, the Company primarily relies on shareholder investments for its funding. The funding sources can be summarized as follows.

Remark: Adjusted to include loans from major shareholders as equity.

As of December 31, 2023, the Company obtained a significant proportion of its borrowings from shareholder funds, primarily in the form of loans from the parent company, accounting for approximately 76.34% of its total funding sources.

The Company adheres to a funding procurement policy aligned with its fund utilization objectives, considering the suitability of repayment periods. However, despite the operational outcomes in 2023, the debt-to-equity ratio remains elevated. Moreover, prevailing market interest rate trends and investor sentiment towards debt instruments currently constrain the Company's ability to secure external funds. Nonetheless, the Company strategizes its operations to adapt to these conditions and intends to diversify funding sources opportunistically in the future.

1.2.5 Research and development

In 2023, the Company significantly enhanced its internal operating system to improve efficiency through innovative development of internal information technology systems. This initiative aimed to streamline operations, minimize duplication, and enhance speed and accuracy across various functions. Notably, the implementation of a new lending system supported business expansion and facilitated the introduction of new loan services. The system's flexibility enables swift adjustments to accommodate diverse conditions set for the Company's new loans. Furthermore, it provides essential data for business analysis, empowering management to make informed and timely decisions, thereby bolstering the company's competitive edge.

1.2.6 Work pending deliver


- None -

1.2.7 Assets used in business operations

As of December 31, 2023, the principal fixed assets utilized in the Company's business operations comprise improvements to rented buildings and office equipment. These assets include rights to use the leased area of the head office, rented office space, rented vehicles and office equipment, as reflected in the Company's financial statements.

The Company's assets	Net book value as of December 31, 2023	Nature of ownership	Encumbrances
Leasehold improvement, furniture and office equipment and computer and equipment	21.97 Million Baht	Owner	-None-
Right-of-use assets encompass space rental agreements and car rental contracts	26.04 Million Baht	Lease agreement	-None-
Total	48.01 Million Baht		

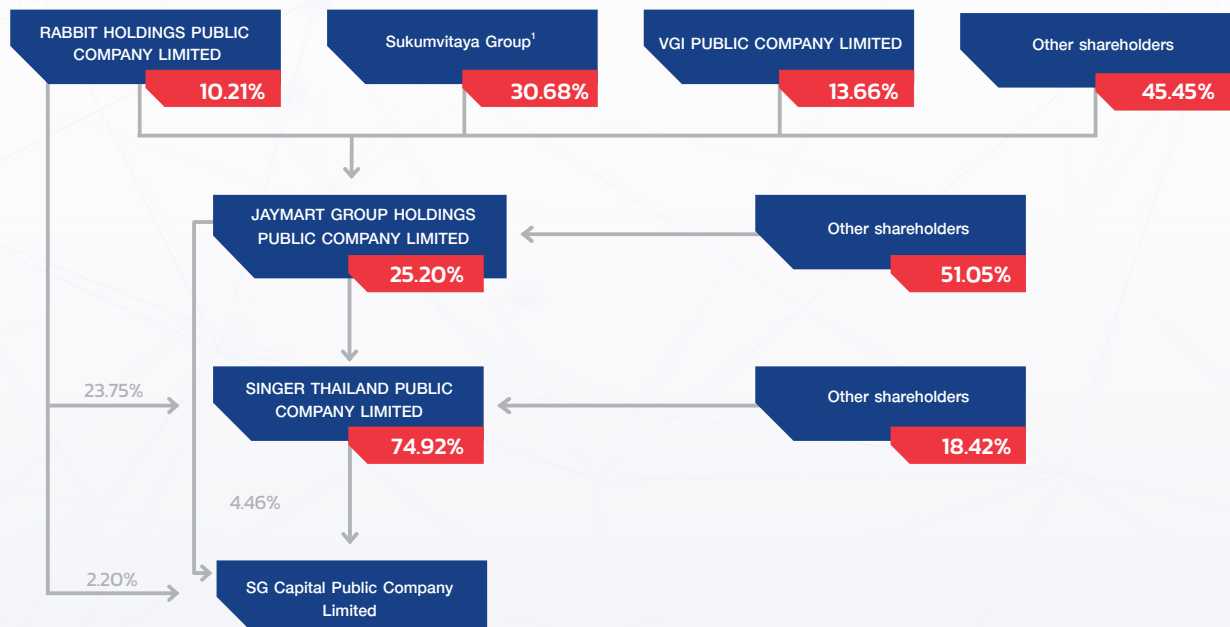
- Intangible assets, comprising software and associated rights under agreements, have a total value of 13.57 million Baht.
- There is one significant trademark and two pending trademark registration applications.

Trademarks	Description
	Type 36: Provide credit for leasing, Opening credits or loans.

Trademarks	Description
	Type 36: Product/Service List, Financial services for leasing, Loan service, Credit guarantee
	Type 36: Product/Service List, Financial services for leasing, Loan service, Credit guarantee
	Category 36: Product/Service List, Loan service
	Type 36: Product/Service List, Financial services for leasing, Loan service, Credit guarantee

1.3 Shareholding Structure

As of December 31, 2023, the Company's shareholder structure is as detail provided below:



Remark: 1. Sukhumvitaya Group comprises the following list of shareholders:

1. Mr. Adisak Sukhumwittaya holds 188,088,916 shares, representing 12.90%
2. Mr. Ekachai Sukhumvitaya holds 122,389,718 shares, representing 8.40%
3. Miss Juthamas Sukhumwittaya holds 79,633,277 shares, representing 5.46%
4. Miss Yuwadee Phong-atcha holds 57,117,454 shares, representing 3.92%

Total number of shares held by the mentioned shareholders is 447,229,365 shares, representing 30.68%

1.3.1 Relationship with major shareholders

The Company's credit service business operates under Jaymart Group Holdings PCL ("JMART" or the "indirect major shareholder"), functioning as a holding or investment company. Jaymart Mobile LTD ("JMOBILE") serves as the core entity under JMART. The Sukhumvitaya family primarily owns the JMART business group, with the following shareholding detail:

As of December 31, 2023, the Company functions as a subsidiary of SINGER, which holds 74.92% of the Company's total registered and paid-up capital.

SINGER is a publicly listed company on the Stock Exchange of Thailand, with JMART and Rabbit Holdings PCL ("RABBIT") (formerly U City Public Company Limited or "U") holding 25.20% and 23.75% of its shares, respectively. (This information is sourced from the Stock Exchange of Thailand's website as of December 31, 2023 (www.set.or.th).

In the JMART group, there are companies that engage in similar business operations to the company,

notably KB J Capital LTD ("KBJ"). KBJ specializes in providing various types of personal loans, including multi-purpose loans, loans for purchasing goods, car registration loans, and personal revolving loans, as well as multi-purpose loans for employees. However, the proportion of income derived from car registration pawn loan services is insignificant for KBJ, while it exclusively focuses on providing loan services to a particular mobile brand partner for mobile phone purchases. Moreover, KBJ operates as a joint venture between KB KOOKMIN CARD CO., LTD. (South Korea) and JMART, holding the status of an associate company. KBJ has not prepared consolidated financial statements with JMART. Additionally, the majority of KBJ's key executives are appointed by KB KOOKMIN CARD.

During 2023, the Company engaged in transactions with related parties, with significant transaction details depicted in the diagram and provided information below:



Remark: The company has not engaged in any cash transactions involving subsidy income from SINGER since April 1, 2021.

(1) Relationship with SINGER

SINGER operates in the business of selling electrical appliances, sewing machines, commercial products, and other items. Notably, the company engages in significant

related transactions with SINGER, which include:

- 1) Purchasing goods from SINGER to support the loan business operations,
- 2) Subsidy income,
- 3)

Receiving services for tracking installments, 4) Borrowing money and financial costs, 5) Receiving management services, 6) Space rental fee, 7) Promotional income. Below are the detailed specifics of these important transactions:

1) Purchasing goods from SINGER to support the loan business operations as the Company provides hire purchase loans for electrical appliances, household appliances (Home Appliances), and commercial electrical appliances, including products under the SINGER brand and other items distributed by SINGER, it engaged in merchandise purchases from SINGER amounting to 398.34 million Baht for the year ending December 31, 2023. Additionally, trade payable items amounted to 69.70 million Baht. The pricing of these merchandise items was consistent with prices offered to other customers purchasing from SINGER.

2) Subsidy income from SINGER as the Company serves as a sales channel for customers purchasing SINGER products, offering installment payment options increases the likelihood of selling products to SINGER's consumers. Consequently, previous agreements included interest subsidy income from SINGER, which is currently nonexistent. Instead, subsidy items recognized in the financial statements are gradually realized based on installment payments of the loan contract. In both 2023 and 2022, no cash receipts were obtained from subsidy income. However, as of December 31, 2023, there remained outstanding deferred subsidy income amounting to 2.18 million baht, anticipated to be fully realized by the end of 2024.

3) Receiving services for tracking installments as the Company provides hire purchase loans for electrical appliances distributed by SINGER, which boasts a direct distribution channel for electrical appliances through its proficient sales staff, the Company leverages SINGER's expertise in understanding customer needs, product knowledge, and maintaining strong customer relationships. Consequently, the Company has engaged SINGER's professional sales staff to follow up and collect installments and outstanding balances from customers. In return for these debt collection services, the Company pays SINGER a mutually agreed-upon rate. For the year ending December 31, 2023, the Company incurred expenses totaling 10.30 million Baht for installment tracking services.

4) Loan and financial costs as SINGER, the parent company, was previously listed on the Stock Exchange, it possesses access to diverse funding sources, including

the issuance and offering of bonds prior to the Company's listing on the Stock Exchange. Consequently, the Company obtained financing from SINGER to support the ongoing lending activities, which are experiencing continual growth. The Company entered into a loan agreement with SINGER at an interest rate equivalent to SINGER's average debenture issuance rate plus a premium of 0.25%, to offset SINGER's expenses in debenture issuance. As of December 31, 2023, the Company's total loan from SINGER amounted to 10,072.67 million Baht, with financial costs totaling 591.01 million Baht.

(2) Relationship with SGB

SGB operates life and casualty insurance brokerage businesses. Nevertheless, the Company and SGB engage in significant related transactions, with the Company receiving a share of commission from SGB based on jointly established scopes of work and goals. Commission share rates are collaboratively reviewed annually to align with the objectives and agreed-upon scope of work.

(3) Relationship with SGS

SGS specializes in repairing and maintaining electrical appliances. However, the Company and SGS conduct a significant connected transaction: space rental. This transaction, considered general commercial condition, entails a rental rate calculated from SGS's payment to the space owner, proportionally allocated based on the Company's utilization of the space.

(4) Relationship with JMART

JMART specializes in investing in other businesses. Within its operations, the Company and JMART engage in significant related transactions, particularly professional fees incurred for inspecting the Company's operational processes. These fees are akin to hiring external companies for similar services.

(5) Relationship with JMT

JMT operates in debt tracking, collection, and management services for non-performing debts, alongside its insurance and insurance brokerage activities. However, the Company and JMT engage in significant connected transactions, particularly debt collection service fees, which constitute general commercial condition with agreed-upon service rates. Additionally, the Company derives income from the sale of claims in debtors under credit contracts

through auctions conducted under service contracts. As of the year ending December 31, 2023, the Company reported debt collection service fees amounting to 18.33 million Baht, with income from the sale of claims in debtors under credit contracts reaching 110.31 million Baht.

(6) Relationship with JMOBILE

JMOBILE operates in the distribution of mobile phones and related equipment, both in retail and wholesale capacities. The Company and JMOBILE engage in a significant connected transaction, involving the purchase of goods from JMOBILE, which constitutes a general commercial condition. As of the year ending December 31, 2023, the Company purchased products totaling 29.78 million Baht.

(7) Relationship with JMI

JMI operates in the casualty insurance businesses. The Company and JMI engage in significant connected transactions, specifically involving insurance premiums. This transaction is considered a general commercial condition.

(8) Relationship with JVC

JVC is involved in software development and business investments. Within this framework, the

Company and JVC partake in crucial related transactions, specifically software system development fees and system maintenance fees. The Company has enlisted JVC to develop a system for managing debt collection for field debt collection employees. The pricing for this procurement item is assessed in accordance with the Company's general commercial condition and prevailing market rates.

(9) Relationship with BB

BB operates both a food and beverage distribution business and the coffee shop brand Casa Lapin. The Company and BB engage in significant connected transactions, particularly the purchase of products for business use. These transactions adhere to market prices and are comparable to other brands in the market.

(10) Relationship with JELITE

JELITE operates in the business of providing digital point accumulation services. The Company and JELITE engage in significant connected transactions. Specifically, the Company has implemented a promotional project with its affiliates, offering J Points from related businesses to retail customers participating in the Debt Consolidation project with the Company. The pricing of J Points aligns with market rates and those of other companies.

1.3.2 Shareholders

1.3.2.1 List of shareholders

The shareholding structure of the Company as of December 28, 2023 can be summarized as follows:

list	Shareholders	Shareholding (share)	Percentage of shares (%)
1.	Singer Thailand Public Company Limited	2,449,998,000	74.92
2.	Jaymart Group Holdings Public Company Limited	145,798,585	4.46
3.	Rabbit Holdings Public Company Limited	71,966,133	2.20
4.	Mr. Kobphong Prompanya	25,369,200	0.78
5.	Mr. Songyot Ueawattana	15,000,000	0.46
6.	Mr. Chao Kara	14,430,000	0.44
7.	Mr. Jittiphon Chantararat	13,500,000	0.41
8.	Mr. Natthapon Nithithanatkul	13,200,000	0.40
9.	Thai NVDR Company Limited	12,925,472	0.40
10.	Mrs. Wilai Chiraithiwanna	11,888,400	0.36
Total number of shares held by the top 10 major shareholders		2,774,075,790	84.83
11.	Other shareholders apart from the top 10 major shareholders	495,924,210	15.17
Total number of shares issued		3,270,000,000	100.00

1.4 Registered capital and paid-up capital

1.4.1 Common shares

As of December 31, 2023, the Company has a registered capital of 3,270,000,000 Baht, divided into 3,270,000,000 ordinary shares with a par value of 1.00 Baht per share. Additionally, the paid-up capital is also 3,270,000,000 Baht, consisting of a total of 3,270,000,000 ordinary shares, each with a par value of 1.00 Baht.

1.5 Issuance of other securities

As of December 31, 2023, the Company has not issued any other securities.

1.6 Dividend payment policy

The Company has a policy to distribute dividends to shareholders at a rate of not less than 50% of the net profit according to the financial statements of the Company's business operations, after deducting taxes and various reserves as required by law and regulations of the Company each year. However, this must not result in accumulated losses for shareholders according to the financial statements of the Company's business operations.

However, the Company may determine that the dividend payment rate differs from the rate specified above, depending on operational performance, financial status, cash flow, the necessity of using working capital in operations, investment plans and business expansion,

debt obligations, loan agreement terms and conditions, and other relevant factors in the Company's management. Such decisions must be deemed appropriate by the Company's Board of Directors, and dividend payments should not significantly impact the Company's normal operations. Moreover, these actions must maximize benefits for shareholders and comply with relevant laws, regulations, standards, or announcements. Additionally, annual dividend payments must be approved at the shareholders' meeting, unless interim dividends are declared, in which case the Board of Directors has the authority to approve interim dividend payments as appropriate and report such payments at the next shareholders' meeting.

Dividend payment record

Detail	Approval date	Dividend payment date	Dividend payout ratio (Baht / share)	Amount (Thousand Baht)
Annual dividend 2020	-	-	-	-
Annual dividend 2021	April 20, 2022	May 12, 2022	0.18	441,000
Annual dividend 2022	April 20, 2023	May 18, 2023	0.11	359,693



2. Risk Management

Enterprise risk management is a crucial tool for comprehending all risks and their potential impact on the achievement of a Company's objectives and goals. It ensures that risks are systematically considered and managed to eliminate or mitigate potential impacts. This proactive approach aids the Company in operating its business to

fulfill its strategic objectives and goals. To facilitate this, the Company has established a Risk Management Committee and a Risk Management Unit. These entities are responsible for evaluating, inspecting, controlling, and establishing Risk Management Policy. These policies serve as guidelines and a framework for operating all departments of the Company.

2.1 Risk management policy and plan

The Company recognizes the significance of risk management in ensuring effective business operations and maintaining good corporate governance. Emphasizing systematic risk management and control, the Company adheres to international standards to be applied throughout the organization, while upholding standards of good corporate governance. A comprehensive risk management policy has been established to serve as a guideline and framework for the operation of every department within

the company.

All executives and employees are conscious of the responsibility to adhere to the risk management policy, ensuring the control of risks to an acceptable level. This policy serves as a management tool to maximize the Company's chances of success, minimize the likelihood of failure and loss, and alleviate uncertainty from the overall operating results of the company.

2.2 Risk Culture

In today's swiftly evolving business landscape, the Company encounters risks across various aspects of its operations, necessitating adjustments to its business model and internal management plan. Fostering a robust risk culture becomes pivotal in enhancing understanding and awareness of diverse risk issues influencing the Company's business operations, enabling adaptation to continually changing environments. Recognizing the significance of fortifying risk culture, the Company has explicitly outlined in its risk management policy that employees at all levels are obligated to actively participate in risk management initiatives.

- At the senior management level, there is a commitment to taking the initiative and leading

the way in driving the risk culture within the organization.

- The Company has established a mechanism to support executives and employees at all levels in recognizing potential risks associated with their work. This initiative encourages executives and employees to take responsibility for managing these risks.
- Implementing communication and idea exchange initiatives is vital for achieving an effective balance. This strategy promotes a work culture characterized by transparent and open communication, fostering the generation of innovative ideas.

2.3 Business risks

The Company emphasizes the significance of sustainable risk management, positioning it as a crucial aspect of the Company's culture to ensure efficient and effective business operations aligned with its goals. Utilizing

appropriate risk management strategies is paramount to eliminating or mitigating the impact of significant risks that affect business operations. These risks include:

2.3.1 Risk from competition in the hire purchase, supervised personal loan, and other loan, including the entry of new competitors into the industry.

Currently, the market for providing hire purchase loans, supervised personal loans with vehicle registration as collateral, and other loans is saturated with numerous service providers. Large companies, both listed on the stock exchange and part of the financial institution group, benefit from advantages such as low financial costs and a high capital base. In contrast, small and medium-sized local companies providing credit services at the community level in various regions across Thailand contribute to the industry's highly competitive environment. However, new entrants aiming to operate a supervised personal loan business with vehicle registration as collateral encounter specific challenges. They must (1) obtain a business license from the Ministry of Finance, adhering to specified regulations. This regulatory compliance constitutes a significant barrier to the entry of new competitors. Additionally, (2) building customer confidence is a time-consuming process, and (3) a substantial capital investment is necessary for lending activities.

Furthermore, beyond the threat from new entrepreneurs, existing players in the industry also contribute to competition through strategic marketing approaches. This includes tactics like offering high credit limits, extending the installment period, and providing low-interest rates to attract customers to their services.

The Company has devised a strategic plan to enhance its competitive edge in the credit industry. This involves expanding the customer base and increasing the number of our sales staff. Our approach includes cultivating Brand Awareness in each area by fostering positive relationships, aiming for strong Brand Recognition. The ultimate goal is to position ourselves as the preferred choice for customers, ensuring that they remember and choose our company first when seeking loan services (Conversion). In addition to expanding the new customer base, the Company employs strategies for Customer Retention. For instance, it offers refinancing loans to customers who adhere to repayment schedules, enhancing their credit balance (Top-up) for increased competitiveness. The Company's policy emphasizes developing loan products, implementing initiatives such as creating new channels,

enhancing the customer database system, and developing systems and personnel expertise in loan analysis and consideration.

Regarding capital, the Company has secured funding from its parent company and intends to issue debentures, ensuring a cost-effective capital source for expanding its expanding credit portfolio. Supported by an experienced management team, the Company diligently monitors and analyzes economic conditions at macro and micro levels. This proactive approach enables strategic planning and tailored investment plans to align with prevailing economic conditions. Market surveys are regularly conducted to observe shifts in consumer behavior. Moreover, the Company has established operational systems adhering to standards, focusing on efficient and effective management for optimal performance.

2.3.2 Risks related to adapting to technological changes in the financial business

The industry in which the Company operates experiences rapid changes, particularly in technological advancements. The Company's success hinges on its ability to provide products and services that align with customer needs and preferences, especially amid ongoing technological shifts in the industry. Changes in customer preferences or the introduction of new technologies may potentially disadvantage the Company compared to other service providers. Inability to swiftly adapt or adopt new technologies to support the business strategy in response to market changes or consumer preferences may impact the demand for the company's products and services, thereby influencing business opportunities.

The Company continuously adapts and develops online channels, including the Website, Facebook, Google Ad, and new platforms, to present financial products. For installment payments, various channels are available, such as Bank Account, BIGC, Lotus, QR code, Bar Code, Counter Service, Mobile Banking, and Prompt Pay. The Company is actively developing a new loan system (Core lending) to swiftly address customer needs and remain competitive. Additionally, there's ongoing planning for a Digital Transformation, incorporating technology to innovate and adapt business operations for the ever-evolving digital age.

2.3.3 Risk to the quality of the loan portfolio from the fact that the Company may approve non-performing loans and be unable to assess the creditworthiness of loan applicants

A portion of the Company's loan portfolio involves providing loans to borrowers lacking access to commercial banks due to various reasons. These include changes in commercial banks' lending policies, restrictions on applicant qualifications, incomplete documentation, absence of a debt repayment history, lack of a clear business plan, and loans not justifying the processing costs. Delays in processing loan applications and credit considerations are also contributing factors.

Offering the Company's credit services to customer groups without access to commercial banks provides an alternative for credit accessibility. However, this choice comes with an increased risk of bad debt or default if the credit approval criteria fail to identify customers with the potential and ability to repay debt. This situation could result in a significant increase in non-performing loans.

Recognizing the heightened risk, the Company has review of regulations in the loan consideration process, establishing clear conditions and criteria for credit approval.

Additionally, the Company has implemented continuous training programs to enhance the credit analysis skills of employees. Utilizing the Company's internal database, along with external databases such as (1) the National Credit Bureau Co., Ltd. ("NCB" or "Credit Bureau"), (2) bankruptcy case personal database, auction cases, and (3) the Anti-Money Laundering Office database, is a proactive step. This information is utilized to assess the creditworthiness of customers, contributing to the reduction of risk in the loan consideration and approval process.

Furthermore, the quality of the Company's loan portfolio may be influenced directly or indirectly by various factors, many of which are beyond the Company's control. Examples include economic slowdowns in Thailand or globally, changes in laws, policies, and/or government regulations, political conditions, epidemics, and natural disasters. These factors, among others, can have a material adverse effect on the business, impacting liquidity or the loan applicant's ability to repay debt. Consequently, the Company may experience an increase in non-performing debtors (NPL), leading to partial or complete loss of principal if the Company is unable to reclaim collateral from the debtor.

For the fiscal year ending 31 December of 2020 - 2023, the Company has the ratio of non-performing loans to total loans (NPL Ratio) divided by loan type as detailed in the table below:

Ratio of non-performing loans to total loans (NPL Ratio)	As at			
	December 31, 2020	December 31, 2021	December 31, 2022	December 31, 2023
	%	%	%	%
Hire Purchase for Electrical Appliances	8.75	7.58	11.84	76.10
Hire Purchase for Machinery	8.53	10.96	19.08	84.96
Vehicle loan	0.47	0.89	0.90	9.29
Employee welfare loans	0.24	0.17	0.51	1.41
Others	N/A	0.00	0.00	38.43
Total loans for hire purchase and credit	4.36	3.85	4.64	21.30

The Company has developed the Expected Credit Loss Model (ECL Model) to estimate expected credit losses and establish impairment reserves for loan contracts in each debt class. This includes an assessment of current economic conditions, future trends, and the conclusion of measures aiding COVID-19 affected debtors. To address potential quality risks, the Company is considering additional impairment reserves (Management Overlay). Allowances for expected credit losses have been allocated for the fiscal years ending 31 December 2020 - 2023. The ECL Ratio, detailing the ratio of expected credit losses to total loans by loan type, is presented in the table below:

Allowances for expected credit losses ratio (ECL Ratio)	As at			
	December 31, 2020	December 31, 2021	December 31, 2022	December 31, 2023
	%	%	%	%
Hire Purchase for Electrical Appliances	8.26	5.50	8.09	63.38
Hire Purchase for Machinery	6.39	6.41	10.24	67.14
Vehicle loan	0.92	0.72	0.98	5.65
Employee welfare loans	0.41	0.28	1.12	2.64
Others	N/A	0.00	-	32.45
Total loans for hire purchase and credit	4.29	2.80	3.38	16.14

2.3.4 Risk from not being able to collect debt according to the due date, which may be caused by external factors beyond the Company cannot control

The Company may face the risk of customers being unable to pay installments on time or failing to collect due or overdue installments. External factors, such as macroeconomic conditions, total liabilities of debtors, and changes in occupation or income, can affect customers' ability and willingness to repay. If the company struggles to collect debts as scheduled, especially from long-overdue debtors, it impacts the status of the Company's debtors. This, in turn, affects the provision for the allowance for expected credit losses, potentially leading to additional operating expenses. In cases where debt collection involves seizing collateral or legal actions, the Company may incur further expenses. This factor poses a negative impact on the Company's financial performance, status, and business opportunities.

To mitigate the risk of debt collection challenges, the Company employs a comprehensive approach. The Credit Consideration Department evaluates debtor qualifications based on their ability to repay. Relationship managers

regularly engage with customers, monitoring the status of loan applicants' businesses. Additionally, the Company encourages loan applicants to opt for Principal Protection Insurance (PPI) to safeguard against unforeseen events, alleviating the impact on their families. The Company maintains a reporting system for daily and monthly debt collection outcomes, providing regular management updates to enhance debt collection efficiency and timely tracking. This proactive approach aids in reducing the risk of non-performing debtors (NPL). For debtors overdue by more than 60 days, the Company engages an experienced external debt collection team, operating professionally and strictly adhering to the law and the Debt Collection Act 2015, ensuring compliant debt recovery within this group.

As of 31 December 2023, the Company holds receivables under hire purchase agreements and loan agreements amounting to 14,501 million Baht. This is categorized into receivables with no significant increase in credit risk (Performing), or Stage 1, represent 68.09% of total outstanding loans. Debtors with a notable increase in credit risk (Under-performing), or Stage 2, represent 10.61% of total outstanding loans. Debtors with credit

impairment (Non-performing), or Stage 3, represent for 21.30% of total outstanding loans.

2.3.5 Risk from the fact that the company may not be able to recover collateral from defaulting customers.

The Company's hire purchase loans are secured by collateral such as cars, various types of vehicles, electrical appliances, and home appliances. These movable assets are subject to depreciation. The Company faces a risk of being unable to seize collateral if the debtor defaults on payments, leading to potential loss of principal and interest. This situation could impact the Company's operating results and financial position.

To minimize the risk of being unable to seize assets or collateral, the Company has implemented proactive measures. Company employees are assigned to conduct on-site checks of customer history, and the Credit Consideration Department directly contacts customers to verify information. This includes scrutiny of customer history on the Company's Blacklist, credit information from credit bureaus, and checks against bankruptcy case databases, property auction cases, and the Anti-Money Laundering Office database to ensure individuals are not prohibited. This thorough verification process significantly reduces the risk associated with credit approval for customers. In the event that seizing property or collateral becomes necessary, the Company will promptly and appropriately act within specified conditions and legal frameworks.

The Company has instituted a systematic debt collection process to effectively manage outstanding debts. This involves employing Tele Collectors (salespeople) and Field Collectors (debt collection employees) to engage customers through telephone calls, messages, letters, and in-person visits. The process includes follow-ups by the Company's employees or third-party representatives to collect debts, and if necessary, initiate legal procedures based on the extent of delay in debt payment as per the Company's regulations.

If a customer defaults on payment beyond the specified period set by the Company, the Company will utilize documentary evidence to establish ownership of assets targeted for debt recovery. This includes documents like vehicle registration manuals, pre-signed ownership

transfer documents, and contract termination letters. The Company will initiate the process of tracking down and reclaiming assets to fulfill debt repayment requirements.

2.3.6 Risk from the sale of foreclosed assets does not cover the value of the remaining debt

In the event of a customer default leading to the Company seizing collateral for auction to repay outstanding debt, the value obtained depends on factors such as the condition, age, popularity of the car brand, car model, and prevailing market conditions. Additionally, the demand for cars at that specific time plays a crucial role. Consequently, the Company faces the risk that the proceeds from the sale of foreclosed assets may not fully cover the outstanding debts of the customers. As of 31 December 2023, the Company holds foreclosed properties with a remaining book value of 181.74 million Baht. Any shortfall in the sale proceeds result in losses, impacting the Company's operating results and financial position.

Acknowledging this risk, the Company has implemented guidelines for evaluating collateral impairment. This includes establishing a policy to analyze credit considerations tailored to the condition and impairment of collateral, emphasizing meticulous debt collection practices. A comprehensive assessment of borrower qualifications and collateral conditions is conducted, considering factors such as the purpose and appropriateness of vehicle usage, borrower's main address, occupation, car brand, model, year of manufacture, market price, etc. Furthermore, the Company utilizes an auction channel through external contractors' car auction centers, covering 20 provinces in Thailand. This auction platform caters to both legal entities and individuals within the target customer group.

To track outstanding debt balances after selling collateral, the Company has implemented a systematic monitoring process. In instances where there remains outstanding debt post-auction, the Company actively monitors and manages this residual debt. It's important to note that this monitoring process incurs costs, particularly when legal proceedings.

If the Company faces challenges in compelling the customer or guarantor to pay the remaining debt difference, or if the Company anticipates that the cost of ongoing debt

collection outweighs the expected cash flow, the Company may contemplate discontinuing the debt collection efforts for that particular customer. This decision would be the best interests of the Company.

2.3.7 Risks regarding liquidity and ability to repay debts

The Company's lending business, requiring substantial capital, currently relies heavily on loans from major shareholders. In the future, if the Company opts for borrowings from financial institutions or increases bond issuance, managing liquidity with major shareholder loans and other debts, including debentures and loans from financial institutions, might pose challenges. Factors impacting the Company's cash flow management efficiency encompass changes in macroeconomic conditions, financial markets, and government policies related to its operations, both directly and indirectly. Efficiency in credit analysis, debt collection, and tracking may influence lending decisions, potentially deviating from the strategic plan or established goals. Inadequate cash flow from operations may hinder repayment of loans from major shareholders, financial institutions, and/or debentures, with differing repayment timelines. Such mismatch could adversely affect the Company's liquidity.

Nevertheless, the Company maintains vigilant oversight of its liquidity through the finance department, which diligently prepares daily, weekly, monthly, yearly, and three-year cash flow projections. This includes close monitoring of debt collection and cash flow from operations. The Company strategically plans funding to align repayment periods with the timeframe for utilizing funds, ensuring a steady and consistent approach. It is noteworthy that the Company has a strong financial track record, having never faced financial difficulties or defaulted on any debts in the past.

2.3.8 Risk from relying primarily on major shareholders for funding sources

Currently, the Company relies on its primary source of funds from SINGER, a major shareholder, to support its lending service business. As of 31 December 2023, outstanding loans from major shareholders amounted to 10,073 million Baht.

The Company has adopted a policy to seek sufficient funds independently. As part of this strategy, the Company conducted an Initial Public Offering (IPO) to the general public. The IPO resulted in additional funding of approximately 3,104.85 million Baht, net of expenses related to the securities offering. The funds raised through this initiative are designated to support the expansion of the Company's business and to partially repay loans from major shareholders. Moreover, the Company is exploring the possibility of diversifying its funding sources by considering the issuance of debt instruments. This move aims to further reduce dependence on funding from major shareholders.

2.3.9 The Company faces a risk of credit management associated with electrical appliances, home appliances, and commercial appliances from Singer Thailand Public Co., Ltd., its major shareholder

The Company, with SINGER as its brand for electrical appliances, provides leasing services for both Home Appliances and Commercial Appliances. These services are facilitated through Singer Thailand Public Company Limited, a major shareholder of the Company. SINGER's sales staff play a crucial role as loan service advisors, assisting customers seeking to acquire electrical appliances through financing. They manage the coordination, collection, and submission of documents related to loan services. Additionally, the team oversees the delivery, installation, and monitors installment payments for customers utilizing these loan services. In cases of default on debt repayment, the Company engages SINGER to distribute repossessed products. This strategic collaboration is advantageous, as SINGER's employees have strong community ties, facilitating more effective customer outreach.

Hence, there exists a potential risk for the Company if employees of SINGER fail to adhere to the established standards or requirements. Customer complaints regarding credit services have the potential to impact the Company's reputation. To mitigate these risks, SINGER employees will be responsible for monitoring installment payments for customers utilizing loan services. This includes the seizure and/or distribution of repossessed products in cases where the Company has engaged them (Case by case), ensuring close supervision and control. In the event of complaints, the Company will provide feedback for

improvement. Furthermore, if issues persist unresolved, the Company retains the option to terminate such employment agreements.

2.3.10 Risk from relying on senior executives and key personnel with expertise and experience in various fields of business operations

The success of the Company's business relies on the expertise and proficiency of its employees and senior executives in managing the credit service operations, particularly in providing convenience to customers applying for loans. Critical to credit approval considerations are personnel with knowledge in credit analysis and experience in evaluating loan applicants and the debt collection process. These individuals must possess negotiation skills for information inquiries and debt collection negotiations, including senior executives shaping the Company's business direction. The potential loss of such personnel could significantly impact the Company's business operations. Recruiting and training replacement personnel is a time-intensive process, requiring adherence to the Company's standards for efficient operation. Inability to attract, retain, or promptly replace personnel may have a material adverse effect on the Company's operations and business prospects.

The Company has implemented a Succession Plan, incorporating the recruitment of external talent for executive and critical positions. This strategy ensures the Company's ability to promptly replace key personnel when needed. Continuous training and development initiatives are in place to enhance employees' knowledge and skills, equipping them to fulfill their roles effectively. Remuneration and benefits are thoughtfully considered, aligning with appropriateness and fairness standards. Operational manuals have been prepared for various departments, serving as operational guidelines and establishing standards for duty performance. Additionally, the Company is proactively planning information system development to mitigate reliance on any single personnel.

2.3.11 Risk from partners

The Company recognizes its reliance on materials, equipment, and services from partners, understanding that their disregard for importance or non-compliance

with regulations may impact business. Thus, the Company emphasizes risk management, aiming to reduce costs, ensure prompt service, and foster long-term sustainable growth with partners. Therefore, the stringent procurement standards align with international practices are in place, ensuring transparency and fairness in selecting partners capable of meeting the Company's set standards.

- Product and service quality, and innovation management
- Good corporate governance, data leak prevention, and legal compliance
- Compliance with labor and human rights requirements, equal treatment, and personnel development

2.3.12 Risk from finding corruption cases

Being in the lending business, the company is frequently a target for corruption, potentially resulting in issues such as unauthorized loans and a rise in non-performing debts. This corruption may lead to negative news and damage the company's reputation, causing customers to lose confidence in its services. The resultant impact on the company's financial status, performance, and business opportunities can be significant.

To mitigate this risk, the Company has implemented a segregation of duties among officials involved in contact and coordination. The salesperson's responsibility is limited to verifying initial loan application information and submitting documents to the credit evaluation department for approval. All customer loan analysis occurs at the centralized credit underwriting center, which adheres to clear credit approval criteria, specifying authority in the product delivery process. In the case of electrical appliances and household products (Home Appliance), field debt collectors are tasked with revisiting work sites before product delivery. This measure aims to minimize the risk of salesperson dishonesty in approving loans for customers.

Furthermore, the Company has engaged PricewaterhouseCoopers ABAS Ltd. ("PwC") as its internal auditor to independently inspect operations regularly across various branches and departments. Audit results will be directly reported to senior executives and the Audit Committee, with established channels for reporting any wrongdoing. Both internal and external stakeholders can

report clues or complaints directly to the Chairman of the Audit Committee via mail, email, or the Company's website. Moreover, the Company holds certification from the Thai Institute of Directors (IOD) as a member of the Thai Private Sector Coalition Against Corruption (CAC). This certification is valid for three years, effective since 30 September 2021.

2.3.13 Risks from compliance with laws, regulations, and announcements regarding the Company's business operations

The Company operates financial services businesses in Thailand, subject to evolving supervision and operations oversight from relevant agencies. These agencies have the authority to impose penalties on both the Company and its personnel in the event of business operations violating laws, regulations, and requirements associated with the Company's practices. Non-compliance may lead to complaints by regulatory agencies.

The Company may face substantial costs in defending lawsuits, investigations, or other legal actions, potentially causing reputational damage. Unfavorable outcomes in legal proceedings could lead to significant liabilities, restrictions on business operations, and adherence to strict requirements detrimental to the company's business and operations. Any adverse events or disruptions resulting from these circumstances could have a material adverse effect on the Company's business, reputation, financial condition, results of operations, and prospects.

Given the significance of such risks, the Company has established a Corporate Governance Department with legal expertise to oversee and control operations across various departments, ensuring adherence to legal standards. The department sets guidelines for control measures, recommendations, and prevention methods to maintain risk levels within acceptable limits. The organization's risk management system is continuously developed and effective. Additionally, the Company stays updated on amendments to laws, regulations, and announcements from regulatory agencies related to its business operations. When necessary, the Company may engage external legal advisors to provide expert opinions and advice, ensuring continued legal compliance in its business operations.

2.3.14 Risks in building and maintaining a brand and reputation

It is widely acknowledged that establishing and nurturing a strong brand, especially in the context of credit services, adds significant marketing value and contributes to the Company's revenue. Any incident causing harm to the Company's brand and reputation, for whatever reason, will not only impact income and profits but also erode the confidence of shareholders.

Factors that could negatively impact the Company's brand image and reputation include the handling of complaints and incidents that have an adverse effect on the Company's public image. Additionally, serious or unfavorable allegations from consumers and the media about the Company's products and services

Given that the company is not yet widely recognized in the loan service sector, there is a concerted effort to establish and enhance the brand "SG Capital" (SGC). The aim is to ensure that both new and existing customers can easily recognize, remember, and develop an interest in utilizing the Company's loan services. A dedicated website, <https://www.sgcapital.co.th>, has been created to serve as a communication and sales promotion channel, particularly focusing on loan services such as "Rod Tum Ngern" welfare loans (Debt Consolidation), online gold installment loans (Click to Gold), and loans for electrical appliances and household products (Home Appliances), as well as Commercial Appliance. Additionally, the Company engages in public relations activities through platforms like Facebook, Google Ads, and other emerging channels. This ongoing effort aims to continuously build and reinforce the Company's image, credibility, and reputation.

2.3.15 Risk from interruption or failure of information technology systems

The Company's business operations are heavily reliant on the continuous functioning of its information technology systems, particularly those integral to lending activities, such as customer information verification and credit analysis for loan approvals. The efficient and uninterrupted operation of these information technology systems is crucial to the Company's business operations. A system failure poses risks of financial loss, business interruption, and potential damage to the Company's reputation.

The Company's information technology systems are vulnerable to a range of risks, including natural disasters, electrical or telecommunications system failures, environmental conditions, computer viruses, hacking, criminal acts, and other threats to system security. Potential consequences of such risks include business disruption, data misuse, and the potential for reputational damage, regulatory penalties, or lawsuits.

The Company maintains two servers to support the necessary infrastructure for its business operations. In the event of a server failure, the Company has a contingency plan in place to switch to the other server within 24 hours, ensuring continuity. Moreover, the Company has established a Business Continuity Plan (BCP) and an IT Disaster Recovery Plan (IT DRP). Regular rehearsals of these plans are conducted at the operational level to ensure effective responses to emergencies. Access rights to data and information systems are clearly defined according to the authority and responsibilities of employees at different levels. Passwords are set for secure access, and skilled personnel are designated to monitor, enhance, and control the operation of the information technology system. This proactive approach aims to prevent and address problems promptly, limiting potential damages within a reasonable timeframe.

2.3.16 Risk from loss of contracts or collateral from serious accidents, civil unrest and natural disasters

The Company securely stores the original loan contracts and vehicle registration manuals, serving as collateral, at its head office. Despite a history of no damage or loss in the past, the Company acknowledges the need to account for potential damages resulting from unexpected events such as disasters, serious accidents, or incidents caused by factors like terrorism and sabotage.

The Company places significant importance on contracts and collateral documents and has implemented comprehensive policies and procedures for collecting and managing this critical information. The Registration and Contracts Department oversees the completeness and secure storage of loan contracts and collateral documents.

Documents are systematically stored in a strong room, with copies stored in the company's information system. Moreover, the Company employs E-Document Management Software on the Cloud, ensuring a highly secure system with adherence to international safety standards. Access to the system is restricted through Usernames and Passwords, limited to authorized personnel only. Continuous inspections and improvements are conducted to ensure the efficiency and security of the information system at all times.

2.3.17 Risk from being considered for credit ratings

The Company obtains a credit risk assessment conducted by TRIS Rating Company Limited, a credit rating agency. This assessment involves evaluating the Company's creditworthiness and credibility. TRIS Rating assesses the corporate credit rating based on factors such as the organizational structure, financial information, and business plans of the company. This evaluation helps gauge the financial status and earning potential of the issuing company.

The Company's credit rating is determined by TRIS Rating Company Limited following the "Business Sector Credit Rating Criteria." Notably, the Company's credit rating aligns with that of its parent company, SINGER, emphasizing its role as a core subsidiary. TRIS Rating considers SGC as the primary subsidiary of SINGER, its largest shareholder holding 74.92% of shares. However, there is a credit risk for the Company based on TRIS Rating's assessment, which could lead to a potential cancellation or downgrade of its credit rating or outlook. As of 4 October 2023, the Company's corporate credit rating was downgraded from "BBB" with a "negative" outlook to BB+ with a "stable" outlook. This downgrade is attributed to increased provisions for credit losses and the write-off of non-performing debt resulting from the quality of debtors in the assistance project related to the COVID-19 situation. These factors have led to operational losses for the Company. Such a credit downgrade has adverse effects on the Company's creditworthiness and may impact its financial costs negatively.

Instrument Risk

1. Credit Risk

Debenture holder face the risk of not receiving interest or principal payments if the business and operating results of the debenture issuer do not meet expectations or if the assets of the issuer are insufficient to cover the debt. Before making investment decisions, investors are advised to carefully consider the financial position and debt repayment ability of the debenture issuer, as specified in the debenture offering registration form and the draft prospectus. To assess the credit risk of a debenture issuer, investors can refer to credit ratings provided by credit rating agencies. A low credit rating indicates higher credit risk for the debenture issuer, and correspondingly, investors may expect higher returns to compensate for the elevated risk associated with such debentures. It is crucial to note that credit ratings do not serve as recommendations to buy, sell, or hold any debentures, and these ratings may be subject to cancellation or changes throughout the life of the debentures. Investors are encouraged to stay informed about debenture issuers by monitoring news updates, including changes to credit ratings. This information can be obtained from the websites of the Securities and Exchange Commission, credit rating agencies, or the Thai Bond Market Association.

2. Price Risk

The market price of debentures is subject to fluctuations influenced by various factors, such as interest rate levels in financial markets, the Bank of Thailand's policy, overall economic conditions, inflation rate, and the age of the debenture. Additionally, excess or lack of demand for debentures can impact their market prices. As a result, debenture holder may be affected by changes in debenture prices. In instances where debenture holder intends to sell debentures before their maturity date, the impact of price fluctuations is more significant for debenture with longer remaining maturities.

3. Liquidity Risk

Debenture holder face the risk of not being able to sell their debentures in the secondary market at their desired price before the maturity date. This may occur if there is limited trading activity in the secondary market.

However, debenture holder has the option to buy and sell at commercial banks, securities companies, or other entities with a license to trade securities. Moreover, certain limitations on selling debenture in the secondary market may exist if the debenture issuer has registered transfer restrictions with the Securities and Exchange Commission (SEC). These restrictions may confine debenture transfers to institutional investors and/or large investors, as defined in the SEC's announcement regarding the issuance and offering of various types of debt instruments. It's important to note that inheritance transfers may be exempt from these restrictions.

4. Reinvestment Risk (If a debenture has a call option)

The risk arises as the debenture issuer has the right to redeem, either wholly or partly, on specified dates, introducing uncertainty for debenture holder in predicting cash flows. If the issuer redeems during low market interest rates, holders of debt instruments may lose the opportunity for high returns. As of now, the Company has no debentures for sale, ensuring no one is affected by the mentioned risks.

2.3.18 Emerging Risks

To support the organization in achieving its strategies and goals, the Company consistently monitors external factors and emerging risks. It pays close attention to factors that may impact the business in the short, medium, and long term, preparing to address them effectively. Key emerging risks include:

Consumer Trends Risk

The rapid changes in technology today, driven by the application of digital technologies and new business models, are influencing consumer behavior. There is an increased preference for using digital services and electronic channels. This shift contributes to the advancement of digital technology in providing credit services.

In order to enhance service efficiency and align with future changes in the demand for credit services, the Company has undertaken studies and preparations for change. This involves developing and designing financial

products and digital service channels using modern technology, including offering services through mobile phone applications. The aim is to evolve service delivery models to meet changing competitive conditions.

Cyber Risk

Technological advancements and changes in business operations contribute to increased operational efficiency. Continuous and rapid technological developments play a crucial role in various industries, including financial services. However, it also brings the heightened risk of cyber threats. These threats can potentially impact service business operations or compromise information security. Examples of cyber threats include ransomware, a type of malware targeting data and files, along with other threats that can lead to damage in computer systems or data theft.

Cyber threats have the potential to harm both customers and the Company on multiple levels, including service interruptions, leakage of customer information, and a loss of customer confidence. Furthermore, if there is a breach resulting in the leakage of customer information, it could lead to violations of data protection regulations, potentially subjecting the Company to penalties under the Personal Data Protection

The Company acknowledges the significance of cyber threats and is committed to establishing policies and guidelines for cybersecurity. It ensures strict adherence to these measures, including the installation of equipment and software to protect and maintain cybersecurity. Additionally, the Company fosters an organizational culture that promotes continuous awareness of cyber threats at every level.

Geopolitical Risk

Geopolitical risks encompassing political events, international relations, social issues, and conflicts within and between countries pose geographical impacts. These

events can escalate into tensions and violent conflicts, negatively impacting business operations. Examples include the Israel-Palestine conflict, strained relations between China and Taiwan, and the trade war between China and the United States. Such events contribute to the risk of increasing global power polarization (deglobalization) and ongoing uncertainties in economic recovery, trade protectionism, and technology separation.

Geopolitical risks contribute to economic volatility, potentially leading to a delayed recovery. Adjustments in interest rates have resulted in increased fuel costs, inflation, and household debt. These factors, in turn, affect the ability of individuals to meet installment payments, impacting the expansion of the Company's credit services, which has not met its target.

The Company consistently monitors various situations to assess risks and analyze potential opportunities and impacts on the organization. This ensures that the Company can adapt its strategies, existing plans, and measures appropriately to the situation. As part of this effort, district managers are mandated to visit the businesses of large credit line customers at least every six months and report to the executive of the sales department.

Risk from Climate Change

Climate change has broad and far-reaching impacts both nationally and globally, posing risks related to the environment and natural disasters such as flooding events. These events can result in direct damage to Company assets and disrupt business operations for loan customers, potentially affecting the Company's financial performance. In response, the Company has implemented scheduled activities to demonstrate environmental responsibility. These measures include initiatives to reduce electricity consumption, efficient water use, and campaigns for waste separation management, among others.



3. Driving business for sustainability



3.1 Policy and Goals for Sustainability Management

The Company is committed to providing a wide range of loans and other financial products. Responsible lending to deliver financial opportunities and investments while taking into account corporate governance. Social & Environmental

In 2023, the Company's business operations have focused on growth so that customers can access credit sources conveniently. Support the creation of opportunities for equitable access to finance to reduce inequality in society. Closing the financial gap, including supporting Having a good credit culture and promoting financial discipline for customers to cover all areas of the country will be an important part of solving household debt problems sustainably. however The Company is committed to sustainable business development throughout the value chain in line with the expectations of the Company's stakeholders. Ethical and ethical business practices, including compliance with the Sustainable Business Development Guidelines of the Securities and Exchange Commission ("SEC") and international standards.

In 2023, the Company has reviewed the Corporate Governance Policy and Compliance with Good Corporate Governance Principles and Environmental Management Policy to cover sustainability issues related to the Company's business operations.

Sustainability Management Goals

The company has incorporated sustainability into its business operations through various processes in the

business chain and has been able to lead the organization to become a leader in diversified financial services businesses with data-driven organizations. It will be able to expand its business to provide services based on digital technology by 2025 and in line with the United Nations Sustainable Development Goals. (SDGs), including disclosure of information. Those involved receive thorough and timely attention. This leads to cooperation in the creation of additional value and return to the company.

3.2 Managing the impact on stakeholders in the business value chain

3.2.1 Value Chain

The Company has undertaken to deliver value to stakeholders on the basis of changing the technological context of the organizational context. Social context to drive the country's business towards the "Digital Transformation" era through technological innovation and the creation of business processes to change. These include (1) Service development (2) Loan approval process and convenient payments (3) Personnel Development and technology (4) Customer base expansion through the sales team and a network of affiliated companies and business alliances (5) After-sales service to create new value for customers in terms of functionality and experience. Usage to become "SGC Digital Transformation"

The Company takes into account stakeholder groups and places importance on managing the sustainability of activities throughout the business value chain by creating

stability and prosperity with products and services that meet the needs of all groups along with effective risk management. The value chain of the Company's business

demonstrates the process of releasing assets as a circular value chain .



(1) Service development

With the vision of the Company being a leader in the non-bank financial service business, the Company therefore focuses on expanding its workforce through selection and training processes to provide them with knowledge and understanding of loan services including relevant laws and regulations as well as cultivating a team to focus on providing excellent service through providing services with the understanding of customer needs and listen to the opinions of employees who are close to customers. This is to develop loan services that can fulfill the needs, income levels, and ability to pay appropriately for each group of customers under the laws and requirements of relevant regulatory bodies and authorities.

(2) Loan approval process and convenient payments

Loan Evaluation

The Company focuses on providing services at every step, from checking the initial information of customers with efficiency. This affects the quality of loan suitability for loan recipients including compliance with rules and regulations or guidelines prescribed by the Bank of Thailand, consumer protection office or related organizations. To

evaluate the loan, the sales representatives of the Company and its affiliates will assist the customers to fill out the application form for loan services, together with identification documents and letter of consent to the disclosure of credit bureau information (depending on the case) so that the credit information department can verify the identity and the payment history of the customer and information completely. In case the customer cannot provide the pay slips: own a business etc., it is mandatory for the sales representative of the Company and affiliated companies or field collectors to meet customers to check the status of the business, social environment, and collateral conditions (if applicable) of the applicant for assessing income. They will collect supporting evidence to submit to the loan department to assess the ability to pay debt in order to evaluate the appropriate installment and loan limit.

In addition, the Company will assess the type and level of risk that the Company acceptable to target customers to ensure that the loan approval process of the Company can fulfill the behavior and needs of the customers, social requirements, technology, and various law adjustments. The Company will adjust these guidelines and procedures according to economic conditions and industry trends.

This approach also helps the responsible department to evaluate and approve a loan which is appropriate to the qualifications and ability to pay installments of customers under the acceptable risk level of the Company.

Transparent and swift payment of installments and fees

The Company facilitates customers by providing various payment channels; bank transfer, counter service, and payment via QR Code of the Company through SINGER sales representatives who are responsible for each customer. (For hire-purchase equipment: home appliances and commercial appliances) or post-dated checks. This is to ensure that the Company can facilitate and fulfill customer needs as well as to increase accuracy and transparency in the control and supervision of loan accounts and reduce the number of frauds from employees.

(3) Personnel Development and technology

The Company is controlled and operated by a team of management and personnel with experience in the retail lending business, personal loans under supervision and hire purchase loans. The manpower plan is in line with the business plan and continuously develops the knowledge and competency of personnel about products, laws, and related regulations. The company recruits local sales representatives in each area across the country in order to provide services covering all areas and able to understand the needs, cultures and languages of customers in each area. In addition, the Company has developed a loan approval system, accounts receivable management and a modern debt collection system that can support the development of additional operating systems to support the management to be efficient and facilitate the customers.

Besides, the Company also focuses on treating customers fairly in providing services that are appropriate to their needs and possibility to access funding sources and ability to pay including the determination to drive the team to raise the level of management, continuously train employees to improve their knowledge; communication skills, sales techniques, legal knowledge, data skills and digital tools, and understanding the services of the Company. The Company also communicates and instills culture within the organization to all departments to provide complete and comprehensive information to customers without providing information beyond reality or any information which misleads customers about the loan service and the Company.

(4) Customer base expansion through the sales team and a network of affiliated companies and business alliances

Apart from expanding the scope of service through distribution of sales teams across the country, the Company also expands its customer base through providing the loan services for the products of affiliated companies, which creates efficiency in business partnership (Synergy) as well as expanding the customer base through business alliances such as dealer networks (Dealer), agent networks (Agent) and employers, etc. that are distributed in many provinces.

In addition to expanding the scope of service areas through the distribution of sales teams nationwide. The Company has also expanded its customer base through the provision of credit services through the distribution of products of its subsidiaries, which creates efficiency in joint business operations. The company has also expanded its customer base through business alliances such as dealer networks, agent networks, and employer companies, etc., which are distributed in various provinces. Be close to customers and be able to respond to consumer needs exactly according to their needs.

(5) After-sales service

The Company focuses on management with good governance principles, legal compliance, and internal audit in accordance with the rules and regulations or guidelines prescribed by the Bank of Thailand or the consumer protection office. There is a credit quality control system through a preliminary verification of customer information from the database of affiliated companies and external companies including convenient payment channels and debt collection control. The Company and external service providers focus on fairness and conducting business according to the principles of corporate governance under the guidelines prescribed by law as well as providing quality services by delivering services according to the expectation of the customer to gain satisfaction. This can be achieved through the development of strong employees and covering the country to meet the needs of customers and strengthen the ability to serve customers of the Company.

In addition, the Company pays attention to complaints and issues of products and services including problems of service of the branch network of affiliated companies and business alliance networks related to the loan services of the Company. This helps to develop products and services and manage problems for all customers equally and fairly.

3.2.2 Stakeholder analysis for the business chain

The Company focuses on the rights of all groups of stakeholders of the company which is related to the value chain of the business and defines the guidelines to meet the expectations of stakeholders as follows:

Stakeholder	Engagement Channels	Expectation of stakeholder	Guidelines to meet stakeholder expectations
1. Shareholder/ Investor	<ul style="list-style-type: none"> - Annual General Meeting of Shareholders (1 time per year) - Communicate through the Stock Exchange (regular) Arrangement of - Opportunity Day with the The Securities Exchange of Thailand (SET) (3 months/time) - Company website 	<ul style="list-style-type: none"> - Good performance and sustainable business growth. - Fair and equal treatment to shareholders. - Disclosure of accurate, complete, and timely information. - Transparent operation and verifiable. - Good corporate governance and risk management. 	<ul style="list-style-type: none"> - Defining a clear business plan in order for the Company to generate income, build market share and maintain a profitable rate and be competitive to maintain the growth rate of the Company. - Manage and operate with integrity and business ethics. - Disclosure of accurate and complete information. - Supervise shareholders to receive fair treatment and equality for all shareholders, regardless of major or minor shareholders.
2. Customers	<ul style="list-style-type: none"> - Receiving complaints and providing customer service through branches and customer service centers on the website of the Company and a call center Tel. 02-028-28-2828 	<ul style="list-style-type: none"> - Rapid loan approval process - Approved credit limit is appropriate. - There are convenient and fast payment methods. - Obtaining strict compliance with business conditions towards customers with fairness and reliability. - Obtaining complete, accurate, timely product information, equal and fair service. - Getting complaints handled quickly and accurately. - Protection of customer personal information. 	<ul style="list-style-type: none"> - Provide quality services according to customer requirements, disclose complete, accurate, up to date without distorting the facts. - Determine fair trade conditions and comply with contracts, agreements or other conditions with transparency and equality. - Provide communication channels for customers to complain about product quality. - Focus on the confidentiality of customer information and do not seek personal benefit from such information.

Stakeholder	Engagement Channels	Expectation of stakeholder	Guidelines to meet stakeholder expectations
3. Business Partners	<ul style="list-style-type: none"> - Telephone contact or through electronic media regularly. - Company visits or seminars to manage relationships with partners. - Complaints or clues about fraud via email and postal channels to the inspection group. 	<ul style="list-style-type: none"> - Fair and transparent procurement. - Payment for goods and services according to agreed terms and periods. - Sustainable business growth. - Fully comply with the conditions of the contract with a process to prevent fraud and misconduct in every step of the procurement/hiring process. 	<ul style="list-style-type: none"> - Do not demand, accept, and pay any trade benefits to business partners dishonestly. - Set up a management and monitoring system to ensure that contracts, agreements, and conditions are strictly complied with business partners. In case the condition cannot be fulfilled the partners shall be notified in advance to jointly consider finding solutions to problems with the principle of reasonableness.
4. Business Competitors	<ul style="list-style-type: none"> - Keeping track of news through various channels such as websites - Joint activities through government agencies 	<ul style="list-style-type: none"> - Conducting business and competing with fairness and transparency 	<ul style="list-style-type: none"> - Comply with the rules of fair competition and based on fair returns to both parties. - Do not seek confidential information for the competitors through dishonest or improper means. - Do not damage the reputation of commercial competitors. with derogatory accusations without truthful information
5. Creditor	<ul style="list-style-type: none"> - Telephone contact or through electronic media. - Disclosure and company visit to check the status of business. 	<ul style="list-style-type: none"> - Payment of debt completely and on time - Compliance with contracts, laws, or relevant agreements 	<ul style="list-style-type: none"> - Strictly comply with contracts, terms and conditions made with creditors. Especially the treatment of assets which are collateral for debts. - Company financial positions report to creditors with honesty, accuracy and on time consistently. - Notify creditors in advance, in case of unable to comply with the obligations in the contract to discuss solutions and prevent damage.

Stakeholder	Engagement Channels	Expectation of stakeholder	Guidelines to meet stakeholder expectations
6. Employees, Executives and Board of Directors	<ul style="list-style-type: none"> - Meeting (on a quarterly basis) - Company website - Notifications/Orders - Communication within the organization with human resource department or department heads such as meetings - Satisfaction survey (once a year) - Public Relation Board - Trainings - Activities within the organization with employees - Annual Report - Complaint channel 	<ul style="list-style-type: none"> - Treated equally and fairly. - Do not discriminate, such as work assignments, learning and development including compensation and various welfare. - Secured occupational health and working environment, good health, and well-being. - Providing an opportunity to express opinions and receive complaints without being intimidated, suspended, terminated, or unfairly treated. 	<ul style="list-style-type: none"> - Treat employees with politeness, humanity and maintain the working environment to be safe for life and property. - Provide fair and appropriate returns including considering appointing, transferring, rewarding, or punishing employees, with equality and based on fairness and propriety. - Strictly comply with laws and regulations related to employees. - Listen to comments, suggestions, and complaints from employees at all levels equally and encourage employees to participate in determining the direction of work.
7. Society and environment	<ul style="list-style-type: none"> - Participating in activities of public and private organizations, communities, or other organizations concerning environmental management. - Organizing CSR activities. 	<ul style="list-style-type: none"> - Environmental management, promote awareness and continuously train employees regarding the environment. - Conducting business with environmental and social responsibility and supporting environmental conservation society and various organizations. 	<ul style="list-style-type: none"> - Operate business under a choice that will create the least impact on society, environment, and people's quality of life. - Do not take any action that damages natural resources and the environment beyond what is required by law and continually cultivate awareness of social and environmental responsibility among employees at all levels. - Promote the efficient use and conservation of energy for the benefit of the public and future generations. - Support community and social activities by focusing on the development of society, community, environment, including supporting education for youth and public activities.

Stakeholder	Engagement Channels	Expectation of stakeholder	Guidelines to meet stakeholder expectations
			<ul style="list-style-type: none"> - Do not support any activities that are harmful to society or good morals and/or activities that promote vices. - Prompt response and effectiveness in events that affect the community, and the environment resulting from the Company's operations by fully cooperating with government officials and related agencies.
8. Government agencies / organizations	<ul style="list-style-type: none"> - Cooperation with the government and setting related policies. 	<ul style="list-style-type: none"> - Compliance with laws, regulations, official requirements 	<ul style="list-style-type: none"> - Set up a good corporate governance policy. One of the important parts is compliance with laws, regulations, and various official requirements, whereby the corporate governance committee of the Company has trained and provided necessary knowledge to employees of the Company appropriately and consistently.
9. Corporate Governance Committee	<ul style="list-style-type: none"> - Compliance with requirements announced or set by regulatory bodies. - Participated in various training seminars organized by regulatory agencies. 	<ul style="list-style-type: none"> - Good corporate governance and in accordance with the laws set by the regulatory authorities. 	<ul style="list-style-type: none"> - Provide manuals and guidelines that are fully consistent with the rules and regulations of regulatory agencies and strictly cooperate in supervision.

Material Issues

Material Sustainability Issues

The Company determines sustainability issues by considering stakeholders involved in the Company's business operations to reflect the Company's sustainability operations covering three main factors: environmental, social, and governance, as well as various risks and potential opportunities.

Assessment of Key Issues



1. Identifying sustainability issues

The Company selects sustainability issues related to the Company's business together with stakeholders in each business process in tandem with the guidelines for setting the Global Sustainable Development Goals. (United Nation Sustainable Development Goals-UNSDGs)



2. Sequencing of key issues

Prioritization of material sustainability issues The Company will consider issues affecting the Company's operations and affecting the Company's stakeholders.



3. Issue Investigation

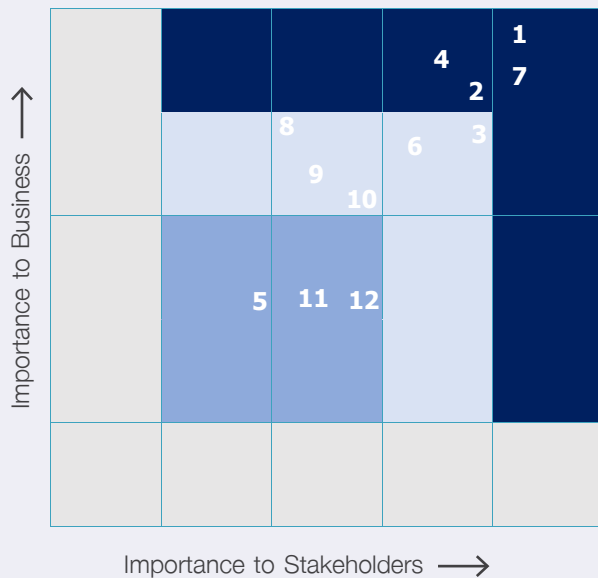
The Company presents material sustainability issues and prioritizes material issues below the Corporate Governance Committee. To consider and approve material issues and guide the Company's sustainability operations.



4. Review

Annual review of material sustainability issues. For the appropriateness of issues for the Company's sustainable development.

Key Issues of Sustainable Development



Economic and Corporate Governance

1. Financial Inclusion
2. Enterprise Risk management
3. Fair Dealing
4. Anti-corruption
5. Partner Management
6. Innovation and distribution of environmentally responsible innovation maintain the safety of data and cyber systems

Social

8. Developing and caring for our people
9. work safety
10. Human Rights

Environmental

11. Resource and Energy Management
12. noise/air pollution management and waste

3.3 Social sustainability management

3.3.1 Social policy and practice

The Company recognizes and focuses on supporting social activities under the framework of good governance. It is transparent and verifiable. The Company is committed to business development along with balancing the economy, society and the environment, being a good role model for society (Good Corporate Citizen) along with sustainable business operations and being able to manage the business to grow steadily and be accepted in society based on ethics and good corporate governance principles as well as being able to efficiently generate returns for shareholders by focuses on the impact of business operations on all stakeholders from the fact that the company is aware of social responsibility to develop and build a foundation of continuous and sustainable responsibility according to the resolution of the board meeting No. 7/2022 on 7 November

2022 a social responsibility policy is established. The policy covers the following topics:

1. Strictly comply with international and local environmental laws, rules, and regulations of the Company.
2. Conduct business with environmental and social responsibility by developing an environmental management system according to international standards to confirm that the activities and operations of the Company comply with applicable environmental standards and laws.
3. Monitoring performance and environmental impact of the performance and ongoing performance improvement by setting purposes, goals, and operations and with an environmental impact assessment.
4. The Company will promote awareness and continuously train employees in environment related topics so that the environmental management system

can be operated efficiently. This also builds knowledge and understanding of climate change, conservation of natural resources and focusing on preventing negative environmental impacts including the impact on the ecosystem that will negatively affect biodiversity.

5. The Company will support environmental conservation to society and other organizations as well as disseminate information to enhance image and good understanding of environmental management.

6. The Company has a procurement policy and a policy to select new suppliers to opt for environmentally friendly materials such as paper and cloth. Cease or minimize the use of products that pose environmental toxicity risks in the workplace. Additionally, decrease the utilization of products containing harmful chemicals. Refrain from employing materials, equipment, and products that contain hazardous substances.

3.3.2 Sustainable environmental and performance management

The Company has a policy to encourage employees, executives, including customers and business partners to participate in the valuable use of natural resources and encourage the reduction of limited use of natural energy as well as preparing various plans and measures to contribute to solving the challenges of climate change, promotion of energy, water, waste, and pollution management efficiently including supporting the protection of the ecosystem and biodiversity. The Company has developed information technology systems and requires employees to use the systems of the Company for operations. The process for reviewing loan application, data of the operations and business support department will be proceeded on the information technology system to reduce the use of paper.

Storing and managing documents in the form of electronic documents to help facilitate the data collection of employees. In addition, the Company is in the process of developing a process for drafting electronic hire-purchase and lending contracts including customer authentication through the system to help reduce the amount of paper and waste.

Environmentally friendly procurement

Environmental issues are not challenges that can be addressed solely by the efforts of individual companies.

In the contemporary world, numerous environmental problems, including the depletion of natural resources, climate change, pollution, and the loss of ecosystems, persist. These issues arise from unchecked population growth and resource consumption without a corresponding sense of social responsibility. The ramifications significantly impact the quality of life and the collective well-being of humanity.

The Company prioritizes environmentally friendly products, such as paper and cloth, to minimize adverse effects on the environment. We actively reduce the use of workplace products that are toxic to the environment and limit the use of items containing hazardous chemicals. Additionally, we refrain from utilizing materials, equipment, and products that include harmful substances. To align office management department with the Company's business operations, the green procurement guidelines has been established are as follows:

1. opt for environmentally friendly materials such as paper and cloth. Cease or minimize the use of products that pose environmental toxicity risks in the workplace. Additionally, decrease the utilization of products containing harmful chemicals. Refrain from employing materials, equipment, and products that contain hazardous substances.
2. Choose products and services that exhibit minimal environmental impact throughout their entire life cycle, encompassing the stages of raw material acquisition, production, transportation, usage, and post-use disposal.
3. Promote the utilization of products employing renewable resources and devoid of environmental pollution, particularly those endorsed with green label certification.
4. Prioritize vendors and service providers with certified environmental quality standards.
5. Institute procedures and methods for purchasing that ensure fairness and equity for all organizations involved.
6. Disseminate knowledge on environmental stewardship and energy conservation to organizational personnel and thoroughly communicate environmental policies to employees through internal channels such as email. Additionally, actively promote and cultivate awareness of environmental protection and energy conservation, encouraging all employees to adhere to environmental policies earnestly and consistently.



Climate change

Climate change has broad and far-reaching impacts both nationally and globally, posing risks related to the environment and natural disasters such as flooding events. These events can result in direct damage to Company assets and disrupt business operations for loan customers, potentially affecting the Company's financial performance. In response, the Company has implemented scheduled activities to demonstrate environmental responsibility. These measures include initiatives to reduce electricity consumption, efficient water use, and campaigns for waste separation management, among others.

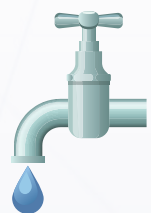
Recognizing the significance of impactful changes, the Company has established the ESG Management Committee, known as "ESGM". This committee is tasked with overseeing, fostering understanding, and establishing frameworks and strategies for genuine sustainability within the organization. Additionally, it collaborates with the Company's risk management department to assess risks. This initiative begins by exploring factors in the Company's surroundings that create impacts, leading to various projects are as follow:

SG for Environmental "For a Good Environment"

The Company is committed to environmental awareness, consistently promoting the optimal utilization of resources. This involves enhancing the efficiency of the production process to minimize resource consumption and waste generation. Moreover, there is a concerted effort to decrease GHG emissions throughout the entire production process and across the Company's value chain. The goals and operational plans for this initiative are outlined in the following project:

Managing water with awareness of its value

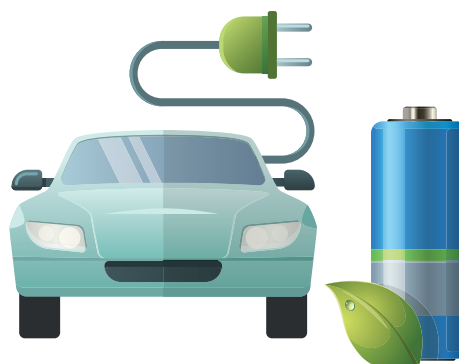
SGC acknowledges the importance of water as a valuable and essential resource for all life. The Company places great emphasis on the efficient use of water and establishes water-saving practices for all departments within the organization. The focus is on promoting the most economical and efficient use of water, ensuring cost-effectiveness, and striving for efficient operations throughout the supply chain based on the principles of Reduce, Reuse, and Recycle (3Rs).



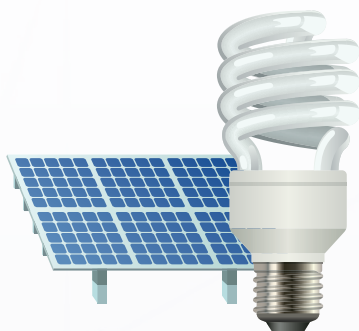
Goals		Action Plan
Short term (1 - 2 years) (2024-2025)	Long term (3 - 5 years) (2026-2030)	<ul style="list-style-type: none"> - Regularly inspect equipment for water usage and promptly address any identified issues by completing necessary repairs. - Disseminate information and knowledge on environmental protection and energy conservation to employees. Announce environmental policies thoroughly through internal communication channels such as email and the Company's public relations outlets. Additionally, foster awareness and commitment to environmental protection and energy conservation among all employees, encouraging their serious and continuous adherence to the environmental policy.
Reduce the amount of water consumption 1 - 3% compared to Base year (year 2023)	Reduce the amount of water consumption 3 - 5% compared to Base year (year 2023)	

Energy Management (Fuel consumption)

The Company's internal operations currently rely on fuel, and the expanding customer base leads to a continuous increase in fuel consumption. Despite this, the Company remains mindful of the effects of GHG, contributing to global warming and climate change.



Goal		Action Plan
Short term (1 - 2 years) (2024-2025)	Long term (3 - 5 years) (2026-2030)	<ul style="list-style-type: none"> - Branch employees will have a fuel reimbursement ceiling established based on the appropriateness of their work. - Advance the policy of incorporating electric vehicles (EV) into our operations. - Disseminate information on guidelines for efficient resource use, environmental conservation, and energy efficiency to ensure active and continuous adherence to the environmental policy by all employees.
Reduce the amount of fuel consumption 1 - 3% compared to Base year (year 2023)	Reduce the amount of fuel consumption 3 - 5% compared to Base year (year 2023)	



Energy Management (Electricity consumption)

SGC recognizes that electrical energy is vital for an organization's business operations. Electricity is required in almost every step of the operating process. The growth of organizations and the increase in branches cause the amount of electricity consumption to rise, resulting in increased costs and more pollution. The Company has, therefore, organized a campaign to save electricity in the headquarters building to create awareness among employees about the economical use of electricity in the office. This includes turning off the air conditioner before work ends, choosing electrical equipment with energy-saving properties (especially light bulbs and air conditioners), and conducting meetings using electronic means instead of traveling to meetings.

Goal		Action Plan
Short term (1 - 2 years) (2024-2025)	Long term (3 - 5 years) (2026-2030)	<ul style="list-style-type: none"> - Purchase energy-saving electrical equipment to replace any damaged electrical equipment. - Implement a campaign to encourage the judicious use of electricity and the practice of turning off devices after use. - Disseminate knowledge on efficient electricity usage, resource conservation, environmental protection, and energy conservation to all employees. Encourage active participation and strict adherence to the environmental policy on an ongoing basis.
Reduce the amount of electricity consumption 1 - 3% compared to Base year (year 2023)	Reduce the amount of electricity consumption 3 - 5% compared to Base year (year 2023)	

Efficient Use of Resources

SGC has transitioned to electronic document storage on OneDrive and encourages the use of shared files to minimize paper usage and support environmental sustainability.

Implemented a campaign to minimize paper usage among employees, promoting double-sided printing and emphasizing recycling. This initiative has led to a reduction of approximately 200,000 sheets of paper annually within the head office.

The Company conducts public relations activities among employees to promote awareness and emphasize the responsible use of resources, fostering a commitment to sustainable business operations.



Reduce paper use in 2023

Goals		Action Plan
Short term (1 - 2 years) (2024-2025)	Long term (3 - 5 years) (2026-2030)	<ul style="list-style-type: none"> - Campaign to promote the use of both sides of paper, recycling for reuse, and raising awareness about the value of using office equipment efficiently to prolong its lifespan. - Opts to use environmentally friendly paper products.
Reduce the amount of paper usage 1 - 3% compared to Base year (year 2023)	Reduce the amount of paper usage 3 - 5% compared to Base year (year 2023)	



Trash, Waste and Pollution Management

Waste management is a critical concern for the Company, given the impact of climate change arising from the disposal of both Hazardous and Non-Hazardous Waste. The Company places high importance on this issue and operates in strict compliance with the law to address and mitigate environmental impacts associated with waste disposal. The Company implements Circular Economy practices and adheres to waste management guidelines by incorporating the 3R principles: 1) Reduce: Minimizing the use and consumption of unnecessary resources 2) Reuse: Maximizing the value of resources by encouraging their reuse 3) Recycle: Utilizing resources that can be recycled to diminish waste generation and limit waste sent to landfills. This approach is aimed at reducing environmental impact and planning for various emergencies using appropriate methods. Furthermore, the Company conducts Big Cleaning Day activities to effectively manage workplace resources, enhance cleanliness, and minimize wasted materials and equipment. This initiative involves the meticulous separation and proper disposal of materials and equipment that do not contribute to the workplace or the environment.

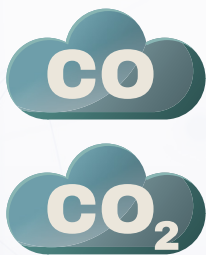


In 2023, the Company participated in the waste separation project called “Ting To Trash,” a collaborative effort with the Securities and Exchange Commission (SEC). This initiative focuses on waste separation at the source, conducting activities for waste separation and managing recyclable waste. The goal is to separate waste before disposal, minimize the use of materials or products leading to waste, and promote reusing items, reducing single-use items (e.g., foam or plastic), encouraging the use of personal water bottles or glasses, carrying cloth bags, and utilizing double-sided paper.

Additionally, the Company initiates awareness-building regarding the value of existing resources through its waste management concept. This includes fostering employees’ understanding of processing used materials and adding value to reduce the disposal of solid waste, both non-hazardous and hazardous. This commitment aims at achieving a sustainable reduction in the organization’s GHG emissions.



Goal		Action Plan
Short term (1 - 2 years) (2024-2025)	Long term (3 - 5 years) (2026-2030)	<ul style="list-style-type: none"> - Conducts waste separation and recyclable waste management activities to encourage employees to segregate waste before disposal, aims to minimize the use of materials or products generating waste, promoting reuse, and reducing single-use items, such as foam or plastic. Employees are encouraged to use personal water bottles or glasses, carry cloth bags, and utilize double-sided paper. - Promote employees’ awareness of processing used materials and products and creating added value from recyclable waste to reduce landfill waste or non-hazardous and hazardous waste.
Reduce the amount of waste 1 - 3% compared to Base year (year 2023)	Reduce the amount of waste 3 - 5% compared to Base year (year 2023)	



Management Strategies to Reduce GHG Emissions

The Company places importance on actively participating in the reduction of GHG emissions associated with its operational processes. This commitment involves efforts to minimize energy consumption and decrease fuel usage, particularly in Company vehicles, aiming to mitigate the release of pollutants like dust, carbon monoxide (CO), and carbon dioxide (CO₂) into the atmosphere.

Goal		Action Plan
Short term (1 - 2 years) (2024-2025)	Long term (3 - 5 years) (2026-2030)	<ul style="list-style-type: none"> - Short term 1-2 years, reduce greenhouse gas emissions by 1-3%. - Reducing carbon dioxide and GHG emissions by integrating technology and clean energy solutions into its business operations. - Regularly communicate and publicize knowledge about management methods to reduce greenhouse gas problems with employees.
Reduce the amount of GHG Emissions 1 - 3% compared to Base year (year 2023)	Reduce the amount of GHG Emissions 3 - 5% compared to Base year (year 2023)	

Operating performance in the environment

Summary on the operating performance in the environment	
Type	Operating performance
Energy	
Energy Benzene / Gasohol 91,95 (Liter)	28,264.60
Diesel fuel consumption (Liter)	10,494.02
Electricity consumption (kilowatt-hour (kWh))	10,148
Material	
Paper consumption A4 & A3 (White) (kg.)	2,148.00
Emission of greenhouse gas	
Scope 1 : kgCO ₂ e	100,941.12
Scope 2 : kgCO ₂ e	5,072.99
Scope 3 : kgCO ₂ e	14,933.11
1. Paper consumption A4 & A3 (White) (kg.)	4,515.10
2. Water consumption (Megaliters)	9,715.15
3. Land Fill	702.86
Water	
Water consumption (Megaliters)	12,223.39
Waste Management	
Hazardous Waste (Kg.)	
Reuse/Recycle	-
Disposal	1.50
Landfill	-
Non-Harzadous Waste (Kg.)	
Reuse/Recycle	128.00
Disposal	-
Landfill	886.00

Remark :

1. Emission Factor CFO value (April 2022) based on
<https://thaicarbonlabel.tgo.or.th/index.php?lang=TH&mod=YjNKblIXNBibUYwYVc5dVgyVnRhWE56YVc5dQ>
2. EF CFP values (July 2022) based on
<https://thaicarbonlabel.tgo.or.th/index.php?lang=TH&mod=Y0hKdlpIVmpkSE5mWlcxcGMzTnBiMjQ9>
3. Methods for estimating the amount of greenhouse gas emission from the resources used by the Company mainly include oil consumption for company-owned vehicles, electricity, tap water, paper, and methane emission from the entire office's septic tank system of both Head Office and branches for 100 percent
4. Electricity consumption, water supply, paper usage of both the head office and 3 sub-branches.
5. Storage and collection of solid waste Coverage/Form of storage and collection is collection from the head office and transportation to the waste disposal site for Bangkok vehicles.

3.4 Operations in the economic and governance dimensions

The Company acknowledges and places significant emphasis on supporting social activities within the framework of good governance. It maintains transparency that is verifiable and is dedicated to developing its business while achieving a harmonious balance among the economy, society, and the environment. The Company aspires to sustain its position as a role model for society, embodying the ideals of a Good Corporate Citizen, through ongoing and sustainable business operations. It aims to manage its business for steady growth while earning societal acceptance based on ethical principles and good corporate governance. This includes efficiently generating returns for shareholders by considering the impact of business operations on all stakeholders. Recognizing its social responsibility, the Company is committed to continuous and sustainable development, as outlined in the social responsibility policy established during the Board of Directors' meeting No. 7/2022 on 7 November 2022, which encompasses the following topics.

(1) Doing business with fairness

The Company has instituted guidelines within Code of Conduct to address the welfare of stakeholders. These guidelines encompass responsibilities towards a diverse range of stakeholders, including shareholders, employees, customers, partners, contractors, communities, society, and the environment. Additionally, the Company advocates for free and fair trade competition, discourages actions that may lead to conflicts of interest, protects intellectual property rights, and opposes all forms of corruption. The topics covered include:

Corporate Governance

The Company is devoted to conducting business with integrity, honesty, fairness, and transparency, ensuring the disclosure of important and verifiable information. Consideration will be given to the benefits and impacts on shareholders, customers, partners, employees, and all stakeholders. This commitment extends to the equitable and appropriate sharing of benefits, along with a steadfast commitment to social responsibility.

In 2023, the Company was found to be in full compliance with the law, the Public Limited Companies Act, and regulations of regulatory agencies, including the

Securities and Exchange Commission ("SEC") and the Stock Exchange of Thailand. No instances of wrongdoing or violations were identified during this period.

Anti-corruption

The Company is committed to combating corruption through a focus on transparent business practices and adherence to accuracy. This includes supporting initiatives that foster a culture of compliance with the law and related regulations among executives and employees at all levels. The Company emphasizes the importance of achieving success through ethical means, promoting correct values, and building trust among all stakeholders. To enforce these principles, the Company has established anti-corruption policies and guidelines. Additionally, it provides measures for reporting suspicions or complaints of corruption within the Company, accompanied by a mechanism ensuring protection and fairness for those who come forward with information. The Company enforces penalties for offenders, including those who engage in threats, intimidation, or deliberately ignore wrongdoing, thereby reinforcing its commitment to effectively combat corruption.

Prevention of involvement in corruption

The Company is firmly committed to conducting ethical business operations, upholding responsibility to both the business and its stakeholders in alignment with principles of good corporate governance and the Code of Conduct. During the Company's Board of Directors Meeting No. 12/2023 on November 9, 2023, a resolution was passed to comprehensively review policies and practices pertaining to fraud and corruption. The objective is to establish clear guidelines and operational requirements that propel the organization towards sustainability. The anti-corruption policy resulting from this review is disseminated through the company's website and internal communication channels, which can be summarize as follows:

1. The anti-corruption policy applies universally to all individuals associated with the company, including directors, executives, employees, and anyone representing the Company in any capacity.
2. The Company unequivocally rejects all forms of corruption. It is mandatory for all directors, executives, and employees to adhere strictly to the anti-corruption policy.

3. Directors, executives, and employees of the Company are strictly prohibited from engaging in any form of corruption, whether for personal benefit, or for the benefit of family, friends, or acquaintances, both directly or indirectly. Compliance with anti-corruption measures is mandatory for all.

4. The Company has instituted anti-corruption guidelines to ensure adherence to the established policy. Regular reviews of compliance with anti-fraud and corruption policies, along with the examination of practice guidelines and operational requirements, will be conducted. These reviews aim to align the Company's practices with evolving business needs, regulations, and legal requirements.

Thai Private Sector Collective Action Against Corruption

The Company has demonstrated its commitment to combatting corruption by joining the Thai Private Sector Collective Action Against Corruption (CAC) since 2021. Grounded in the principles of good governance and ethics, the company conducts its operations responsibly, considering the welfare of the community, society, environment, and all stakeholders across the supply chain. This commitment is authentically expressed through the announcement of policies and guidelines for anti-fraud and corruption by the Board of Directors. Executives and employees throughout the organization are expected to strictly adhere to these guidelines.

In 2023, the Company received no complaints regarding operations that violated the law, involved corruption, or breached the Code of Conduct, whether from individuals within or outside the organization, submitted through any channels facilitated by the Company.

Anti-corruption Guidelines

Management:

The Board of Directors of the Company resolved to conduct a comprehensive review and enhancement of policies and practices related to anti-corruption measures, aligning them with the present circumstances and the business strategy.

Communication and training to provide knowledge about anti-corruption policies and measures within the company:

- The Company will disseminate policies and guidelines addressing fraud and corruption through its

communication channels, including the Company's website and the Form 56-1 One Report/Annual Report.

- The Company will incorporate policies and guidelines against fraud and corruption into the employee handbook.

- New employees will undergo anti-corruption training on their orientation day. Successful completion of this training is mandatory for all employees, who are then required to sign an acknowledgment indicating their commitment to and compliance with anti-corruption measures. In 2023, 100% of employees actively participated in and completed the training.

- Continuous communication is employed to ensure employees are aware of and understand the importance of good governance and the against corruption. This is achieved through various public relations channels of the Company.

- All employees are required to sign the form and submit an affidavit confirming their awareness of the contents of the code of conduct and anti-corruption policy and guidelines. This affirmation signifies their acknowledgment, agreement, and commitment to adhere to the stipulated requirements in various matters. Employees cannot cite lack of reading or not signing the form as a justification for non-compliance.

- Conduct an annual review of anti-corruption policy and guidelines. In the event that any provisions within the code of conduct or anti-corruption policy and guidelines are repealed, the termination is contingent upon approval by the Board of Directors. Prompt disclosure of the terminated terms will follow.

Compliant Policy

To facilitate participation in the anti-corruption process by both internal and external stakeholders, the Company has instituted a policy enabling all stakeholder groups to report, suggest, or file complaints or inquiries. In the event of observing actions suspected of violating or not complying with laws, rules, regulations, and business ethics, complaints can be reported to the Chairman of the Audit Committee. Each complaint undergoes screening and verification, with subsequent reporting to the Board of Directors for consideration and determination of appropriate measures.

In this regard, individuals lodging complaints or providing information will have their rights protected,

whether they are employees of the Company or external parties. The Company retains the discretion to refrain from divulging detailed information concerning investigations or disciplinary measures impacting personal information and confidentiality. Disclosure will only occur if mandated by law and regulatory agencies.

Corporate Social Responsibility (CSR)

Adhering to fundamental ethical principles to ensure equity among all stakeholders and embracing the tenets of good corporate governance as a guiding framework are essential. This approach seeks to uphold equilibrium in operations concerning the realms of the economy, community, society, and the environment. Such concerted efforts pave the way for the development of a thriving, sustainable business.

Supervision of compliance with laws, rules and regulations

The Company prioritizes adherence to legal requirements, encompassing environmental regulations and occupational health and safety standards at local, national, and regional levels. Additionally, it underscores compliance with international business ethics. Directors, executives, and employees are mandated to conduct themselves strictly within the confines of laws, rules, and regulations. They must refrain from engaging in, aiding, or participating in activities that contravene or violate related laws and regulations.

Supervision of compliance with intellectual property laws

The Company unequivocally condemns actions that infringe upon intellectual property rights, including copyrights, patents, and trademarks. It mandates that directors, executives, and employees adhere strictly to the framework of laws, rules, and regulations. They are expressly prohibited from engaging in, assisting, or participating in activities that contravene laws and regulations related to intellectual property.

Risk Governance

The Company recognizes the significance of risk management in ensuring effective business operations and aligning with principles of good corporate governance. Accordingly, it emphasizes systematic risk management

and control, conforming to international standards applicable across the organization. This commitment extends to upholding standards of good corporate governance. Consequently, the Company has formulated a comprehensive risk management policy, serving as a guiding framework for every department's operation.

All executives and employees are aware of their responsibility to follow the risk management policy to control risks to an acceptable level. It is used as a management tool that helps increase the Company's chances of success as much as possible. Reduce or alleviate the chances of failure and loss to a minimum as well as reduce or relieve uncertainty from the overall performance of the Company.

Strengthening the culture of risk management

Amidst the dynamically evolving business landscape, the Company encounters numerous operational risks necessitating adaptations to its business model and internal management plan. In response, fostering a robust risk culture becomes imperative to heighten comprehension and awareness of diverse risk factors influencing the Company's operations. Recognizing this, the Company acknowledges the vital role of fortifying its risk culture, explicitly outlining in its risk management policy the mandatory involvement of employees at all hierarchical levels in the organization in the risk management processes.

- Senior management assumes as the vanguard in instigating and steering the development of a robust risk culture.
- The Company has established a mechanism to ensure that executives and employees at all levels are cognizant of potential risks arising from their respective roles. Furthermore, it actively promotes a culture of responsibility among executives and employees towards managing these risks.
- Facilitate effective communication and idea exchange to cultivate a work culture characterized by transparency, openness, and innovation.

Risk arising from partners

The Company acknowledges in its business operations, relying on materials, equipment, and services sourced from partners. Recognizing the potential impact on business when partners disregard regulations, the Company places significant emphasis on risk management in its interactions with them. This approach aims to optimize

cost efficiency, ensure prompt service, and foster the sustainable growth of partners for mutual benefit in the long term. Therefore, the Company has instituted standards for selecting partners. These standards align with international practices, ensuring that selected partners provide products and services that adhere to the established Company standards.

- Product and service quality, innovation management
- Good corporate governance, data leak prevention, legal compliance
- Compliance with labor and human rights requirements, equal treatment, personnel development

Sustainable Supply Chain Management

The Company acknowledges and is dedicated to the management of a sustainable supply chain. Consequently, our supply chain management guidelines have been enhanced to incorporate principles of good corporate governance, code of conduct, social responsibility, safety, and environmental considerations throughout the business chain. This integrated approach is applied in the procurement and management processes, aiming to achieve “Sustainable Supply Chain Management.” This entails proactively managing risks, identifying business opportunities, and collaboratively nurturing the potential of partners to support mutual business growth. It ensures our readiness to navigate evolving global circumstances and move towards sustainable business growth collectively. Operational goals aligned with sustainability principles are established and communicated to partner through various channels. This enables to prepare and develop their business operations in accordance with the sustainability guidelines or practices outlined by the Company.

Management approach

To uphold consistency and alignment with the aforementioned principles in the Company’s business operations, the Company has instituted regulations governing the purchasing process for interactions with partners. These regulations include:

- Consider products and services based on requirements and value, encompassing quality, price, quantity, time, service, speed, and transparency. Furnish information to partners equitably, accurately, clearly, and comprehensively. Ensure non-discrimination against

partners and foster fair competition among trading counterparts. Implement procurement processes aligned with regulations, incorporating tightly controlled policies and guidelines, adaptable to evolving business situations.

- Establish equitable trade conditions, treating all partners fairly. Avoid generating excessive profits in comparison to the quality of similar products or services.
- Emphasize conducting operations with honesty and integrity, refraining from leveraging authority for personal gain, whether directly or indirectly. Demonstrate commitment to preventing and eliminating acts indicative of corruption.

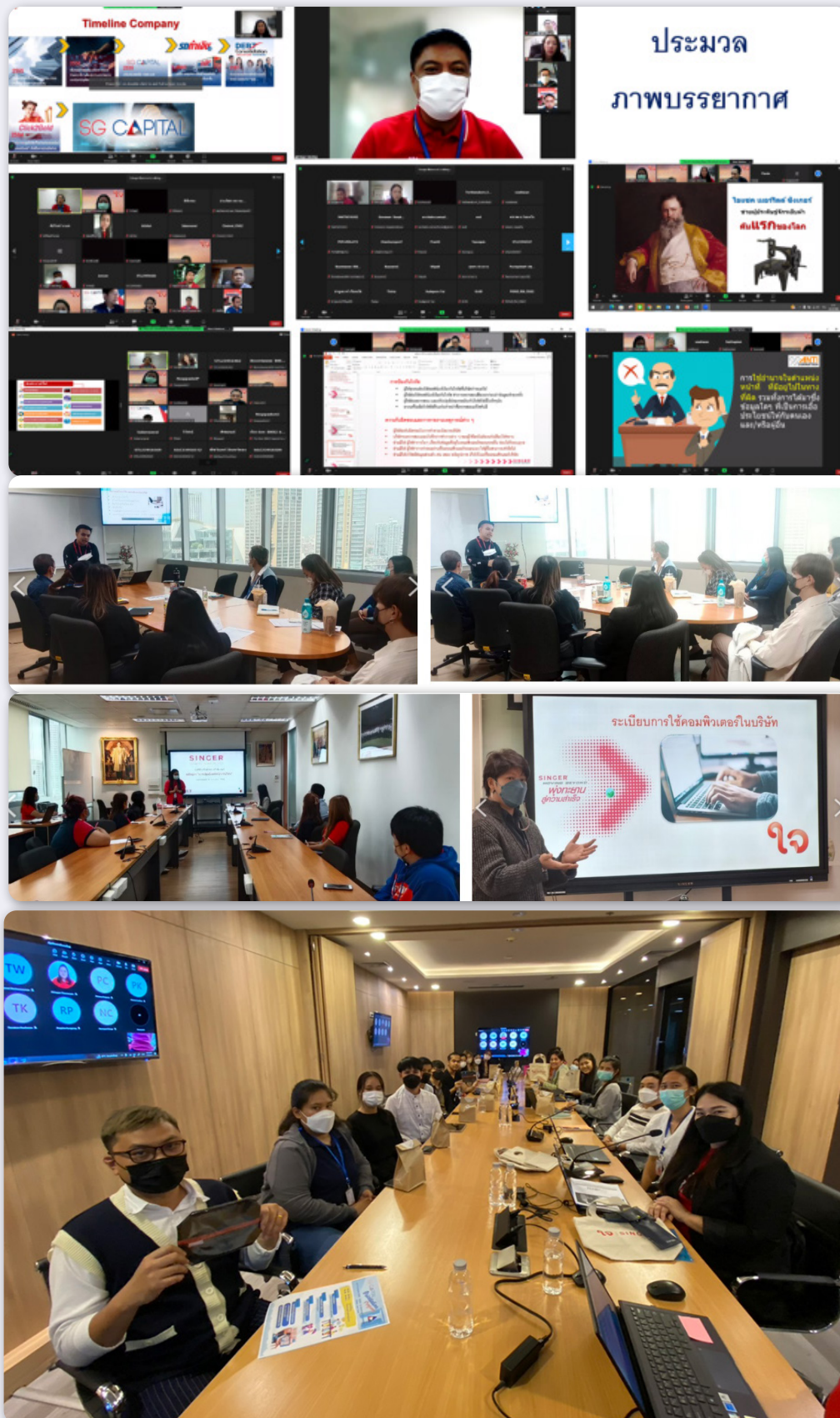
The Company anticipates all partners and business associates to adhere to and abide by the principles of good corporate governance and the code of conduct. Our commitment lies in conducting business ethically, transparently, and verifiably, opposing all forms of corruption. This encompasses fostering fair competition, employing legal labor practices, upholding human rights, respecting the perspectives of business partners, ensuring workplace health and safety, endorsing products and services that contribute to societal and environmental well-being, supporting Corporate Social Responsibility (CSR) policies, and prioritizing environmental management, with a goal of reducing greenhouse gases and combating global warming to foster sustainability collaboratively.

Information and cyber security

Furthermore, the Company recognizes the significance of information technology and cybersecurity within the organization. As a result, explicit policies and standards addressing data and information system security have been instituted. The Company conducts preparation and training sessions on performing system intrusion testing (Penetration Testing) to assess security and identify vulnerabilities in information systems (Vulnerability Assessment), promptly resolving any identified issues. This includes organizing safety skills training for all employees at least once a year and upon the onboarding of new staff, ensuring a comprehensive understanding and effective application of safety policies according to established standards.

In 2023, there were no cyber-attacks or customer data leaks.

Cybersecurity Fundamentals



Innovation and the dissemination of socially and environmentally responsible innovations

The Company actively promotes innovation at both the organizational work process level and through inter-organizational cooperation to enhance overall value. The objective of innovation is to effect positive changes that improve processes and boost productivity, ultimately aiming for maximum societal benefit. Disseminating innovation is regarded as a social responsibility, communicated to stakeholder groups through various channels, including the Company website and social media platforms. This ensures comprehensive reach of the Company's news and information to its stakeholders.

Responsibility towards customers and consumers

The Company underscores the significance of customers and consumers by prioritizing efficient communication and service delivery, placing the service recipient at the core to ensure convenience and speed. It is committed to fairness and maintaining benefits for all customers, providing equal treatment. Moreover, the Company places great importance on handling customer personal information in compliance with the Personal Data Protection Act B.E. 2019. The Company strictly refrains from seeking benefits from customers' personal data unless explicit consent is obtained from the data owner in advance.

The Company is dedicated to continuously enhancing its services with a focus on customer satisfaction, emphasizing responsibility, honesty, and ethical conduct. In 2023, the Company encountered significant service complaints related to credit services. These included concerns about communication between customers and the Company's sales staff, requests to cancel contracts due to misunderstandings of service conditions, seeking

refunds for payments made to incorrect accounts, and updating payment balances and credit bureau information. In response, the Company expedited the resolution process and successfully addressed all reported complaints within a reasonable timeframe.

Results of customer satisfaction survey

Assessing customer satisfaction is crucial for analyzing the Company's products and services and leveraging customer feedback to address issues and enhance the performance of personnel. The Company conducts satisfaction assessments adhering to international standards to accurately understand customer needs. In 2023, customers expressed the highest satisfaction, particularly with call answering agents, reaching an impressive 84.05%.

Utilization and protection of company assets and information

The Company is unwavering in its commitment to safeguarding the confidentiality of its customers and preserving their trust. It has implemented a comprehensive system to monitor information usage and has established the Personal Data Protection Act (PDPA). This initiative ensures the confidentiality of information pertaining to customers' business activities. The Company is dedicated to treating information received from each pertinent customer or organization with the same level of confidentiality as the customer or organization would afford it themselves.

The Company is dedicated to upholding the confidentiality of its partners, encompassing both strategic and partners, treating their secrets with the same level of discretion as it would its own.

3.4 Sustainability Management – Social Dimension

(1) Respecting human rights

The Company places significant emphasis on the protection of human rights, demonstrating respect and providing compensation in the event of business-related impacts. It is committed to fostering equality both within and outside the organization. Regular inspections are conducted to ensure that the Company remains free from involvement in violations of individual rights and freedoms, directly or

indirectly. This commitment includes rejecting forced labor and child labor, treating all stakeholders with impartiality based on human dignity, and eliminating discrimination among company personnel based on factors such as origin, race, sexual orientation, age, skin color, religion, physical condition, status, family origin, political opinion, or other characteristics unrelated to job performance. The Company actively monitors compliance with human rights

regulations internally, promoting adherence to international standards. This responsibility extends to the company's subsidiaries, joint venture, and partners.

Sustainability-based Human Rights Management

The Company endorses and actively implements the United Nations guiding Principles on Business and Human Rights (UNGP), prioritizing the key tenets of rights protection, respect, and remediation. It is steadfast in preventing and mitigating human rights violations resulting from business operations, aiming to safeguard the rights of its employees, partners, and local communities, including suppliers, contractors, and customers.

The Company has declared a human rights policy along with guidelines for executives, employees within the group, and business partners. This policy aligns with the Constitution of the Kingdom of Thailand, the United Nations Universal Declaration of Human Rights, and the United Nations Guiding Principles on Business and Human Rights (UNGP). Furthermore, it adheres to the UN Global Compact Guide to Develop a Policy and the Declaration on Fundamental Principles and Rights at Work (ILO).

The Company adheres to the principles outlined in the United Nations Guiding Principles on Business and Human Rights (UNGP), which comprise three main pillars:

Pillar 1: The Protection of Human Rights (Protect) entails the state's obligation to safeguard against human rights violations associated with business operations, emanating from either state organizations or business entities.

Pillar 2: The Respect for Human Rights (Respect) implies that individuals and organizations engaged in business, irrespective of type or size, bear the responsibility to uphold and respect human rights.

Pillar 3: Remedy involves rectifying, restoring, and compensating in the event of an impact or violation of human rights arising from business operations. Both the government and business sectors must establish effective mechanisms for redress.

The Company adheres to and implements the principles outlined in Pillars 2 and 3 in its business operations.

Human Rights Management Process

The Company's human rights management comprises five steps:

1. Human rights policy formulation
2. Establishing a comprehensive Human Rights Due Diligence process (HRDD), incorporating human rights risk assessments.
3. Evaluating human rights impacts and devising measures to prevent and rectify these impacts, encompassing the rehabilitation of those affected in both the immediate and long term
4. Monitoring and reporting on human rights performance.
5. Creating awareness among stakeholders to prevent potential human rights violations, as illustrated in the human rights management diagram below

In 2023, the Company emphasizes the importance of respecting human rights within the business value chain, addressing challenges related to social 'inequality.' This involves promoting the acceptance of differences and advocating for equal coexistence without discrimination based on age or gender, while supporting occupations with a commitment to strict equality.

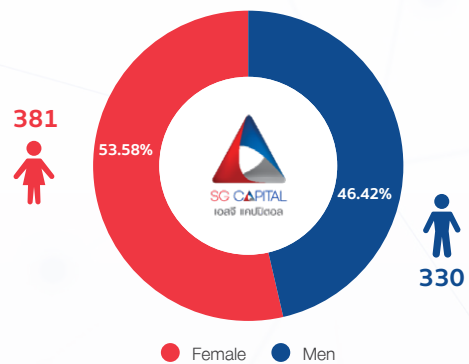
Additional details regarding the Respect for Human Rights and Fair Labor Practice Policy can be accessed on the Company's website at: https://www.sgcapiatal.co.th/en/investor/ir_cg

The Company has established a "Welfare Committee" tasked with collectively addressing welfare benefits, regulatory changes affecting employees, promoting societal equality, and upholding human rights. In personnel selection, the Company emphasizes equality, recruiting individuals based on their abilities and skills relevant to business operations. The selection process incorporates considerations of morality and equality principles to attract "Good People" and "Smart People" aligning with the organization's culture, ensuring alignment with position qualifications, educational background, experience, and other job requirements. The Company maintains a non-discriminatory approach regarding sexual orientation, age, race, religion, and political opinions.



● Supporting employment with gender equality:

In 2023, the Company had a total of 711 employees divided into 381 female employees, representing 53.58% and 330 male employees, representing 46.42% through a fair employment process without discrimination against employees. And all employees have the opportunity to grow in their careers and receive various welfare benefits from the Company equally.



● Promotion of disadvantaged people with disabilities:

The Company foresees to enhance the quality of life of people with disabilities or disadvantaged people and to encourage people with disabilities to have opportunities to demonstrate their abilities, which contributes to self-reliant income and reduces the burden on families and society that need to provide support. Collectively, it encourages people with disabilities to be an important force in strengthening the economy of their families and the country

As of 31 December 2023, there are 9 employees with disabilities and persons with disabilities as required by law, whose employees work in providing information on products and services to customers by phone (Call Center) and working in the production of souvenirs to give to customers or business partners. The Company also promotes the selection of business partners that hire disabled persons with the requirement that such partner companies are still able to deliver quality products and services to the Company.



(2) Fair labor practices

The Company has a policy for all employees to work together under a happy and accepting working environment and treat employees at all levels like brothers and sisters. There is no exploitation of each other. It takes good care of the well-being of its employees. The Company manages resources in every single step to maximize efficiency starting from; recruitment, personnel development including

continuous training for employees, fair compensation, and appropriate welfare arrangements. In addition, the Company also encourages all employees to have the opportunity for advancement; learning at all levels of the organization and developing skills to raise the level of professionalism in a suitable working environment. The policies of the Company are as follows.

(2.1) Distribution of compensation and benefits to employees

The Company determines wages in accordance with the salary structure specified for each job position, considering individual knowledge and abilities outlined in the core knowledge and competency framework and/or specific knowledge and abilities required for the Company’s duties. This includes providing benefits and welfare tailored to employees’ needs and preferences. Moreover, the Company conducts regular reviews and benchmarks compensation and benefits against industry peers to ensure employees receive fair remuneration. This encompasses offering benefits and compensation beyond salary, such as bonuses and provident fund contributions for executives and employees, aligned with prevailing economic conditions. The Company strives to remain competitive and comparable to industry standards, continuously enhancing and reviewing these practices.

Additional benefits beyond statutory requirements				
Social Security Fund		Provident Fund		Savings Cooperative
Annual Health Check-up		Accident insurance	Life insurance	Health insurance
Cremation assistance funds	Tenure-based employment benefits		Group-wide product purchase discounts	
Company activities				

(2.2) Fostering Employee Knowledge and Potential Development while Encouraging Progress

The Company places a strong emphasis on the continuous “human resources development”, particularly enhancing the capabilities and potential of employees in core competency, management principles, and functional competency. This commitment is particularly pronounced during periods of sustained business growth, ensuring that employees have ongoing opportunities for career advancement and personal development.

For senior management employees, the Company recognizes the significance of developing individuals for future key roles within the organization. A dedicated Succession Plan Policy has been formulated specifically for senior executives to guarantee the presence of leaders with

the requisite knowledge and skills in management functions.

For employees at other levels, constituting the majority of the Company’s workforce, we continue to emphasize the importance of fostering a knowledgeable and eager-to-learn mindset. This includes acquiring expertise in their specific responsibilities and cultivating a foundational understanding of the business. Our encouragement extends to promoting a public-minded perspective, urging individuals to prioritize the interests of the public over personal concerns, and recognizing the value of long-term sustainable success. Additionally, the Company has instituted a knowledge-sharing project within the organization to facilitate the transfer and exchange of knowledge among employees.

Goals		Action plan
Short term (1 - 2 years) (2024-2025)	Long term (3 - 5 years) (2026-2030)	LEARNING & DEVELOPMENT <ul style="list-style-type: none"> - Conduct employee development programs to align with business expansion and new products, as outlined below: <ul style="list-style-type: none"> 1. <u>Training Plan</u>: Establish a personnel development plan for each department, focusing on imparting the knowledge, understanding, and skills to enable to perform their duties accurately and effectively within their respective job positions. 2. <u>External Training</u>: Enhance the potential, knowledge, and abilities in accordance with their respective job by sponsoring their participation in training sessions or seminars conducted by external training institutes. Additionally, provide opportunities for employees to gain practical experience through work exposure, both domestically and internationally.” 3. <u>In-house Training</u>: Develop conceptual understanding, potential, knowledge, and task execution capabilities to align with the organization’s goals and the current competitive landscape, encompassing both offline and online systems. 4. <u>On the Job Training</u>: Enhance employees’ operational skills to optimize efficiency in the workplace. ENGAGEMENT <ul style="list-style-type: none"> - Employee satisfaction survey. - Strengthen organizational values and work culture for employees to have Ownership. - Review of work regulations to ensure alignment with legal requirements.
<ul style="list-style-type: none"> • LEARNING & DEVELOPMENT Enhance the efficiency of personnel by providing targeted training, with the objective of achieving an 80% in accordance with the designated plan • EMPLOYEE ENGAGEMENT Retain potential employees, reduce the turnover rate compared to the base year (2023) 	<ul style="list-style-type: none"> • LEARNING & DEVELOPMENT Enhance the efficiency of personnel by providing targeted training, with the objective of achieving an 100% in accordance with the designated plan • EMPLOYEE ENGAGEMENT Retain potential employees, reduce the turnover rate compared to the base year (2023) 	

In 2023, employees and executives attended training to develop their potential with the average training hours as follows:

Employee Training Hours	Year 2023
Average number of training hours for employees (Unit: Hours/Person/Year)	12.10
Expenses for seminars and training (Unit: Baht)	328,161

In 2023, Details of employee training courses are as follows:

Courses	Number of trainees
1. Process for examining damage within the organization	2
2. Debt collection techniques and the Debt Collection Act	57
3. Techniques for creating sales of Rod Tam Ngoen products	119
4. Orientation for new employees	107
5. Increase the efficiency of the work process of the car field team	82
6. Increase the efficiency of accounts receivable management	76
Total	443



(2.3) Employee performance evaluation

The Company will conduct yearly annual performance evaluation for employees at all levels to enhance work efficiency and strengthen the core competencies of each individual. The outcomes of these evaluations will be utilized to analyze and identify projects aimed at further developing the potential of employees.

(3) Employee engagement

The Company conducts yearly annual survey on employee engagement, serving as a tool for employees to articulate their views on various factors and the work environment. The results guide continuous efforts to enhance organizational aspects, fostering job satisfaction and enabling employees to perform their roles optimally.

In relation to this, the 2023 Employee Engagement Survey results for the organization reveal an evaluation score of 80.21% from a total of 711 employees. This underscores the Company's recognition of the significance of employees, evident in past initiatives such as enhancing welfare, comprehensive personnel development policies, and the promotion of deserving individuals. Consequently, each employee exhibits a positive attitude towards the organization. Human resources characterized by love and commitment are anticipated to be a pivotal force propelling the Company's growth.

Additionally, an assessment of employee retention efficiency, measured by the employee turnover rate indicator, revealed a rate of 28.44% for the year 2023. This figure falls within the average range observed in neighboring industries.



● Working Environment and Safety and Crisis Management

The Company places importance on the health and safety of employees as well as the proper working environment so that the Group has strictly complied with the relevant laws, arranged a safe working environment and supported good hygiene. And related employees must be safe without accidents and diseases resulting from work.

In addition, the Group complies with the Compensation Act, B.E.2537 (1994) by contributing to the compensation fund as required by law to fund compensation to employees who have suffered harm due to work.

Total accident for the 2023

Detail	Unit	Year 2023
Average number of hours worked by employees	Hours	8
Total hours of total work of all employees (Total number of employees as of 31 December 2023)	Hours	5,720
Occupational health and safety		
Number of employees who suffered fatal injuries	Person	-
Number of employees who suffered injuries resulting in time missed from work	Person	-
Compliance with the law		
Number of disputes from violations of labor law	Case	-
Number of complaints about human rights violations	Case	-



Fire Fighting Training Course

(4) Employee Relations

The Company acknowledges the significance of individual differences and places a strong emphasis on fostering teamwork. Consequently, organizational values and culture have been strengthened to encourage employees to embrace and respect each other's differences, fostering effective collaboration. We firmly believe that positive relationships are integral to motivating employees to work joyfully. When employees are content in their roles, equipped with the skills acquired through training and continuous development, the resulting output becomes more effective. Simultaneously, the organization's operations ultimately achieve their intended success.

In 2023, the Company facilitated activities to enhance employee engagement and foster unity. These initiatives included Town Hall Meetings, where all senior executives were invited to converse and exchange experiences with employees within the organization or along with various seasonal activities.

Engagement Activities for the year 2023



Happy Retirement



STEP CHALLENGE 350 ล้านก้าว



Long Service Awards



SGC Buddy

(5) Policies for Responsible Business Operations

The Company places importance on addressing social, environmental, and corporate governance (ESG) issues. The ongoing study involves evaluating products or services that align with or consider ESG concerns. For instance, the Company may provide loans to legal entities actively involved in businesses that promote ESG matters. The goal is to integrate ESG in credit review policies and processes, as well as provide investment advice based on relevant principles and standards.

• Responsible Lending

The Company has thoroughly reviewed and elevated its standards for responsible and fair lending across the entire business chain. This encompasses granting quality loans, managing existing debt, especially addressing bad and chronic debt, and pursuing legal action when necessary. The Company is committed to promoting knowledge and understanding to influence customer behavior positively. This includes fostering a good credit culture and encouraging financial discipline among customers. These measures are crucial for sustainably addressing debt issues and mitigating potential impacts in line with the Bank of Thailand's policy.

All of this The Company has presented clear and transparent products through its website <https://www.sgcapital.co.th/th/product/all> including basic financial service users' rights information for customers to consider for decision-making. Manage Complaints and remedies that are clear, fast, independent, efficient, and fair with Call Center 0-2028-2828 responsible for the investigation. Act as a problem solver Stay tuned.

(6) Access to Financial Inclusion through Digital Transformation

The Company has committed to developing innovative, high-quality products and services while prioritizing responsibility across all dimensions. This commitment extends to meeting the needs of stakeholders throughout the value chain, emphasizing safety, and promoting environmental friendliness directly and indirectly. Furthermore, the organization aims to establish itself as a leading industry expert, fostering creativity, and ensuring continuous innovation through the LINE OA channel.

CLICK 2 GOLD installment service via LINE OA channel

วิธีสมัครสมาชิก
เพื่อผ่อนทองกับ CLICK
2GOLD



เตรียมแค่บัตรประชาชนใบเดียว
ก็ผ่อนทองได้ง่ายๆ ผ่าน LINE SG capital



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เพื่อผ่อนทอง พร้อมรับข่าวสารและโปรโมชั่นดีๆ
จาก SG Capital

Operating performance in the society

Summary on the operating performance in the society	
Type	Operating performance
Number of new employees (persons)	73
Number of retired employees (persons)	25
Employee satisfaction (percent)	80.21
Total employees as of 31 December 2023	
Total number of employees (people)	711
Classification by gender (person)	
• Men	330
• Female	381
Classification by Male	
• 20-30 age	65
• 30-50 age	232
• Over 50 age	33
Classification by Female	
• 20-30 age	121
• 30-50 age	242
• Over 50 age	18
Number of male employees by position	
• Operational Level	320
• Central Management Level	8
• Senior Management	2
Number of female employees by position	
• Operational Level	372
• Central Management Level	7
• Senior Management	2

3.4.2 The activities with society

The Company encourages the executives, employees including customers and business partners to participate in returning and be responsible for the society and community through various activities for society and environment on a continuous basis. Therefore, the Company has established the policy to provide assistance and develop the society in addition to the internal work process within the organization by organizing various projects for the society during the past period as follows:

(1) Responsibility to communities, society and environment

The Company places the importance of communities, society and environment and realizes that the Company is part of a society that moves towards social and environmental development for sustainability. The Company continuously arranges various activities for communities,

society and environment in parallel with conducting business under responsibility to communities, society and environment as a whole. In addition, the company has continuously cultivated the awareness of responsibility to communities, society and environment within the company and the employees at all levels by supporting employees at all levels to realize the importance and have conscience of responsibility to society and environment also participate in developing communities and society by supporting social activities, improving quality of life of people in the communities, continuously promoting volunteering activities related to communities and social development, and cultivating a sense of responsibility to communities, society and environment to employees at all levels.

In the year 2023, the Company has continuously carried out activities for the benefit of society and the environment for the community and society. as follows:

Quality of Life and Community

SGC donate water filters, promoting good health of Thai Youth among the community

SG Capital Public Company Limited (SGC) is actively pursuing social responsibility projects aligned with the “ESG” concept. To creating a sustainable society, the Company has initiated the “Sharing Kindness, Caring for Schools” project. This project involves donating water filters to Wat Takrao Thong School in Rayong Province. The aim is to enhance the quality of life for students by providing access to clean and safe drinking water, promoting good health.

Mr. Anothai Sritiapetch, Chief Executive Officer of SG Capital Public Company Limited (SGC), along with the executive team and employees, underscores the significance of operating a credit and financial service business that aligns with the needs of the Thai people. The Company places emphasis on the well-being of the youth and Thai society, supporting a high quality of life and advocating for better hygiene within the community. Consequently, the Company has formulated a Corporate Social Responsibility (CSR) policy based on the Environmental, Social, and Governance (ESG) concept. The Company is committed to transparent business operations alongside the Thai people in these initiatives.



Ban Taklaothong School



Wat Monthon Prasit School (Atthawatprachanukun)

(2) Community development

The Company has a policy to conduct business that is beneficial to the economy and society and adhere to good citizenship and completely comply with relevant laws and regulations. The Company will strive to develop, promote, and enhance the quality of life of society and communities where the Company operates as well as the business growth. The Company adheres to a policy that must take care and build relationships with the nearby communities. Therefore, the Company regularly supports community activities such as participating and sponsoring the annual activities of each province by carrying out various projects that focus on the suitability and benefits that the community and society will receive for sustainable community development including sending employees of the company to participate in community events and regularly supporting community activities.

SGC is sharing happiness through the “My School Project”

On 3 February 2024, Ms. Jatuporn Konghun, Chief Financial Officer at SG Capital Public Company Limited (SGC), led the Children’s School Project at Ban Khao Krapuk School in Phetchaburi Province. The project aimed to improve the school’s landscape and environment. The team participated in painting and decorating the multi-purpose buildings around the school and contributed essential equipment, including 2 Smart TVs, 2 two-door freezers, and 1 single-door refrigerator, along with a cash donation of 20,000 Baht. This initiative is part of the “My School Project,” focusing on enhancing education for youth in remote areas. It aligns with the organization’s long-term sustainability goals, emphasizing social, economic, and environmental responsibility. The aim is to contribute to society’s well-being and address the needs of all stakeholders, fostering sustainable development and leaving a positive impact on the community. The project reflects the commitment to spreading happiness and bringing smiles to children’s faces.



Ban Khao Krapuk School

(3) Donations

Charitable contribution, donations, and aid grant in accordance with the rules for charitable contributions and conducting donation activities on behalf of the Company or affiliated companies must comply with the Corporate Social Responsibility (CSR) policy and guidelines of the Company. The donation must be proved to be under the activity of a charity project and support the achievement of the objectives of the project which causes real benefits to society or to meet the objectives of operating with social responsibility, whether it is charitable donation or social contribution. The employees and executives of the Company are prohibited to donate to individuals, juristic persons, organizations, or other agencies as follows:

1. Supporting politics, political parties or secretly political activities for individuals, juristic persons, organizations, or agencies that are illegal.
2. Dishonest intentions for any results, even if it is the business result of the Company.
3. The person who represents the donation must be in the position of manager or higher. In case of donating money or items with a value of more than 5,000 baht (five thousand baht), an approval must be obtained from the line director or managing director.
4. Withdrawing money, products or items must strictly comply with the regulations of the company



Ban Khao Krapuk School

The activities to promote religion and culture

The Company has participated in religious activities by co-hosting the Kathin Unity Merit Ceremony and the ceremony inviting the relics to be enshrined at the Maha Stupa Chedi Bodh Gaya at Wat Tham Phra Bampen Boon. Phan District Chiang Rai together with the Group of Companies On 3-4 November 2023



SGC Activities

"SG Capital joins in signing for elevation Thai farmers"



As of 22 May 2023, SG Capital Public Company Limited (SGC) has entered into a collaborative agreement with key partners, including Fah Arun Co., Ltd, a prominent manufacturer of fertilizers adhering to ISO14001: 2015 and Green Industry quality standards. The partnership includes the production of fertilizers, soil improvers, and secondary

nutrients, supplemented by a team of consultants and comprehensive marketing plans. Additionally, NAC Drone by Easy (2018) Co., Ltd, employing modern technology and innovative solutions, is part of this collaboration to elevate Thai farmers by increasing income and reducing costs. This strategic network aims to address the evolving

needs of farmers in the 2023 era and foster creativity and participation with Fah Arun Co., Ltd particularly in creating innovative fertilizers that enhance production, reduce costs, and meet market demands. The collaborative initiatives, including the “Easy to Use, Easy to Pay” project and the involvement of SG Capital Public Company Limited, Fah Arun Co., Ltd, and NAC Drone by Easy (2018) Co., Ltd, are designed to positively impact the quality of life for farmers. These efforts aim to increase farmers’ income, address challenges, and enhance their competitiveness on the international stage. The “Easy to Use, Easy to Pay” project is a significant strategy that alleviates the financial burden

on farmers by providing them with loans for purchasing fertilizers. Farmers can repay these loans in installments over a specified period, facilitated through various banks nationwide. SGC participation in expanding registered loan businesses with Thai farmers adds flexibility to investments, fostering increased productivity across different regions. Simultaneously, NAC Drone by Drone by Easy (2018) Co., Ltd, contributes to the cause by delivering unmanned aerial vehicles (drones) to support farmers in their work. This initiative aims to save time and reduce costs in various farming activities.

“SG Capital joins in signing the agreement to complete Thai farmer’s Dream”



As of 18 December 2023, SG Capital Public Company Limited has entered into a collaborative agreement with three prominent organizations in Thailand: SPKG Group Co., Ltd, a leader in agricultural fertilizer production and distribution; Easy (2018) Co., Ltd, a leader in unmanned aerial vehicles (drones); and Power Drive Co., Ltd, a leader and marketing expert. The Memorandum of Understanding (MOU) signing ceremony and the subsequent discussion on “Development of Personnel to Support Unmanned Aerial Vehicles” and “Vision for Cooperation Between Organizations” took place at the National Defense Technology Institute. This event garnered

significant attention from the media and dignitaries. The collaboration among these leading organizations aims to empower farmers in the effective utilization of drone technology for agriculture. This technology is envisioned to enhance produce quality, dramatically reduce production costs, and minimize environmental impact. Recognized as a technological innovation designed to augment human labor efficiently, the use of drones in agriculture requires systematic management by experts with knowledge and understanding of its application. Comprehensive training is essential to meet aviation standards and ensure high safety standards.



4. Management Discussion & Analysis (MD&A)



4.1 Operations and financial status

4.1.1 Overview of past operations.

The Company operates as a non-banking financial service provider, offering (1) leasing for household appliances and electrical equipment, commercial electrical appliances, and machinery; (2) Rod Tam Ngoen loans (lease-to-own car financing and vehicle-backed loans with vehicle registration as collateral); (3) employee welfare loans (Debt Consolidation); (4) online gold installment loans ("Click2Gold"); and (5) various other types of personal loans, such as loans for purchasing goods.

In the Management Discussion & Analysis, management has classified products into distinct categories. Leasing for household appliances, commercial electrical appliances, and machinery falls under "Lease-to-Own." Vehicle lease-to-own financing and vehicle-backed loans with ownership transfer are termed "Rod Tam Ngoen loans." Employee welfare loans, online gold installment loans, and other personal loans are collectively grouped as other loan products.

In 2023, the Thai economy sustained its recovery from the prolonged impact of the COVID-19 situation, which had persisted for over two years, affecting the overall economic landscape. This extended situation notably influenced household debt levels, particularly among vulnerable groups with incomes that had not fully rebounded. Consequently, the Company faced credit losses in 2023, stemming from measures taken to assist debtors affected by the prolonged COVID-19 situation, impacting the overall performance for the accounting periods ending

on December 31, 2022, and 2023. The Company's net outstanding loans amounted to 14,393.59 billion Baht and 12,160.16 billion Baht respectively, reflecting a 15.52% decrease compared to the previous year. This reduction resulted from write-offs for lower-quality lease-to-own contracts, where the Company, after thorough tracking and evaluation, determined debtors were unable to repay. This figure represents the net outstanding debt after factoring in the credit loss impact, as anticipated. Furthermore, the Company recorded an estimated credit loss provision added by management for prudence, addressing the expected increase in credit risk from debtors with significant credit risk and lower creditworthiness. This adjustment was influenced by the conclusion of assistance programs due to the COVID-19 impact, aiming to mitigate future effects. Nevertheless, the Company adapted and enhanced its business strategies and processes to further tighten operations, including intensified scrutiny in credit evaluation and debtor payment monitoring. Despite these challenges, both management and the Company maintain a positive outlook on financial status and future operational performance. This optimism is driven by the increasing demand for various types of credit, such as lease-to-own, Rod Tam Ngoen loans, and other loan types. The Company remains committed to conservative credit consideration and release policies, actively analyzing the risk in providing credit to customers and implementing proactive efforts in debt recovery.

4.1.2 Analysis of operational performance

The following table illustrates the profit and loss statement of the Company for the years 2021 to 2023, with a detailed breakdown as follows:

Unit : million baht	2021	2022	2023	The growth rate	
				Increase (Decrease)	%
Income					
Interest income from hire-purchase contracts and loans	1,736	2,399	2,089	(310)	(13%)
Other income	46	40	80	40	100%
Total income	1,782	2,439	2,169	(270)	(11%)
Expenses					
Service and administrative expenses	492	642	640	(2)	(0.3%)
Total expenses	492	642	640	(2)	(0.3%)
Profit from operating activities	1,290	1,797	1,529	(268)	(15%)
Financial costs	(353)	(600)	(592)	(8)	(1%)
Expected credit losses	(211)	(395)	(3,771)	3,376	855%
Profit(Loss) before income tax expense	726	802	(2,834)	(3,636)	(453%)
Tax expenses	(133)	(135)	559	(694)	(514%)
Profit (loss) for the year	593	667	(2,275)	(2,942)	(441%)

4.1.2.1 Total revenue

Unit : million baht	2021	2022	2023	The growth rate	
				Increase (Decrease)	%
Interest income from hire-purchase contracts and loans	1,736	2,399	2,089	(310)	(13%)
Other income	46	40	80	40	100%
Total income	1,782	2,439	2,169	(270)	(11%)

Total income includes interest income from (1) Home & Commercial Appliances hire purchase, (2) Rod Tam Ngoen loans, and (3) other loan agreements such as employee welfare loans, online gold installment loans ("Click2Gold"), and other miscellaneous loans. Additionally, other income, such as fee income and agent commission income, is also included.

Interest income from hire-purchase contracts and loans for the year 2023, the company generated interest income of 2,089 million Baht, marking a 13% decrease of 310 million Baht compared to the previous year. This decline was primarily attributed to the write-off of lower-quality lease-to-own contracts for electrical appliances. Following thorough tracking and evaluation, the company determined that debtors were unable to repay, resulting in a reduction in the lease-to-own credit portfolio. Consequently, there was an impact on the recognition of interest income from lease-to-own contracts for electrical appliances in comparison to the previous year. Conversely, interest income from Rod Tam Ngoen loans increased by 26%, and interest income from other loan agreements rose by 61%, both compared to the previous year.

4.1.2.2 Operating expenses

Unit : million baht	2021	2022	2023	The growth rate	
				Increase (Decrease)	%
Service and administrative expenses	492	642	640	(2)	(0.3%)
Financial costs	353	600	592	(8)	(1%)
Expected credit losses expenses	211	395	3,771	3,376	855%
Total operating expenses	1,056	1,637	5,003	3,366	206 %

Service and administrative expenses for the year 2023, the Company recorded totaling 640 million Baht, indicating a decrease of 2 million Baht or 0.3% compared to the previous year. This reduction is primarily attributed to ongoing management and control efforts aimed at effectively managing expenses.

Financial cost for the year 2023, the Company incurred of 592 million Baht, marking a 1% decrease, or 8 million Baht less than the previous year. The primary reason for this reduction is the repayment of loans totaling 1,100 million Baht, aligning with the Company's objectives tied to the initial public offering (IPO).

Expected credit losses for the year 2023, the Company encountered of 3,771 million Baht, marking an 855% increase or 3,376 million Baht more than the previous year. This significant rise is primarily due to the write-off of lower-quality lease-to-own contracts for electrical appliances. Following thorough tracking and evaluation, the Company determined that debtors were unable to repay, leading to a reduction in the lease-to-own credit portfolio. The establishment of a credit loss provision aligns with financial reporting standard No. 9 on financial instruments.

4.1.2.3 Net profit (loss) For the year 2023, the Company incurred a net operating loss of 2,275 million Baht, whereas in 2022, there was a net profit of 667 million Baht. This primary due to the increase in the expected credit losses from the lease-to-own electrical appliances credit portfolio and Rod Tam Ngoen, along with the write-off of lower-quality lease-to-own contracts, as mentioned earlier.

4.1.3 Financial analysis

The table presents the Company's financial statements for the year 2021 to 2023

Unit : million baht	December 31, 2021	December 31, 2022	December 31, 2023	The growth rate	
				Increase (Decrease)	%
Assets					
Cash and cash equivalents	391	3,106	154	(2,952)	(95%)
Current portion of hire-purchase contract receivables	3,076	3,439	856	(2,583)	(75%)
Current portion of loan receivables	1,225	2,006	2,263	257	13%
Other current assets	255	118	402	284	241%
Total current assets	4,947	8,669	3,675	(4,994)	(58%)
Hire-purchase contract receivables	2,076	1,918	716	(1,202)	(63%)
Loan receivables	4,278	7,030	8,325	1,295	18%
Other non-current assets	129	166	739	573	345%
Total non-current assets	6,483	9,114	9,780	666	7%
Total Assets	11,430	17,783	13,455	(4,328)	(24%)

Unit : million baht	December 31, 2021	December 31, 2022	December 31, 2023	The growth rate	
				Increase (Decrease)	%
Liabilities and equity					
Liabilities					
Loan from financial institution	10	65	-	(65)	(100%)
Loan from parent company	-	-	2,354	2,354	100%
Other current liabilities	1,500	752	217	(535)	(71%)
Total current liabilities	1,510	817	2,571	1,754	215%
Long-term loans from parent company	7,463	11,173	7,719	(3,454)	(31%)
Long-term loans from financial institutions	14	4	-	(4)	(100%)
Other non-current liabilities	29	38	44	6	16%
Total non-current liabilities	7,506	11,215	7,763	(3,452)	(31%)
Total liabilities	9,016	12,032	10,334	(1,698)	(14%)
Equity	2,414	5,751	3,121	(2,630)	(46%)
Total liabilities and equity	11,430	17,783	13,455	(4,328)	(24%)

The details of the analysis are as follows:

4.1.3.1 Assets

Unit : million baht	December 31, 2021	December 31, 2022	December 31, 2023	The growth rate	
				Increase (Decrease)	%
Cash and cash equivalents	391	3,106	154	(2,952)	(95%)
Hire-purchase contracts receivables	5,152	5,357	1,571	(3,785)	(71%)
Loan receivables	5,503	9,036	10,589	1,552	17%
Other current assets	255	118	402	284	241%
Other non-current assets	129	166	739	573	345%
Total assets	11,430	17,783	13,455	(4,328)	(24%)

Total assets as of December 31, 2023 and 2022, amounted to 13,455 million Baht and 17,783 million Baht, respectively, indicating a decrease of 4,328 million Baht or 24% compared to the previous year. The details are as follows:

Cash and cash equivalents as of December 31, 2023, were 154 million Baht, indicating a decrease of 2,952 million Baht or 95% compared to the previous year. This reduction is due to loan repayments from parent company and financial institutions, including interest. Furthermore, dividends of 2,120 million Baht were paid, and 803 million Baht was utilized in operating activities, aligning with the objective of issuing additional common shares for the first time through the IPO.

Hire-purchase contracts receivables as of December 31, 2023, amounted to 1,571 million Baht, indicating a decrease of 3,785 million Baht or 71% compared to the previous year. This decline is primarily attributed to the reduction in the electrical appliance hire-purchase loan portfolio. It resulted from the write-off of bad debts in the group of non-performing hire-purchase receivables, where the Company had followed up and determined that debtors were unable to repay the debt, netting the receivables. This action occurred after expected credit losses in the second quarter, following the conclusion of the relief program due to the impact of the Covid-19. The Company, meanwhile, has adopted stricter lending policies, leading to a decrease in the issuance of new loans for hire-purchase contracts.

Loan receivables as of December 31, 2023 amounted to 10,589 million Baht, indicating an increase 1,552 million Baht or 17% compared to the previous year. This growth is mainly attributed to the heightened profitability of the Rod Tam Ngoen loans portfolio, fueled

by funds raised from the IPO. Furthermore, the Company utilized its expertise to expand the customer base, especially among entrepreneurs seeking loans for business expansion, thereby contributing to the enlargement of the employee welfare loan portfolio.

4.1.3.2 Quality of receivables under hire purchase contract and loan receivables

The table presents the quality of hire purchase receivables and loan receivables of the Company as of December 31, 2023

Unit : million baht	2022		2023		The growth rate	
	Amount	%	Amount	%	Increase (Decrease)	%
Assets without a significant increase in credit risk	11,694	78%	9,874	68%	(1,820)	(15%)
Assets with a significant increase in credit risk	2,511	17%	1,538	11%	(973)	(39%)
Assets with credit Impairment	692	5%	3,089	21%	2,397	346%
Total hire purchase receivables and loans receivables	14,897	100%	14,501	100%	(396)	(3%)
Allowance for expected credit losses	(504)	(3%)	(2,341)	(16%)	1,837	364%
Hire-purchase receivables and net loan receivables	14,394	97%	12,160	84%	(2,233)	(16%)

In 2023, the Company's total hire purchase and loan receivables, amounted to 14,501 million Baht a 3% decrease of 396 million Baht from the previous year. Notably, the proportion of debtors with credit impairment in 2023 increased to 21% of total debtors, marking a 346% rise from the previous year, equivalent to 2,397 million Baht. This surge is primarily attributed to the reclassification of debtors, particularly within the hire purchase loan portfolio for electrical appliances. This shift is a consequence of

concluding the assistance program due to the impact of the Covid-19, leading to reduced debtor ability to meet repayment obligations. The Company has diligently recorded allowances for expected credit losses in accordance with Financial Reporting Standards No. 9, Financial Instruments, ensuring sufficiency and appropriateness for anticipated risks. Despite this, the Company is aware of the situation and has proactive plans to provide assistance and closely monitor debt repayment.

4.1.3.3 Liabilities and shareholders' equity

Unit : million baht	December 31, 2021	December 31, 2022	December 31, 2023	The growth rate	
				Increase (Decrease)	%
Loans from financial institutions	24	69	-	(69)	(100%)
Loans from parent company	7,463	11,173	10,073	(1,100)	(10%)
Other current liabilities	1,500	752	217	(535)	(71%)
Other non-current liabilities	29	38	44	6	16%
Total liabilities	9,016	12,032	10,334	(1,698)	(14%)
Equity	2,414	5,751	3,121	(2,630)	(46%)
Total liabilities and equity	11,430	17,783	13,455	(4,328)	(24%)

Total liabilities as of December 31, 2023, and 2022, amounted to 10,334 million Baht and 12,032 million baht, respectively, reflecting a decrease of 1,698 million Baht or 14% compared to the previous year. This reduction primarily resulted from a decrease in loans from parent company and financial institutions, aligning with the objective of initiating

and offering new common shares through the first-time IPO.

Shareholders' equity as of December 31, 2023, and 2022, stood at 3,121 million Baht and 5,751 million Baht, respectively, indicating a decrease of 2,630 million Baht or 46% compared to the previous year. This decline is primarily attributed to operating losses incurred in 2023.

4.1.4 Cash flow analysis

The table presents the cash flow analysis of the Company as of December 31, 2023. The details are outlined as follows:

Unit: million baht	2021	2022	2023	The growth rate	
				Increase (Decrease)	%
Net cash used in operating activities	(4,783)	(3,081)	(803)	2,278	74%
Net cash used in investing activities	(15)	(16)	(9)	7	44%
Net cash (used in) financing activities	3,346	5,812	(2,140)	(7,952)	(137%)
Net increase in cash and cash equivalents	(1,452)	2,715	(2,952)	(5,667)	(209%)

Net cash used in operating activities as of December 31, 2023, amounted to 803 million Baht, marking a decrease of 2,278 million Baht or 74% compared to the previous year. This decline is primarily attributed to the Company's adoption of a more stringent loan consideration and granting policy in 2023, amid economic recovery in select industrial sectors and an upward trend in household debt.

Net cash used in investing activities as of December 31, 2023, amounted to 9 million Baht, reflecting a decrease of 7 million Baht or 44% compared to the previous year. This decrease was primarily due to investments in

improvements to rental buildings and equipment, as well as in information technology to enhance the quality of work systems and facilitate the transition to a more digitalized system.

Net cash (used in) financing activities as of December 31, 2023, amounted to 2,140 million Baht, indicating an increase of 7,952 million Baht or 137% compared to the previous year. This rise is primarily attributed to the Company's repayment of loans borrowed from parent company and the distribution of dividends to shareholders in 2023.

4.1.5 The analysis focuses on crucial financial ratios

The table presents the Company's key financial ratios.

Important financial ratios	Unit	Financial Statement as of		
		2021	2022	2023
Net profit (loss) rate	%	33.28%	27.36%	(104.88%)
Rate of return on shareholders' equity	%	36.67%	16.34%	(51.29%)
Interest income ratio	%	20.35%	19.16%	15.74%
Interest expense ratio	%	5.76%	6.41%	5.55%
Interest difference ratio	%	14.58%	12.75%	10.19%
Ratio of net interest income to assets	%	15.00%	12.32%	9.59%
Rate of return on assets	%	6.43%	4.57%	(14.57%)
Debt to equity ratio	time	3.74	2.09	3.31
Ratio of expected credit loss allowance to total loans	%	2.80%	3.38%	16.14%
Ratio of credit impaired debtors to total loans	%	3.85%	4.64%	21.30%

Net profit (loss) rate

As of December 31, 2023, decreased compared to 2022. This decline is primarily attributed to operating losses incurred in 2023, driven by an anticipated increase in credit losses. The losses stem mainly from the write-off of bad debts within the non-performing debtors group from hire purchase contracts. The Company determined that these debtors were unable to repay their debts, amounting to the net debtors after expected credit losses. This is expected to occur in the second quarter due to the conclusion of the Covid-19 relief program, coupled with the Company recording additional allowances for expected credit losses deemed sufficient and appropriate for anticipated risks.

Rate of return on shareholders' equity

As of December 31, 2023, and 2022, stood at (51.29%) and 16.34%, respectively. This drastic change in 2023 is attributed to operating losses resulting from an upsurge in expected credit losses impacting profits

Interest income ratio

As of December 31, 2023, and 2022, were 15.74% and 19.16%, respectively. This change is primarily due to the lower interest rate on Rod Tam Ngoen loans compared to hire purchase loans for electrical appliances. The influence of interest rate controls by the Bank of Thailand, coupled with intense competition in the car registration loan sector, accounts for this disparity. Moreover, the higher proportion of income-generating car loans compared to electrical appliance hire purchase loans contributes to the overall decrease in the Company's average interest income ratio.

Interest expense ratio

As of December 31, 2023, and 2022, were 5.55% and 6.41%, respectively. The primary source of the Company's borrowings is from parent company, where a fixed interest rate is established based on the average interest rate on bonds issued by major companies in each round, plus a margin.

Interest difference ratio

As of December 31, 2023, and 2022, was 10.19% and 12.75%, respectively, witnessing a decrease attributable

to the declining interest income ratio. This decrease stemmed from the faster growth of the profit-yielding Rod Tam Ngoen loans portfolio compared to the hire purchase loan portfolio. The interest rate on the Rod Tam Ngoen loans portfolio, per the total Rod Tam Ngoen loans portfolio, is lower than that of the electrical appliance hire purchase loan portfolio, per the total electrical appliance hire purchase loan portfolio.

Ratio of net interest income to assets

As of December 31, 2023, and 2022, were 9.59% and 12.32%, respectively. The 2.73% decrease in the net interest income to assets ratio in 2023, compared to the ratio in 2022, primarily stems from the increased proportion of the profit-generating car loan portfolio compared to the electrical appliance hire purchase loan portfolio. Typically, the interest rate of the electrical appliance leasing portfolio, relative to the total electrical appliance leasing portfolio, is higher than that of the Rod Tam Ngoen loans portfolio to the total Rod Tam Ngoen loans portfolio. This shift in portfolio composition led to a corresponding decrease in the net interest income to assets ratio.

Rate of return on assets

As of December 31, 2023, and 2022, were (14.57%) and 4.57%, respectively. The decline in the return on assets in 2023 is attributed to the Company experiencing operating losses during that period.

Debt to equity ratio

As of December 31, 2023, and 2022, were 3.31 times and 2.09 times, respectively. The increase in the ratio in 2023 resulted from the reduction in shareholders' equity due to operating losses during that year.

Ratio of expected credit loss allowance to total loans

As of December 31, 2023, and 2022, increased from 16.14% to 3.38%. This escalation in the credit loss allowance ratio is a result of a higher number of debtors experiencing credit impairment. The increase aligns with the provisions outlined in Financial Reporting Standards No. 9, Financial Instruments.

Ratio of credit impaired debtors to total loans

As of December 31, 2023, and 2022, increased from 21.30% to 4.64%, primarily attributed to a rise in impaired debtors within the electrical appliance hire purchase portfolio. Despite this increase, the Company

maintains a policy of careful and strict consideration in granting loans, aiming to establish additional high-quality portfolios to replace the affected ones.

4.2 Events or factors that can impact the financial position or operating results**The impact of economic conditions**

While the economy is rebounding, the recovery remains sluggish, particularly in certain business sectors. Additionally, the overall national scenario indicates a rising trend in household debt, posing a potential impact on borrowers' loan repayments and affecting expected credit loss provisions. Nevertheless, the Company exercises caution in its operations, particularly in new lending activities, emphasizing debtor quality assessment. This involves evaluating the debtor's repayment capability and implementing proactive debt collection measures for those exhibiting initial signs of repayment delays. The Company also incorporates technology for efficient business management.

Impact of higher domestic interest rates

The Company faces direct financial cost implications due to measures implemented by both the Thai government and international entities to raise interest rates. As a credit provider, these costs significantly influence the Company's business expansion. Moreover, in 2023, the Company experienced a credit downgrade, operational losses stemming from non-performing debt write-offs, and provisions for expected credit losses. The country's economic conditions, marked by elevated household debt and a growing trend in default rates, may impact the Company's financing, potentially leading to higher financial costs for future bond issuances. Despite these challenges, the Company has adjusted its growth strategy by implementing gradual improvements to its operating system, enhancing rigor in loan approval, and proactively refining the debt collection process. While this may limit significant loan portfolio expansion, it is expected to enhance overall loan quality in the future.



5. General Information and Other Significant Information

5.1 General information

The Company

Name	: SG Capital Public Company Limited
Nature of business	: Provide (1) hire-purchase financing for home appliances, commercial appliances (2) hire-purchase financing and vehicle title loans (3) debt consolidation credit services (4) Click2Gold credit services and (5) various other types of personal loans, such as loans for purchasing goods under “SG Capital” trademark.
Registration No.	: 0107564000383
Location of head office	: 72 NT Bangrak Tower, 20 Fl. Charoen Krung Rd. Bang Rak, Bangkok 10500
Website	: www.sgcapiat.co.th
Telephone No.	: 02-028-2828
Par Value	: 1.00 Baht per share
Registered capital	: 3,270,000,000 Baht (As of 31 December 2023)
Paid-up capital	: 3,270,000,000 Baht (As of 31 December 2023)

Securities registra

Thailand Securities Depository Co., Ltd.

Address	: No. 93, The Stock Exchange of Thailand Building, Ratchadaphisek Road, Din Daeng, Din Daeng, Bangkok 10400
Tel. No.	: 0-2009-9999
Fax.	: 0-2009-9991

Auditor

KPMG Phoomchai Business Advisory Ltd.

Address	: 50 th Floor, Empire Tower. No. 1, South Sathorn Road, Yan Nawa, Sathorn, Bangkok 10120
Tel. No.	: 02-677-2000
Fax.	: 02-677-2222

Internal Audit

PricewaterhouseCoopers ABAS Ltd.

Address	: 15 th Floor, Bangkok City Tower, No. 179/74-80, South Sathorn Road, Thung Maha Mek, Sathon, Bangkok 10120
Tel. No.	: 02-844-1000
Fax.	: 02-286-0600

Legal consultant

Manunya & Associates Co., Ltd.

Address : 75/58 Richmond Tower, 17th Floor, Soi Sukhumvit 26,
Sukhumvit Road, Khlong Tan, Khlong Toei, Bangkok 10110

Tel. No. : 02-123-8580 , 062-442-5546

Fax. : -

5.2 Other Information

5.2.1 Significant laws and regulations for business operations

The business operations of the Company are under the supervision of relevant laws and regulations, such as laws related to the personal loan business under the supervision of the Bank of Thailand, debt collection law, consumer protection law, and the law on personal data protection, which can be summarized as follows:

5.2.1.1 Significant laws related to personal loans supervised by the Bank of Thailand

The Company operates a personal loan business under supervision for both types of loans: with car registration as collateral. (Vehicle registration books transferred) and non-vehicle registration books transferred as collateral which is a personal loan business under the supervision of the Bank of Thailand. There are main laws and regulations governing such business operations as follows:

- (1) Announcement of the Ministry of Finance on Businesses that require permission according to Article 5 of the Announcement of the Revolutionary Council No. 58 (Personal Loan Under Supervision) dated 30 July 2020.
- (2) The Bank of Thailand Notification No. FPG. 12/2563 Re: Prescribing Rules, Procedures, and Conditions for Undertaking Personal Loan Business Under Supervision dated 31 July 2020.
- (3) The Bank of Thailand Notification No. SorKorSor. 2. 4/2563 Re: Management of Fair Customer Service (Market Conduct) dated 13 August 2020 and
- (4) The Bank of Thailand Notification No. SorKorSor. 2. 9/2563 Re: Default interest calculation and application of debt repayment dated October 9, 2020.
- (5) The Bank of Thailand Notification No. SG2. 7/2565 Re: Regulations on Practices and Disclosure regarding Interest, Service Charges,

and Penalties for Financial Products and Services dated March 3, 2022.

- (6) Bank of Thailand Announcement No. 7/2566 regarding The Responsible and Ethical Lending Practices.
- (7) Bank of Thailand Announcement No. 13/2566 regarding The Establishment of Criteria, Methods, and Conditions for Conducting Personal Loan Business under Supervision (No 2).

The summary of the details and criteria for providing personal loan services of the Company in various aspects as follows:

Business Permission Application

- a juristic person of a limited or public limited company.
- paid-up registered capital of not less than 50 million baht and have shareholders' equity of not less than the paid-up capital on the date of application submission.
- No prohibited characteristics as required by law.

An application for permission should be submitted through the Bank of Thailand, according to the rules and forms specified in the relevant regulations.

The Company obtained a license to operate a personal loan business under the supervision and the license is still valid according to the notification of the Ministry of Finance on Businesses requiring permission according to clause 5 of the Revolutionary Council Announcement No. 58 (Personal Loan Under Supervision) dated 30 July 2020.

Loan Limit Determination

In the case of personal loans secured by vehicle registration, businesses must determine an appropriate credit limit for consumers with registered vehicles as

collateral, aligning with their debt repayment capacity. When evaluating the ability to repay, businesses should adhere to the Bank of Thailand's announcement on responsible and ethical lending practices.

Interest, fine, service fee, other fees, and other expenses

- From August 1, 2020, personal loan operators under supervision that are not financial institutions shall collect interest, fines, service charges, and any fees at a rate not exceeding 25% per annum (effective rate) for personal loans under supervision that are loans without vehicle registration books as collateral and not exceeding 24% per annum (effective rate) for loans with vehicle registration books as collateral.
- In addition to the items listed above, the business operator may collect actual and reasonable expenses according to the list specified by the Bank of Thailand. The business operator is prohibited from collecting interest, fines, fines, service charges, and any fees in case the consumer fully or partially redeems the loan with vehicle registration books as collateral before maturity.
- In addition, the business operators must not include actual or reasonable interest, fines, service charges, any fees or expenses with the amount of outstanding debt and charge interest and other fines and must not do the debt restructuring or modify the conditions in the personal loan agreement under supervision as a means to avoid stipulations regarding actual and reasonable interests, penalties, fines, service charges, fees and expenses in relation to personal loan under supervision.

Strategy and Planning

- The intermediary must establish policies and work plans for undertaking personal loan business under supervision which should contain directions and guidelines for providing personal loan services under supervision. The goal is to provide services to consumers according to their income levels or to the type of vehicle registered as collateral, depending on the case, including consumer care guidelines.

- In case the non-financial business operators use services from external service providers (outsourcing) to reduce operating costs and increase flexibility in business efficiency to be able to use the service only for non-core tasks related to strategic decision-making (strategic function) in accordance with the regulations prescribed by the Bank of Thailand such as the selection of outsourcing service providers, consumer care and responsibility outsourcing, business continuity management and risk management of external service providers, etc.
- In this regard, the Bank of Thailand may consider waiving or adding conditions for compliance with the rules or conditions relating to the use of services from outsourcing service providers (Outsourcing) and data reporting to the Bank of Thailand, as the case may be.

Risk Management

Business operators must obtain an internal personal loan risk management system under supervision as follows:

- The system for determining the qualifications of consumers applying for a personal loan for approving and determining personal loan limits under supervision according to debt repayment capability.
- Debt collection system is used to warn when consumers begin to have problems in paying debts or are unable to pay debts according to the agreement as well as strategies for debt collection in various cases.
- Management information system is used in the formulation and review of policies and work plans relating to personal loans under supervision.

Market Conduct

For the management of providing services to customers, personal loan business operators under supervision must operate their business in accordance with the Bank of Thailand Notification No. SorKorSor 2. 4/2563 Re: Market Conduct, which prescribes guidelines for the management of personal loans under supervision providing services to customers in various areas such as

- Corporate Culture and Roles and Responsibilities of Board Directors and Senior Management
- Product Development and Client Segmentation
- Remuneration Scheme
- Sales Process

- Communication and Training
- Data Privacy
- Problem and Complaint Handling
- 3 Lines of Defense and
- Operation and Business Continuity

In addition to comply with the Bank of Thailand Notification Re: Market Conduct, personal loan business operators under supervision the business operators must comply with the regulations on disclosure of information on credit quality, provide services and products and additional practices as follows:

- Announcement of interest rates, fines, fines, service charges, any fees and any expenses related to personal loans under supervision

(1) The business operators must disclose details about interest rates, penalties, fines, service charges, fees and actual paid expenses that is deemed to be appropriate on the day prior to the effective date on interest rates, fines, fines, service charges, any fees and expenses.

The business operators must have a process to ensure that consumers clearly understand and are aware of such details, for example, publicly posted at all offices, on the website, or other channels of the business operators.

(2) The business operators must keep the original collection of interest rates, fines, fines, service charges, fees, and expenses as actually paid expenses that are deemed to be appropriate whether in the form of documents or storage media via computer or in any forms for a period of not less than 10 years from the effective date on which interest rates, fines, fines, service charges, any fees, actually paid expenses that are deemed to be appropriate to provide to consumers, courts or government agencies upon request.

(3) The business operators must inform details of interest rates, fines, fines, service charges, any fees, and actual and reasonable expenses actually which are in effect at that time consumers or persons that are willing to receive personal loans under supervision or requests to increase loan limit in the prospectus, application, and contract or in any other documents related to the application for

a personal loan under supervision or request for an increase of loan limit.

- Preparation of debt obligations table

For the consumers to get clear information, business operators must prepare a debt obligations table for each consumer. It shall show details of the information in installments, which each installment shall consist of the amount of money that the consumer must pay separately as principal, interest, and outstanding principal amount. This must be provided to consumers upon entering into an agreement for a personal loan under supervision or when such loan is approved.

- Debt payment and debt collection process

(1) (1) In case there is a charge of interest, other service fees, and penalties or expenses on outstanding debts, the business operators must show the details of the calculation of such items in the invoice.

(2) Business operators must notify consumers of debt default before taking legal enforcement of debt repayment or before proceeding with the sale of a registered vehicle as collateral, transfer, or taking any other action to pay off the debt provided. There must be sufficient time for consumers to review and dispute such items.

(3) The business operators must operate fairly to consumers by referring to fair value as specified by financial reporting standards for the sale, acceptance of transfer, or any other action in order to bring the registered vehicle as collateral to pay off the debt. If the value of the vehicle registered as collateral for debt repayment is greater than the outstanding debt, the business operator shall return the surplus money to the consumer.

- Change of Loan Type

The business operators must not transfer the debt arising from a personal loan under supervision to current account debt or debt under other types of loan agreements unless the consumer gives consent. For debts under personal loan under supervision that have not

been transferred to current account debt, the interest will not be compounded on the principal and interest.

- Consumer Data Management

(1) (1) Business operators must focus on providing accurate and complete information about consumers and should be aware of all the liabilities of the consumers to evaluate and approve the loan limits under supervision, including appropriate increasing loan limits and aligning with the ability of the consumer to pay the debt. The business operators can use information from reliable central sources or other sources to verify consumer information such as personal history, total loan limit received, the total number of other business operators where consumers received personal loans under supervision, liabilities, and other information. The business operators may communicate to the consumer to acknowledge all the debt obligations of the consumer as information for making a decision to apply for a loan or to increase the personal loan limit under supervision.

(2) Business operators must keep consumer information confidential. However, there are some exemptions: disclosure with written consent from the consumer, disclosure in line of duty or to facilitate an investigation or court proceeding, disclosure to the auditor of such non-bank, sending loan information to a loan information company under the law governing credit information business or disclosure for the purpose of complying with the law.

- Handling of Complaint

Business operators are required to conduct investigations when consumers file a complaint about the use of supervised personal loans and notify the progress of the inspection results including clarifying the steps to take action to the consumer within 7 days from the date of receiving the complaint including completing the resolution of the complaint and notify consumers as soon as possible.

Reporting Information to the Bank of Thailand

The business operators of personal loans under supervision that are non-financial institutions must prepare a report to be submitted to the Bank of Thailand in the form and time period specified by the Bank of Thailand. This includes preparing a financial services fee report, submission of annual financial statements that have been audited by an auditor and signed to certify the accuracy by the authorized director of the personal loan under supervision business that is a non-financial institution to the Bank of Thailand within 180 days from the end of the accounting period and preparation and submission of additional reports and information on a case-by-case basis as requested by the Bank of Thailand.

Determining additional conditions, amendment, suspension, or revoking the license of the business operator

In case a personal loan under supervision business is a non-financial institution, the Bank of Thailand is eligible to request to fully or partially amend or temporarily suspend operations in the personal loan business under supervision. The Bank of Thailand may prescribe rules, procedures, or other conditions for personal loan business operators under supervision that are non-financial institutions to comply with.

They may submit their opinions to the Minister of Finance to consider revoking the permission. In case the Minister of Finance revokes the permission, the operators of the personal loans under supervision that are non-financial institutions shall return their licenses to the Bank of Thailand within 15 days.

In addition, the loan agreement for the Company's personal loan is still under the control of the Committee on the Notification of the Contract Committee Re: Stipulation of Loan Business for Consumers as a Contract-Controlled Business B.E. 2565 (2022) which requires the companies who are business operators under the announcement to prepare a loan agreement in Thai language that can clearly be seen and read and must contain significant contract terms and conditions as follows:

- Details of interest rates and other fees as required by law, including notes on calculation methods must be attached to the agreement.
- Details of any fees or expenses in debt collection according to the rate announced by the Debt Collection Supervisory Board. However, there must be evidence or documents related to debt collection to be able to be examined.

- Conditions that the lender is eligible to change the interest rate but must notify the borrower in writing at least 30 days in advance or in an urgent case, notify via letter or electronic media or announced in a Thai daily newspaper prevalent in the country at least 7 days in advance. In case of publishing in the newspaper, such changes shall be notified again in a written form.
- Breach of any agreement terms that the lender is eligible to terminate the contract, the terms must be specified by the lender specifically mentioned and are more prominent than the general text. Before the termination of the contract, the borrower must be notified in a written form at least 30 days in order for the borrower to settle the breach of contract or breach of such conditions.
- Conditions relating to the right to distribute or transfer claims in the agreement, the lender and the transferee must notify the borrower and guarantor (if any) in a written form in advance of at least one installment of the loan or interest payment or period of interest calculation or must obtain the consent of the borrower. Except in case there is a law specifically stipulating that no notice or notice must be given to the borrower or obtaining consent from the borrower.
- In case a loan agreement is scheduled to be paid in installments and the borrower is willing to fully pay all debts at once. Lenders must not charge interest on loans that are not due under the contract and return the collateral assets (if any) within 7 days from the date the lender receives the full payment and attach the debt obligations table to the agreement.
- In case the law or contract requires the lender to send notice in writing The lender must send notice by registered mail to the borrower and the guarantor (if any) as contained in the contract or according to the latest change notification unless the borrower or guarantor is willing to receive a notice by email. The borrower and the guarantor must notify the lender in a written form or by email.
- In case the lender has to store the personal information of the borrower and will disclose that information to third parties, written consent from the borrower must be obtained on a case-by-case basis.
- In the case the loan agreement requires a guarantor, the guarantor agreement must contain a warning to the guarantor in the Thai language that can be easily seen and read and attach a warning for the guarantor to the agreement.
- The agreement made between the lender and the borrower must not use the agreement terms that included the nature or meaning as follows:
 - (1) A term that excludes or limits the liability of the lender for breach of contract.
 - (2) A term that gives the lender the right to terminate the contract with the borrower or require the borrower to fully or partially pay all debt before the expiration of the agreement in which there is no default payment by the borrower or breach of an agreement or fails to comply with or perform any agreement terms or obligations in the agreement.
 - (3) A term that gives the lender the right to terminate the contract between the borrower without written notice to the borrower.
 - (4) A term that gives the lender the right to change the interest rate, service rates, and other expenses related to the loan agreement unless any changes in interest rates must be notified to the borrower in a specified written form.
 - (5) A term that requires the borrower to make an insurance policy or life insurance except for the loan for housing or having assets as collateral. However, the lender must make an insurance policy, clearly specifying the premium amount separately, and deliver the insurance policy to the borrower if premiums are paid in installments, specify the amount of premiums to be paid in the repayment table attached to the agreement.
 - (6) A term that the lender is eligible to charge penalties or fees from the borrower to fully or partially of the debt before the contract period except for housing loans where the borrower receives a lower interest rate than usual, and the borrower intends to make full payment in order to change the lender within 3 years from the date of the agreement.

Interest on defaulting debt

- Calculation of the interest on defaulting debt
 - For installment loans and revolving loans, the loan service provider can charge default interest rates higher than the normal maximum interest rate actually charged as specified in the agreement by not more than 3 percent per year. This must be evaluated from the relevant and appropriate factors and must disclose the default interest rate as specified by the Bank of Thailand. In addition, the personal loan service provider under supervision, which the law specifies the maximum rate of interest, fines, service charges, and any other fees must comply with the specific law.
 - For the loan with installment payments the service provider must calculate the default interest on the basis of the principal of the installments that the debtor owes in each installment until the court accepts the lawsuit. Filing a case in court the overdue period must be over 90 days from the due date. Unless there is a necessity that significantly affects the position of the debtor by virtue of the agreement in the agreement or by law. The service provider may file a case in court before the 90-day overdue period. Moreover, in the case of a revolving loan, the service provider must calculate the default interest on the basis of the full defaulted amount.
 - The service provider must specify a grace period to not charge default interest in case the debtor may have force majeure causing an inability to pay debts on schedule which can be set as the internal rules of the service provider.
- Debt Repayment
 - In case the loans with installment payments, the service provider uses the money received to pay off the debt according to the amount of debt each installment by deducting fees, interest, and principal of the debt amount that the debtor has been overdue for the longest time first and then gradually cut off the outstanding amount

of debt, respectively (horizontally cut off debt). In the case of revolving loans, the service provider can use the received money to write off the debt by cutting off all outstanding fees, interest, and principal.

- Principles of debt payment for installment loans and revolving loans shall also be applied to debt restructuring debtors who have defaulted during debt restructuring. The service provider can perform actions that are more beneficial to the debtor than the aforementioned criteria.
- Other rules
 - The service provider must notify and clarify the details of each item that the debtor has to pay or will collect from the debtor. In this regard, they shall comply with the Bank of Thailand Notification Re: Market Conduct
 - The service providers who sell or transfer debt must submit all information related to the debt sold or transferred, such as the agreement, debt repayment table including payment history and outstanding debt to service providers who buy or accept a transfer of debt. The service providers who buy or accept debt transfer can continually charge default interest and debt payment sequence from the original service provider.

Practice Guidelines and Disclosure of Information on Interest Rates, Service Charges, and Penalties for Financial Products and Services

- Scope
 - (1) The collection of interest, service charges, and fines from customers are appropriate. The price or rate specified must be fair, not taking advantage of customers no duplicate charges consider the actual costs incurred from the provision of products or services such as capital in finance cost of risk services, operating costs, or other costs that the service provider can demonstrate to be relevant or necessary to take part in determining the price or rate. The service provider must not include actually paid expenses and deemed to be reasonable with the amount of the outstanding debt to calculate interest and other fines.

- (2) The calculation principles and bases used in calculating service charges and penalties are reasonable and in accordance with the factors that cause the cost of each item as well as other factors that the service provider can demonstrate to be relevant or necessary for the evaluation.
- (3) Charge a service fee prorated for the actual service time. In case the service providers charge service fees for using products or services from customers in advance and at a later time the customer notifies the cancellation of the service before the expiration of the period for which the service fee has been paid the service provider shall return the service fee in proportion to the period of time that the customer has not used the service. The service provider can consider deducting actual costs or expenses from such service fees before giving the refund to the customers.

In addition, the service provider must specify the principles or conditions for refunding services by clearly notifying the principles or conditions for refunding the service to customers and must inform the customer about the way to return the service. Service providers should consider selecting a method for refunding services that are free of fees or expenses as the first priority. However, if the service provider needs to use other channels or the customer wishes the service provider to return the service fee through other channels which may have fees or related expenses. The provider shall also inform the customer of any fees or charges that the customer may be responsible for.

- (4) Do not push the burden or create unreasonable burdens on the customers. The ability of the customer to repay must also be taken into account. The service provider must not charge for service fees resulting from normal internal operations or the risk management of the service providers themselves without creating additional benefits for customers.

- (5) Disclose information about interest, service charges, and penalties to customers accurately, completely, clearly, and up to date. To provide customers with information to make decisions in choosing products or services.
- (6) The service providers must take care and communicate to business partners and business support service providers acting on their behalf, such as outsourcers or financial agents (Agents) of their intentions in ensuring that the service fee rates are set, the customers will be charged fairly for services and do not take advantage of customers which may be referred to or considered from the general service charge rates and should focus on the benefit of the customer. The service providers shall not create a burden on the customers. It must not impair the quality of service received by the customer or pass on the general expenses of the service provider to the customer. Moreover, the business partners and business supporters of the service providers acting on their behalf must disclose information about service fees related to providing services to customers accurately, completely, clearly, and up-to-date.

5.2.1.2 Significant laws relevant to the loans that are not supervised by the Bank of Thailand.

In the car hire purchase business 2522 (and its amendments) ("Consumer Protection Act"), Notification of the Contract Committee re: Prescribing Hire Purchase Business for Cars and Motorcycles as a Contract Controlled Business dated September 22, 2022, and the Notification of the Committee on Contracts on letting the hire-purchase business of electrical appliances be a contract-controlled business, B.E. 2544, effective from July 1, 2001, which can be summarized as follows:

Vehicle Hire Purchase Business with the Register Books Transferred

Car and motorcycle hire purchase business is under the supervision of the Office of the Consumer Protection Board as it is a contract control business set by the Board of Contracts under the Consumer Protection Act. The

business operators must comply with the act to protect consumers. The significant agreement terms and conditions must be as follows:

- Specify the make, model, engine number, and chassis number, the condition of the car or motorcycle whether it is a new car or a used car and the distance traveled including contingencies of cars or motorcycles (if any).
- Specify details about the cash price, booking amount, down payment amount, remaining cash price fixed annual interest rate (Flat Interest Rate), effective interest rate per year, number of installments, the total amount of hire purchase, amount of hire-purchase paid in each installment, the amount of VAT paid in each installment, set the installment payment period.
- Specify details of the method for calculating the amount of hire purchase, amount of hire purchase, the amount of interest paid, and the amount of VAT paid in each period including a table showing the debt obligations under the hire purchase agreement for each hirer by showing the details as prescribed by the announcement.
- Prepare a table showing the debt obligations under the hire purchase agreement for each hirer by showing details about the number of installments of the hire purchase that must be paid, the day, month, year of payment, details of the amount in each installment and the outstanding amount of hire purchase including the discount that the hirer will receive to deliver to the hirer with the hire purchase agreement.
- Specify details about the rates of fees or any expenses in the collection of hire purchase debt that the Debt Collection Supervisory Committee announced under the law on debt collection.
- Specify the agreement terms for changing the lease contract as requested by the hirer. The cost is charged only as much as the owner actually spends as necessary and reasonable, but not over 2,500 baht.
- Specify an agreement term that the ownership of the hired car or motorcycle becomes the hirer's right when the hirer pays the hire purchase including the full amount of expenses that the owner requests and register the change of ownership of the car or motorcycle within 30 days from the date the owner receives all the necessary documents for registration. Unless there is an obstruction in which such transfer cannot be registered which is the fault of the owner.
- Specify the agreement terms that the owner is eligible to terminate the agreement. In case the hirer fails to pay the installment for three consecutive installments and the owner has a written notice sent to the hirer to pay the installment overdue within at least 30 days from the date the hirer received the letter and the hirer fails to comply with the notice. However, when the owner exercises the right to terminate the contract and possesses cars or motorcycles before taking the car or motorcycle out for sale by auction or by an appropriate auction method the hirer has the important duties as follows:
 - (1) There is a written notice to the hirer and the guarantor (if any) at least 30 days in advance so that the hirer can exercise the right to buy first within 20 days according to the amount of the outstanding debt. The owner must give a discount to the hirer as specified.
 - (2) Notify the hirer and the guarantor (if any) in a written form not less than 15 days before the auction date. In case the owner can sell the car or motorcycle and the price is higher than the amount of debt that is missing, the owner must return the surplus to the hirer. In case the price is less than the outstanding debt under the hire-purchase agreement, the hirer is liable for the difference.
- There is a letter informing about the name of the seller, date, place of sale, selling price, and details of expenses relating to the sale, to the extent that it has actually been paid as necessary and with reasonable grounds including the excess amount returned to the hirer or the amount that the hirer is liable for the difference for the hirer to acknowledge within 15 days from the date of sale.
- The owner must not enter into a bid directly or indirectly by means of an auction of the car or motorcycle.
- Specify the agreement terms that specify the discount to the hirer, in the hirer is willing to close the hire purchase account by fully paying off the hire purchase debt at once to close the hire purchase account and not pay installment

payments on a periodic basis under the hire purchase agreement. The owner must provide a discount to the hirer as follows:

- (1) In case the installments have already been paid for no more than one-third of the hire-purchase installments specified in the agreement, they will receive a discount of not less than 60 percent of the unpaid interest on the hire-purchase.
 - (2) In case the installments are paid for not less than one-third but not more than two-thirds of the hire-purchase installments specified in the agreement, they will receive a discount of not less than 70 percent of the unpaid interest on the hire-purchase.
 - (3) In case the installment has already been paid for more than two-thirds of the hire-purchase installment specified in the agreement, all discounts on the unpaid hire-purchase interest have been received.
- The agreement terms must not take advantage of consumers unreasonably or have the same meaning as follows:
- (1) A term that pushes the burden on the hirer to pay fees, taxes, or any expenses related to cars or motorcycles that occur before the hirer enters into a car or motorcycle hire purchase agreement.
 - (2) A term that requires the owner to charge a penalty in case the hirer fails to pay installments under the hire-purchase agreement exceeds the rate of 5 percent per year, calculated from the default amount.
 - (3) A term that requires the owner to change the guarantor except in case the guarantor is dead or the court has an absolute receivership order or is bankrupt or incompetent or a quasi-incompetent person.
 - (4) A term that requires the hirer to be liable to fully pay the debt according to the agreement in case the hired car or motorcycle is lost, destroyed, confiscated, attached, or confiscated without being the fault of the hirer. Except for the penalty fee or any expenses in demanding the purchase debt or the remaining value-added tax. However, only to the extent that the owner has actually spent, saving as necessary and

with reasonable grounds.

- (5) A term that requires the hirer to be liable for any payments in case the wonder terminates the hire purchase agreement and possesses the hired car or motorcycle. Except for fines, fees, any expenses in demanding the hire-purchase debt, or the remaining VAT. However, only to the extent that the owner has actually spent savings as necessary and with reasonable grounds.
- (6) A term that requires the hirer to accept the transfer of claims under the hire-purchase agreement or accept any additional obligations from the hire-purchase agreement without a written consent from the hirer.
- (7) A term that requires the hirer to collect money or expenses other than those mentioned in the announcement.

Home Appliances Business

The business of providing hire-purchase loans for electrical appliances is under the supervision of the Office of the Consumer Protection Board because it is a contract control business that the Committee on Contracts under the Consumer Protection Act sets. The business operators must comply with these in order to protect consumers. It must contain the significant agreement terms and conditions as follows:

- Specify the details of the brand, type, type, model, number, and condition of the electrical appliance whether it is a new or used product.
- Specify the agreement clauses that the ownership of the hire-purchased electrical appliances shall be transferred to the hirer immediately upon the full hire-purchase payment including any other money as specified.
- Specify the agreement terms that the owner will bring the installment to pay fees, taxes, or any other expenses paid by the owner on behalf of the hirer must notify the hirer in a written form in advance. The hirer does not bring that amount to pay within 7 days from the date of notification.
- Specify the agreement terms that the owner has arranged for the hirer to claim the right to comply with the warranty conditions for electrical appliances directly from the seller or manufacturer.

- Specify agreement clauses that the owner is eligible to receive benefits under the insurance policy in the amount of outstanding debt under the hire-purchase agreement only. The surplus from the outstanding debt is to be paid by the insurance company to the hirer.
- Specify the contract terms which set the discount to the hirer at the agreed rate at the time of the agreement. In case the hirer is willing to close the hire purchase account by fully paying the hire purchase amount at once and does not pay installment payments on a periodic basis under the hire purchase agreement.
- Specify the contract terms which require the owner to provide a written notice to the hirer not less than 30 days in case of termination of the agreement and any breach of the agreement by the hirer that the owner is eligible to terminate the agreement a clause must be stated clearly more than the general message.
- Specify an agreement clause that the guarantor has the right to continue as a hirer according to the outstanding debt under the hire-purchase agreement before the hirer exercises the right to terminate the contract in case the guarantor is willing to be a hirer.
- Specify the contract clauses that determine the liability of the hirer in case the owner terminates the hire purchase agreement and possesses the hire purchase electrical appliances for sale to other people and receives the money less than the outstanding debt according to the hire purchase agreement, the hirer must be liable for the difference only in the case of selling by an appropriate auction. The owner must notify the hirer in a written form not less than 7 days in advance.
- Specify the contract clause which requires the hirer to be liable to pay for the costs related to the debt collection, tracking hire purchase appliances, attorney's fees, and others related to the default of the hirer or taking possession of the hired purchase electrical appliances of the owner due to the termination of the agreement. However, only to the extent that the owner actually spent for such purposes as necessary and with reasonable grounds.
- Specify an agreement that the owner will send a written notice by registered mail to the hirer at the address specified in the agreement or the address that was last notified in a written form.
- Agreement terms must not take advantage of consumers unreasonably or have the same meaning as follows:
 - (1) An agreement term that requires the hirer to be liable in case of damage to electrical appliances by force majeure or any reason unless the owner can prove that it is the damage caused by the hirer own fault.
 - (2) An agreement term that excludes or limits liability arising from the breach of contract of the owner.
 - (3) An agreement term that excludes or limits the liability of the owner for defects of electrical appliances which is not in accordance with the law
 - (4) An agreement term that excludes or limits the liability of the owner to the hirer or to third parties in case of loss or damage due to defects of electrical appliances unless the hirer already knew at the time of the hirer purchase or should have known so if he had exercised the expected caution, but prudent or the defect is evident at the time of delivery and the hirer accepts the electrical appliances.
 - (5) An agreement term that the hirer is eligible to terminate the contract in case the hirer fails to pay less than 2 consecutive installments.
 - (6) An agreement term that gives the owner is eligible to terminate the agreement with the hirer or request the hirer to pay all or partially debts before the expiration of the agreement whereby the hirer does not default on payment or breach of an agreement or any of the material terms of the agreement.
 - (7) An agreement term that requires the owner to charge interest, fines, or any other expenses in case the hirer has defaulted on the total payment of more than 15 percent per year.
 - (8) An agreement term that requires the owner to request the hirer to change the guarantor unless the death of the guarantor or the court orders of absolute receivership or bankruptcy or being an incompetent or a quasi-incompetent person.

5.2.1.3 Debt Collection Law

In following up and collecting debt from the debtor, the Company must comply with the Debt Collection Act B.E. 2558, the Debt Collection Supervisory Committee's announcement, Re.the number of times to contact for debt collection dated 30 July 2019 and the Announcement from Debt Collection Supervisory Committee, Re. Determination of Rates of Fees or Any Expenses in Debt Collection dated August 13, 2021, which can be summarized as follows:

- Debt collectors are prohibited from contacting other persons who are not debtors for debt collection purposes except the person specified by the debtor for debt collection. Contacting with other persons can be done for the purpose of inquiring or confirming information about the place of contact of the debtor or persons specified by the debtor only for debt collection purposes which must comply with the methods and procedures prescribed by law.
 - In case of contacting the debtor in person or by post, the specified location or person by the debtor shall be used as a first contact. In case such person did not notify in advance or the location that has been reported cannot be contacted and the debt collector has proceeded with multiple attempts, the next contact is the domicile, residence, or workplace of the debtor.
 - Contacting by person, telephone, electronic media, or other types of information technology media within the date, time, and the number of times specified by the announcement.
 - In case an attorney from the creditor, the attorney-in-fact for debt collection, debt collection business operators, or an attorney from a debt collection business operator, the debt collector must inform the name and surname. or the name of their agency and the creditors and the amount of the debt. If the attorney collects the debt in person, the proof of authorization to collect the debt must be shown.
 - In case the debt collector requests payment of a debt, the debt collector must present proof of authorization to receive payment from creditors to the debtor or a person specified by the debtor for debt collection. When the debtor has paid the debt to the debt collector, the debt collector shall issue a receipt as evidence of debt repayment to the debtor.
- A debt collector is prohibited from collecting debt in the following manners:
 - (1) Threats, violence, or any other action that causes damage to the body, reputation, or property of the debtor or others.
 - (2) The use of words or language that insults the debtor or others
 - (3) Notifying or disclosing the information of the debtor's indebtedness to others who are not involved in debt collection except in the case where the other person is the husband, wife, ascendant or descendant of the debtor and such other person inquired the debt collector about the cause of the agreement by allowing the debt collector to clarify information about the debt as necessary and as appropriate.
 - (4) Contacting the debtor by postcard, unsealed documents, facsimiles, or anything else that clearly conveys that it is a debt collection except in the case of notice forcing the mortgage by means of a newspaper announcement. The creditor cannot contact the debtor by other means.
 - (5) The use of text, signs, symbols, or the business name of the debt collector on the envelope when contacting the debtor lead to the understanding that as a debt collection unless the business name of the debt collector does not indicate that it is a debt collection business operator; and
 - (6) Improper debt collection in other ways as required by law. A debt collector is prohibited from collecting debt in a false manner or in a manner that causes misunderstanding as follows:
 - (1) The display or use of a message, sign, symbol, or uniform that is believed to be an act of the court, government official, or agencies.
 - (2) The display or use of statements that lead to believe that the debt collection is proceeded by a lawyer at a lawyer's office or law firm.
 - (3) Expression or a statement to make one believe that he will be prosecuted or will be subject to seizure of property or salary; or

- (4) contact or presence that leads to the belief that the debt collector acts for a loan information company or hire a credit information company.
- A debt collector is prohibited from collecting debt in an unfair manner by collecting any fees or expenses more than the rate specified by law or offering or persuading the debtor to issue a check despite the knowledge that the debtor is in a position of being unable to pay the debt.
- When the debtor defaults on payment and the debt collection is proceeded, the debt collection may charge any expenses for debt collection according to the debt collection cycle starting from the default payment date of that period until the due date of the next debt payment period. The counting of such period must not be less than one month which can be collected at the rate announced specifically for debtors who are overdue more than one installment.
- and are overdue debts or accumulated due debts of more than 1,000 baht and are prohibited from charging any fees or expenses for debt collection after receiving the full amount of debt or the agreement has been already terminated according to law.

5.2.1.4 Consumer Protection Act

The business operations of the Company is in connection with the Consumer Protection Act B.E. (amended version) (Consumer Protection Act B.E. with the objective to determine the right of consumer and the obligations to be performed by manufacturers or service providers Consumer Protection Can determine the need to claim the rights of consumers, which can be summarized as follows:

- The determination of protected consumer rights includes:
 - (1) the right to receive accurate and sufficient information and descriptions of quality relating to goods or services.
 - (2) the right to have freedom in choosing goods or services
 - (3) the right to receive safety from the use of goods or services
 - (4) the right to be fair in contract and
 - (5) the right to be considered and compensated for damages
- Determining the right of the Consumer Protection Board to order in cases where a specific law does not authorize the authority in that specific law to issue consumer protection orders except in the case where such law already has a competent official. The Consumer Protection Board may authorize the competent official under the law on such matters to exercise their authority under the Consumer Protection Act instead of the Consumer Protection Board for specific matters.
- Consumer protection in regard to the agreement, the Contract Committee shall have the power to prescribe any business to be a contract-controlled business. If in the business of selling products or providing services, sales contracts or service contracts are required by law in a written form or as usual, traditionally made into a book. In conducting a business that controls the contract, the agreement that the business operator has with the consumer must contain necessary contractual clauses which, if not used, the consumer would be unreasonably disadvantageous to the business operator. Moreover, unfair terms must not be used in the agreement. The terms must be in accordance with the rules, conditions, and details of the agreement form prescribed by the Contract Committee.
- In case the Contract Committee prescribes that any contract of a contract-controlled business must contain any contract terms or must use any contract terms with conditions for using those contract terms as well as the contract does not use such contract terms or uses such contract terms but does not comply with the conditions, it shall be deemed that the contract uses the said contract terms or the said contract terms under those conditions. However, in case the Committee on Contract prescribes that a contract of a contract-controlled business must not contain any contract terms, and the contract uses such contract clauses it shall be deemed that such contract does not contain such contract terms.

5.2.15 Personal Data Protection Law

The Personal Data Protection Act B.E. 2562 (“PDPA Personal Data Protection Act”) aims to protect personal data from the collection, use or disclosure of personal data by data controllers, and the processor of personal data. Personal Data Controller and personal data processors according to the Personal Data Protection Act means as follows:

“Personal Data” means information about an individual that enables it to be directly or indirectly identified but does not include information on the deceased in particular; and

“Personal Data Controller” means a person or juristic person who has the authority to make decisions regarding the collection, use or disclosure of personal data; and

“Personal Data Processor” means a person or juristic person who carries out the collection, use or disclosure of personal data in accordance with the instructions or on behalf of the data controller. However, such persons or juristic persons are not personal data controllers.

The Personal Data Protection Act under the supervision of the Personal Data Protection Committee which is responsible for supervising and taking any action to protect personal data by the Personal Data Protection Act has set conditions for the processing of personal data from the collection, use, and disclosure of personal information including the determination of various measures such as

- The collection of personal data will only be stored as necessary under the data controller’s legitimate purposes.
- Before the data collection the personal data controller must notify the data owner before or during the collection of personal data as follows:
 - (1) Purpose of collection for use or disclosure of personal data
 - (2) Necessity for data collection and the possible consequences of not providing information.
 - (3) Determine the period of data collection.
 - (4) The categories of persons or entities to whom the collected information may be disclosed.
 - (5) Information about the controller of personal data
 - (6) Rights of the data subject according to the Personal Data Protection Act

- The collection, use, or disclosure of personal data can only be done with the consent of the data owner. To request for a consent must be made explicitly via a written form or email. The collection, use, or disclosure of personal data must be for the purposes that the personal data owner has been notified of before or during the collection of personal data unless it is a collection that is exempt by law, etc.
- Collecting information is proceeded to prevent or suppress a danger to a person’s life, body, or health, collecting information for the performance of contracts or legal duties of the data controller, etc.
- Sending or transferring personal data abroad the destination country or international organization that receives the personal data must have adequate personal data protection standards. It must be in accordance with the personal data protection rules announced by the Personal Data Protection Committee. unless exempted by law.
- The owner of the personal data has the right to request access to and obtain a copy of the personal data concerning him/her which is under the responsibility of the data controller or request disclosure of the acquisition of such personal data for which he/she has not given consent unless the personal data controller refuses a legal request or a court order that accessing and obtaining a copy of that personal data will have an effect that may damage the rights and freedoms of others.
- The owner of the personal data is eligible to request the controller of the personal data to proceed and send or transfer their personal data to another data controller: the right to object to the collection, use, or disclosure of your personal data The right to request the personal data controller to delete or destroy or suspend the use of their personal data, etc.
- In the course of the Company’s operations, it is necessary for the Company to collect, use or disclose information of customers, business partners, employees, or third parties that are personal information, and the Company may be a data controller for personal information, collection use or disclose personal data for any activity or many activities according to the Personal Data Protection Act.

As a result, the Company is obligated to act in accordance with the rules set forth in the Personal Data Protection Act as a data controller and/or a data processor.

However, the Personal Data Protection Act regarding the collection, storing, and use of personal data, was effective as of June 1, 2022. Therefore, the personal data that the Company has collected before the Personal Data Protection Act is also effective.

The Company will be able to continue collecting and using that personal information according to the original purpose but must specify methods for revoking consent and disseminating such information to the data owner who does not wish the data controller to collect and use such personal data can easily revoke their consent.

5.2.2 Summary of significant agreements in business operations

5.2.2.1 Agreements related to hire purchase loans services for "Home Appliances" and "Commercial Appliances".

The Company provides hire purchase loans for home appliances such as refrigerators, washing machines, water filters, etc., and commercial appliances such as freezers, beverage coolers, vending machines, coffee makers etc.

The Company uses a standard agreement form to provide loan services and debt guarantee. The agreement for hire purchase of mentioned appliances has an agreement period of not over 48 installments and for hire purchase of commercial appliances of not over 72 installments. The agreement has details of terms and conditions are as follows;

(1) Hire purchase agreement s for home appliances and commercial appliances

Parties	: SG Capital Public Company Limited ("Owner") Loan recipient ("Hirer")
Key Terms	: <ul style="list-style-type: none"> The Hirer has checked the suitability of the service usability as well as the quality of hire purchase asset along with accessories to meet the satisfaction and accepted the hire purchase asset from the Owner in good and functional condition on the day of the Hire purchase agreement. The Hirer will not sell, transfer, pledge, rent, lend the hire purchase asset, create an obligation or cause the right of retention or allow others use or store the hire purchase asset in other locations than the one that is informed to the Owner. The asset will not be used or involved in any illegal acts. The Hirer has an intention to fully settle the payment at once to close the account of the hire purchase agreement. The Owner will offer a specified discount to the Hirer.
Cancellation / Termination	: <ul style="list-style-type: none"> The Hirer defaults on 2 consecutive installments of the hire purchase agreement, the Owner has issued a written notice to the Hirer to settle the outstanding amount within not less than 30 days and the Hirer does not comply with the notice. Death of Guarantor, absolute receivership, bankruptcy, a incompetent or a quasi-incompetent person and the Hirer does not place a new, equivalent Guarantor to the former Guarantor within 30 days The Hirer is appointed for absolute receivership, insolvency or bankruptcy by the court or the Hirer has modified or allowed others to proceed modifications, elaboration or other actions to the hire purchase asset causing the deterioration and reduction of the hire purchase asset value beyond normal use or the Hirer conduct in the circumstances to take the hire purchase asset out of the kingdom or seized, detained or forfeited the asset. The Hirer breaches one of terms and conditions of agreement

Consequence of Default	: <ul style="list-style-type: none"> The Hirer defaults the installment of the hire purchase agreement, the Hirer is obliged to pay for debt collection expenses and the interest of the outstanding amount at the rate of not over 5 % per annum of the outstanding amount or in accordance with the announcement of the Office of the Consumer Protection Board or Bank of Thailand Hire purchase of an online top-up machine for mobile phones or other products with top-up online service, the Hirer allows the Owner to deduct the money from the money system or electronics system available in the online top-up machine.
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(2) Guarantee agreement for hire purchase of home appliances and commercial appliances

Parties	: SG Capital Public Company Limited (“Owner”) Hire-purchase loan Guarantor (“Guarantor”)
Key Terms	: <ul style="list-style-type: none"> The Guarantor requests to guarantee in compliance with the hire purchase agreement by agreeing to commit to the Owner within the specified loan limit until the debt is fully settled to the Owner according to the hire purchase agreement. The Hirer fails to settle the payment and the Guarantor is willing to purchase the hire purchase asset or take over the hire purchase agreement. In case of taking over the hire purchase agreement, the Guarantor shall inform the Owner to set up the agreement and seek for a Guarantor for the hire purchase agreement before the Owner exercises the right to terminate the agreement. The Hirer is willing to transfer the rights and obligations under the hire purchase agreement to others. The Guarantor is informed and signed the right to transfer agreement and agrees to act as a Guarantor for the hire purchase agreement for the transferee. The Guarantor agrees to allow the Owner to proceed the debt generation under the hire purchase agreement or transfer of claims under the hire purchase agreement and agree to be bound to the right of claim. The Owner sends a notice to the Guarantor within 60 days from the date the Hirer fails to settle the payment and the Owner is not able to collect the payment from the Hirer before the Guarantor receives the notice.

5.2.2.2 Agreement for vehicle loan services Rod Tum Ngern

The Company provides vehicle loan services (“Rod Tum Ngern”) covering both vehicle registration books as collaterals and auto hire purchase with vehicle registration books transferred. The service covers trucks, passenger cars and commercial vehicles. The Company uses a standard agreement form to provide loan services and debt guarantees according to loan agreement. Rod Tum Ngern has a loan agreement period of not over 72 installments, with the key terms and conditions are as follow;

(1) Vehicle hire purchase loan agreement with vehicle registration books transferred

Parties	: SG Capital Public Company Limited (“Owner”) Loan recipient (“Hirer”)
Objective	: <ul style="list-style-type: none"> Owner agrees to provide the loan under hire purchase agreement and the Hirer agrees to hire a vehicle including equipment, accessories and replacements for the original, extension or add-on to the vehicle as specified in the agreement.

Repayment	: • In case the Hirer is willing to terminate the agreement before the expiration of the agreement by fully settling the outstanding amount. The Owner shall offer a specified discount rate.
Key Terms	: • The Hirer shall inspect the conditions and usability of the vehicle before entering into the hire purchase agreement. The Owner is not obliged to take any responsibility for any damages of the vehicle. • The Hirer is responsible for all kinds of loss or damage and must not modify the vehicle without the prior written consent of the Owner. • The Hirer must not take any actions that causes deterioration or damage to the ownership of the vehicle, or take the vehicle out of the kingdom of Thailand or allow it to be freed from the Hirer's possession or control (unless the Hirer operates a vehicle rental business) or causes any damages to vehicle, alters, creates an obligation, sells, or incurs any liabilities over the vehicle. • The Hirer must insure the vehicle with the insurer as agreed by the Owner. The insurance coverage amount is not less than the remaining outstanding hire purchase agreement and the Owner shall be specified as the beneficiary of the insurance policy. • In case the Hirer complies with the terms of the agreement and has fully settled the outstanding amount, the ownership of the vehicle shall be transferred to the Hirer promptly. The Owner must register the transfer of ownership of the vehicle within 30 days from the date the Owner receives all documents completely. • In case the Owner terminates the agreement and takes possession of the vehicle, the Owner will notify the Hirer and the Guarantor in writing (if any) at least 7 days in advance before selling the vehicle to another person in order for the Hirer to exercise the right to purchase the vehicle at the specified price and discount.
Termination	: • In case the Owner does not receive the vehicle registration book because the Hirer does not inspect the vehicle or modify the vehicle and it is ineligible to be registered within 90 days from the agreement date. • The vehicle is lost, damaged or destroyed to the extent nor repairable or the Hirer acts or does not act in any ways that may damage or harm ownership rights of the vehicle or fails to comply with any terms, conditions and requirements. • The Hirer does not insure the vehicle or insurance premiums are not settled as scheduled and causes the insurance policy to be invalid. • The Hirer defaults on payments for 3 consecutive installments and the Owner has issued a written notice to settle the outstanding amount within not less than 30 days and the Hirer fails to settle the outstanding amount within the specified time. • The Hirer has insolvent debt or is appointed for absolute receivership or bankruptcy by the court. A liquidator, trustee or official receiver is assigned or the Hirer requests for a creditor meeting, transfer asset, composition, make a settlement to the creditor or resolve for the liquidation or file a repetition for the liquidation or request for the receivership, garnishment through the court or agree to confiscate the vehicle according to any executions. • The Hirer is willing to terminate the agreement by delivering the vehicle in repaired condition or in the same condition as received along with equipment and all spare parts to the Owner and settle any outstanding amount or contractual debt immediately.
Consequence of Termination	: The Owner forfeit the payment that has been settled and take possession of the vehicle. The Hirer must return the car with all components, equipment and spare parts to the Owner immediately.

(2) Guarantee agreement to guarantee loan repayment according to a vehicle hire purchase agreement with Ownership transfer

Parties	: SG Capital Public Company Limited (“Owner”) Hire purchase loan Guarantor (“Guarantor”)
Key Terms	: <ul style="list-style-type: none"> The Guarantor requests for a guarantee against the Owner in liquidation and responsibility of the Hirer and guarantees that the Hirer will settle each and every amount due including guaranteeing that the Hirer will comply with all terms and conditions. The Guarantor must not revoke, depreciate or consider that the obligation has been fulfilled until the Owner has received a complete payment from the Hirer. The Guarantor will pay and reimburse the Owner upon notice and/or demand in case the Hirer defaults on installment payment or the Hirer breaches of agreement. The Guarantor agrees to allow the Owner to set-off debts, deduct money and / or liabilities and / or sell the property of the Guarantor or the property that will be in the possess of the Guarantor in order to bring the money to settle the debt to the Owner under the responsibility of the Guarantor under this agreement. The Guarantor will settle the payment and reimburse the Owner when the Guarantor is notified and/or demanded by the Owner. A written notice will be issued to the Guarantor within 60 days from the date of default of the Hirer.

(3) Loan agreement with vehicle registration as collateral (personal loan with car registration as collateral)

Parties	: SG Capital Public Company Limited (“Lender”) Loan recipient (“Debtor”)
Loan Withdrawal	: <ul style="list-style-type: none"> The Debtor can withdraw the loan from the Owner only when the Debtor has presented the collateral to the Lender in order to guarantee the payment of debt including preparing documents for loan withdrawal as required by the Lender to the Debtor
Key terms	: <ul style="list-style-type: none"> The Debtor must provide insurance as requested by the Lender with the insurance company approved by the Lender with the sum coverage insured not less than the loan amount or not less than the amount of debt that the Debtor still owes and must specify the Lender as the beneficiary In case of a change in interest rates, the Lender must notify the Debtor in written form at least 30 days in advance. The Debtor will not transfer the ownership of the vehicle to third parties and/or create any obligations that may cause the Lender to lose the rights
Collateral	: <ul style="list-style-type: none"> The Debtor agrees to provide a person whom the Lender deems appropriate to enter into an agreement of guaranteeing the loan to the Lender. The Lender agrees to provide the car as collateral for loan repayment and / or any other debts owed by the Debtor to the Lender both at present and continue thereafter.
Term of Termination	: The Debtor does not provide insurance or default on insurance premium payment
Breach of agreement	: <ul style="list-style-type: none"> The Debtor fails to comply with the agreement, representation or agreement, including default on payment under this agreement or other debts of the Lender or default on payment to other creditors. The Debtor and/or the Guarantor are not able to pay debts that are due, sued or subject to execution and become incompetent quasi or end of legal personality or assigning others to act for the benefit of other creditors or acting as a bankrupt person or take any action in order to appoint an official receiver or to show consent and approval or accepting the process of appointing an official receiver or forced to pay debts or confiscated property.

	: • In case of a dispute over the ownership of the collateral or cause the Lender to lose the right to enforce the collateral or the Guarantor is released from liability for the guarantee or has notified the intention to terminate the guarantee agreement. • The collateral asset is no longer in a condition that can be used normally or subject to execution by other creditors or the asset value is reduced.
Consequence of Default	: • The Debtor defaults on payment according to the agreement and does not settle within the specified period in the written notice. The Lender is eligible to request the Debtor to pay the outstanding debt under the agreement and it shall be deemed that the Debtor breaches the agreement or any other debts to the Lender as well.

(4) Loan guarantee agreement to guarantee the repayment of debt with vehicle registration as collateral (personal loan under vehicle registration as collateral)

Parties	: SG Capital Public Company Limited ("Lender") Loan Guarantor ("Guarantor")
Terms	: • The Guarantor requests the Lender for a guarantee and guarantees that the Debtor will pay the amount due including guaranteeing that the Debtor will comply with all terms and conditions. • In the case that the Debtor breaches the agreement or the Lender does not receive payment or does not receive a full payment, the Guarantor must be responsible for debt repayment to the Lender including any damages or losses suffered or incurred to the Lender under the agreement. • The Guarantor agrees to allow the Lender to set-off debts, withdraw money and / or liabilities and / or sell the property of the Guarantor and / or that will become the property of the Guarantor in order to pay the debt to the Lender under the responsibility of the Guarantor under guarantee agreement. • The Guarantor must not revoke or deteriorate benefits or be deemed to have fulfilled the obligation until the debt of the Debtor has been fully settled to the Lender.

5.2.2.3 Agreements related to employee welfare loan service ("Debt Consolidation")

(1) Employee Welfare Loan Agreement ("Debt Consolidation")

The Company provides employee welfare loans ("Debt Consolidation"), which is a loan aimed at supporting private company employees with high debt burden. The employees shall calculate the total debt of credit cards, cash cards, and personal loans for employees in other organizations.

The Company will provide money to employees to pay off debts from other financial institutions. The Company uses a standard agreement form to provide loan services and debt guarantees according to loan agreements. The Employee welfare loan agreement ("Debt Consolidation") has a loan agreement term of not over 72 installments, with key details and conditions are as follows:

Parties	: SG Capital Public Company Limited ("Lender") Loan recipient ("Debtor")
Loan Objective	: In order for the Debtor to repay debt / close the loan account from other financial institutions or other creditors of the Debtor.
Duties of Debtor	: • Submit the proof of debt repayment / closing loan account to the Lender within 30 days. In case of credit card debt repayment, cash cards and/or personal loans from financial institutions, the Debtor will close the account, cancel the card, and card membership and will send proof to the Lender within 60 days from the date that the Debtor has settled payments to the Debtor's creditors or the date the Debtor received money from the Lender.

	<ul style="list-style-type: none"> In case the specified period is due, the Debtor agrees to fully pay the loan, interest, fees and other expenses to the Lender immediately.
Other key terms	<ul style="list-style-type: none"> In case the Debtor terminates or ends the employment agreement with the Employer for any reasons, the Debtor agrees to fully pay the loan, interest, fees and other expenses to the Lender immediately. However, this must not exceed 30 days from the date of termination of employment. The Debtor shall not terminate or revoke his consent under this agreement until the Lender has fully received the payment. The Debtor can repay / close the account before the expiry of the agreement but the installment must be paid at least 12 months from the date of the agreement. The Debtor must pay all remaining capital and interest, along with fees and other expenses to all Lenders. The Lender must be notified in advance for a period of not less than 1 installment.
Termination	<ul style="list-style-type: none"> The Debtor misuses the loan and/or has inappropriate behaviors or is not qualified for the loan. The Debtor provide false information for the loan application or fails to comply with any terms or conditions The Debtor defaults on the installment payment due regardless of the Lender or any persons or creditors. Change in the financial status of Debtor or income and debt obligations resulted in the consideration of the Lender that the Debtor has insufficient financial status for debt repayment and or the Debtor is in financial or any other issues which affect the Debtor's ability for debt repayment. The Debtor is insolvent, the court appointed the absolute receivership, deceased, disappeared or declared bankruptcy, legally incompetent or quasi-incompetent person.
Consequence of Default	<ul style="list-style-type: none"> In case the Debtor defaults on payment or fails to fully settle the payment, the Debtor agrees to the outstanding balance of the month and interest at the highest rate charged by the Lender at that time and / or any fees and penalties to be charged in the next accounting period.

(2) The guarantee agreement to guarantee debt repayment according to an employee welfare loan agreement ("Debt Consolidation")

Parties	<ul style="list-style-type: none"> SG Capital Public Company Limited ("Company") Loan Guarantor ("Guarantor")
Terms and Conditions	<ul style="list-style-type: none"> The Guarantor agrees to enter the guarantee agreement as a Guarantor for debt repayment including interest on compensation that the Debtor owes The Company as well as the encumbrance which is the instrument of debt under the loan agreement until the Lender receives complete repayment of the debt. The Guarantor agrees to be bound and comply with existing or to be existing terms and conditions of the employee welfare loan agreement (attached to this request),

5.2.2.4 Agreement for gold financing

The Company provides gold financing. The objective of the loan is purchasing gold whereby The Company will gradually purchase gold according to the amount and weight specified in the agreement. The Company will deliver the gold when the debt is fully repaid according to the loan agreement. The Company uses a standard agreement for providing loan services. The loan agreement of gold purchasing has a loan agreement period of not over 24 installments. The key details of the loan service agreement are as follows:

Parties	: SG Capital Public Company Limited (“ Company ”) Loan recipient (“ Debtor ”)
Loan Objective	: To purchase gold
Duties of Debtor	: <ul style="list-style-type: none"> • The Debtor shall not terminate or revoke his consent under this agreement until the debt has been fully settled. • The Debtor will be able to receive gold in the specified amount and weight of gold upon the fully payment of the capital, interest and fees as specified in the agreement or beyond what is specified • The Debtor agrees to that Lender distribute or transfer the right of claim in receiving loans, whether in whole or in part, to a third party. The Lender shall notify in writing not less than one installment of loan or interest payments.
Duties of Lender	: <ul style="list-style-type: none"> • The Lender will buy gold as required and maintain it until the Debtor completely settles the debt. It is deemed that the Debtor has put the gold as collateral for the loan under the agreement. • The Lender is not responsible for all certification, descriptions, properties, quality, suitability, warranties of the service of the Gold Shop or any person, defects including any obligations relating to gold
Termination	: <ul style="list-style-type: none"> • The Lender terminates the agreement due to the breach of loan agreement from the Debtor. • The Debtor defaults on loan payments or any other due amount that must be paid under the agreement. • False of guarantee, facts, information, and/or news and any documents provided by the Debtor for the agreement. • The Debtor defaults on any other debt payments, is prosecuted or subject to execution or to assign others to act for the benefit of other creditors or act as a bankrupt or take any action to cause the appointment of a receiver for himself or for his own property or become a legally incompetent, quasi-incompetent person or end of personality. • The collateral asset under the agreement is not in a condition that can be used normally or subject to execution by other creditors or has reduced in value. • The Debtor entered to the agreement to hide or disguise and/or for any other benefit in any illegal acts
Consequence of default	: <ul style="list-style-type: none"> • In case the Debtor defaults on any installment payment, the Debtor agrees to transfer ownership of the collateral to the Lender in order to pay off all outstanding debts, including any charges and/or fees. • In case the Debtor breaches one or more terms of conditions of the agreement under the cause of the termination, the Lender is eligible to terminate the agreement and enforce the collateral asset to pay the outstanding debt including interest, fees and any other expenses that the Debtor owes to the Lender.

5.2.2.5 Agent Appointment Agreement

(1) Agreement of appointing an agent (“Agent”) for car loan service (“Rod Tum Ngern”)

The Company has entered into an agreement to appoint an agent (“Agent”) who is responsible for procuring, processing and contacting customers who are interested in the hire purchase loan service with the transfer of ownership of the registration book and loans with vehicle registration as collateral. The Company uses a standard agreement to appoint an agent (“Agent”). The key details of the agreement are as follows:

Parties	: SG Capital Public Company Limited (“ Company ”) Customer provider (“ Agent ”)
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Commission	: The Company will set a monthly commission for agents at the rate of a percentage of the loan per agreement as specified in the agreement.
Duties of Debtor	: <ul style="list-style-type: none"> • Verify and follow up information, customer identification documents and countersign of related documents completely and submit documents related to the loan service agreement to The Company within the same day or the next business day from the acceptance date of documents from customers. • Agents cannot claim or collect any further expenses from customers.
Termination	: The agreement ends when the agent becomes an employee or conducts business in the same manner of The Company or becomes an employee of The Company's competitors or when the agent is convicted of a serious crime.

(2) Agreement to appoint a dealer (Dealer) for a vehicle loan service ("Rod Tum Ngern")

The Company has prepared a letter appointing a dealer who is a car dealer to recommend a car hire purchase loan service with vehicle registration book transferred to customers and submit the asset details and related documents to The Company. The Company uses a standard agreement to appoint a dealer. The key details of the dealer appointment agreement are as follows

Parties	: SG Capital Public Company Limited (" Company ") Car dealer (" Dealer ")
Commission Payment	: The Company will determine the commission for the dealer which is calculated as a percentage of the interest that The Company received under the hire purchase agreement.
Duties of Dealer	: <ul style="list-style-type: none"> • Submit documents for hire purchase agreement and receipt / tax invoice to The Company in order to approve payments for goods to the dealer. • Guarantee the usability of the car according to general conditions of general terms of business.
Duties of Company	: <ul style="list-style-type: none"> • The Company will provide loan support to dealers by purchasing cars from dealers to provide customers of the distributor for providing a lease or a hire purchase agreement. • The Company will provide loan services in areas throughout the Kingdom of Thailand except the specified provinces. • The Company will determine the interest rate from the qualification of the customer and loan amount.

(3) Memorandum of agreement with an employer for the debt consolidation project

The Company has entered into memorandums of agreement with various juristic persons having the status as an Employer with the objective to establish a welfare loan project for employees of the Employer in order to enhance and develop the quality of life of employees. The details of the memorandum of agreement for employee welfare loans are as follows:

Parties	: SG Capital Public Company Limited (" Company ") Juristic person which is the Employer of employee welfare loan customers (" Employer ")
Duration	: The agreement is effective until it is terminated by one of the parties. The party that is willing to terminate the agreement must notify the other party in writing at least 60 days in advance.
Duties of Employer	: <ul style="list-style-type: none"> • Ensure that employees sign a letter of consent to deduct or hand over salaries to pay off the loan until the debt repayment is completed as specified. The Employer must remit the deducted money to the Company within the day the Employer pays salaries to employees participating in the loan welfare project.

	<ul style="list-style-type: none"> • In case an employee resigned, retired or ended of personality or ended of the employment relationship by other causes or the salary of an employee is not enough to be deducted for the installment payment or the Employer is not able to deduct the salary of an employee for the installment payment, the Employer must notify the Company immediately • The Employer has no involvement in the terms and conditions of the loan and/or is not the Guarantor of the loan.
Duties of Company	<ul style="list-style-type: none"> • Providing project-based loan services to employees of the Employer. For those who are still in the employment relationship with the Employer. • Protect personal information of employees confidential. The information will not be published in whole or in part, forwarded and / or used to seek personal benefits whether commercially or doing anything that causes any damages to the Owner of the information.
Termination	<ul style="list-style-type: none"> • The Employer or employees of the Employer commit fraud or act of concealing the facts or intend to modify the documents.

(4) Memorandum of agreement on loan service for old purchasing project

The Company has prepared a memorandum of understanding with Majuleephijitgun Co., Ltd. a gold pellet distribution business. Gold Bars and Gold Jewelry Under the name yaowaratkrungthep This is a joint promotion program for customers of gold shops, which contains important details of the Memorandum of Understanding on the Gold Purchase Loan Service Project. as follows

Parties	<ul style="list-style-type: none"> • SG Capital Public Company Limited (“Company”) • Majuleephijitgun Co., Ltd. (“Gold Shop”)
Duration	<ul style="list-style-type: none"> • The agreement is effective until terminated by one of the parties. The party that is willing to terminate the agreement shall notify the other party.
Payment	<ul style="list-style-type: none"> • The Company will proceed with the payment to the Gold Shop within 7 days from the date of receipt of the invoice.
Duties of Gold Shop	<ul style="list-style-type: none"> • Publicize and recommend the project to customers and deliver the gold to the Company within 7 days from the date of receipt of payment • Verify the identity of the customer according to the details and documents received in order to deliver the gold to the customer at the agreed date and place. • Repurchase the gold traded according to the agreement at the price at the time of trading when The Company is willing to sell. • Responsible directly to the customers, in case of complaints from customers due to the fault of the Gold Shop and the Gold Shop must clarify and resolve such complaints
Duties of Company	<ul style="list-style-type: none"> • Proceed with documents for loan evaluation • Notify details of customer information of loan approval, purchasing gold, delivering gold repayment, selling gold to the Gold Shop • Deliver the stored gold to the Gold Shop when the customer has fully settled the debt.
Termination	<ul style="list-style-type: none"> • One of the parties is willing to terminate the agreement and notify another party in writing at least 30 days in advance. • In case one of the parties breaches the agreement and did not resolve the cause within 30 days from the date on which the party that was not in breach of the agreement received a written notice, another party is eligible to terminate the agreement claim for damages caused by breach of the agreement.

Consequence of Default Payment	<ul style="list-style-type: none"> • In case the Company defaults on the payment, the Company is obliged to the default interest at the rate of 3% per annum until the outstanding balance is fully settled. • In case the gold shop fails to deliver the gold within the specified period, the Gold Shop agrees to pay the fine at a rate of 3 % per annum until the gold is successfully delivered
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(5) Memorandum of agreement with Power Buy Co., Ltd. (“Power Buy”) on cooperation in providing loan services to customers

The Company has entered into a memorandum of agreement with Power Buy Co., Ltd. (“Power Buy”), a retailer of household appliances including various equipment necessary or related to such equipment in order to carry out a personal loan service project for the purchase of electrical appliances. The key terms of memorandum of agreement to provide loan services to customers are as follows:

Parties	: SG Capital Public Company Limited (“Company”) Power Buy Co., Ltd. (“Power Buy”)
Duration	: The agreement is effective until one of the parties is willing to terminate the agreement and notify another party in writing at least 30 days in advance.
Commission	: The Company will make payment of the service fee at the specified rate, calculated from the number of loan approval transactions.
Payment	: The Company will make the payment for the products within the 1st and the 16th of the month.
Duties of Power Buy	<ul style="list-style-type: none"> • Publicize and persuade customers to obtain the Company’s loan services and coordinate with customers so the Company is able to provide loan services according to the terms, conditions and loan limits of the Company. • Verify customer identity along with coordinating with customers to sign loan agreements including collecting and storing documents properly and completely in accordance with the forms, methods and conditions specified by the Company. • Deliver and install the product for the customer that the loan application approved at the expense of Power Buy in accordance with the method and delivery plan specified by Power Buy, and report the delivery of the product, including the delivery note and other related document to the Company • Power Buy is responsible in case the customer disputes that the product is not as described in the order and the customer denies to accept the product within 7 days from the date of delivery. • Power Buy is responsible for product defects according to the terms of the warranty for each type of product including all damages or any legal liability occurring to the product.
Duties of Company	: <ul style="list-style-type: none"> • Evaluating in providing the loan to customers by approving the loan limit according to the details, criteria and methods for loan approval determined by the Company and informing Power Buy of the results of the loan approval in order to deliver products to customers.
Termination	: <ul style="list-style-type: none"> • One of the parties is willing to terminate the agreement and notify another party in writing at least 30 days in advance. • In case one of the parties breaches the agreement and did not resolve the cause within 30 days from the date a written notice received from another party, another party has the right to terminate the agreement and claim damages for the breach.

	<ul style="list-style-type: none"> In case one of the parties is bankrupt or liquidated or out of business or caused by has a serious situation which impacts on the financial status of the party and may cause another party to be unable to comply with this agreement, another party has the right to terminate the agreement by notifying the other party in written form.
Consequence of Default : Payment	<ul style="list-style-type: none"> In case one of the parties breaches the agreement, another party is obliged to notify the party at fault to comply with the agreement within the specified period. In case the one of the defaults on payment or damage costs as agreed, the party at fault is obliged to pay the interest rate of 15% of the outstanding amount or damage cost per annum

(6) Memorandum of agreement with Home Hub Co., Ltd. (“Homehub”)

The Company has entered into a memorandum of agreement with Home Hub Co., Ltd. (“Homehub”), a construction material distribution business, home appliances and home decoration to carry out a personal loan service project for the purchase of electrical appliances, furniture, mechanic tools, kitchenware, electrical equipment, and home decoration equipment. The key details of the memorandum of agreement to provide loan services to customers are as follows:

Parties	: SG Capital Public Company Limited (“Company”) Home Hub Co., Ltd. (“Homehub”)
Duration	: The agreement is effective until one of the parties is willing to terminate the agreement. The party shall notify another party in writing at least 30 days in advance.
Payment	: The Company will make the payment for the product within the 15 th and the 30 th of the month.
Duties of Homehub	<ul style="list-style-type: none"> Publicize and persuade customers to use the loan services from the Company and coordinate with customers so the Company can provide loan services according to the terms, conditions and loan limits of The Company. Coordinate with customers to sign loan agreements including collecting and storing documents properly and completely in accordance with the forms, methods and conditions specified by the Company. Deliver and install products to the customers that the loan application is approved according to the method and delivery plan determined by Homehub and report the delivery of the product, including the delivery note and other relevant documents. Homehub is responsible in case the customer disputes that the product is not as described in the order and the customer denies to accept the product within 7 days from the date of delivery. Homehub is responsible for product defects according to the terms of the warranty for each type of product including all damages or any legal liability occurring to the product.
Duties of Company	: <ul style="list-style-type: none"> Evaluate the loan application of customers by approving the loan limit according to the details, criteria and loan approval methods set by The Company and notifying Homehub of the loan approval results in order to deliver products to customers.
Termination	: <ul style="list-style-type: none"> One of the parties is willing to terminate the agreement and notify another party in writing at least 30 days in advance. In case one of the parties breaches the agreement and did not resolve the cause within 30 days from the date another party has issued a notice letter. In case one of the parties is bankrupt or liquidated or out of business or caused by has a serious situation which impacts on the financial status of the party and may cause another party to be unable to comply with this agreement, another party has the right to terminate the agreement by notifying the other party in written form.
Consequence of Default : Payment	<ul style="list-style-type: none"> In case one of the parties defaults on payment of any debt damage costs under the agreement, the defaulting party is obliged to the interest at the rate of 5 % of the outstanding amount or damage cost per annum.

5.2.2.6 Outsourcing Agreement

(1) Service agreement for debt collection, repossession, litigation, prosecution, investigation and execution.

The Company hired an external company (Outsource) to follow up and collect debt, repossession, litigation, prosecution, investigation and execution. Including JMT Services Public Company Limited (“JMT”) for such services the key details of the agreement are as follows:

Parties	: SG Capital Public Company Limited (“Company”) External company (“Contractor”)
Duration	: 1 year, upon expiration of the agreement. In case no party is willing to terminate the agreement in writing within 30 days before the expiration date of the agreement. It is deemed that this agreement is renewed for another 1 year.
Commission	: The Company has determined to payment the commission to the Contractor in each scope of work provided at the rate specified in each agreement
Terms	<ul style="list-style-type: none"> • The Contractor must be fully qualified and obtain a license to operate a debt collection business issued by the relevant government office and must be registered as a lawyer office with the Lawyers Council. • The Contractor must be cautious and maintain the confidentiality and information of the Debtors and shall not disclose any information including after the termination of this agreement. The data will be retained for at least 5 years unless there is a written consent from the Employer. • The Contractor is responsible to follow up, collect debts, and seize the asset of the Employer from the Debtor assigned according to the rules, conditions and methods specified by the Employer. whereby the Contractor is not allowed to receive payment or any money from the Debtor. • The Contractor must not use the asset of the Employer or allow others to use and must be liable for any damages that occurred, in case the asset of the Employer is lost, damaged or delayed during in transportation, • The Contractor shall not employ any other person or not specified organizations to take over the work from the Contractor without a written consent from the Employer.
Termination	<ul style="list-style-type: none"> • Upon maturity according to the agreement period • One of the parties is willing to terminate the agreement and notify another party in writing at least 30 days in advance. • The Contractor is unable to deliver the work according to the goals defined in the agreement. • In case the Contractor is unable to present the debt collection business license issued by the relevant government agency to the Employer, the Contractor is liable for all expenses and/or damages occurring from actions that violate the Debt Collection Act B.E. 2558. • In case one of the parties breaches of the terms and agreement under the agreement, is out of business or the insolvency, receivership or an official receiver is appointed by the court.
Consequence of Termination	<ul style="list-style-type: none"> • The Employer can cancel the job as the Employer sees fit, the Contractor has no right to claim any expenses except in case the Contractor does not commit any wrongdoings. • The Contractor must terminate the contracted work along with delivering work and documents to the Employer and delete the information of Debtors of the Employer. • Both parties must settle the complete payment of the outstanding amount within 30 days from the date of the agreement termination. • In case of default on any payment, the defaulting party shall be liable to pay interest at the rate of 15% per annum of the outstanding amount from the date of default until payment is settled.

(2) Service agreement for tracking, repossessing, and taking possession of the vehicle

The Company hired an external company to follow up, repossess, and take possession of the vehicle. The key details of the agreement are as follows:

Parties	: SG Capital Public Company Limited (“ Company ”) External company (“ Contractor ”)
Duration	: 1 year, upon expiration of the agreement. In case no party is willing to terminate the agreement in writing within 30 days before the expiration date of the agreement. It is deemed that this agreement is renewed for another 1 year.
Payment	: The Company will determine the remuneration for the Contractor in each scope of work provided at the rate specified in each agreement.
Terms and Conditions	<ul style="list-style-type: none"> • The Employer must be careful in keeping the Debtor’s confidentiality and information and not disclose any information as well as after the agreement has been terminated and must keep the information for a period of at least 5 years, unless there is a written consent of the Employer. • The Contractor has the duty to follow up, seize and take possession of the asset of the Employer from the Debtor assigned according to the rules, conditions and methods specified by the Employer. The Contractor is not allowed to receive payment or any money from the Debtor. • The Contractor is obligated to deliver the asset to the Employer immediately or as specified by the Employer after the success of repossession. In case the Contractor finds the Debtor but cannot repossess the asset, the Contractor is obliged to negotiate with the Debtor to settle the debt as specified by the Employer. • The Contractor is responsible for damages of the asset that is collected and delivered to the Employer unless the damages are caused by the deterioration of the asset. • The Contractor must not use or allow others to use the asset of the Employer. The Contractor shall not employ any other persons or organizations that are not specified to subcontractor work without the written consent of the Employer.
Termination	<ul style="list-style-type: none"> • upon maturity of the agreement duration • One of the parties notified the other party to terminate the agreement in writing not less than 30 days in advance. • One of the parties fails to comply with the terms, conditions or any requirements in the agreement. • The Contractor cannot present a debt collection business license issued by the relevant government agency. • The employees, agents or authorized representatives of the Contractor violate or neglect to perform duties under the Debt Collection Act B.E. 2558 and other laws related to the hired work.
Consequence of Termination	<ul style="list-style-type: none"> • In case the Contractor is unable to present the debt collection business license issued by the relevant government agency to the Employer, the agreement or is liable for all expenses and/or damages occurring from actions that violate the Debt Collection Act B.E. 2558. • The agreement must stop the work along with delivering the work and documents received from the Employer back within 15 days from the date that this agreement is terminated or ended and delete the Debtors information of the Employer. • In case of default on any payment, the defaulting party shall be liable to pay interest at the rate of 15% per annum of the outstanding amount from the date of default until payment is settled.

5.2.2.7 Car Auction Yard Agreement

The Company has hired Apple Auto Auction (Thailand) Co., Ltd., a service provider for live car auctions in conjunction with online auctions for cars that have been delivered or seized from the Debtor. The important details of the agreement are as follows:

Parties	: SG Capital Public Company Limited ("Company") Apple Auto Auction (Thailand) Co., Ltd. ("Auctioneer")
Duration	: 1 year, upon expiration of the agreement. In case no party is willing to terminate the agreement in writing within 30 days before the expiration date of the agreement. It is deemed that this agreement is renewed for another 1 year.
Scope of Service	: The Seller agrees to hire the auctioneer to carry out the auction of vehicles under mutually agreed conditions and methods and as required by law.
Commission	: The Seller must pay for any repair costs related to putting the car up for auction and taxes due or overdue unless the Seller requires the auctioneer to collect from the winning bidder.
Duties of Auctioneer	<ul style="list-style-type: none"> • The auctioneer must provide relevant documents to the winning bidder as well as prescribing criteria, methods, and payment conditions and the process of registering the transfer of ownership. The auctioneer or persons related to the auctioneer must not participate in auctions to compete on prices. • The auctioneer determines the date and time of the auction and must notify the Seller for a period of 3 days prior to the auction date. The auctioneer must notify the Seller of the auction details immediately when there is a winning bidder and must collect a deposit of 10 % of the bid price from the winning bidder within the auction day and the collection the remaining amount within 3 working days from the auction date. The auctioneer must pay the money received from the winning bidder to the Seller within 5 working days from the auction date. • The auctioneer must provide insurance that covers loss or any kind of damages that may occur to the car in an amount that is sufficient for the value of the car. The auctioneer is responsible for premiums and the Seller is specified as the beneficiary of the insurance policy. This shall be effective from the day the auctioneer takes delivery of the vehicle until the date the Seller claims to return the car, the date the car is delivered to the winning bidder or the date the agreement expires. • The auctioneer is responsible for damages to the car occurring from the mistake of the auctioneer while the car is being delivered by the auctioneer until the car is returned to the Seller or delivered to the winning bidder.
Duties of Seller	: The Seller determines the opening price for the auction and the Auctioneer must be notified about the opening price in writing. In case the registration cannot be proceeded or transferred, the Seller must notify the auctioneer immediately to cancel the auction of the car and must return the car received from the auction to the winning bidder within 7 working days from the date the Seller notifies the auctioneer.
Termination	: <ul style="list-style-type: none"> • One of the parties notifies another party to terminate the agreement at least 30 days in advance. • In case one of the parties breaches the agreement, another party is obliged to notify the party at fault to comply with the agreement within the specified period. In case the party at fault does not resolve to comply with the agreement within the specified period, another party is eligible to terminate the agreement and has the right to claim damages with interest at the rate of 15 % per annum from the date of default until the payment is fully settled.

5.2.2.8 Service Agreement

The Company entered into a memorandum and service agreement between SINGER, The Company's parent company, and Jay Mart Mobile Company Limited, a subsidiary of Jay Mart Public Company Limited, who is the indirect major shareholder of The Company. The agreement and key details of the agreement are as follows:

(1) Memorandum of Agreement on Business Support

Parties	: Service user: SG Capital Public Company Limited (" Company ") Service Provider: Singer Thailand Public Company Limited (" SINGER ")
Duration	: The agreement is effective until both parties mutually agree to terminate it or either party notifies the termination of the agreement at least 30 days in advance.
Payment Term	: The Company must make the payment for the products within 60 days after receiving invoices and informed about the successful delivery of the product to the customer.
Scope of Service	<ul style="list-style-type: none"> • SINGER will advise customers who are not able purchase products with cash to use the loan services from the Company and the employees will coordinate and facilitate documents for customers according to the forms, methods and conditions specified by the Company, including collecting installments that customers are obligated to pay and delivering them to the Company. • Loan approval for customers is at the discretion and responsibility of the Company unilaterally • SINGER will deliver the products to customers who use loan services from the Company within 3 days after receiving orders from the Company at the expense of SINGER. • The parties agree that the ownership of the products belongs to the Company when the customer has already received the product. • SINGER is responsible for product defects according to the warranty conditions in each type of product directly to the customer. • The company agrees to pay commission to SINGER who is responsible for collecting and delivering installments by transferring the full amount to the account of SINGER within the 15th of the following month along with showing the details of such commission for SINGER to carry out the payment to employees. • SINGER agrees to be responsible for actual damages to the Company from fraud or the negligence of employees or persons assigned by SINGER. • The company agrees to settle default interest at the rate of 7.5% per annum in case the Company defaults on payment of products or employee commission from debt collection. • The Company agreed to hire SINGER to sell repossessed products from customers who violated the existing loan agreement with the company at the rate of 15 % of the price that SINGER sold.
Termination	: <ul style="list-style-type: none"> • One of the parties is bankrupt or in the process of liquidation. • Any event that has a serious impact on the financial position which may cause the said party to to comply with this memorandum • The party who fails to comply with, or ignores, or violates the terms or conditions in the memorandum and fails to resolve the situation within 30 days after the date of receiving the notice in a writing form.

(2) Service Agreement

Parties	: Service user: SG Capital Public Company Limited (“Company”) Service provider: Singer Thailand Public Company Limited (“SINGER”)
Duration	: 1 year, upon expiration of the agreement. In case no party is willing to terminate the agreement in writing within 30 days before the expiration date of the agreement. It is deemed that this agreement is renewed for another 1 year.
Scope of Service	: Personnel consulting services and support personnel in operations and provide information system services
Commission	: The Company will make the payment of the monthly service fee to SINGER according to the rate of remuneration and payment period agreed between parties.
Other Key Terms	<ul style="list-style-type: none"> • SINGER must provide a knowledgeable and skillful working group and/or other employees of SINGER to be responsible for the provision of services under the agreement. • Neither party can assign any rights and obligations under the agreement to another person unless a written consent of another party is obtained.
Termination	<ul style="list-style-type: none"> • In case one of the parties breaches the agreement and did not resolve the cause within the specified period, the other party has the right to terminate the agreement. • One of the parties is insolvent, whether is in business rehabilitation process or is filed for bankruptcy or liquidation process for dissolution

(3) Loan Agreement

Parties	: Debtor: SG Capital Public Company Limited (“Debtor”) Lender: Singer Thailand Public Company Limited (“Lender”)
Duration	: 3 Years
Interest rate	: The interest rate is determined from the average interest rate from fund raising through debentures of SINGER plus a margin of 0.25%.
Interest and Capital Payment	: Repayment of the interest by the last day of the month and the repayment of the capital upon maturity. In case the Debtor repays the principal before the due date the Lender will only charge interest until the date of repayment.
Default Payment	<ul style="list-style-type: none"> • The Debtor defaults on debt payment • Debtor defaults on debt payments or breaches of other terms of agreement made with the Lender or other creditors
Consequence of Default Payment	: <ul style="list-style-type: none">• The Debtor agrees to pay the debt in accordance to the agreement to the Lender immediately and agree to pay interest at the highest interest rate in default

(4) Agreement for mobile phone purchase

Parties	: Buyer: SG Capital Public Company Limited (“Company”) Seller: Jay Mart Public Company Limited (“JMB”)
Duration	: Effective as of 1 March 2023 until the notice of termination from one or both of the parties.
Scope of Service	: The Buyer agrees to buy and the Seller agrees to sell mobile phones according to the type, brand, model and price according to the details agreed by both parties from time to time at the market price at the time of sale.
Payment	: The Buyer will make the payment within 7 business days from the date of receipt proof of invoice with the product receipt.

Key Terms	<ul style="list-style-type: none"> The Seller agrees to be responsible for any defects in the product. In the case the Buyer receives a complaint from customers regarding any inaccuracies, mistakes, after-sales service or others relating to the product due to fault of the Seller. In case of force majeure or any other events caused by the fault or defect of the Buyer which causes the Seller to be unable to deliver the product, the Seller has the right to request an extension of the working period or to be exempt from or reduce the fine by giving reasons in writing to the Buyer immediately upon knowledge of such cause.
Termination	: The Seller fails to deliver the product as agreed to the Buyer or delivered incorrectly or not in a complete amount.
Consequence of Termination	: <ul style="list-style-type: none"> In case the Seller fails to deliver the agreed product to the Buyer or delivers incorrectly or not in a complete amount and the Buyer purchases items from others in full or in part, the Seller is responsible for paying the additional price or expenses that increased from the price specified in this agreement. In case of wrong selling, wrong certification or breach of the agreement and the Buyer has already terminated the agreement, the Seller agrees to pay back all products to the Buyer within 7 days from the date of agreement termination with an interest at the rate of 5% per annum and agreed to pay a penalty at the rate of 30% of the product value in accordance to the agreement.

(5) Agreement for Insurance

Parties	: Service user: SG Capital Public Company Limited (“ Company ”) Service provider: SG Broker Co., Ltd. (“ SGB ”)
Duration	: Effective as of 1 January 2023 until the notice of termination from one or both of the parties.
Scope of Service	: The service provider will arrange the team to present and publicize the services of the Service User and coordinating to facilitate customers of service providers
Commission	: The service provider will charge the commission at the agreed rate. The commission is calculated from the percentage of the approved loan amount. This is an attractive commission rate for JMB to recommend loan services of the Company. It is comparable to the commission rate the Company pays to the Car for Cash employees.
Payment	SGB will settle the payment within 30 days after receiving invoices
Duties of Service Provider	: <ul style="list-style-type: none"> The provider guarantees that its agreement service team is knowledgeable, proficient and qualified to provide services. It is mandatory for the employees who present the service to obtain life insurance broker license and/or non-life insurance broker license issued by the OIC. Responsible for any damages caused by services under this agreement and/or caused by the assigned person of the service provider to perform the work under this agreement including interest (if any) at the rate specified by law.
Duties of Service User	: <ul style="list-style-type: none"> Submit information to the Company to use in providing services. Verify, follow up and hand over insurance policies to the Company in order to deliver them to the customers of the Company.
Key Term	: <ul style="list-style-type: none"> The parties agree to charge interest at the rate of 3% per annum of damages caused by any outstanding debt until the debt is fully settled or as required by law.

Termination	: • Both parties have the right to terminate the agreement by giving at least 30 days written notice in advance to the other party by co-signing both parties. • In case one of the parties breaches the agreement and did not resolve the cause within 30 days from the date on which the party that was not in breach of the agreement received a written notice.
Consequence of Termination	: • In case one of the parties breaches the agreement terms and another party that does not breach the said agreement terminates the agreement, the mentioned party has the right to claim damages from breach of agreement immediately.

(6) Memorandum of Agreement for Sales Promotion

Parties	: Company : SG Capital Public Company Limited (“ Company ”) JMB : Jay Mart Public Company Limited (“ JMB ”)
Duration	: 1 year (January 1, 2022 to December 31, 2022) The agreement expired at the end of 2022 and the agreement was not renewed, so there is no entry in 2023.
Commission	: The Company will pay commission at the agreed rate. The commission is calculated from the percentage of the approved loan amount. This is an attractive commission rate for JMB to recommend loan services of the Company. It is comparable to the commission rate the Company pays to the Car for Cash employees.
Payment	: The Company will settle the payment within the 15 th of the following month.
Duties of the Company	• The Company has a duty to evaluate, approve loan limits and is only the party who has the right to enter into the loan agreement.
Duties of JMB	: • Coordinate with customers to help closing sales of hire purchase loans according to the terms and conditions and the loan amount evaluated by the Company • Coordinate and collect agreement documents as specified by the Company and deliver products to customers. • Prepare a summary and loan report within the 5th day of the following month.
Other terms and conditions	: • The parties agree to charge interest at the rate of 3% per annum of damages caused by any outstanding debt until the debt is fully settled or as required by law.
Cause of Termination/	: • Both parties have the right to terminate the agreement by giving at least 30 days written notice in advance to the other party by co-signing both parties. • In case one of the parties breaches the agreement and did not resolve the cause within 15 days from the date on which the party that was not in breach of the agreement received a written notice.
Consequence of Termination	: • In case one of the parties breaches the agreement terms and another party that does not breach the said agreement terminates the agreement, the mentioned party has the right to claim damages from breach of agreement immediately.

In addition, The Company has entered into space rental agreements with SINGER and SGS to use the spaces as sub-offices in business operations.

5.2.2.9 Agreements for Commercial Bank

The Company has entered into loan agreements with a total of 1 financial institution. Both short-term and long-term loan agreements are made. For details of the loan amount and loan agreement, both short-term and long-term credit lines as of 31 December 2023, the essence of the contract can be summarized. as follows

5.2.2.9.1 Agreements for Commercial Bank No. 1

The Company entered into a loan agreement with the 1st financial institution with two types of short-term loans, namely Overdraft (O/D) and Promissory Note (P/N), with total amounts of Baht 5.00 million and Baht 55.00 million, respectively. as follows

(1) Overdraft (O/D)

Parties	: Borrower : SG Capital Public Company Limited (“Company”) Lender : Second domestic commercial bank (“Bank”)
Contract date	: 31 August 2022
Loan amount	: 5.00 Million Baht
Duration	: 12 Months from the date of contract When the term expires but the borrower continues to withdraw money, the borrower agrees to extend the loan agreement for a further period of 12 Months.
Purpose of use of funds	To be used to rotate the business.
Duties of a major borrower	: <ul style="list-style-type: none"> - Comply with the terms of any contract to which the borrower is a party. - Submit annual financial statements within 150 days from the end of the accounting period. - The loan is not used for other purposes. Other than those specified in the contract. - Notify the Bank in writing immediately. When there is any dispute or case to which the borrower is a party. - Do not transfer, sell, lease, dispose of, or impose any obligation on the borrower’s property, except in the case of ordinary trade or the deterioration of the property due to the nature or condition of the property. - The borrower must maintain SINGER’s shareholding (both directly and indirectly) of at least 50% of the borrower’s shares.
Termination	: <ul style="list-style-type: none"> - The borrower defaults on any debt or any obligation which the borrower has with any creditor. - The borrower fails to comply with the contract, and any representations or affirmations provided are untrue, or proved to be untrue, inaccurate, or may cause material misunderstanding. - The borrower stops or shows signs of ceasing to operate his business or any material part of his business, or the borrower disposes of all the business or property, or in material parts, except in the ordinary course of trade. - The borrower is in receivership, or is an insolvent person, or has had his assets confiscated, or transferred his rights for the benefit of his creditors, or if there is any litigation or request to issue any order for bankruptcy, rehabilitation, etc. Dissolution Liquidation, reorganization of the company Debt restructuring Dissolution of the company - Any incident has occurred. This leads the lender to believe that there has been a significant change in the way that you do not have the business operation. Assets, liabilities or status of the borrower, including but not limited to liquidation. Dissolution of the company, liquidation or change of business type

Financial Ratios	: - The borrower must maintain a Good Port1 ratio to interest-bearing debt of not less than 1.30 times. - The borrower will control the borrower's liquidity ratio (Current Ratio) calculated from current assets divided by current liabilities, with the borrower's current ratio not less than 1.50 times. - The borrower shall not incur any obligation, debt or obligation by borrowing or guaranteeing any person to the extent that the ratio of total debt to equity (D/E Ratio) of the borrower is calculated from the total liabilities. Divide by equity at any time more than 3 times. Must not be less than 0 times (considering from the financial statements for the year 2022 onwards) - The borrower must maintain a delinquency rate of more than 3 months (Delinquency Rate) not exceeding 10% of the total receivables.
Consequence of Termination	: - All debt obligations of borrowers who have received financial support from lenders shall be deemed to be due immediately and/or that the lender may cancel the credit line immediately. - The borrower agrees to pay interest at an additional rate from the normal interest rate of the contract limit with a maximum normal interest rate of 3.00 percent per annum.

Remarks: 1.Good Port refers to hire purchase receivables, loan receivables, vehicle title pledge loan receivables, and short-term loan receivables that are not yet due and are not more than 3 months overdue . (Before provision for doubtful debts)

(2) Promissory Note (P/N)

Parties	: Borrower : SG Capital Public Company Limited (" Company ") Lender : Second domestic commercial bank (" Bank ")
Contract date	: 31 August 2022
Loan amount	: 55.00 Million Baht
Duration	: 12 months from the date of the contract, unless the Bank agrees to continue using the credit line.
Purpose of use of funds	To be used in business operations to earn income of loan users.
Duties of a major borrower	: - Comply with the terms of any contract to which the borrower is a party. - Submit annual financial statements within 150 days from the end of the accounting period. - The loan is not used for other purposes. In addition to the purposes specified in the contract. - Notify the lender in writing immediately. When there is any dispute or case to which the borrower is a party. - Do not transfer, sell, lease, dispose of, or impose any obligation on the borrower's property, except in the case of ordinary trade or the deterioration of the property due to the nature or condition of the property. - The borrower must maintain SINGER's shareholding (both directly and indirectly) of at least 50% of the borrower's shares.

Termination	: - Any borrower in default or any obligation. - The borrower fails to comply with the contract, and any representations or affirmations provided are untrue, or proved to be untrue, inaccurate, or may cause material misunderstanding. - The borrower stops or shows signs of ceasing to operate his business or any material part of his business, or the borrower disposes of all his business or property, or in any of its material parts, except in the ordinary commercial course of the borrower. - The borrower is in receivership, or is an insolvent person, or has had his assets confiscated, or transferred his rights for the benefit of his creditors, or if there is any litigation or request to issue any order for bankruptcy, rehabilitation, etc. Dissolution Liquidation, reorganization of the company Debt restructuring Dissolution of the company - Any incident has occurred. This leads the lender to believe that there has been a significant change in the way that you do not have the business operation. Assets, liabilities or status of the borrower, including but not limited to liquidation. Dissolution of the company, liquidation or change of business type
Financial Ratios	: - The borrower must maintain a Good Port1 ratio to interest-bearing debt of not less than 1.30 times. - The borrower will control the borrower's liquidity ratio (Current Ratio) calculated from current assets divided by current liabilities, with the borrower's current ratio not less than 1.50 times. - The borrower shall not incur any obligation, debt or obligation by borrowing or guaranteeing any person to the extent that the ratio of total debt to equity (D/E Ratio) of the borrower is calculated from the total liabilities. Divide by equity at any time more than 3 times. Must not be less than 0 times (considering from the financial statements for the year 2022 onwards) - The borrower must maintain a delinquency rate of more than 3 months (Delinquency Rate) not exceeding 10% of the total receivables.
Consequence of Termination	: - The loan user agrees to pay the amount shown in the promissory note, together with interest, at the default interest rate declared by the borrower. - The borrower agrees to pay interest at an additional rate from the normal interest rate of the contract limit with a maximum interest rate of 3.00 percent per annum.

Remarks: 1.Good Port refers to hire purchase receivables, loan receivables, vehicle title pledge loan receivables, and short-term loan receivables that are not yet due and are not more than 3 months overdue . (Before provision for doubtful debts))

5.3 Legal dispute

As of 31 December 2023, the Company is not a party in the lawsuit, arbitration or disputes (1) that may have a negative impact on assets of the Company which is higher than 5% of the equity of the shareholders according to the Company's financial statements as of 31 December 2023 (2) that affect the business operations of the Company significantly but cannot assess the impact in numbers, or (3) that are not caused by the Company's normal business operations.

Part

Corporate Governance

6. Corporate Governance Policy
7. Governance Structure and Important Information about the Board of Directors
8. Corporate Governance Report
9. Internal Control and Related Parties Transactions





6. Corporate Governance Policy

6.1 Overview of the Corporate Governance Policy of the Company

SG Capital Public Company Limited (“Company”) adheres to good corporate governance guidelines according to corporate governance principles which are essential to business success. Therefore, the Company is committed to business management with morality, transparency, accountability and no corruption to maximize shareholders’ returns with responsibility for all stakeholders to build good relationship between the Board of Directors, executives, employees, shareholders and all stakeholders under the following principles

1. Focus on sustainable value creation according to ethical code and business ethics.
2. Define good corporate governance guidelines to lead the business toward sustainability.
3. Conduct business with social and environment responsibility, respect of rights and equitable treatment of all stakeholders.

The Board of Directors adopted the Corporate Governance Code for listed companies recommended by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) to formulate the Company’s corporate governance policy to conduct its business to benefit the society and the environment with an awareness of long-term impacts as well as minimizing conflicts of interest and ensuring that the business can adapt to change factors. Therefore, the Company set forth the following principles as practical guidelines for the Board of Directors to create value for the business in a sustainable manner.

Principle 1: Establish Clear Leadership Roles and Responsibilities of the Board

The Company has clearly defined roles and responsibilities of the Board of Director in the Board of Directors Charter and ensures that the Board and subcommittees are fully aware of the Charter. All directors are qualified professionals with leadership, vision and independence in decision-making and are well-informed of their roles and responsibilities according to their fiduciary duties as a member of the Board of Directors. All directors have accountability, responsibility, duty of care

and duty of loyalty to create value to the business in a sustainable manner. The Board has also clearly defined scope of authority and responsibilities of the CEO and the Management as well as regularly monitoring the CEO and the Management to ensure that they perform their duties as assigned in the best interests of the Company according to good corporate governance principles.

Principles and Guidelines

1. The Board of Directors has defined objectives, goals, work plans, strategies, policies and annual budgets as well as supervising directors and executives to perform assigned duties effectively with accountability, responsibility, duty of care and duty of loyalty to create sustainable value for business which are subject to a revision at least once a year.

2. The Board of Directors is fully aware of the scope of authority and responsibilities according to different committee charters as well as supervising and delegating executive directors and the Management to perform their assigned duties. The Board clearly defined scope of authority and responsibilities of each subcommittee including the CEO while ensuring that they conduct business in compliance with law, rules, regulations, resolutions of meetings of the Board, resolutions of shareholders’ meetings and other policies related to securities and exchange law, rules and guidelines imposed by the Securities and Exchange Commission.

3. The Board of Directors is responsible for ensuring good internal control systems and adequate risk management measures as well as proper allocation of important resources to meet objectives and key goals. The Audit Committee and the Internal Control Unit must be established and supervised by the Board to ensure compliance with relevant law, rules and meeting resolutions. The Board shall put in place authorization processes for key activities including investment, transaction making with significant impacts, related party transactions, acquisition and disposition of assets and whistleblowing mechanism especially for urgent matters in case of corruption and fraud, in the best interests of shareholders and stakeholders to promote credibility in conducting business with sustainability.

4. Monitor, evaluate and report operating performance on a regular basis to ensure effectiveness and maximized return.

Sustainable Value Creation

1. Prepare Code of Conduct and Business Ethics and important policies in conducting business in writing according to good corporate governance principles to conduct business with morality and ethics.

2. Undertake business with ethics in compliance with law, regulations and resolutions of shareholders' meetings including respect of rights and highest responsibility for shareholders and all stakeholders.

3. Undertake business to achieve goals alongside with creating benefits for the organization, the society and the environment with a focus on sustainable value creation for the business.

4. Generate satisfactory and stable performance in the long term with an awareness of the competition as well as being able to adapt under changing environment related to economy, society and politics.

5. Disclose information transparently to directors, executives and employees at all levels for their complete understanding to be able to practice accordingly as well as disseminating and communicating information and promoting understanding to ensure adequate mechanism that fosters compliance. Monitor performance through periodical bulletin announcements, orientation programs and the Company's website and review the policies on a regular basis.

Principle 2: Define Objectives that Promote Sustainable Value Creation

The Board of Directors places highest importance on defining objectives and key goals including vision, mission, annual work plans and strategies clearly and properly so that related parties at all levels can adopt as guidelines to drive the organization toward same directions to become a proper organization culture under good corporate governance principles. Alignment with business format and key goals in conducting business is also essential to sustainably grow together with the society.

Principles and Guidelines

1. The Board of Directors has defined strategies and annual work plans that are aligned with objectives and key goals of the business through analyzing business

context and risk factors that may affect stakeholders on the basis of social and environmental responsibility. The Board also monitors performance to supervise and control the business conduct to be consistent with objectives and key goals in a sustainable manner.

2. The Board of Directors is responsible for fostering communication to convey objectives, key goals, strategies and work plans to related parties to acknowledge and observe across the organization while objectives and key goals are aligned with value creation for the organization, customers, stakeholders and the general public in order to achieve objectives and key goals of the business with sustainability.

3. The Board of Directors has a supervising duty to ensure that short, medium and long terms and/or annual objectives, goals and strategies are in line with the achievement of objectives and key goals of a sustainable business with the proper and safe adoption of innovation and technology.

4. The Board of Directors put in place systems to regularly evaluate performance as well as analyzing business context and risk factors that may affect stakeholders on the basis of social and environmental responsibility.

Principle 3: Strengthen Board Effectiveness

The Board of Directors is considered a leader in designing and revising the Board structure according to good corporate governance principles. The Board is composed of qualified individuals with knowledge, abilities, expertise, leadership, vision and independence in decision making who perform their duties with responsibilities, prudence and honesty. Directors must have required qualifications with no prohibited characteristics according to the Securities and Exchange Commission and the Stock Exchange of Thailand. Note that the Board of Directors is responsible for designing and revising the Board structure including size, composition and suitable proportion of independent directors. Therefore, the Board structure is designed according to the following principles to ensure that the Board leads the Company to success consistent with objectives and key goals.

Principles and Guidelines

Roles, duties and responsibilities related to good corporate governance

1. Independent directors must account for at least 1/3 (one third) of the total number of directors with no less

than 3 (three) people. Independent directors must have required qualifications with no prohibited characteristics as stipulated by the Board of Directors and rules set by the Securities and Exchange Commission and the Stock Exchange of Thailand as well as other relevant laws.

2. The Board of Directors must consist of at least 3 (three) none-executive directors who are independent directors for checks and balances and appoint subcommittees to assist the Board to handle matters according to charters of each subcommittee to ensure efficiency and effectiveness of the Board.

3. The Board of Directors selects and appoints qualified persons to be the Chairman of the Board with discretion and independence in decision-making. Note that in case that the Chairman is not an independent director, the Board shall assign 1 (one) independent director to jointly set agenda of the Board meetings to ensure checks and balances between the Board of Directors and the Management in accordance with the Corporate Governance Code for listed companies.

4. The Company stipulates that subcommittees are to be appointed to consider specific matters as necessary to ensure the separation of roles and responsibilities of the Board of Directors, subcommittees and the Management. Clear financial approval authority is also required so that important matters are contemplated carefully before proposing the opinions to the Board of Directors.

5. The Board of Directors considers and appoints the Nomination and Remuneration Committee with qualified individuals without prohibited characteristics imposed by the Board of Directors including rules set by the Securities and Exchange Commission and the Stock Exchange of Thailand through a transparent and defined process. The subcommittee has a duty to support the Board to ensure that remuneration structures and rates are suitable for roles and responsibilities to encourage the Board of Directors to lead the organization toward short, medium and long term goals before proposing director fees to shareholders' meetings for approval. The following criteria shall apply

5.1 Director fees are suitable and consistent with scope of duties and responsibilities of each director.

5.2 Director fees are sufficient to incentivize and retain directors with knowledge and abilities to perform their duties with quality for the organization.

5.3 Director fees are simple to understand with transparent composition for both monetary and non-monetary forms.

5.4 Director fees are comparable to peers in the same or similar industry.

Note that the Nomination and Remuneration Committee also has a duty in selecting individuals according to principles and approaches written in the Company's Articles of Association. Those candidates must have knowledge, abilities and qualifications and no prohibited characteristics as imposed by the Securities and Exchange Commission and the Stock Exchange of Thailand. The committee takes charge in searching for and selecting directors to fill director positions in case of retirement by rotation or other vacancies before proposing to the Board of Directors for appointment.

6. The Board of Directors has a policy to separate the position of the Chairman of the Board of Directors and the CEO to be different persons for the clarity of responsibility between policy formulation and day-to-day supervision and management. The Board of Directors is responsible for setting policies and supervising performance of executives while executives are in charge of managing the Company's business in different areas according to the Company's policies. To prevent an absolute power, scope of authority is clearly defined per following.

Board of Directors: Set objectives and key goals in conducting business and creating an organization culture with commitment to ethics as well as acting as a role model to monitor organization structure and ensure that the Board of Directors perform duties properly. The Board also searches, develops, sets remuneration and evaluates performance of the CEO including designing compensation structure that is attractive for directors, executives and employees at all levels and in alignment with objectives and key goals of the organization.

Board together with the Management: Formulate and revise strategies, targets and annual work plans to be consistent with objectives and key goals of the business as well as properly reviewing risk management and internal control systems. Set forth approval authority suitable for responsibilities of the Management as well as allocating resources, developing personnel, setting annual budgets and monitoring operating performance according to the Company's objectives and key goals.

Management: Assigned to be responsible for day-to-day management according to strategies, policies

and work plans as imposed by the Board of Directors. CEO and the Management are assigned to undertake the business according to the Company's rules without any intervention in the decision-making of the Management except for the case that the Management have to propose an agenda item to be considered and resolved.

7. Ensure that all directors are responsible for their assigned duties with sufficient time allocated to handle their tasks. Each director is prohibited from having directorship in more than 5 listed companies. They are also required to attend no less than 75% of the total number of the Board meetings in each particular year while the Company stipulates that the Board meetings are to be organized no less than 6 (six) times per year. Meeting agenda is to be clearly defined for each meeting and a meeting notice with important details must be sent no less than 7 (seven) days in advance so that the Board of Directors has sufficient time to study information before attending the meeting. Minutes of the meetings must be kept in writing and filed properly after being certified by the Board of Directors as well as being accessible for the Board and related parties to examine in the future.

In case that the Board of Directors has no monthly meeting, the Board shall ask the Management to report operating performance to the Board for those months without the meetings so that the Board can supervise and control the Management's performance in a continuous and timely fashion.

8. The Board of Directors defines governance framework and mechanism including governance policies for subsidiaries and affiliates while the Company will consider investing in businesses with the same or similar objectives as the Company's core business, businesses that benefit the Company or other businesses that the Company has a significant interest suitable for that particular business. The Board of Directors is in charge of appointing individuals to become directors, executives or controlling persons in subsidiaries to represent the Company in managing the business of subsidiaries or affiliates by setting key policies, monitoring performance of those subsidiaries to be consistent with the parent company with discretion according to resolutions of the Board meeting or resolutions of the shareholders' meetings to achieve maximized benefits and sustainable growth.

9. The Company conducts an annual performance evaluation of the Board of Directors, subcommittees and individual directors at least once a year to collectively review

performance and set norms to be compared against actual performance for both the Board or subcommittee as a whole and each individual director or at least self-evaluation must be adopted. Evaluation results will be considered to assess suitability of the Board composition using Board assessment forms of the Thai Institute of Directors and the Stock Exchange of Thailand to be inputs for capability development of the Board to better perform the duties in the future.

10. Supervise and encourage the Board of Directors and individual directors to have sufficient knowledge and understanding of their roles and responsibilities, nature of business and related law in conducting business as well as being able to access necessary information and attend seminars and training programs for related subjects so that they can regularly develop their skills and knowledge to best perform their director duties.

11. The Board of Directors ensures that the Board performs the duties properly with adequate access to necessary information. The Board also considers and appoints the Company Secretary who has necessary knowledge and experience, suitable for supporting the Board's endeavors to act as a coordinator to ensure compliance with the Board's resolutions. Besides, the Company Secretary manages the Board's meetings and shareholders' meetings as well as regularly monitoring and ensuring compliance, coordinating with others to comply with resolutions of the Board meetings, and performing other duties as required by law or assigned. Note that the Company Secretary will receive training and development of knowledge and skills required to perform the duties. In case that a company secretary certification curriculum is available, the Company Secretary shall attend the program on a regular basis.

Principle 4: Ensure Effective CEO and People Management

The Company formulated talent development policies and succession plans while the Board of Directors takes charge in acquiring and developing the executive with CEO position or the highest-ranked executive according to required qualifications related to skills, knowledge, experience and leadership which are exceptional properties necessary to drive the organization toward goals, either externally or internally. This is to ensure that the Company has an adequate practice to search for qualified high-ranked executives to conduct business and manage the business

in line with the business plan, corporate governance policies and corporate governance principles.

Principles and Guidelines

1. The Board of Directors has set guidelines to acquire, develop, support and encourage the Board of Directors, members of the Audit Committee, CEO and other high-ranked executives to attend training programs, seminars and other curricula hosted by the Thai Institute of Directors, the Stock Exchange of Thailand or other independent organizations with the purpose to enhance knowledge, skills, experience and other properties required to continuously drive the organization toward goals in accordance with good corporate governance principles. An orientation for new high-ranked executives is provided to ensure that they have adequate knowledge and understanding related to nature of the Company's business.

2. The Board of Directors has prepared succession plans to select talent to assume critical roles in case that the CEO or the Deputy CEO are unable to fulfill their duties until the completion of their terms or the positions become vacant due to any other reason. This is to mitigate risks and impacts from management discontinuity. Note that suitable persons will be selected by Nomination and Remuneration Committee or by the Management according to the selection criteria and approaches the Company stipulates.

3. The Board of Directors ensures proper compensation structures and performance evaluation based on fairness which are comparable with other companies in the same industry in order to retain and incentivize executives to perform their duties with good standards. Note that the compensation will be deliberated by the Nomination and Remuneration Committee based on the Company's operating results and individual performance of each executive before being proposed to the Board of Directors.

4. The Board of Directors ensures effective talent management and development in terms of quantity, knowledge, skills, experience and proper incentives with defined structure of roles and responsibilities according to job levels, payment systems for wage, compensation, welfare and benefits, consistent with the Company's status and in compliance with labor laws. The Board also ensures proper work environment of the safety of life, health and assets as well as adequate communication between employees and their supervisors. The Board also

supports knowledge and skill development of employees through seminars and training programs based on their jobs, internally and externally, to continuously improve their competencies.

5. The Board of Directors determines the relationship structure of shareholders and stakeholders that can impact management or hinder the Board's ability to perform its duties as well as setting out disclosure policy on information that has impacts on business control and disseminating information and news for shareholders and stakeholders through specified channels.

Principle 5: Nurture Innovation and Responsible Business

The Board of Directors places importance on and fosters innovation to add value to business by emphasizing R&D of products to promote innovation that can lead to new products and services that entitle the Company to improved competitiveness, alongside with delivering benefits for all related stakeholders through social and environment responsibility.

Principles and Guidelines

1. The Board of Directors has put in place information technology governance and management at organization level that are consistent with the organization's needs as well as ensuring that information technology is adopted to enhance business opportunities and risk management practices so that the business can attain objectives and key goals. Additionally, the Board makes certain that IT resources are managed and allocated efficiently and effectively including adequate and proper information security measures and systems concerning confidentiality, credibility and readiness of information while misuse of information is prevented.

2. The Board of Directors supervises the Management in conducting business together with creating benefits for all related stakeholders through social and environmental responsibility.

3. The Board of Directors supports activities that add value to the business under everchanging conditions that may cover business modelling, approaches in designing and developing products and services, research, production process and work process improvements.

4. The Board of Directors is responsible for supervising the Management to undertake business with social and environmental responsibility which is to be

reflected in the operational plans to ensure that all units in the organization are aligned with objectives, key goals and strategies of the Company.

5. The Board of Directors is in charge of supervising the Management to allocate and manage resources efficiently and effectively according to stipulated policies, work plans and budgets with regard to impacts and resource development across the value chain to attain objectives and key goals in a sustainable manner.

6. The Board of Directors partners with business alliances to undertake business with honesty, transparency and fairness as well as offering excellent services to customers and other prospects. The Board also adheres to fair competition without taking advantage or seeking unfair advantage and strictly observes corporate governance principles.

7. The Board of Directors ensures that the Company complies with law, rules, regulations and standards related to information technology security systems, consistent with business needs, business opportunity enhancement through work process improvements and risk management including business continuity plan (BCP) to prevent business disruptions.

8. The Board of Directors prioritizes customer personal data protection according to the Personal Data Protection Act B.E.2562 and thus formulated personal data protection policy as well as appointing personal data protection officers to set standards and improve work processes related to customers' personal data to be in compliance with personal data protection laws or relevant notices and rules imposed by regulatory authorities.

9. The Board of Directors values roles of stakeholders and treats them with transparency, equality and fairness. Stakeholders include the following group of people and agencies.

1. Shareholders	: Apart from basic rights and rights stipulated by law and the Company's Articles of Association e.g. right to check number of shares, right to receive share certificates, rights to attend shareholders' meetings, right to vote, right to express opinions freely at shareholders' meetings and right to receive fair return, shareholders are entitled to rights to make suggestions related to business operations as the owners of the Company through independent directors while all comments and suggestions will be gathered before being proposed to the Board of Directors for further consideration.
2. Employees	: The Company regards employees as valuable resources and is committed to gaining trust among employees and making them proud to be a part of the organization. The Company also offers employees reasonable compensation through fair and measurable performance evaluation under defined criteria and focuses on talent development to continuously equip them with knowledge and abilities. In addition, the Company recognizes the importance of healthcare and thus provides an annual health check-up for employees. Regarding safety, the Company puts in place fire protection and suppression at the workplace for employee safety. The Company also raises awareness of executives and employees on environmental conservation as well as encouraging employees to file complaints in case of unfair treatments through specified channels as the Company puts a high priority on employees' rights.
3. Customers	: The Company builds long-term relationship and collaboration with customers under responsibility, honesty, credibility and trust while the Company is obliged to offer maximum satisfaction for customers with highest responsibility. Customers' problems and needs are put first and undertaken according to related law and standards while health, safety, fairness, customer data protection, after-sales services throughout life spans of products and services must not be overlooked. The Company also regularly measures consumer satisfaction in order to improve products and services

	in the future as well as using advertising and PR for product promotion under ethical code and efficient service offering. The Company has a strong intention to maximize benefits for customers using its products and services in terms of quality and prices with the purpose to develop and maintain longstanding relationship with customers. The Company offers products that receive Thai Industrial Standard certification. Furthermore, the Company set up a call center with the number 02-234-7171 to be responsible for giving accurate information on its products and services, handling customer complaints and accept repair notices to ensure highest customer satisfaction.
4. Creditors	: The Company builds relationship with and treats creditors with honesty, trust, and responsibility as well as fulfilling contracts and terms as agreed with creditors under fairness and equality.
5. Suppliers	: The Company complies with fair and honest trade competition framework by strictly adhering to obligation fulfillment, ethics and promises given to suppliers while vendor selection processes are with fair terms and agreements. The Company treats suppliers with honesty and equality to conduct its business with fairness to attain mutual interest, sustainable development and long-term partnership with the Company. The Company carefully selects suppliers based on relevant terms such as prices, quality and trust while observing righteousness, technical expertise, legal requirements and environmental conservation.
6. Society and Communities	: It is required to ensure that the Company and its employees act with responsibility for society and surrounding communities by offering hospitality, assistance and support to uplift the quality of living of communities. The Company supports activities that promote quality of life and benefit communities and society in various areas especially those related to capability development of youth and housewives including job creation and educational support by leveraging on business knowledge and experience to launch initiatives that tangibly offer public benefits. Monitoring and progress evaluation for long-term success are also undertaken to improve well-being of communicates and society.
7. Fair competition	: Ensure that the Company conducts business openly with transparency and without unfairly gaining competitive advantage.
8. Related government agencies	: Ensure that the Company complies with related law and regulations and treats government agencies with unbiasedness as specified in the charters, Code of Conduct and Business Ethics and Anti-Corruption Policy and Practices. The Company cooperates with government agencies through supporting various activities.
9. Mass media	: Focus on disclosing information to mass media to be communicated to the general public in an accurate and timely manner.
10. Competitors	: Conform to honest competition framework by adhering to fair business conduct under legal frameworks and the Code of Conduct and Business Ethics of the Company.
11. Environment	: Adhering to relevant environmental standards, we aim to prevent, reduce, manage, and ensure that the company does not create or cause negative environmental impacts. This encompasses the use of raw materials, energy consumption (in production, transportation, or within offices), water usage, recycling of resources,

	conservation, and restoration of biodiversity affected by business activities. We also address greenhouse gas emissions and waste management systems that may arise from our business operations.
12. Anti-corruption	: Comply with related law and standards as well as announcing anti-corruption policy and practices to the public. The Company also supports alliances and suppliers with announced anti-corruption policy as well as joining a network or a coalition related to anti-corruption.

Principle 6: Strengthen Effective Risk Management and Internal Control

The Board of Directors has set guidelines to supervise and ensure that the Company has in place prudent risk management and internal control systems to effectively prevent and mitigate impacts from the Company's business risks in compliance with relevant law and standards.

Principles and Guidelines

1. The Board of Directors considers and formulates risk management policy as well as ensuring that risk management systems are in place according to required standards and organization-wide risk control to minimize business impacts.

2. The Board of Directors considered and appointed the Risk Management Committee to be in charge of deliberating potential issues or risk factors in conducting business of the Company while setting risk mitigation plans to minimize risks and report to the Audit Committee and the Board of Directors on a regular basis.

3. The Board of Directors set up the Audit Committee who performs duties effectively and independently, consisting of at least 3 (three) independent directors with qualifications as required by the Securities and Exchange Commission and the Stock Exchange of Thailand. The committee is responsible for performing duties as specified in the Audit Committee Charter. At least 1 (one) member of the Audit Committee must be an individual with sufficient knowledge and experience in accounting to review credibility of the Company's financial statements.

4. The Board of Directors has a duty to monitor and manage potential conflicts of interest between the Management, the Board or shareholders to prevent misuse of assets and protect information related to the Company's business opportunities as well as transaction making with related parties in a wrongful manner. The Company has also set related party transaction policy and prevention of

conflict of interest policy that includes criteria on related party transaction and conflict of interest according to the Capital Market Supervisory Board and the Stock Exchange of Thailand as manuals to handle related party transactions and conflicts of interest. Moreover, a system is also in place to review related party transactions while the Internal Control Unit takes charge in setting control standards, examining and randomly reviewing transactions to be accurate in accordance with contracts, policies or other terms before reporting to the Audit Committee.

5. The Board of Directors is responsible for ensuring that clear anti-corruption policy and practices are in place as specified in the Code of Conduct and Business Ethics in order to conduct business with fairness, honesty and transparency in accordance with good corporate governance principles. Special Investigation Committee (SIC) was established to supervise and investigate employees with misconduct that may cause damage to the Company. Related documents must be prepared and sent to employees at all levels to sign and acknowledge for their compliance as well as being disseminated or communicated internally to all stakeholders and externally to other parties.

6. The Board of Directors ensures a proper whistleblowing mechanism to accept complaints and tip-offs related to all forms of corruption while communication channels are in place for stakeholders for whistleblowing, suggestions and complaints related to fraud including the No Gift Policy which is a guideline for offering or accepting rewards, assets or any other benefit, hospitality or other expenses not compliant with procurement practices. Donation must be made with transparency strictly under rules, regulations and procedures the Company stipulates. Whistleblowing Policy is also written to protect whistleblowers with defined whistleblowing processes, procedures, and whistleblower protection measures to ensure that unfair treatment to whistleblowers is prohibited. In addition, a whistleblower's name, address and other

information that can give away identity of the whistleblower will be kept confidential.

Risk Management

The Board of Directors appointed the Risk Management Committee to support the Board in supervising risk management systems as specified in the risk management policy in accordance with guidelines for the analysis and review of risk factors that may have impacts to business under risk appetite. The Risk Management Committee performs duties as assigned related to adequate and proper risk mitigation and risk supervision for unacceptable risks to manage risks incurred in the business effectively through established Risk Management Working Team comprising the CEO and managers from all business units of the Company to ensure regular risk management of all business units and prevention of potential risk impacts in the future under good corporate governance principle.

The Audit Committee is able to access information necessary to perform assigned tasks such as facilitations for the Audit Committee to invite related parties to give information, meetings and discussions with auditors or seeking of independent opinions from professional consultants to supplement considerations of the Audit Committee. Risk factors are analyzed and assessed internally and externally and causes of risks are tracked and monitored while risk mitigation measures are issued and assigned to related parties to monitor to be reported to the Board of Directors.

Internal Control

The Board of Directors requires that the Company has in place adequate and suitable internal control systems from operational levels to management levels while scope of authority is clearly defined in writing. Asset control, approval authority, information, accounting entries and financial systems are to be arranged properly.

In addition to internal control led by the Internal Control Unit, the Company appointed a qualified independent internal auditor who is obliged to the duties according to rules set by the Securities and Exchange Commission and the Stock Exchange of Thailand to assume roles in reviewing financial statements, internal control systems, legal compliance, and selection of auditors with audit practices that meet international standards and accepted by all stakeholders. Audit results are to be reported directly to the Audit Committee.

Note that to ensure effective supervision of risk management and internal control systems of the Board of Directors, the Board formulated the following policies to help monitor different areas:

1. Code of Conduct and Business Ethics
2. Risk Management Policy
3. Related Party Transaction Policy
4. Use of Inside Information and Confidentiality Policy
5. Information Security Protection and Management Policy
6. Anti-Corruption Policy and Practices
7. Whistleblowing Policy
8. No Gift Policy
9. Supervision of Subsidiaries and Affiliates Policy
10. Approval Authority and Management Authority

The Board of Directors ensures that whistleblowing mechanism is in place to handle complaints while practices are clearly set according to the Whistleblowing Policy covering practices on reporting, and whistleblowing procedures in case that stakeholders make observations on the Company's business conduct. Stakeholders can file complaints or send tip-offs on unlawful actions, inaccuracy in financial reports, defective internal control or breach of business ethics through the Company's Audit Committee. Information related to the whistleblowing will be kept confidential. The Company also set out whistleblower protection measures to protect whistleblowers or complainants who are employees, customers or any person hired to work for the Company so that their rights are legally protected. Details can be found in the Corporate Governance Policy and Whistleblowing Policy.

Officers responsible for handling whistleblowing cases and complaints will gather information and facts related to the violation or non-compliance to report factual details to executives and/or members of the Audit Committee as seen appropriate for further investigation and actions. Results of the investigation will be informed to the whistleblower except the case of anonymity. For important cases, results will be reported to the Chairman of the Board of Directors and/or the Board of Directors. The Company provides whistleblowing channels to accept complaints and/or suggestions as well as adding a channel to email high-level executives directly. Stakeholders can make suggestions through the Company's communication channels listed below.

1.1 Registered Mail:

Chairman of Audit Committee

SG CAPITAL PUBLIC COMPANY LIMITED.

72 NT Bangrak Tower, Floor 20,

Charoen Krung Road,

Bangrak , Bangkok 10500

1.2 E-mail address:

SgcAmnesty@sgcapitl.co.th

Principle 7: Ensure Disclosure and Financial Integrity

The Board of Directors ensures that financial reporting systems and disclosure of important information are in compliance with related rules, standards and practices and sufficient for decision-making of investors via the Company's website in order that information users can have an equal access to information which is regularly updated.

The Company places a priority on financial credibility and financial information disclosure and ensures that its personnel prepare financial reports, disclose information and monitor adequacy of financial liquidity and solvency. Moreover, results on the adequacy assessment on internal control systems including solutions in case of financial distress are to be discussed to solve any financial problem with the concern over rights of all stakeholders, consistent with the Company's objectives, goals, strategies and policies.

Principles and Guidelines

1. The Board of Directors is responsible for ensuring that financial reporting systems and disclosure of important information are accurate, adequate and timely for both Thai and English version according to related rules, standards and practices through SET Community Portal of the Stock Exchange of Thailand as well as the Company's official website.

2. The Board of Directors shall put in place information disclosure of matters impacting decision-making of investors and stakeholders by issuing measures in disclosing information to ensure that rules the Company adheres to are accurate to gain trust among shareholders including

a. Accurate, complete and timely disclosure of financial and non-financial information below

- Selection criteria of directors
- Performance information of subcommittees and number of meetings

- Projects and investments in subsidiaries and affiliates
- Director fees of each individual director
- Remuneration of directors and high-level executives
- Social responsibility policy and practices
- Corporate governance policy and compliance with good corporate governance principles
- Important investment projects and impacts of those projects
- The Board's responsibility on financial statements including the auditor's report in the annual report

3. Directors and executives must report their interests including for connected persons who may have interests in the business of the Company or its subsidiaries.

Practices and procedures are as follows

- Report at the start of the roles as a director or an executive
- Report when there is a change in interests every time
- Report at the end of each year
- In case of the reappointment of directorship continuously after the completion of the previous term, it is not required for the director to submit a new report when there is no change in interest information.
- Directors and executives must submit reports on interest to the Company Secretary and the Company Secretary will send copies of those reports to the Chairman of the Board of Directors and the Chairman of the Audit Committee within the same working day since the reports are received. Reports of interest shall be included in the agenda of every quarterly meeting of the Board of Directors.

4. The Board of Directors takes charge in monitoring the adequacy of financial liquidity and the solvency during the time of financial distress or when there is a possibility of financial issues. The Board of Directors must ensure that the Company has a plan to prudently solve problems or any other mechanism to handle the financial issues with a concern for stakeholders' rights. A report on responsibility of the Board of Directors on financial reports must be prepared together with the auditor's report, management discussion and analysis and other important information in the annual report and the annual registration statements in a complete and timely manner in accordance with requirements of

the Securities and Exchange Commission and the Stock Exchange of Thailand. In addition, the Board shall arrange a risk assessment for both internal and external risks to ensure that all business transactions are unlikely to impact business continuity, financial liquidity or solvency.

5. The Board of Directors has a duty to ensure a proper preparation of the sustainability report through disclosing compliance information, business ethics, anti-corruption policy, treatment of employees and stakeholders, fair and equitable treatment and respect for human rights including social and environmental responsibility in the annual report to demonstrate good practices that will lead to a sustainable value creation.

6. The Board of Directors is obliged to support an adoption of information technology to disclose information in both Thai and English version through the Company's website and channels of the Stock Exchange of Thailand as required as well as keeping information and presentation up-to-date.

7. The Board of Directors has a duty to ensure that the Management has the Investor Relations Unit or assign the Company Secretary to carry out communication and PR tasks for information and news useful for shareholders and stakeholders such as investors, analysts and other related parties in a proper, equitable and timely manner.

Responsible persons shall also be in charge of disclosing the Company's information in both Thai and English according to rules imposed by the Securities and Exchange Commission, the Stock Exchange of Thailand and other related agencies in the annual registration statements and the annual report and/or the Company's website and SET Community Portal. This shall include important information that may impact the Company's stock price which will affect the decision-making process of investors and stakeholders. The Board ensures that information disclosure should not mislead investors' decisions and important information must be kept accurate and updated on a regular basis to promote strict compliance with law, rules and regulations to gain trust among shareholders.

Exceptions on Information Disclosure of Business Secrets

The Board of Directors shall not disclose business secrets or any other information that can potentially cause damage or negative impact on its competitiveness including information that is not finalized, in a process of negotiation or with uncertainties that may affect the Company's stock prices before disclosing the financial reports to the Stock Exchange of Thailand, including information related to accusations of all competitors.

In 2023, the company organized and participated in various activities, which can be summarized as follows:

Activities	Number (Time)
Presenting information at the "Opportunity Day" hosted by the Stock Exchange of Thailand	1
Quarterly Analyst Meeting	4
Publishing press releases in the case of significant investment or business activities undertaken by the Company.	4
Providing information and responding to inquiries from investors and the media through electronic mail at IR@sgcapital.co.th and via phone at 0-2028-2828 regularly	20-30

Principle 8: Ensure Engagement and Communication with Shareholders

The Board of Directors realizes the importance of fair and equitable treatment as well as respect for rights of shareholders and ensures that shareholders are treated equally and able to exercise their basic rights in complete according to the Company's Articles of Association and related law.

Guidelines.

1. The Board of Directors ensures equitable treatment of shareholders and prohibits any action that violates or deprives shareholders of their rights so that all stakeholders participate in proposing and deciding on important matters according to basic shareholders' rights in complete according to applicable laws including issues that may impact the business's directions; for example,

- (1) Right to trade or transfer stocks
- (2) Right to shares in the Company's profit
- (3) Right to receive sufficient news and information through the Company's website or the website of the Stock Exchange of Thailand or any other means.
- (4) Right to submit questions in advance before the meeting while the Company set a practice in sending questions and published the practice on its website for questions to be gathered and asked at the shareholders' meeting.
- (5) Right to attend the shareholders' meeting to cast the vote independently on appointment or removal of directors, determination of director fees, appointment of auditor, dividend payment, capital increase, issuance of new shares including the right to make an inquiry to the Board of Directors on the report of the Board of Directors and any other matter proposed to the meeting to consider and approve. This includes the right to propose an agenda item in advance, right to nominate a candidate to be appointed as a director and participation in making decisions on the Company's important matters. Each individual shareholder has the voting right according to their shareholding while one share equals to one vote. In case that a shareholder is unable to attend the meeting in person, he/she can delegate a proxy or appoint an independent director as a proxy to attend the meeting and cast the vote on his/her behalf.

2. The Board of Directors is responsible for ensuring smooth, transparent and effective shareholders' meeting and encourage shareholders to exercise their rights in full as well as facilitating the disclosure of the meeting's resolutions and the preparation of accurate and complete minutes of the shareholders' meeting.

Shareholders' Meeting Rules

The Company organizes the meeting with proper venue, date and time according to the rules to accommodate attending shareholders equally.

- Annual General Meeting of shareholders – to be arranged annually within 4 (four)

months from the end of the accounting period of the Company.

- Extraordinary General Meeting of shareholders – to be arranged as appropriate to consider urgent matters.

Shareholders' Meeting Procedures

Before the Shareholders' Meeting

The Company ensures that the notice of the shareholders' meeting including supporting documents are published on the Company's website at least 28 (twenty-eight) days before the meeting date in both Thai and English to allow sufficient time for shareholders to review the information.

The notice shall include.

- (1) Date, time and venue of the shareholders' meeting
- (2) Agenda
- (3) Objectives, rationale, opinions of the Board of Directors for each agenda item
- (4) Proxy form
- (5) Supporting documents such as voting procedure, vote-counting method and announcement of voting results.

Important information and news shall be disclosed through the Company's website including quarterly financial statements, annual financial statements, annual registration statements Annual Report /Form 56-1 One Report and notice of the shareholders' meeting within 28 (twenty-eight) days before the meeting date. Shareholders shall be offered the right to propose agenda items for the meeting on important matters and nominate qualified candidates for the appointment of new directors at least 3 (three) months before the meeting date through the Company's website.

During the Shareholders' Meeting

The Company arranges the meeting using applicable technology to facilitate the shareholders' meeting for registration, vote-counting and result announcement to ensure that the meeting is conducted in a fast, accurate and precise manner while the Chairman of the Board of Directors presides over the meeting as the meeting chair to ensure that the meeting is run in accordance with related law and regulations as well as other rules stipulated by the Company. Meeting time shall be allocated properly for each agenda item and shareholders are encouraged to express their opinions and make inquiries to the meeting on matters related to the Company's business. Independent

individuals are required to count and verify votes before announcing the results to the meeting as well as recording in the minutes of the shareholders' meeting.

The Company requires relevant directors and executives to attend the meeting to answer questions from shareholders and ensures the minutes of the meeting is prepared accurately with the following details: list of names of attending directors and executives, resolutions of the meeting, voting approach, voting results, questions and important comments which is to be done within 14 (fourteen) days after the shareholders' meeting. Additionally, the Company also arranges VDO recording of the meeting for future references.

After the Shareholders' Meeting

The Company has issued guidelines consistent with good corporate governance principles with clear disclosure of resolutions of the shareholders' meeting and voting results for each agenda item through the system of the Stock Exchange of Thailand within the next working day after the meeting and the Company's website as well as preparing the minutes of the shareholders' meeting with accuracy and completeness. The copy of the minutes shall be submitted to the Stock Exchange of Thailand within 14 (fourteen) days after the shareholders' meeting. Besides, the Company completes the AGM checklist as prepared by the Thai Investors Association to assess the quality of the shareholders' meeting.

Regarding information disclosure, the Company publishes information through its website to communicate important information and news between the Company and external parties such as shareholders, institutional investors, analysts and general investors as well as allowing all groups of people to access and request information in an equitable manner. Information and news are categorized to communicate to all related parties so that they receive factual and accurate information properly and equally for each group while no group will have any disadvantage or miss any investment opportunity.

6.1.1 Policies and guidelines related to the board of directors

6.1.1.1 Nomination and remuneration of directors, directors of sub-committees and executives

Nomination and remuneration committee and corporate governance are appointed by the board of directors. They consist of at least 3 members of the board of

directors and at least half of the members of the committee must be independent directors. In order to select persons according to the recruitment process, determined the criteria and process for recruiting qualified persons to be appointed as a director and top executives of the Company as well as selecting company directors to serve as a director of the Company and sub-committees evaluate the form and criteria of remuneration payment in order to present to the board of directors or to the shareholders meeting for an approval as specified, including consideration of procedures and methods for evaluating the performance of the board of directors according to the principles of good corporate governance by defining elements, scope of responsibilities for the nomination committee to evaluate remuneration and corporate governance can perform their duties efficiently.

Recruiting

- Determine the criteria and policies for recruiting directors and sub-committees for the Company by evaluating the suitability of the number, structure, and composition of the board of directors, determine the qualifications of directors to propose to the board of directors and/or propose to the shareholders meeting for approval, depending on the case.
- Recruiting, selecting, and nominating suitable persons to serve instead of the retired person and/or a vacancy and/or additional appointments, depending on the case.
- Recruiting and selecting executives of the company especially the managing director position covering education, experience, knowledge, expertise
- Prepare and review the succession plan of top executives of the Company to prepare a continuous plan for a successor so that the management of the Company can operate continuously.
- Perform any other operations related to recruitment as assigned by the board of directors.

Remuneration

- Prepare the criteria and policies to determine the remuneration of the board of directors, sub-committee, and executives to propose to the board of directors and/or to the shareholders meeting for approval, depending on the case.
- Determine necessary and appropriate remuneration, both monetary and non-monetary, of the

board of directors and the executives of the company to evaluate the suitability of responsibilities, performance, in comparison with companies in similar businesses and benefits expected from the directors and executives of the company to propose to the board of directors to evaluate and present to the board meeting for an approval.

- Evaluate the annual remuneration of the directors.
- Responsible for the board of directors and in charge of providing clarifications in answering questions regarding the remuneration of directors sub-committee and senior executives of the Company at the shareholders meeting.
- Report on policies, principles, and reasons for determining remuneration for directors and executives according to the regulations of the Stock Exchange of Thailand as disclosed in the annual information disclosure form (56-1) and annual report of the Company.
- Perform any other tasks related to remuneration as assigned by the board of directors. The management and other departments must report or present relevant information and documents to the nomination, compensation, and corporate governance committee to support the performance of the nomination and remuneration committee and corporate governance to achieve the assigned duties.
- Evaluate the performance of the top executives of the Company to make recommendations to the board meeting to evaluate the appropriate remuneration.

The information and details related to the nomination and remuneration of the directors of the Company, sub-committees and executives are shown in Appendix 5 (*full version of the Corporate Governance Policy and Guidelines and the full version of the Company's Code of Conduct*) – “*Nomination Committee Charter, Compensation Evaluation and Corporate Governance*”

6.1.1.2 Performance Evaluation of the Board of Directors

Board of directors are aware of the roles and responsibilities in guiding the direction of operations, following up on the work of the management, performing with knowledge, competence, transparency, carefulness, and responsibility (Accountability) of the board of directors towards the Company and shareholders independently from the management. Therefore, the annual performance appraisal is as follows:

Self-Assessment by the board of directors

Board of directors arrange an annual board self-assessment both as a group and individual to be used as a framework for examining the performance of the board of directors as well as reviewing a collection of opinions on various issues related to operations of the Company and performance of the board of directors during the past year. The assessment will be handed over to the secretary of the Company to summarize and present the assessment results to the board meeting for improvement and increasing work efficiency.

Assessment of sub-committees

Board of directors set up a self-assessment for every sub-committee, namely the audit committee, risk management committee, nomination, compensation, and corporate governance committee. This is to be reported annually to the board of directors in order to review the performance of the sub-committees as well as reviewing a collection of opinions on various issues related to the performance of the sub-committees during the past year in order to improve and increase work efficiency. The self-assessment form of the board of directors is prepared according to the scope of duties and responsibilities according to the charter of each sub-committee. In the assessment form of the audit committee the good practice of the audit committee has been assessed (Best Practice Guidelines for Audit Committee) which was made by the Stock Exchange of Thailand, Thai Institute of Directors Association (IOD) and companies that have received good corporate governance ratings that are suitable for the companies.

6.1.1.3 Supervision of subsidiaries and associated companies

The board of directors has a governance mechanism that can control the management and be responsible for the operations of subsidiaries and/or associated companies as follows:

1. A person is appointed to be a representative of the Company to be a director, executive or regulator in that company according to the shareholding proportion with the approval of the executive committee meeting.
2. The scope of duties and responsibilities of directors and executives who are the representatives of the Company are determined according to the authority of each company.

3. Subsidiaries and/or associated companies must submit business plans, business expansion reports as well as joint investments with other entrepreneurs through quarterly performance reports to the Company. The Company is eligible to require or request to submit the supporting documents for an evaluation which subsidiaries or associated companies must follow rigorously.

4. There is a governance mechanism that results in the disclosure of information regarding financial status and operating results, related transactions between companies and persons involved, acquisition or disposition of assets or making any other important transactions of companies completely and correctly to comply with the rules related to information disclosure and transactions in the aforementioned manner of the Company.

5. Require subsidiaries and/or associated companies to set up an appropriate and sufficiently concise internal control system by testing the internal control system and audited by internal audit department of the Company so that the board of directors and the management of the Company can monitor the performance, financial status, related transactions, processing significant transactions efficiently including requiring internal auditors and independent directors of the Company to have a direct access to internal information of subsidiaries and/or associated companies. The results of the audit work system shall be reported to the board of directors and the management of the Company to acknowledge in order to ensure that subsidiaries and/or affiliates will rigorously follow the established system.

6. Require subsidiaries and/or associated companies to disclose and transmit information of stakeholders of related parties to the board of directors for an acknowledgment of the transactional relationships with the Company in a manner that may cause conflicts of interest or participation in the approval of matters with direct and indirect interests. In case the audit company finds that there are significant issues, it may inform its subsidiaries and/or associated companies to clarify or submit documents for an evaluation as follows:

- Transactions between subsidiaries and/or affiliates with directors, executives or related parties that are not in accordance with the rules of connected transactions.
- The use of information of the Company, subsidiaries and/or associated companies to seek for their own benefits unless the information

is publicly available.

- The use of property or business opportunities of the Company, subsidiaries and/or associated companies that violate the rules or practices as specified by the Securities and Exchange Commission.

6.1.2 Policies and guidelines for shareholders and stakeholders

6.1.2.1 Equality rights between shareholders

The board of directors recognizes the importance and respect the equal rights of all shareholders with fairness as well as ensuring that shareholders are treated equally and able to fully exercise their basic rights as a shareholder as specified in articles of association of the Company and other related laws. The board of directors promote and set policies related to the rights of shareholders as follows:

Guidelines

1. The board of directors requires shareholders to be treated equally. There will be no action taken that violates or deprives the rights of shareholders. We ensure that all shareholders participate in the presentation and decision making of important matters of the Company in accordance with their full fundamental rights as shareholders and as required by law and issues that may affect the direction of business operations such as:

- The right to buy, sell or transfer shares.
- The right to share earned profits of the Company.
- The right to receive sufficient relevant information through the website of the Company or the Stock Exchange of Thailand or by any other means.
- The right to submit questions prior to the meeting date. The Company has established criteria for submitting questions and disseminated such criteria through the website of the Company. The questions will be collected for further inquiries in the shareholders meeting.
- The right to attend meetings and exercise voting rights independently in shareholders meetings, to appoint or remove directors, evaluation of remuneration of directors, appointment of an auditor, dividend payment, capital increase, issuance of new shares including the right to ask questions to the board of directors about the report of the board of directors and any other matters presented to the meeting for an evaluation and approval. The right to propose an agenda in advance, nomination

of a person to be elected as a director of the Company and participation in decision-making on important company matters by requiring that every shareholder has the right to vote according to the number of shares held, one share one vote. In case a shareholder is unable to attend the meeting in person, the shareholder can appoint a proxy to any person or arrange for at least 1 independent director (one person) to be a proxy to attend the meeting and vote on behalf of the shareholder.

2. The board of directors is responsible for overseeing the conduct of the shareholders meeting to be proper, transparent, efficient, and conducive for the shareholders to fully exercise their rights, including overseeing the disclosure of the resolutions of the shareholders meeting and preparing the minutes of the shareholders meeting to be accurate and complete.

The information and details related to the policy and practice guidelines on rights and equality of shareholders are shown in Attachment 5 (*full version of the Corporate Governance Policy and Practice Guideline and the full version of the Business Ethics prepared by the Company*). – “Corporate Governance Policy and Compliance with Good Corporate Governance Principles.”

6.1.2.2 Information disclosure

The Company focuses on management and business operations in accordance with good corporate governance principles so that the information disclosure of the Company is correct, complete, transparent, equitable, and complies with legal requirements as a result the Company has established information disclosure policy to be a guideline for the directors, executives, and employees according to the principles of good corporate governance. The scope and guidelines are as follows:

Scope

1. Communicate openly, completely, accurately, on time, regularly and equally to both shareholders and all stakeholders including those who want to use the financial information and the general public. Do not act against information either positively or negatively.

2. Disclosing the information of the Company must covers all means of communication, such as annual reports, quarterly performance report, news, press conference documents, letter to shareholders, company website including speaking verbally in both group meetings and one-on-one meetings or conversation over the phone

with analysts and investors, providing information through websites or other media interviews with the press and press release.

3. Be aware of the need to keep business secrets about important business information and strategy for operations to comply with the rules and regulations of information disclosure of the Stock Exchange of Thailand and the Securities and Exchange Commission

Guidelines

1. Authorized person for information disclosure

- Managing director, chief executive that is responsible for finance or an executive assigned to perform can evaluate and make decisions about the content of important information for the disclosure. They may clarify the information themselves or may assign it to the relevant persons.

- Executives are assigned to perform and an authorized person to report information has the authority to make press releases, disseminate significant company information, answer questions from shareholders, investors, and securities analysts.

- The responsible agency for organizational communications acts by coordinating directly with the owner of the information to disseminate important information of the company through the media.

2. Information disclosure

- The information of the Company must be accurate, transparent, equitable, reliable, straightforward, and able to clarify information in a clear, easy to understand, and timely manner.

- Reporting information to authorities must be disclosed within the time limit and regularly as required by the law or as specified by the responsible agency of the Company depending on the type of information.

- The responsible agency for corporate communications provides advice and guidelines to communicate to the public.

- Once the information is published, it should be disseminated through the website of the Company.

- Important information of the Company that affects the price of the securities of the company or may affect investment decisions or affecting the rights of shareholders can only be disclosed after the information has been officially released to the Stock Exchange of Thailand.

- Disclosure of important information that has

not yet been disclosed to the public, the Company will ensure to disclose it carefully, correctly, completely, in a timely manner, and ensure that shareholders or investors receive the information that is sufficient, equal, and easily accessible through the website of the Company. Moreover, the Company takes the time into account to disclose such information.

- Disclosure of forecast information about the direction of business operations including future performance, the Company will disclose the information carefully by explaining the conditions or assumptions used in forecasting.

3. Exception and solution to an error of information disclosure

- Do not disclose confidential business information or any information that may cause disadvantage and ability to compete or information that has not yet been finalized or is being negotiated under uncertainty including no disclosed information that is an exaggeration or in a promotion that is beyond necessity without supporting reasons by avoiding the use of words or inappropriate format that may mislead the securities price of the Company.

- In case the information is disclosed incorrectly, mistakenly, deviating from the facts or with interpretation or a significant misinterpretation, the managing director of the executives that are responsible for finance and control or the assigned management to act or has the power to clarify the facts through the Stock Exchange of Thailand and other disclosure channels to create a right understanding immediately.

4. Providing information to specific groups of people

The communications agency or assigned persons should be responsible for disclosing the information of the Company to the press securities analyst and shareholders. In case of meetings, press conferences, or providing any other information to the media, the department responsible for providing information shall arrange for the dissemination of the disclosed information or meeting resolutions on the website of the Company.

5. Procedure in case of information leakage or rumors

In case of a significant event of misrepresentation about the Company or inaccurate references or important information leaked to other people or was disclosed

prematurely which may cause rumors that affect the price of securities and or operations of the Company either positively or negatively, the managing director, responsible communications agency and assigned persons should be responsible for clarifying important information and facts that should be disclosed through the Stock Exchange of Thailand and other disclosure channels to create a right understanding immediately.

6. Prohibit trading and refrain from providing information

- For the benefit of good corporate governance, the directors and employees who are regarded as a person who are informed or can be informed with the significant internal information of the Company that can affect the change in the price of securities must comply with the following:

- Refrain from buying, selling, transferring, or accepting transfers of securities issued by the Company and futures based on the common shares of the Company before disclosing financial information to the public by strictly complying with the rules and regulations relating to the trading of securities and futures contracts of directors and employees.

- Refrain from disclosing information of the performance of the Company during the period of 7 days (seven days) prior to the date the Company publishes its quarterly turnover to the Stock Exchange of Thailand including no meeting to provide information, hold a group meeting or respond to any inquiries related to the turnover to shareholders, investors, securities analysts, and the media in compliance with the internal control regulations determined by the Company.

6.1.2.3 Responsibility to Stakeholders

The Company has a policy to focus on the rights of shareholders and all groups of stakeholders with fairness, transparency and in accordance with the requirements of related laws and regulations. In order to create cooperation between the Company and all groups of stakeholders, which will bring good results to the operation and create stability for the organization by treating various groups of stakeholders, namely shareholders, employees, customers, business partners, and society to be a guideline for practice, which is deemed to be an important duty of everyone as follows:

1. Shareholders

The Company is committed to be a representative of shareholders in conducting business with transparency, having a reliable accounting and financial system, creating maximum satisfaction for shareholders by taking the long-term growth of the Company into account and remuneration at an appropriate level consistently. To achieve that the board of directors, executives and all employees perform with honesty as well as making any decisions with sincerity and fairness to both major and minor shareholders for the benefit of the relevant parties to the fullest capacity. The Company will not take any action that may cause a conflict of interest with the Company as well as not seeking benefits for itself and no disclosure of confidential information to the third parties.

2. Customers

Satisfy customers by delivering quality products according to their needs, disclose information, news about the service correctly and completely in a timely manner without distorting the facts. The Company provides communication channels for customers to file a complaint about the product quality, no unfair conditions determined to customers, comply with contracts, agreements or other conditions made with customers transparently and equally and always ensure to maintain the confidential information of customers without using the information for its own benefit and or other related persons

3. Business partners, competitors, and creditors

Take equality and honesty in business operations into account and mutual benefits with partners by strictly complying with laws and regulations including good ethics in conducting business and business competition. The Company adheres to the rules of fair competition with the following guidelines:

- **Business Partners:** : Do not demand, receive, pay any trade benefits to business partners dishonestly and strictly comply with contracts, terms and conditions made with business partners. In case the condition cannot be fulfilled, the Company will notify the partners in advance to jointly find solutions for the problems with the principle of reasonableness.
- **Competitors:** Behave in accordance with the rules of fair competition and based on fair returns to both parties. Do not seek confidential information of the

competitors through dishonesty or improper means and not damage the reputation of commercial competitors with derogatory accusations without truthful information.

- **Creditors:** Strictly comply with contracts, terms and conditions made with creditors, report the financial status of the Company to creditors honestly, accurately and on time with advance notice to the creditors. In case the obligations in the contract cannot be fulfilled, they will work together to find a solution to prevent any possible damages.

4. Employees

Develop and promote a good working culture and atmosphere including teamwork to build confidence and morale for employees to work with the Company with career stability and practical guidelines as follows:

- Provide fair and appropriate compensation according to knowledge, ability, responsibility, and performance of each employee.
- Take care of the work environment to be safe for the life and assets of employees.
- Appointments, transfers, and rewards and punishment of employees must be done with equality and sincerity based on knowledge, ability and suitability including actions or practices of the employee.
- Treat employees based on fairness and focus on the development of knowledge transfer and competency of employees by providing opportunities to employees thoroughly and regularly.
- Listen to opinions and suggestions from employees at all levels equally.
- Strictly comply with laws and regulations related to employees.
- Manage the business by avoiding any unfair actions that may affect the job security of employees.
- Treat employees with courtesy and respect for their individuality and human dignity.
- There is a channel for employees to report matters that violate the rules, discipline, and the law.
- Encourage employees to understand the code of business ethics and their roles, duty to encourage behavior that is within the framework of the code of conduct thoroughly.
- Encourage employees to participate in determining the direction of work including problems solving of the department and the Company as a whole.

5. Society and environment

Take the safety of society, the environment, and the quality of life of people into account including the importance of conservation of natural resources for the benefit of future generations as well as promoting efficient energy use to achieve sustainable development. The company has set the guidelines as follows:

- In regard to taking advantage of natural resources, the Company will consider alternatives that cause the least damage to society, the environment and the quality of life of the people.
- Do not take any action that damages natural resources and the environment beyond what is required by law.
- Promote the efficient use and conservation of energy for the benefit of the public and future generations.
- Do not support any activities that are harmful to society or beautiful morality and/or promoting vices.
- Set up a complaint system on issues that may affect the community.
- Investigate the cause, improve, and notify the result of the action to the complainant in a timely manner.
- Continuously and earnestly inculcate awareness of social and environmental responsibility among employees at all levels.
- Operate and cooperate or control to strictly follow the intent of the law and regulations issued by regulatory organizations.
- Supporting community and social activities by focusing on the development of society, community, environment, including supporting education for youth and public activities.
- Provide a prompt response and effective in events that affect the community and the environment resulting from the operations of the Company by fully cooperating with government officials and related organizations.

6.1.2.4 Protection of internal information

The Company oversees the use of internal information in accordance with good corporate governance principles by adhering to the principles of good governance, business integrity and to ensure that investors in the securities of the Company receive equally reliable and timely information.

The Company therefore has established regulations to supervise the use of internal information and securities trading regulations of the directors, executives, and

employees to be aligned with the securities and exchange law and focus on transparency in business operations according to the guidelines as follows:

- The Company will provide knowledge to directors, company executives including executive positions in accounting or finance department at the level of department manager or equivalent (according to the definition of the Capital Market Supervisory Board and the Stock Exchange of Thailand) regarding the duty to prepare and report the holding of the securities of the Company under Section 59 and the penalty under Section 275 of the Securities and Exchange Act B.E. 2535 (and its amendments), including reporting on the acquisition or sales of securities of the Company under Section 246 and penalty provisions under Section 298 of the mentioned Act.
- It is specified that the board of directors, management, and auditors, including management level positions in the accounting or finance department or equivalent to the company, shall prepare and disclose a report on the assets they hold in the Company as well as from their spouses and minor children according to section 59, at the first time they are appointed as a director or executive and every time there is a change, by submitting the report to the secretary of the Company for the further submission to the SEC and the Stock Exchange of Thailand as specified. The secretary of the Company shall summarize the report on asset holdings and changes in asset holdings and report it to the board meeting every 6 months (six months)
- Prohibiting the directors and the executives of the Company, including those holding executive positions in accounting or finance at the level of department manager or equivalent and related positions who have been informed of internal information which affects the change in the price of securities to buy, sell, offer to buy or offer for sale or persuade other persons to buy, sell, offer to buy or offer to sell shares or other securities (if any) of the Company, either directly or indirectly in the period prior to the release of the financial statements or the dissemination of the financial position and operating results of the Company until the Company has disclosed the information to the public. The Company will notify the directors and executives, including those holding executive positions in accounting or finance at the department manager level or higher or equivalent to refrain from doing the above transactions in writing at least 30 days (thirty days) in advance prior the disclosure of information to the public and should wait at least for

another 24 hours (twenty-four hours) after the disclosure of information to the public to be able to do the above transactions.

- Prohibiting the directors, executives and employees of the Company and/or its subsidiaries to use the internal information and the position or any internal information or significant information received or acknowledged during work that have not been disclosed to the public to seek benefits in buying, selling, offering to sell or buy or persuading others to sell, offer to buy or sell shares or other securities (if any) of the Company whether directly or indirectly regardless receiving benefits in return or not.

- Prohibiting the directors, executives, and employees of the Company and/or its subsidiaries or former directors, executives and employees who have resigned to disclose internal information or confidential information as well as the confidential information of trading partners that they are exposed to the information during performing their duties to the third parties regardless of no damages to the Company and/or subsidiaries or trading partners caused by the disclosure of such information.

- Prohibiting the directors, executives, and employees of the Company and/or its subsidiaries or former directors, executives and employees who oversaw maintaining confidentiality and/or internal information to use confidentialities and/or internal information of the Company and/or its subsidiaries to seek benefits for other companies.

- Directors, executives, and employees of the Company and/or its subsidiaries must comply with the guidelines for using internal information of the Securities and Exchange Act B.E. 2535 (and its amendments) and the Public Limited Companies Act B.E. 2535 (and its amendments), including other relevant regulations.

The Company has assigned a secretary to be responsible for monitoring the preparation and reporting of securities holdings of the directors, executives, and persons holding executive positions in accounting which covers their spouses (or partner) and minor children as well as any juristic person in which the persons, spouse or partner or minor children holding shares in aggregate of more than 30 percent of the total voting rights and also has the largest shareholding in that juristic person. The secretary of the Company shall notify the directors and executives, including executive positions in accounting or finance at department manager level or higher, to refrain from doing the above-mentioned transactions in writing at

least 30 days (thirty days) prior to the public disclosure.

The Company has imposed penalties for misuse of internal information. The violators will be punished with a written warning, cut off allowance, cut off wages, temporarily suspend work without pay or may be dismissed from work including compensation to the Company in case of damage in money depending on the severity of the offense or may be punished according to the law depending on the case.

6.1.2.5 Prevention of conflicts of interest

The Company has established a policy to prevent conflicts of interest based on the principles of conducting business for the utmost benefit of the Company, the shareholders of the Company and avoid actions that may cause conflicts of interest by requiring the directors, executives and employees who are involved or in the evaluated transaction must inform to the Company to prevent transactions that may cause conflicts of interest, related parties transaction or related transaction. The main principles are as follows:

- The directors of the Company and executives must inform the Company of their relationship or related parties in businesses that may cause conflicts of interest or seeking personal benefits, such as

- Shareholding in competitors of the Company
- Joint investment or holding a position with business partners who conduct business with the Company
- Doing business or providing services directly to the Company or through others

- Avoid doing related transactions with related persons as specified by the Capital Market Supervisory Board that may cause a conflict of interest with the Company and/or its subsidiaries in case it is necessary to do that transaction, the related transactions must be presented to the Audit Committee to evaluate before proposing to the Board of Directors for an approval according to good corporate governance principles and the rules set by the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.

- The directors, executives and employees must comply with the regulations of the Company and the code of business ethics of the Company which is considered an important matter to be strictly adhered to in order for the Company to be respected and trusted by all stakeholders and disseminating information for understanding the

practices of employees throughout the Company.

- The directors, executives and employees must not seek benefits for themselves or others by relying on confidential information of the Company including important information of the Company for their own benefit.

- The Company requires the directors and executives who have significant interests in a manner that may cause directors or executives to be unable to express their opinions independently to have no part in evaluating the transactions that they have a conflict of interest including having no authority to approve the transaction in that agenda.

6.1.2.6 Anti-Corruption

The Company is committed to conducting business under the principles of ethics and transparency by focusing on anti-corruption in all forms, both directly and indirectly, whether monetary or non-monetary. It is a principle and responsibility of the employees and management at all levels to perform their duties with integrity and awareness of anti-fraud and corruption. The guidelines are as follows:

Policies

The Company conducts business with transparency under the rules of fair competition, therefore, the Company does not accept any contact or doing untransparent business or connected to fraud which is against fair competition and destroys the honor reputation of both the organization and the country. The directors, executives, employees of the Company are prohibited to commit or be involved in all forms of corruption for direct or indirectly benefit against oneself, family, friends, and acquaintances, regardless of whether they are the recipient, giver or offeror of bribes both monetary or nonmonetary to government organizations or private organizations that the Company has a business or contact with. The anti-corruption policy shall be strictly followed including a structure of responsible persons, and risk management system, internal control, and internal auditing to prevent and suppress fraud or corruption within the organization.

Duties and Responsibilities

- The board of directors is responsible for setting policies, supervising, and approving all forms of direct and indirect anti-corruption policies to ensure that the management focuses on anti-corruption and embed the anti-corruption policy into the corporate culture and

assigned the management to implement anti-corruption measures as a guideline for effective internal practice.

- The audit committee is responsible for auditing and reviewing the financial reporting system, internal control system Internal audit system to ensure the compliance with international standards, concise, appropriate, modern, and efficient in order for the Company to align with good corporate governance policies, requirements and relevant laws.

- In case the audit committee finds or doubts about the actions which may have a significant impact on the financial position and the performance of the Company including corruption. The audit committee will report to the board of directors for improvements.

- The managing director and management are responsible for setting up a system to promote and support anti-fraud and corruption to communicate to employees and all related parties including reviewing the appropriateness of the system and measures to align with changes in business regulations and required legal regulations.

- The internal audit department is responsible for auditing and reviewing the performance of all departments within the Company to be in accordance with the policy and guidelines for operating, regulations and laws, requirements of the organization to ensure that there is an internal control system performance assessment.

- Employees at all levels have duties and responsibilities to comply with the policy, guidelines, and anti-corruption measures.

Practical measures

- The directors, executives and employees have a duty to comply with the anti-corruption policy. The board of directors assigned the management to communicate and practice anti-corruption measures.

- The directors, executives and employees who violate or fail to comply with the corporate governance policy and compliance with good corporate governance principles and anti-fraud and corruption policies and practices are considered an offender under the regulations concerning the work of personnel management for employees which must be subject to disciplinary action according to the specified regulations including being subject to legal penalties, in case the action is illegal. However, the Company will not demote, punish, or have a negative effect on those who deny committing corruption, even that action will make the company lose business opportunity.

- The Company has established disbursement regulations by specifying the amount of money, approval authority, objectives, and recipients, which must contain clear evidence documents to prevent fraud or corruption along with an audit process from the internal audit department.
- The Company has a sales and marketing inspection process including procurement and contracts regarding the risk of corruption on a regular basis in order to comply with the disbursement regulations and purchasing regulations. The internal audit department will provide opinions and follow up on appropriate solutions.
- The Company has established a personnel management process that reflects the commitment of the Company against anti-corruption measures from selection, training, performance evaluation, compensation, and promotion.
- The Company has arranged for an internal audit to ensure that the established internal control system helps the Company to achieve the set goals including inspecting the operations of all departments in accordance with the requirements, rules and regulations and helping to find faults, weaknesses including providing advice on developing an efficient and effective operating system according to good corporate governance guidelines.
- The internal audit department can urgently report the discovered issue to the audit committee, who reports directly to the board of directors.

Dissemination of Anti-Fraud and Corruption Policy and Guidelines

For the employees at all levels to be aware of the anti-fraud and corruption policy, the committee therefore requires public relations and dissemination through the following channels:

- The Company will disseminate policies and guidelines addressing fraud and corruption through its communication channels, including the Company's website and the Form 56-1 One Report/Annual Report.
- The Company will incorporate policies and guidelines against fraud and corruption into the employee handbook.
- New employees will undergo anti-corruption training on their orientation day. Successful completion of this training is mandatory for all employees, who are then required to sign an acknowledgment indicating their commitment to and compliance with anti-corruption

measures. In 2023, 100% of employees actively participated in and completed the training.

- Continuous communication is employed to ensure employees are aware of and understand the importance of good governance and the against corruption. This is achieved through various public relations channels of the Company.

- All employees are required to sign the form and submit an affidavit confirming their awareness of the contents of the code of conduct and anti-corruption policy and guidelines. This affirmation signifies their acknowledgment, agreement, and commitment to adhere to the stipulated requirements in various matters. Employees cannot cite lack of reading or not signing the form as a justification for non-compliance.

- Conduct an annual review of anti-corruption policy and guidelines. In the event that any provisions within the code of conduct or anti-corruption policy and guidelines are repealed, the termination is contingent upon approval by the Board of Directors. Prompt disclosure of the terminated terms will follow.

- In 2023, there was no complaints on the operation that did not comply with the law related to corruption and the code of conduct from both internal and external parties through any channel arranged by the Company.

In addition, the company has also joined as a member of the Private Sector Collective Action Coalition against Corruption of Thailand (CAC), having received a resolution to endorse the committee meeting on September 30, 2021, which is valid for 3 years from the date of approval.



Political contributions

Political contributions mean providing financial, in-kind, and/or participation in activities as well as encouraging employees to participate in political activities on behalf of the Company in order to obtain advantages in business, trade, this does not include employees participating in activities based on personal freedom rights but must not pretend to be an employee or use any property, equipment, or tools of the Company for the benefit of any political actions.

The Company will not provide financial or material support to political parties to support politicians or candidates for any political electoral commission within the meaning of the first paragraph with the objective of facilitating business benefits for the Company.

Charitable contribution, donations, and aid grants

The Company has determined the policy for charitable contribution, donations, and aid grants. The guidelines, review process and control details are as follows:

- The donation must prove that there is an activity under the said charity project and actions are taken to support the achievement of the objectives of the project and cause real benefits to society or to meet the objectives of operating with social responsibility (Corporate Social Responsibility: CSR)
- The donation must prove that it is for a charity and has nothing to do with reciprocity to any persons or any organizations.

Sponsorships

As the sponsorships are for the purpose of the business, brand, or reputation of the company there is a risk that payments for services or benefits that are difficult to measure, and monitor may also be linked to bribery. Therefore, the company has determined the explicit rules

regarding sponsorships. The review process and control details are as follows:

- The grant must be able to prove that the applicant has performed activities according to the project and to support the achievement of the objectives of the project and cause real benefits to society or to meet the objectives of operating with corporate social responsibility (Corporate Social Responsibility: CSR)
- The subsidy must prove that the subsidy or any other benefit that can be calculated in terms of money, such as accommodation and meals, etc.
- In order to be a sponsor, the request record must be prepared with specify the name of the sponsorship, the purpose of the sponsorship, and attach all supporting documents to the authorized person of the Company to evaluate and approve according to the level of approval authority of the Company.

6.1.2.7 Channels for traces or complaints (Whistle Blower)

The Company has established channels for employees and stakeholders to report whistleblowing and complaints regarding fraudulent or corrupt activities to improve accuracy and transparency in business operations. These channels are easily accessible, and the Company ensures confidentiality for the complainants. The Company has designated channels for receiving information related to whistleblowing or complaints, and these channels include:

1.1 Registered Mail:

Chairman of the Audit Committee

SG Capital Public Company Limited
72 NT Bangrak Tower, Floor 20, Charoen Krung Road, Bangrak, Bangkok 10500

1.2 E-mail address:

SgcAmnesty@sgcapitl.co.th

6.2 Code of Conduct and Business Ethics

The Company has specified "Code of Conduct" was created to serve as a framework and operational guidelines. All personnel must conduct themselves as the basis guidelines for conducting business in order to create value and elevate the organization to progress, achieving the main objectives and goals of the Company's operations. This Code of Conduct has been approved

by the Board of Directors and Management. To enhance understanding for all personnel to perform their missions with professional knowledge and behave according to good business ethics standards This document contains content regarding guidelines and norms for operations both within the organization and outside the organization. The main focus is on emphasizing the Company's core objective:

instilling values that guide employees in carrying out their responsibilities appropriately.

In 2023, the Company's Code of Conduct was communicated to all directors, executives, and employees, encompassing 100% representation, during orientation. This dissemination included utilizing communication channels through the Company's website.

To ensure compliance with legal standards and business ethics, a mechanism has been implemented to disseminate, communicate, and support all personnel,

including the Board of Directors, Executive Committee, Managing Director, Divisional Director, Managers, Officers, Employees, and all departments. This mechanism encourages strict adherence to the prescribed business ethics aligned with the main business strategy.

Additional details regarding the Code of Conduct can be accessed on the Company's website at:

https://www.sgcapiatal.co.th/th/investor/ir_cg

6.3 Major changes and developments in policies, practices and corporate governance system in the past year

The Company adhered to the principles of good corporate governance for listed companies in 2017. The Board of Directors has established a process for periodically assessing the application of these principles to align with the business context. This assessment occurs at least once annually and was presented for acknowledgment at Board of Directors' Meeting No. 12/2023, held on November 9, 2023. Moreover, the Company also complies with the Bank of Thailand's management criteria announcement, ensuring fair services to customers (Market conduct).

The company acknowledges the significance of

taxes for sustainable development, recognizing their role in promoting and supporting business sector competitiveness. Additionally, the Company believes that taxes contribute to creating economic and social impacts, fostering overall national development. Therefore, the Company has formulated a comprehensive tax policy, which is diligently adhered to in accordance with regulations.

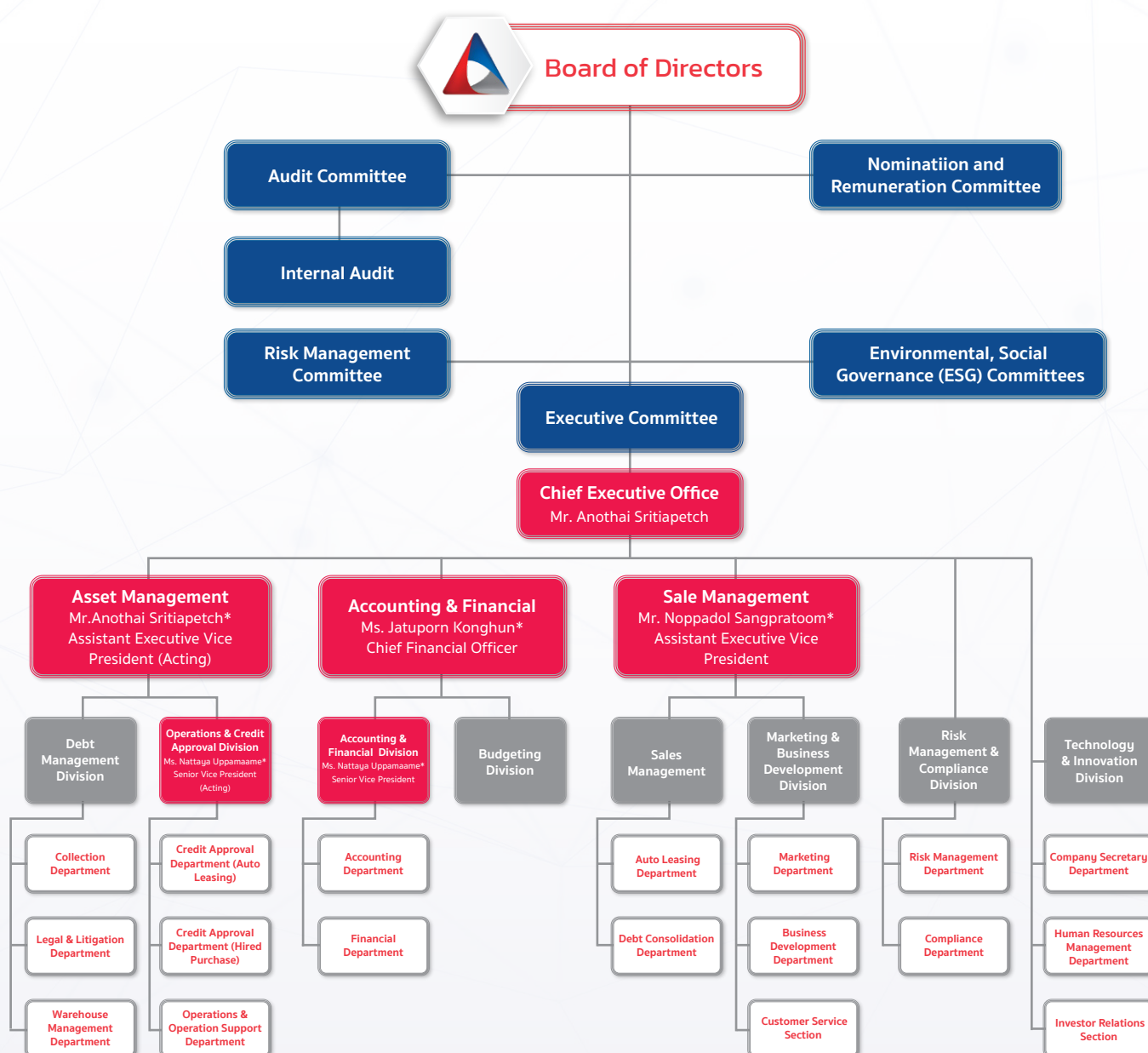
Additional details regarding the policies, practices, and corporate governance systems can be accessed on the Company's website at: https://www.sgcapiatal.co.th/en/investor/ir_cg



7. Governance Structure and Important Information about the Board of Directors, Sub-Committees, Executives, Employees and Others


7.1 Corporate Governance Structure

The Company Organization Chart of the Board of Directors as of 31 December 2023 consists of the Board of Directors and sub-committees that help screen important task for the Board of Directors as the following details,



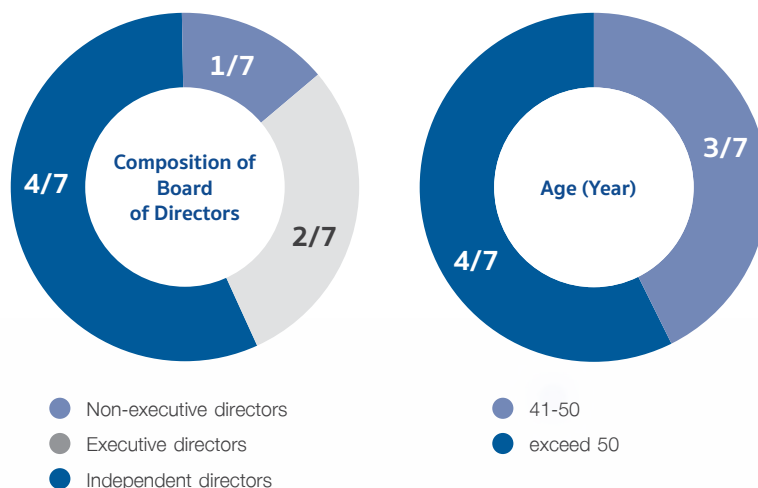
Remark:

* The person is an executive according to the definition specified in the Notification of the Securities and Exchange Commission No. Kor. 17/2008. Definitions in the Announcement Relating to the Issuance and Offering of Securities (as amended)

 Refers to the Company's executive team.

7.2 About the Board of Directors

7.2.1 Composition of the Board of Directors



The Board of Directors consists of persons with knowledge, ability, and experience that will be beneficial to business operations. The members are honest, align with business ethics, and have enough time to dedicate knowledge and ability and fully perform duties for the Company, including formulating strategies and operating policies, including the duty to supervise the business to create sustainable value for the business, conduct business with ethics and responsibility towards shareholders and stakeholders as well as following up, evaluating and supervising performance reports.

In appointing a director of the Company, at the shareholders meeting shall elect directors by (1) one shareholder has one vote equal to 1 share per 1 vote (2) shareholders may use all their votes to elect one or more persons to be directors. In case of electing several persons to be directors, the votes cannot be divided to any person, and (3) the person who receives a majority vote of the total number of votes of the shareholders attending the meeting and voting and obtaining the highest number of votes in descending order will be elected as directors equal to the number of directors required or to be elected at that time. In case the elected persons in descending order have equal votes, which would otherwise exceed the number of directors required or to be elected at that time, the chairman of the meeting shall have a casting vote.

In addition, at every annual general meeting of shareholders, one-third of the total number of directors shall retire from office. If the number of directors cannot be divided exactly into three parts, then issued by the number nearest to 1 in 3 by (1) directors who vacate office may be re-elected and (2) directors who must retire from office in the first and second year after the registration of the Company shall be drawn by means of drawing lots who has been in the position the longest is the one who retires.

as of 31 December 2023 consists of the Board of Directors of members with diverse qualifications, knowledges, expertise and experiences which are necessary and beneficial for the Company's business operations and there is an appropriate balance of directors. The Company has the proportion of independent directors to the total Board of Directors of 4 directors out of 7 directors or equal to 57.14 percent and the proportion of non-executive directors to total directors of 5 directors out of 9 directors or equal to 71.43 percent.

Furthermore, the Board of Directors is Board Diversity. Director s' skills matched SG Capital's business strategies, as seen in the Board Skills Matrix. They are diverse in educational background, experience, and skills required by the matrix and there is a variety of educational backgrounds. Experience without limiting any differences.

Board Skill Matrix

Specialized Knowledge and Expertise ¹	Finance/Banking/ Investment	Agro & Food Industry	Cons ump	Propcon	Accounting/Finance/ Economics	Business Administration	Marketing and Competition Strategy	Internal Audit/ Risk Management	Information and Communication Technology	Corporate Governance
1. Mr. Bibit Bijaisoradat			✓	✓	✓					
2. Mr. Suranit Sorasuchart	✓				✓			✓		
3. Mr. Pongsak Achakulwisut					✓			✓		
4. Mr. Pisit Puapan	✓				✓				✓	
5. Mr. Piranart Chokwatana	✓				✓					
6. Mr. Narathip Wirunechatapant		✓				✓	✓			
7. Mr. Anothai Sritiapetch	✓				✓					✓
Total (person)	4	1	1	1	6	1	1	2	1	1

Remark :

1. Each skill is related to individual directors' educational background, work experience, and specialty evaluation. see in Attachments.1 (Details of Directors, Executives, Auditors, Assigned Person to the Highest Responsibility in Accounting and Finance, the assigned Person to be directly Responsible for Supervising the Accounting and Company Secretary)

7.2.2 Details of Board of Directors

The Company's management structure consists of the Board of Directors and 4 sub-committees including the Audit Committee, the Risk Policy Committee, the Nomination and Remuneration Committee and the Executive Committee. The Board of Directors consists of qualified persons who have full qualifications under Section 68 of the Public Limited Companies Act B.E. 2535 and the relevant notifications of the Capital Market Supervisory Board.

Details of the Board of Directors

The Board of Directors consists of 7 members, which are including 4 independent directors. The independent directors must have all the qualifications in accordance with the regulations of the Capital Market Supervisory Board and the requirements of the SEC. In addition, the scope of powers, duties and responsibilities must be in accordance with the notifications of the Stock Exchange of Thailand. And all of the Board of Directors must have full qualifications and do not have any prohibited attributes under the Public Limited Company Act B.E. 2535 (including those amended), Securities Act or the regulations prescribed by the SEC and other relevant laws as well as do not have untrustworthy characteristics in managing the publicly held company as specified by the Securities and Exchange Commission.

Detail Individual Directors

As of 31 December 2023, the Board of Directors consists of 7 directors including.

No	Name- Last name	Position
1.	Mr. Bibit Bijaisoradat	Chairman of the Board of Directors/ Independent Director / Chairman of the Nomination and Remuneration Committee
2.	Mr. Suranit Sorasuchart	Vice Chairman / Independent Director / Chairman of the Audit Committee / Chairman of the Environment, Social and Governance (ESG) Committee
3.	Mr. Pongsak Achakulwisut ¹	Independent Director/ Member of the Audit Committee / Member of the Nomination and Remuneration Committee / Chairman of the Risk Management Committee
4.	Mr. Pisit Puapan	Independent Director / Member of the Audit Committee / Member of the Risk Management Committee
5.	Mr. Piranart Chokwatana	Director
6.	Mr. Narathip Wirunechatapant ²	Director / Chairman of Executive Committee/ Member of the Nomination and Remuneration Committee
7.	Mr. Anothai Sritiapetch ³	Director /Member of the Executive Committee /Member of the Risk Management Committee /Member of the Environment, Social and Governance (ESG) Committee

Remrk:

1. Being an audit committee member with sufficient knowledge and experience to review the credibility of the Company's financial statements.

2. Approved the appointment of Mr. Narathip Wirunechatapant as the Director / Chairman of the Executive Committee/ Member of the Nomination and Remuneration Committee and Authorized Director as effective From 9 May 2023, in replacement of Mr. Kittipong Kanokvilairat who resigned from the said position. and effective from 30 April 2023 onwards.

3. pproved the appointment of Anothai Sritiapetch as the Director / Member of the Executive Committee/ Member of the Risk Management Committee /Member of the Environment, Social and Governance (ESG) Committee / Authorized Director as effective From 1 May 2023 ,in replacement of Mr. Rakkiti Tanglamert who resigned from the said position. and effective from 30 April 2023 onwards.

Ms. Watthana Bantadsuwan is the Secretary of the Board of Directors

Authorized directors whose signatures are recognized as binding on the Company

Authorized directors whose signatures are recognized as binding on the Company are "Mr. Anothai Sritiapetch and Mr. Narathip Wirunechatapant, whereby any two of the three directors sign and affix the Company's seal."

7.2.3 Information about the Roles and Responsibilities of the Board of Directors and Chairman and CEO

7.2.3.1 Scope, Duties and Responsibilities of the Board of Directors

The Board of Directors focuses on the importance

of operating under the principles of good corporate governance of the Stock Exchange of Thailand to lead the organization to sustainable success and build confidence among shareholders and all stakeholders. The Board of Directors will perform fiduciary duty in managing and operating the Company's business with responsibility, accountability, loyalty, and care to protect the interests of the Company according to roles and responsibilities.

The Board of Directors plays an important role in creating value for the business including creating return on investment for shareholders, determining directions, policies, and business strategies of the Company to ensure that the Company operates in the direction in the best interests of the shareholders. This includes following up on the operations of the management to check, scale,

and be responsible for the performance of the Company to shareholders.

The Board of Directors Meeting No. 12/2023 on 9 November 2023, has reviewed the authority, duties, and responsibilities of the Board of Directors as follows:

1. Perform duties with responsibility, caution, honesty, and care to protect the interests of the Company and in accordance with the law, objectives, and regulations of the Company, resolutions of the Board of Directors Meeting as well as the resolutions of the shareholders' meeting including regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission. It should be in accordance with the principles of good corporate governance.

2. Determine a vision, policy, and direction of the Company's operations, goals, plans, business strategies, and the annual budget of the Company and its subsidiaries as proposed by the Chief Executive Officer and/or the Management in accordance with the objectives and main goals of the Company. Moreover, this must include supporting the preparation or review of goals, work plans, and business strategies, control, supervise and supervise the management to ensure efficiency in accordance with the established policies and budgets.

3. Continuously follow up on the performance of the Company in order to comply with the company's operational plan and budget.

4. Responsible to shareholders on a regular basis, operates to protect the interests of shareholders. The material information shall be disclosed to investors accurately and completely with standards and transparency.

5. Supervise business operations and work ethically.

6. Supervise the management to have an appropriate and efficient risk management system.

7. Determine the authority and level of approval for transactions and various actions related to the work of the Company to the group or individual appropriately and to comply with the relevant laws by preparing a manual of operational authority and review at least 1 time per year (one time).

8. Provide an accounting system that is appropriate, efficient, and reliable including financial reporting and auditing the process of evaluating the appropriateness of the internal auditing.

9. Ensure that the Company has adequate, appropriate, and effective internal control and internal

audit systems to ensure that transactions are approved by authorized persons. There shall be a review of the accuracy of accounting including various systems that can prevent misuse of Company assets.

10. An annual general meeting of shareholders shall take place within 4 months (four months) from the end of the Company's fiscal year.

11. Approve the proposed appointment of an auditor and evaluate the annual audit fee to present to the shareholders for consideration and approval of the appointment.

12. Approve the audited financial reports by the auditor and/or reviewed and have been approved by the Audit Committee.

13. Evaluate and approve the interim dividend payment to shareholders when the Company was profitable enough to do so and report such dividend payment to the shareholders' meeting for acknowledgment in the next shareholders' meeting.

14. Report on the Board of Directors' responsibilities in preparing the financial reports together with the auditor's report in the annual report and covering important matters according to the policy of best practices for directors of listed companies of the Stock Exchange of Thailand.

15. Has an authority to appoint, assign or advise sub-committees or working groups or any other person to evaluate or act on any matter that the Board of Directors deems appropriate.

16. Appoint sub-committees such as the Audit Committee Board of Directors or any other sub-committees and determine the authority and duties of such sub-committees to assist and support the performance of duties of the Board of Directors.

17. Appointment of Company Secretary according to the law on Securities and Exchange Thailand. The scope of duties and responsibilities of the company secretary is also determined to prepare and maintain documents and other matters as required by law and to assist in the activities of the Board of Directors and the Company, such as the Board of Directors meetings; shareholder meeting as well as giving advice to company directors in conducting themselves and business in accordance with the law, and related regulations on a regular basis and to ensure that the directors and the Company disclose correct, complete, and transparent information

18. Review the Board of Directors charter at least 1 time a year (one time).

19. Supervise the performance of various committees in accordance with the specified charter.

20. Establish a corporate governance policy and compliance with good corporate governance principles according to the written principles of good governance and effectively implement the policies to ensure that the Company is responsible to all stakeholders with fairness including reviewing the good corporate governance policy on a regular basis.

21. Seek professional opinions from external organizations, consult an expert or consultants of the company (if any) or hire consultants or external experts in case of necessity at the expense of the company.

22. Obtain the authority to evaluate and approve any matters necessary and related to the Company or deemed appropriate for the benefit of the Company within the framework of the law, which include:

- Approve and improve the Company's vision, mission, and policies.
- Approve both short-term and long-term strategic plans including approving action plans and budgets.
- Organizational structure and management structure
- Approve the preparation and revision of the charter of the Board of Directors and/or other committees of sub-committees.
- Approval of dividend payment policy
- Approve investment projects, important contracts of the Company and companies in the group.
- Acquisition or disposition of assets and any other items required by law within the legal framework.
- Appointment of directors who retired during the appointment year of a sub-committee.
- Determination of the list of authorized directors who can sign to bind the Company.
- Approve significant accounting policy changes and adoption of new accounting standards.

23. Appoint one or more directors or other persons to act on behalf of the Board of Directors. In this regard, such authorization must not have the authority to approve the transactions of such persons or persons who may have conflicts of interest, ("Person who may have conflicts" shall

have the meaning as specified in the announcement of the Securities and Exchange Commission or announcement of the Capital Market Supervisory Board) benefit or may have conflicts of interest in any other manner with the Company.

24. Unless it is an approval of a transaction that is in accordance with the policy and criteria approved by the Board of Directors or the meeting of shareholders in accordance with the Securities and Exchange Act B.E. 2535. (and amendments) including announcements, rules, and/or regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand and other relevant laws.

Definitions of "Independent Director" are as follows:

According to the principles of good corporate governance of the company. The number of independent directors must be at least one-third of the total number of directors, which is in accordance with the criteria prescribed by law. Currently the company There are 4 independent directors in total, which is more than 1/3 of the total number of directors. The Company's independent directors have a term of office not exceeding 3 terms or 9 years, starting from the 2021 Annual General Meeting of Shareholders onwards. Currently, no independent director holds office beyond the specified term. Moreover, independent directors can call meetings as they see fit.

In addition, all independent directors are knowledgeable, capable, qualified and independent. There are no prohibited qualifications as required by law. and possess complete qualifications according to the Company's definition of independent directors as follows:

1. An independent director holds no more than one percent of the total voting shares of the Company, parent company, subsidiary, associate, major shareholders, or controlling person of the Company including the shareholding of persons related to the independent directors.

2. An independent director is not currently be or never been the Company's executive director, worker, employee, salaried consultant, or controlling parties, parent company, subsidiary, associate, same-level subsidiary, major shareholders, or controlling person of the Company during the period of two preceding years. Relaxation of this requirement is in the case where the person is retired as a government official or as a consultant of a government agency which is a majority shareholder or has controlling interest for less than two years.

3. An independent director is not related by blood or legal registration as a father, a mother, a spouse, a sibling, a son/daughter or a spouse of a son/daughter of other directors, executives, major shareholders, controlling persons, or an individual to be nominated as directors, executives, or controlling parties of the Company or subsidiary.

4. An independent director does not have or never has had a business relationship with the Company, its parent company, subsidiaries, associates, major shareholders or controlling persons in such a manner that may obstruct the exercise of independent discretion. Moreover, an independent director is not or was not a significant shareholder or a controlling person of any party that has a business relationship with the Company, its parent company, subsidiaries, associates, major shareholders or controlling persons, unless such status has ended no less than two years before the date of filing.

The business relationship under the first paragraph includes any normal business transaction, rental or lease of immovable property, the transaction relating to assets or services or granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, and any other similar actions, which results in the Company or his counterparty being subject to indebtedness payable to the other party in the amount of 3 percent or more of the net tangible assets of the Company, or above Baht 20 million, whichever is lower. The amount of such indebtedness shall be calculated according to the method for calculation of the value of connected transactions under the Notification of the Capital Market Supervisory Board Governing.

rules on connected transactions mutatis mutandis. The consideration of such indebtedness shall

include indebtedness occurred during the period of one year prior to the date on which the business relationship with the person commences.

5. An independent director is not or was not an auditor of the Company, its parent company, subsidiaries, associates, major shareholders or controlling persons, and is not a significant shareholder or a controlling person of the Company or a partner of auditing companies that employ auditors of the Company, its parent company, subsidiaries, associates or controlling persons, unless such status has ended no less than two years before the date of filing.

6. An independent director is not or was not a provider of any professional services including those as a legal consultant or a financial consultant that receives

service fees of more than Baht 2 million per year from the Company, its parent company, subsidiaries, associates, major shareholders or controlling persons of the Company, and is not a significant shareholder, a controlling person or a partner of providers of professional services, unless such status has ended no less than two years before the date of filing.

7. An independent director is not a director appointed as a representative of director of the Company, major shareholders or shareholders related to the major shareholders.

8. An independent director does not undertake any business of the same nature and in competition with the Company or its subsidiaries or is not a significant partner in a partnership or is an executive director, an employee, a staff member, a consultant with monthly salary or holds more than 1 percent of the total number of voting shares of other companies which undertake any business of the same nature and in competition with the Company or its subsidiaries.

9. An independent director does not have any other characteristics which can compromise the expression of free views about the Company's business operations.

7.2.3.2 Scope, Duties, and Responsibilities of the Chairman

The Chairman of the Board plays an important role in supporting the Board of Directors to perform their duties efficiently. The Company, therefore, requires the Chairman of the Board of Directors, Executive Chairman, and Chief Executive Officer to be different persons in order to clearly separate the authority of the Company's policies and management according to the law and principles of good corporate governance by the Chairman of the Board of Directors who is the highest executive of the organization.

The roles and responsibilities of supervising, determining missions, strategies, and monitoring to ensure that the Board of Directors' performance of duties sub-committee and Chief Executive Officer operate effectively. This includes achieving the objectives and the main goals of the organization which is the main important role of the Chairman.

The Board of Directors Meeting No. 42/2021 on September 27, 2021, resolved to approve the scope of authority, duties, and responsibilities of the Chairman of the Board of Directors. The summary is as follows:

1. Determine the composition, size, and structure of the Board of Directors to create a balance between executive directors and independent directors.

2. Responsible as a leader of the Board of Directors in supervising and monitoring the implementation of the policy and strategic operational guidelines of the management of the Board of Directors and other sub-committees to achieve the determined objectives and plans. This includes giving advice and support to the management's business operations.

3. Perform key roles in controlling the Board of Directors and fostering cooperation and mutual dedication to the sustainable success of the organization.

4. Support and encourage the Board of Directors to perform their duties at full capacity under the jurisdiction's responsibilities to align with the standards of good corporate governance principles.

5. Arrange for the Board of Directors to develop a better structure and determine the strategy and objectives of the Company.

6. Ensure that the Board of Directors receives accurate and sufficient information on time before the Board Meeting.

7. Ensure that the Board of Directors Meeting and Shareholders Meeting take place by presiding over the meeting of the Board of Directors and the shareholders meeting which is in accordance with the regulations of the Company.

8. Controlling the meeting to be efficient according to the regulations of the Company, support and give opportunities for company directors to express their opinions independently.

9. Obtain a decisive vote in the case the Board of Directors' meeting has a casting vote and equal votes for both sides.

10. Be a leader and act as a role model according to the code of business ethics, including promoting, supervising, following up on management based on sustainability principles, and social responsibility, and complying with anti-corruption measures and practices.

11. Encourage directors to comply with the scope of authority and responsibility of the Board of Directors in accordance with the law and the principles of good corporate governance and the business ethics of the Company as well as being responsible to shareholders and related stakeholders.

7.3 About the Sub-Committees

As of December 31, 2023, the Company has 5 sub-committees: (1) Audit Committee (2) Nomination Remuneration Committee (3) Risk Management Committee (4) Executive Committee and (5) Environment, Social and Governance (ESG) Committee

Each sub-committee has a charter approved by the Board of Directors by specifying the objectives, components, qualifications, term of office, duties and responsibilities, meetings, quorum, voting, remuneration, and evaluation. Sub-committees are required to report their performance to the Board of Directors.

7.3.1 Scope, Duties, and Responsibilities of the Sub-Committees

7.3.1.1 Scope, Duties, and Responsibilities of the Audit Committee

The Company has evaluated in appointing an audit committee who is qualified as an independent director to help support the Board of Directors to supervise the organization. They ensure that the operations of the group

of companies are in accordance with the requirements and the operations are in accordance with the code of conduct. They are also responsible for taking care of the Company's financial reports to be accurate and in accordance with the law requirements.

Supervise the work of the internal audit department of the company. The Audit Committee can perform duties as assigned by the Board of Directors in accordance with the requirements of the regulatory agencies. They are responsible for preparing the report of the Audit Committee to be included in the Company's annual report.

The Board of Directors Meeting No. 9/2023 on 12 May 2023, resolved to approve the scope, authority, duties, and responsibilities of the Audit Committee as follows:

1. Review to ensure that the company's financial reports are accurate and sufficient and reliable in accordance with the accounting standards and financial reporting standards required by law.

2. Review the Company's internal control system and internal audit system to ensure that they are appropriate

and effective according to generally accepted international methods and standards.

3. Evaluate the independence of the internal audit department as well as approve the appointment, transfer, termination of employment, and evaluation of the performance of the head of the internal audit department or any other agencies responsible for internal auditing.

4. Review the Company's compliance with the Securities and Exchange Act including requirements, announcements, regulations, rules and/or regulations of the Stock Exchange of Thailand, The Securities and Exchange Commission and the Stock Exchange of Thailand and other laws related to the business of the Company.

5. Evaluate, select, and proposed the appointment of the Company's auditor including evaluating the remuneration of the auditor. This must be proceeded by independence, credibility, sufficient resources, audit workload of the audit firm, and experience of personnel assigned to audit the Company's accounts.

6. Attend a meeting with the auditor without the presence of the management at least 1 time a year (one time)

7. Review the financial reports of the company, accounting standards and accounting policy, and significant changes in accounting standards, principles, or guidelines including making important accounting decisions that affect the Company's financial reports. This shall include the alternative reasonableness and the consequences of such decisions.

8. Evaluate connected transactions or transactions that may have conflicts of interest to comply with the laws and requirements of regulatory agencies. This is to ensure that such transactions are reasonable and in the best interest of the Company.

9. Review and approve or ratify any transactions between the Company and related parties. This is a transaction that is required to disclose information in accordance with the rules and regulations of the Securities and Exchange Commission.

10. Review the internal audit plan of the company according to generally accepted methods and standards.

11. Review to ensure that the Company has appropriate and efficient risk management systems.

12. Report on the performance of the Audit Committee Report to the Board of Directors at least 4 times a year (four times)

13. In performing duties according to the scope of duties, the Audit Committee has the authority to invite

the management, executives, or relevant employees of the Company to give opinions, attend meetings or submit documents deemed relevant or necessary.

14. Obtain the authority to hire consultants or a professional expert on the performance of the audit or external persons to provide opinions or advice in case of necessity at the expense of the company.

15. The Audit Committee should evaluate its performance at least once a year (one time)

16. Evaluating and improving the charter of the Audit Committee and presenting to the Board of Directors for approval if necessary.

17. Prepare a report on the corporate governance of the Audit Committee. This is disclosed in the Company's annual report. The report must be signed by the Chairman of the Audit Committee and must contain at least the following information:

- Opinions on the accuracy, completeness, and credibility of the Company's financial reports.
- Opinions on the sufficiency of the Company's internal control system.
- Opinions on compliance with the law on securities and exchange, requirements of the Stock Exchange of Thailand, or laws related to the company's business.
- Opinion on the suitability of an auditor
- Opinions on transactions that may have conflicts of interest.
- Number of audit committee meetings and the attendance of each member of the Audit Committee
- Opinions or overall observations received by the Audit Committee from performing their duties in accordance with the Charter.
- Other items that shareholders and general investors should know under the scope of duties and responsibilities assigned by the Board of Directors

18. Conduct a fact-finding investigation as notified by the auditor regarding suspicious behavior of the Chief Executive Officer or the person responsible for the operation of the Company commits an offense under the Securities and Exchange Act and the Audit Committee shall report the preliminary audit results to the Office of the Securities and Exchange Commission. and the auditor within 30 days (thirty days) from the date of being notified by the auditor.

19. Ensure that the Company has channels for receiving traces and complaints about inappropriate reports in the financial statements or other issues. This ensures whistleblowers that there is an independent review process and appropriate follow-up has been undertaken.

20. Perform any other tasks as assigned by the Board of Directors with the approval of the Audit Committee by virtue of the regulations of the Company and the law in performing the aforementioned duties. The Audit Committee is directly responsible to the Board of Directors and the Board of Directors is still responsible for the operation of the Company to third parties.

21. In performing duties of the Audit Committee in case of finding or suspecting of the following items or actions, this may have a significant impact on the financial position and performance of the Group. The Audit Committee shall report to the Board of Directors to make improvements within the time that the Audit Committee deems appropriate

- Items that cause conflicts of interest
- Fraud or irregularities or significant flaws in the internal control system
- Violation of securities and exchange laws, regulations, and announcements of the Stock Exchange of Thailand or other relevant laws applicable to the group companies.

In case the Board of Directors or executives fail to make improvements within the time above, any member of the Audit Committee may report any transaction or action as mentioned above to the Securities and Exchange Commission or the Stock Exchange of Thailand.

20. Review the Company's operations in accordance with ("Thailand's Private Sector Collective Action Coalition Against Corruption-CAC")

21. Consider and give opinions on monitoring compliance with anti-corruption measures, including risk management systems linked to potential risks arising from corruption, to ensure that the Company's operations are transparent, honest, fair, in accordance with moral and ethical principles, and conduct business with anti-corruption in all forms.

22. Receiving complaints, whistleblowing Corruption acts, both internal and external, in which the Company's directors, executives or employees are involved, and investigate the facts as notified and propose to the Board of Directors to jointly consider penalties or solve problems

in accordance with the Anti-Corruption Policy.

23. Perform any other tasks as assigned by the Board of Directors and related operations to achieve the objectives and duties of the Audit Committee.

7.3.1.2 Scope, Duties, and Responsibilities of the Nomination and Remuneration Committee

The Board of Directors has appointed the Nomination and Remuneration Committee in order to select persons according to the recruitment process, determined criteria and process for recruiting qualified persons to be appointed as a director and top executives of the Company as well as selecting Company directors to act as a director of the Company. The sub-committees evaluate the form and criteria of remuneration paid to present to the Board of Directors or to the shareholders meeting for approval as specified, including evaluation of procedures and methods for evaluating the performance of the Board of Directors according to the principles of good corporate governance by defining elements scope of responsibilities for the Nomination and Remuneration Committee to be able to perform their duties efficiently.

The Board of Directors Meeting No. 9/2023 on 12 May 2023, resolved to approve the scope, authority, duties, and responsibilities of the Nomination and Remuneration Committee. The summary is as follows:

Nomination

1. Determine criteria and policies for recruiting company directors and sub-committees by considering the suitability of the number, structure, and composition of the Board of Directors. Determine the qualifications of directors to be proposed to the Board of Directors and/or to be proposed to the shareholder meeting for approval on a case-by-case basis.

2. Evaluate recruiting, selecting, and nominating suitable persons to serve as directors who have completed their terms and/or vacancies and/or additional appointments on a case-by-case basis.

3. Evaluate recruiting and selecting executives of the company, especially the Chief Executives Officer position covering both education, experience, knowledge, and expertise.

4. Conduct and review the succession plan of the Company's top executives to prepare a continuous plan to have a successor so that the management of the Company can operate continuously.

5. Perform any other operations related to recruitment as assigned by the Board of Directors.

Remuneration

1. Prepare criteria and policies for determining the remuneration of the Board of Directors, sub-committee, and executives to propose to the Board of Directors and/or propose to the shareholders meeting for approval on a case-by-case basis.

2. Determine necessary and appropriate remuneration, both monetary and non-monetary, for the Board of Directors individually by determining the remuneration of the Board of Directors and executives of the Company. It is considered from the suitability with responsibilities, performance, and comparisons with companies in similar businesses and benefits expected from the directors and executives of the Company to propose to the Board of Directors for evaluation and present to the Board of Directors meeting for approval.

3. Evaluate and approve the annual remuneration of directors.

4. Responsible for the Board of Directors and has a duty to provide clarifications in answering questions about the remuneration of directors sub-committee and senior executives of the Company at the shareholders meeting.

5. Report on policies, principles, and reasons for determining remuneration for directors and executives according to the regulations of the Stock Exchange of Thailand. It is disclosed in the annual information disclosure form (56-1) and the Company's annual report.

6. Perform any other tasks related to remuneration as assigned by the Board of Directors by management and various departments must report or present relevant information and documents to the Nomination Remuneration and Corporate Governance Committee. This is to support the performance of the Nomination Remuneration and Corporate Governance Committee to achieve the assigned duties.

7. Evaluate the performance of the Company's top executives to make recommendations to the Board of Directors Meeting for evaluation of appropriate remuneration.

7.3.1.3 Scope, Duties, and Responsibilities of the Risk Management Committee

The Board of Directors has appointed the Risk Management Committee by setting a risk management

policy including supervising the risk management system or process to cover the entire organization and reduce the impact on the Company's business appropriately. This includes the determination of components, scope, duties, and responsibilities for the Risk Management Committee to be able to perform duties efficiently.

The Board of Directors Meeting No.9/2023 on 12 May 2023, resolved to approve the scope, power, duties, and responsibilities of the Risk Management Committee. The summary is as follows:

1. Determine and review corporate risk management policies and frameworks that must cover matters such as strategic risks, liquidity risks, market risks, operational risks, or other risks that are significant to the Company, as well as provide advice to the Board of Directors and management on enterprise risk management.

2. Supervise and support the implementation of corporate risk management. Align with business strategies and goals.

3. Consider the report on the results of corporate risk management and provide opinions on potential risks, as well as determine guidelines or mitigation plans, and develop the Company's key risk management management systems at the corporate level, including providing opinions on risk issues in case the Company wishes to invest in related businesses and/or other businesses.

Regularly report the risk assessment and operations to reduce risks to the board of directors for acknowledgment. In case of an important issue that significantly affects the Company, it must be reported to the Board of Directors for an evaluation as soon as possible.

4. Determine strategies, organizational structure and resources used in risk management in accordance with the Company's risk management policy by being able to analyze, evaluate, measure and monitor the risk management process effectively.

5. Perform any other tasks as assigned by the Board of Directors related to the Company's risk management on duty. The Risk Management Committee may seek opinions from independent advisors when deemed necessary and appropriate as well as allowing the Risk Management Committee to receive training and enhance their knowledge in matters related to risk management operations. At the Company's expense, with the approval of the Board of Directors.

7.3.1.4 Scope, Duties, and Responsibilities of the

Executive Committee

The Board of Directors consider appointing an Executive Committee with appropriate qualifications to perform management duties, and control the business of the Company to grow sustainably and efficiently as assigned by the Board of Directors. Therefore, the charter of the Executive Committee has been established to understand the roles, duties, and responsibilities as well as a guideline for performing duties in accordance with the law and in line with the principles of good corporate governance.

The Board of Directors Meeting No.11/2023 on 10 August 2023, resolved to approve the scope, powers, duties, and responsibilities of the Executive Committee. The summary is as follows:

1. Prepare and present policies, goals, vision & mission, business strategies, and annual plans. Formulate a business plan, annual budget, Organizational Structure and various management authorities of the Company for the Board of Directors to approve.

2. Supervise the business operations of the Company and its subsidiaries to align with policies, directions, business strategies, action plans, and financial goals, and the annual budget approved by the Board of Directors to ensure efficiency, and conducive to business conditions and provide management advice to senior executives.

3. Responsible for the operation of the Company in accordance with the law, objectives, and regulations of the Company, resolution of the shareholder meeting, resolutions of the Board of Directors meeting as well as related regulation's organizational structure and determine the position of the Company including improvements. Once the action has been taken, the committee shall report to the Board of Directors for acknowledgment, review, update the Executive Committee Charter and approve.

4. Study the feasibility of investing in new projects and be eligible to consider evaluating the Company to invest or jointly invest in accordance with the approval authority and operational authority that the Board of Directors has already approved to conduct the business according to the objectives of the Company.

5. Following up on the performance and investment progress of each business and reporting the results including the problems or obstacles that arise and ways to improve to the Board of Directors for acknowledgment.

6. Evaluate and approve the expenditure of

investment funds, preparing financial transactions with financial institutions to open an account, loan, pledge, mortgage, guarantee or any others including trading register the ownership of land, assets for normal business transactions of the company as well as entering into legal contracts, submitting requests, proposals, contacting, doing legal acts with government agencies in order to obtain the rights of the Company and/or take any action related to such matters until completion (ตาม/according to the amount as specified in the table of approval authority already approved by the Board of Directors). Such actions must be subject to the laws, rules, and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission, or any other relevant laws.

7. Approve obtaining or canceling loan limits. The limit shall not exceed the specified amount.

8. Approve investment, selling investments in ordinary shares and/or any other securities in the amount and it shall not exceed the specified amount each time.

9. Responsible for enhancing the competitiveness of the Company and encouraging continuous innovation.

10. Obtain the authority to invite executives or employees of related companies to clarify, provide opinions at the meeting or submit documents as deemed relevant and necessary.

11. Determine the organizational structure and management authority by covering the details of the selection, hiring, appointment, transfer, training, and termination of Executives (C-Level) of the Company's as defined by the Securities and Exchange Commission (SEC). The Chairman of the Executive Committee and/or The CEO is assigned on behalf of the Company to sign the employment contract.

12. Appoint, and remove any other working groups to carry out various activities in the management of the Company.

13. Supervise and approve matters related to the operations of the Company and may appoint or assign one or more persons to act on behalf of the Executive Committee as it deems appropriate. The Executive Committee can cancel, change, or amend that authority.

14. Obtain the authority to assign advisors in various fields which deemed to be significant for the operations of the Company or to comply with relevant laws.

15. Report important performance of the Executive Committee to the Board of Directors.

16. Self Assessment on the performance of the

entire Executive Committee and individually on an annual basis. To review the performance, problems and obstacles in the past year and report the evaluation results to the Board of Directors annually.

17. Prepare a report of the Executive Committee signed by the Chief Executive Officer for disclosure in the annual report in accordance with good corporate governance principles.

18. Perform any other duties as assigned by the Board of Directors.

In this regard, the assignment of authority and responsibilities of the executive committee will not look like a mandate or delegate the power of the executive committee or the authorized person of the Executive Committee to approve the transactions that they or persons who may have conflicts of interest (as defined in the Notification of the Securities and Exchange Commission) having an interest or there may be any other conflicts of interest with the Company and/or its subsidiaries unless it is an approval of a transaction that is in accordance with the policies and criteria approved by the Board of Directors. This is in accordance with the Securities and Exchange Act B.E. 2535 (and its amendments), including announcements, rules, and/or regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. and other relevant laws.

7.3.1.5 Scope, Duties, and Responsibilities of the Environment, Social and Governance (ESG) Committee

The Board of Directors consider appointing the Environment, Social and Governance (ESG) Committee to support and assist the Board of Directors by taking responsibility for driving the Company's activities in accordance with the principles of sustainability, which are not limited to relevant laws, rules, and regulations, both domestically and internationally, as well as creating a culture of sustainability in the organization.

The Board of Directors Meeting No.9/2023 on 12 May 2023, resolved to approve the scope, powers, duties, and responsibilities of the Executive Committee. The summary is as follows:

1. Consider, formulate, review, and improve the Company's sustainability strategy.
2. To determine, review, and improve the Company's sustainability policies and practices, including but not limited to policies and practices related to socially

responsible business practices. It also oversees compliance with established policies and practices.

3. Consider determining the Company's annual sustainability priorities and formulating relevant operational plans. The management shall undertake to achieve the sustainability objectives each year, as well as monitor the Company's sustainability performance and ensure that such performance is disclosed in the Company's annual report and/or sustainability report.

4. Consider formulating a plan for CSR activities. This includes monitoring the results of activities and disclosing information to the public through various online and offline channels.

5. Establish corporate governance policies and compliance with good corporate governance principles. Code of Business Ethics and Code of Work Practices Anti-corruption policies and practices to comply with laws and regulations of the agency. Government and regulatory organizations such as the Stock Exchange of Thailand and the Securities and Exchange Commission are ready to propose to the Board of Directors for consideration and approval.

6. Encourage the Company to communicate with directors. Executives, employees at all levels and related parties Recognize and understand corporate governance policies and compliance with good corporate governance principles. Business Ethics and Work Ethics Anti-Corruption Policy and Guidelines and related guidelines adequately and continuously and monitor the progress of the performance of various working groups under the supervision of the Sustainability and Corporate Governance Committee.

7. Supervise and follow up on the progress of the performance of various working groups. Under the supervision of the Sustainability Committee and corporate governance

8. Report the performance of duties to the Board of Directors, including disclosure in the Company's annual report.

9. Perform duties or perform any other actions in terms of sustainability and good corporate governance as further assigned by the Board of Directors.

7.3.2 Name List of the Sub-Committees

7.3.2.1 Audit Committee

As of 31 December 2023, the Audit Committee of the Company consists of 3 independent directors as follows:

No.	Name – Surname	Position
1.	Mr. Suranit Sorasuchart	Chairman of the Audit Committee /Independent Director
2.	Mr. Pongsak Achakulwisut	Member of the Audit Committee/ Independent Director
3.	Mr. Pisit Puapan	Member of the Audit Committee / Independent Director

Mr. Pongsak Achakulwisut is a member of the Audit Committee with sufficient knowledge and experience to review the credibility of financial statements in accordance with the criteria of the Notification of the Capital Market Supervisory Board No. TorChor. 39/2016 Re: Application for Approval and Granting of Approval for Offering of Newly Issued Shares (Codified) dated September 30, 2016 (including any amendments) (“Notification TorChor 39/2016”)

Mr. Pongsak Achakulwisut graduated with a Bachelor’s of Accountancy (Second Class Honors) from Thammasat University and Master of Science in Finance from Georgia State University, Atlanta, USA. The details, qualifications, and experiences of all 3 members of the Audit Committee are shown in Attachment 1 (details about directors, executives, controlling persons, assigned person to the highest responsibility in accounting and finance, the assigned person to be directly responsible for supervising the accounting and company secretary)

Ms. Watthana Bantadsuwan is the Secretary of the Audit Committee

7.3.2.2 Nomination and Remuneration Committee

As of 31 December 2023, The Nomination and Remuneration Committee The details are as follows:

No.	Name – Surname	Position
1.	Mr. Bibit Bijaisoradat	Chairman of the Nomination and Remuneration Committee / Independent Director
2.	Mr. Pongsak Achakulwisut	Member of the Nomination and Remuneration Committee / Independent Director
3.	Mr. Narathip Wirunechatapant ¹	Member of the Nomination and Remuneration Committee

Remark:

1. Approved the appointment of Mr. Narathip Wirunechatapant as Member of the Nomination and Remuneration Committee in replacement of Mr. Kittipong Kanokvilairat who resigned from the said position. and effective from 9 May 2023 onwards.

Ms. Watthana Bantadsuwan is the Secretary of the Nomination and Remuneration Committee.

7.3.2.3 Risk Management Committee

As of 31 December 2023, The Risk Management Committee The details are as follows:

No.	Name – Surname	Position
1.	Mr. Pongsak Achakulwisut	Chairman of the Risk Management Committee/ Independent Director
2.	Mr. Pisit Puapan	Member of the Risk Management Committee/ Independent Director
3.	Mr. Anothai Sritiapietch ¹	Member of the Risk Management Committee
4.	Ms. Jatuporn Konghun ²	Member of the Risk Management Committee

Remark:

1. Approved the appointment of Mr. Anothai Sritiapietch as Member of the Risk Management Committee in replacement of Ms. Busaba Kunsiritham who resigned from the said position. and effective from 1 May 2023 onwards.

2. Approved the appointment of Ms. Jatuporn Konghun as Member of the Risk Management Committee and effective from 1 March 2023 onwards.

Ms. Watthana Bantadsuwan is the Secretary of the Risk Management Committee

7.3.2.4 Executive Committee

As of 31 December 2023, The Executive Committee The details are as follows:

No.	Name - Surname	Position
1.	Mr. Narathip Wirunechatapant ¹	Chairman of the Executive Committee
2.	Mr. Anothai Sritiapetch ²	Member of the Executive Committee
3.	Ms. Jatuporn Konghun ³	Member of the Executive Committee
4.	Mr. Noppadol Sangpratoom	Member of the Executive Committee
5.	Mr. Assawatep Krainara ⁴	Member of the Executive Committee

Remark:

1. Approved the appointment of Mr.Narathip Wirunechatapant as Chairman of the Executive Committee in replacement of Mr. Kittipong Kanokvilairat who resigned from the said position. and effective from 9 May 2023 onwards.
2. Approved the appointment of Mr. Anothai Sritiapetch as Member of the Executive Committee in replacement of Ms.Busaba Kunsiritham who resigned from the said position. and effective from 1 May 2023 onwards.
3. Approved the appointment of Ms.Jatuporn Konghun as Member of the Executive Committee and effective from 1 March 2023 onwards.
4. Approved the appointment of Mr. Assawatep Krainara as Member of the Executive Committee and effective from 1 May 2023 onwards.

Ms. Watthana Bantadsuwan is the Secretary of the Executive Committee.

7.3.2.5 Environment, Social and Governance (ESG) Committee

As of 31 December 2023, The Environment, Social and Governance (ESG) Committee The details are as follows

No.	Name - Surname	Position
1.	Mr. Suranit Sorasuchart	Chairman of The Environment, Social and Governance (ESG) Committee/Independent Director
2.	Mr. Anothai Sritiapetch ¹	Member of the Environment, Social and Governance (ESG) Committee
3.	Ms. Jatuporn Konghun ²	Member of the Environment, Social and Governance (ESG) Committee
4.	Mr. Noppadol Sangpratoom ³	Member of the Environment, Social and Governance (ESG) Committee

Remark:

1. Approved the appointment of Mr. Anothai Sritiapetch as Member of the Environment, Social and Governance (ESG) Committee in replacement of Ms.Busaba Kunsiritham who resigned from the said position. and effective from 1 May 2023 onwards.
2. Approved the appointment of Ms.Jatuporn Konghun as Member of the Environment, Social and Governance (ESG) Committee and effective from 1 March 2023 onwards.
3. Approved the appointment of Mr. Noppadol Sangpratoom as Member of the Environment, Social and Governance (ESG) Committee in replacement of Yuthaya Sangnak who resigned from the said position.and effective from 9 November 2023 onwards.

Ms. Watthana Bantadsuwan is the Secretary of the Environment, Social and Governance (ESG) Committee.

7.4 Management Team

7.4.1 About the Management Team

As of 31 December 2023, The details are as follows:

No.	Name – Surname	Position
1.	Mr. Anothai Sritiapietch ¹	Chief Executive Officer (CEO)
2.	Ms. Jatuporn Konghun ²	Chief Financial Officer (CFO)
3.	Mr. Noppadol Sangpratoom	Assistant Executive Vice President of Sales Management
4.	Ms. Nattaya Uppamaame ³	Senior Vice President of Accounting & Finance Division Senior Vice President of Operations & Credit Approval Division (Acting)

Remark:

1. Approved the appointment of Mr. Anothai Sritiapietch as Chief Executive Officer in replacement of Ms. Busaba Kunsiritham who resigned from the said position. and effective from 15 March 2023 onwards.
2. Approved the appointment of Ms. Jatuporn Konghun as Chief Financial Officer in replacement of Ms. Kanarat Ittipuvadol who resigned from the said position. and effective from 1 March 2023 onwards.
3. Approved the appointment of Ms. Nattaya Uppamaame as Senior Vice President of Accounting & Finance Division and effective from 1 March 2023 and approved the appointment as Senior Vice President of Operations & Credit Approval Division (Acting) and effective from 1 December 2023 onwards.

Scope, Duties, and Responsibilities of the CEO

The Board of Directors appoints the Chief Executive Officer (CEO) to lead the management of the business of the Company, including supporting operations under the supervision of the Board of Directors in accordance with the direction, policies, and strategies of business operations as determined by the Board of Directors as well as ensuring the return on investment and the maximum benefit to the stakeholders.

The Board of Directors Meeting No. 42/2021 on September 27, 2021, resolved to approve the scope of authority, duties, and responsibilities of the Chief Executive Officer as follows:

1. Supervise, manage, operate, and perform routine tasks according to the normal business of the Company for the benefit of the company and in accordance with the policies, strategies and annual budget plans approved by the Board of Directors and/or assigned by the Board of Directors and/or resolutions of the Executive Committee Meeting and/or resolutions of the Shareholders Meeting.
2. Communicate the vision, business directions, policies, strategies, and operational plans of the Company.

3. Supervise the operations of the Company to align with the various plans as well as to comply with the regulations of the Company, laws, rules, and regulations of relevant agencies.

4. Serves as a coordinator between the Board of Directors and the management to strengthen good relations.

5. Approve the entry into any contract and/or transaction including any remuneration within the budget, plan, or framework approved by the Executive Committee and/or the Board of Directors. and according to the operational authority that has been approved by the Board of Directors.

6. Obtain the authority to approve investment/ sale of investment including entering any juristic act or contract in the amount not exceeding the amount specified in the table of approval authority approved by the Board of Directors.

7. Obtain authority to issue orders, rules, announcements, and memos to ensure that the operations are in accordance with the Company's policies to maintain discipline within the organization and code of business ethics.

8. Govern the overview of human resources management of the Company.

9. Obtain the authority to command, evaluate, and approve the appointment, employment, termination of employment, promotion, training, disciplinary action, transfer, leveling, salary increase, or adjust the salary rate as well as considering merit disciplinary measures including determining the remuneration and welfare of the Company's employees under the framework and policies set by the Board of Directors.

10. Represent the Company in publicizing the organization.

11. Supporting the provision of appropriate and regular communication channels with shareholders and providing standardized and transparent disclosure of information.

12. Authorize or assign any other person that the Chief Executive Officer deems appropriate to act on behalf of the Chief Executive Officer in necessary and appropriate matters under the Chief Executive Officer's discretion which is under the criteria and regulations of the Company.

13. The exercise of the power of the Chief Executive Officer above cannot be done if the Chief Executive Officer may have conflicts of interest in any manner with the Company.

14. Exercise such authority if in doubt or unclear in the exercise of authority as specified herein to propose the matter to the Board of Directors for evaluation.

15. Summarize the performance to present to the Board of Directors

16. Perform other duties as assigned from time to time by the Board of Directors and/or sub-committees under the regulations of the Company, and securities law including rules and regulations of the Stock Exchange of Thailand, and the Securities and Exchange Commission.

However, the delegation of duties and responsibilities of the Chief Executive Officer (CEO) is not a delegation of authority or sub-delegation that allows the Chief Executive Officer (CEO) or the authorized person by the Chief

Executive Officer (CEO) to approve any transaction that he or she may have conflicts having an interest or there may be any other conflicts of interest with the Company or its subsidiaries (as defined in the Notification of the Securities and Exchange Commission). The approval of such transactions must be proposed to the Board of Directors meeting and/or the shareholders meeting (case by case) to evaluate and approve such transactions according to the regulations of the Company or related laws unless it is an approval of a transaction that is a normal commercial transaction of the Company that is in accordance with the policy and criteria approved by the Board of Directors.

7.4.2 Policy on remuneration for executives

Policy and Criteria for Executive Remuneration Chief Executive Officer (CEO) Remuneration

Nomination and Remuneration Committee will consider the remuneration structure and rate of the Chief Executive Officer to be suitable for the responsibilities and to motivate the Chief Executive Officer to lead the organization to achieve both short-term and long-term goals before presenting to the Board of Directors for consideration and approval. The remuneration of the Chief Executive Officer must be consistent with the strategy and long-term goals of the Company, experience, duties, scope, roles and responsibilities including expected benefits. And the compensation is comparable to leading information businesses in the same category.

Executive Remuneration

Executive Committee will consider the appropriateness of the remuneration and annual salary adjustments of executives at the level C-Level of by considering the performance and operating results of the Company together with the performance according to the goals that have been set in advance.

At present, the remuneration structure is suitable for the responsibility and be able to motivate directors and executives to lead the organization to operate according to short-term and long-term goals and be comparable to the normal practice in the same industry.

7.4.3 Remuneration for the Executives

1. Monetary Remuneration

Remuneration for executives of the Company consists of salary, bonus, social security, and provident fund. The details are as follows:

	As of December 31, 2022	As of December 31, 2023
No. (person)	8	4
Remuneration (million)	32.63	33.40

Remark:

As of 31 December 2023, the names and positions of executives appear in section 7.4.1

2. Other Remuneration

Other remuneration of executives consists of a car for the position, annual health checkup, health insurance, provident fund, and medical expenses for family members.

3. Accrued Compensation or Benefits

- None -

7.5 About Employees

7.5.1 Employees of the Company

7.5.1.1 Number of Employees

Employees of the Company (excluding executives) as of 31 December 2022, and as of 31 December 2023, is in a total of 999 people and 711 people, respectively, which can be divided by a field of work as follows:

Department	Number of Employees			
	31 December 2022		31 December 2023	
	Permanent employee	Temporary employee	Permanent employee	Temporary employee
Asset Management	446	31	335	9
Sale Management	474	3	318	-
Accounting and Finance	16	-	20	-
Chief Executive Officer Office	22	7	20	9
Total	958	41	693	18

• Significant changes in personnel in the 3 years

In 2021, the Company has transferred employees from SINGER, the main fields that were transferred are accounting and finance and the Chief Executive Officer Office. There are the recruitment of credit and property management and business development and sales from outside to support the expansion of the Company. As of 31 December 2022, the Company has a total number of permanent employees to 999 employees. And In 2023, the company restructured has a total number of permanent employees to 711 employees.

7.5.1.2 Employees Remuneration

Remuneration for employees and employees of the Company can be summarized as follows:

Remuneration (Unit : Million Baht)	As of 31 December 2022	As of 31 December 2023
Salary (permanent employee)	245,003,297	211,963,413
Commission	25,110,016	12,805,541
Social Security	9,874,672	11,099,227
Provident fund	4,014,105	5,374,539
Expense on benefits of employees	1,284,940	667,442
Others	9,080,081	10,696,870
Total	294,367,111	252,607,032

7.5.1.3 Provident Fund

The Company has established a provident fund of the Company according to the Provident Fund Act B.E.1987 (as amended), on 18 March 2016. The Company assigned Kasikorn Asset Management Co.,Ltd. manages provident funds which are registered under the name of K Master Pool Fund.

7.5.1.4 Significant labor disputes in the past 3 years

- None -

7.5.1.5 Personnel Development Policy and Succession Plan

The Company is committed to conducting business in accordance with good corporate governance, transparency, fairness, and social, cultural, and environmental responsibility along with enhancing and developing the potential of personnel to achieve excellence in all aspects. The Company realizes that personnel are valuable resources and are the main driving force for the organization. So, the Company focuses on developing personnel to be qualified persons with morals, ethics, adherence to honesty, integrity, and responsibility to the organization and society and encourages employees to participate in social contributions (Corporate Social Responsibility).

The Company believes in developing employees to be good and capable people. This will help promote the organization to grow sustainably. The Company has developed human resources in various fields to support the business of the Company to be able to operate efficiently

and align with the current and future policies, strategies, and business practices of the Company.

The Board of Directors Meeting No. 7/2022 on November 7, 2022, resolved to approve the personnel development policy, and the succession plan is summarized as follows:

1. Development of Executives

1. The Company has established managerial competency to be used as a basis for developing executives to have skills, knowledge, and ability to work successfully and prepare for adjustments/promotions in the future to align with the advancement in the field of work.

2. The Company provides training courses and other development guidelines that are appropriate and align with the competencies of executives to the executives of the Company.

3. The Company provides an orientation for new executives to encourage executives to adapt to their roles, responsibility, and expectations of the new position appropriately.

4. The Company encourages executives to share their work experiences with executives and employees within the Company. This creates an atmosphere of learning and development within the organization.

2. Human Resources Management

The Company will select, promote, and supervise employees who have skills, knowledge, competence, morality, and ethics and encourage employees to use their knowledge and abilities to work efficiently and effectively. As a result, the Company operates its business to achieve

its goals and objectives and in order to achieve the human resource management goals of the Company, the Company has established the following guidelines.

1. All employees will be treated fairly and in a manner with respect as an integral part of the Company.
2. Selection and recruiting of people for positions in the Company will be done fairly by focusing on the qualifications of each position, skills, knowledge, abilities, and other qualifications required for the job. Employees will be appointed to appropriate positions or functions and may be interchanged or replaced as appropriate for the case.
3. The Company is aware that good communication results in efficiency and good relations in working together. Therefore, the Company will encourage employees to obtain relevant information on appropriate occasions and as much information as possible.
4. The Company will evaluate the compensation to employees fairly according to the conditions and nature of the work and performance of employees.
5. The Company will evaluate the performance of employees at all levels at least 1 time a year (once) in order to improve work efficiency and increase core competencies for each employee. as well as giving advice and preparing personnel development plans for employees according to the results of the assessment.

3. Personnel Development

The Company has a policy to develop personnel potential. The objective is to enhance knowledge, skills, and expertise in order to increase the efficiency of work of employees at all levels. The Company considers sending employees and executives in various fields to attend additional training and seminars on matters related to the operations of each department.

1. Employee training plan (Training Plan) to determine the personnel development plan of each department and provide employees with knowledge, and understanding, and be able to perform their duties correctly and appropriately in each position.

2. External Training to develop potential, knowledge, and competency according to suitable job descriptions by sending employees to attend training or seminars on various courses with external training institutions including both domestically and internationally.

3. Internal training (In-house Training) to develop concepts, potential and knowledge and operational ability as well as being in line with the organization's goals and the current competitive situation both in offline and online systems.

4. On-the-job training to develop employees' operational skills for more efficient work.

4. Succession Plan

The Company has the policy to prepare a backup manpower plan to accommodate various situations or changes that may occur. This is done in order to create stability and enable the continuous work of the Company to achieve its goals including reducing the damage that may occur at the lowest. The Company has prepared a backup manpower plan as follows:

1. Determining the advance notice period of the resignation of employees of at least 30 days (thirty days) or at least 60 days (sixty days) in advance in an executive position so that the Company has sufficient time to find a replacement.

2. Personnel development plans are prepared in the department to be ready to deal with or take on their duties in case an employee in that position resigns, especially in key management positions. They will receive trainings in order to be able to take on a management position in the future.

7.6 Other Significant Information

7.6.1 Assigned Person taking overall responsibility in Accounting and Finance and Assign Person taking responsibility in Chief Accounting

Ms.Jatuporn Konghun is the Chief Financial Officer who is assigned the overall responsibility in the accounting and finance department and Ms.Nattaya Uppamaame is the

Senior Vice President of Accounting & Finance Division an accountant preparing financial statements in accordance with financial reporting standards for public interest entities who is directly responsible for the supervision of the Company's accounting.

In this regard, information and relevant details of the person who is assigned to be directly responsible for supervising the accounting of the Company. see in Attachments 1 - "Details of Directors, Executives, Auditors, Assigned Person to the Highest Responsibility in Accounting and Finance, the assigned Person to be directly Responsible for Supervising the Accounting and Company Secretary."

7.6.2 Company Secretary

The Board of Directors Meeting No. 10/2023 on 29 Jun 2023, resolved to appoint Ms. Watthana Bantadsuwan as Company Secretary to comply with the requirements of the Securities and Exchange Act B.E. 2535 (including those amended) and define the scope of powers, duties and responsibilities of the Company Secretary as follows:

1. Preparing and keeping the following documents
 - a. a register of directors;
 - b. a notice calling director meeting, a minute of meeting of the board of directors and an annual report of the Company;
 - c. a notice calling shareholder meeting and a minute of shareholders' meeting;
2. Keeping a report on interest filed by a director or an executive;
3. Submitting a copy of report on interest to the Chairman of the Board of Directors and the Chairman of Audit Committee within seven business days from the date on which the Company has received such report.
4. Arranging meetings for the Board of Directors and meetings for the shareholders in compliance with the relevant law and rules and regulations of the Company as well as coordinating to ensure that all resolutions have been implemented.
5. Providing preliminary advice and recommendations to the directors on matters related to relevant laws and regulations including the code of conduct of corporate governance practice, maintaining the status of listed company on the Stock Exchange of Thailand and various laws and regulations related to the Company's business operations.
6. The Board of Directors' Meeting and the Shareholders' Meeting shall be held in accordance with the regulations. Regulations and related laws

7. Coordinate and monitor the implementation of resolutions of directors and shareholders.

8. Being responsible for the disclosure of relevant information and information report in accordance with the regulations, notifications and requirements of the Stock Exchange of Thailand, the Securities and Exchange Commission and the Capital Market Supervisory Board.

9. Performing other duties as specified by the Capital Markets Supervisory Board or duties assigned by the Board of Directors.

In this regard, information and relevant details of the person holding the position of Company Secretary see in Attachments 1 - "Details of Directors, Executives, Auditors, Assigned Person to the Highest Responsibility in Accounting and Finance, the assigned Person to be directly Responsible for Supervising the Accounting and Company Secretary."

7.6.3 Head of Internal Audit

The Company has hired a company PricewaterhouseCoopers ABAS Ltd. ("External Auditor"), with Ms. Chalida Kongprajya as internal audit supervisors and heads. The information audit of the Company In this regard, information and relevant details of the person holding the position of Head of Internal Audit

In this regard, information and relevant details of the person holding the position of Head of Internal Audit see in Attachments 3 - "Details of the Head of the Internal Audit and the Compliance Department of the Company"

7.6.4 Head of Investor Relation and Contact Information

In order to disclose important information accurately, quickly and transparently, the Company has established an Investor Relations Management Department to be responsible for disclosing important information to both domestic and international shareholders and investors including financial information such as quarterly operating results and financial statements, quarterly Management Discussion and Analysis (MD&A), strategies and future trends of the Company regularly , accurately, equally and completely.

Contact details of Investor Relations Management Department are as follows:

Tel. 0-2028-2828 Business hours Monday to Friday 8.30 am – 5.30 pm.

E-mail: IR@sgcapital.co.th

Follow the Company's information through the website <https://www.sgcapiat.co.th/en/investor/> The important information for investors is in both Thai and English.

7.6.6 Details of Auditor and Audit Fee

For the fiscal year ended 31 December 2023, the Company paid the audit fee are as follows:

Unit: Baht

Fiscal Year	Auditor name	Fee for the audit and review of financial statements (Audit Fee)	Fee for other service (Non-Audit Fee)	Total
31 December 2023	KPMG Phoomchai Audit Ltd.,	3,020,000	-None-	3,020,000



8. Corporate Governance Report

8.1 Summary of the Board Duties' Performance Over the Past Year

The Board of Directors prioritizes the application of good corporate governance principles throughout the Company to foster sustainable success and instill confidence among shareholders and various stakeholders. The Board is committed to fulfilling fiduciary duties, exercising prudence (Duty of Care), loyalty (Duty of Loyalty), and adherence to legal provisions and resolutions (Duty of Obedience). Additionally, it oversees the disclosure of accurate and fair information (Duty of Disclosure) to safeguard the Company's and shareholders' interests, aligning with their respective roles, duties, and responsibilities.

In the fiscal year 2023, the Board of Directors ensured that all directors assumed responsibility for their duties and allocated sufficient time. The stipulations include a maximum of 5 directorships in other listed companies (no more than five companies), mandatory attendance at committee meetings of at least 75 percent (seventy-five percent), and a minimum of 6 regular Board meetings per year (six times per year), with the possibility of additional special meetings. A predetermined yearly schedule facilitates directors' attendance planning, each meeting having a well-defined agenda. Invitations, inclusive of detailed information, are dispatched no less than 7 days (seven days) in advance, allowing directors ample time for preparation. Meeting minutes are meticulously recorded in writing and endorsed by the Board for subsequent review by concerned parties. Additionally, an annual meeting of non-executive directors, held on January 19, 2024, promotes discussions on relevant management issues among themselves.

Over the past year, the Board of Directors convened 13 meetings to deliberate on significant matters, including:

- The Board of Directors is tasked with compiling financial reports, encompassing the Company's financial statements, consolidated financial statements, and the financial data featured in the Annual Report. The aforementioned financial report has been meticulously prepared in accordance with widely accepted accounting

standards in Thailand, incorporating judicious selection of consistent accounting policies. Rigorous judgment was applied to ensure thorough preparation, with a focus on disclosing essential information appropriately in the notes to the financial statements.

- The Company mandates that directors and executives disclose their personal interests or those of related individuals in relation to the management of the Company or its subsidiaries upon assuming their roles and whenever there is a modification in the information regarding these interests. This reporting obligation includes an annual disclosure. The rules and procedures for reporting the interests of the Company's directors and executives are established by the Company's Board of Directors.

- Oversee the Company's business operations, as well as manage and evaluate the performance of the executive team to ensure alignment with the vision, mission, business strategy, direction, policies, goals, guidelines, operational plans, and budget established by the Board of Directors in an efficient manner.

- Oversee the implementation of a robust internal control system and internal audit framework within the Company, ensuring adequacy and effectiveness. Establish a process for regular evaluation of the appropriateness of the Company's internal control system.

- The Board of Directors has instituted a policy to periodically assess and enhance the corporate governance framework, ensuring alignment with principles of good corporate governance, the Code of Conduct, the Company's anti-fraud and corruption policy, and guidelines. This encompasses the review and updating of the charters of the Board of Directors and its sub-committees to maintain consistency with the Company's operational plans, short-term and long-term strategies. Additionally, adherence to the principles of good corporate governance for listed companies in 2017 and the best practice guidelines for the Board of Directors issued by the Thai Institute of Directors Association is consistently upheld.

In 2023, the Board of Directors conducted a comprehensive review of the charters of the Board of Directors and its sub-committees, various policies, as well as formulated the direction and strategy for the Company's business operations. This included a thorough examination of the Company's business goals, objectives, and plans for 2023, with effective communication of strategies and plans disseminated across the organization through various communication channels. Furthermore, the Board of Directors meticulously assessed various projects and plans of the Company, ensuring due consideration for the interests of both shareholders and the Company.

Due to the unwavering commitment and strict adherence to the principles of good corporate governance, the Company achieved notable success in 2023, receiving several prestigious awards. The recognition garnered in the evaluation results on corporate governance is a source of pride for the Company, with accolades including:



Attained a perfect score of 100 points in the quality assessment of the 2023 Annual General Meeting of Shareholders (AGM Checklist) conducted by the Thai Investors Association.



Achieved the distinction of being rated as "Excellent" in the Corporate Governance Report of Thai Listed Companies (CGR) for the year 2023, as conducted by the Thai Institute of Directors Association (IOD), marking the Company's inaugural recognition in this category.

8.1.1 Recruiting, Development, and Performance Evaluation of the Board of Directors

• Independent Director

In recruiting and appointing independent directors, the Director of Nomination and Remuneration Committee, evaluate the compensation and corporate governance will screen and present the names to the Board of Directors for evaluation of the qualifications of persons who will be appointed as independent directors. That person must have the qualifications and must not have characteristics prohibited by relevant laws. The person

should have work experience and suitability in other fields, and the name will be presented to the shareholders meeting (case-by-case) for further consideration and appointment as a Director of the Company.

The Company has the policy to have Independent Directors at least one-third of the total number of Directors and there must be at least 3 (three) persons, whereby Independent Directors must be independent from the control of management, major shareholder, and regulatory authority and must not be involved and interest in finance and business management including having to have all the qualifications required by law. The Board of Directors will consider selecting 1 Independent Director to be the Chairman of the Board. The Board of Directors has determined the qualifications of independent directors of the Company which can be summarized as follows:

1. Holding shares not exceeding 1% of the total number of shares with voting rights of the Company, parent company, subsidiary company, associated company, major shareholder or controlling person of the company, including the shares held by related persons of that independent director as well.

2. Not being or having been an executive director, employee, staff, advisor who receives a regular salary or a controlling person of the company, parent company, subsidiary company, associated company, same-level subsidiary company, major shareholder, or controlling person of the company. Unless he or she has retired from such a position for not less than 2 years before being appointed as a director. However, such prohibited characteristics do not include the case where Independent Directors used to be government officials, advisors to a government agency that is a major shareholder, or a controlling person of the Company.

3. Not being a person related by blood or by legal registration as father, mother, spouse, sibling, and child, including the spouse of a child of other directors senior executives, shareholders large, controlling person, or a person who will be nominated as a director senior management or a controlling person of the Company or its subsidiaries.

4. Not having or having had a business relationship with the Company, parent company, subsidiary company, associated company, major shareholder, or a controlling person of the Company in a manner that may obstruct the exercise of his independent judgment Including not being or having been a significant shareholder Or a controlling

person of a person having a business relationship with the company, parent company, subsidiary company, associated company, major shareholder or a controlling person of the Company. Unless he or she has retired from such a position for not less than 2 years before the date of appointment as a director. above business relationship Including commercial transactions that are normally done for the business of renting or renting real estate. Transactions relating to assets or services or providing or receiving financial assistance by accepting or lending, guaranteeing, or providing assets as collateral for liabilities including other similar behaviors. As a result, the company or the parties to the contract have debts that must be paid to the other party From 3 percent of the net tangible assets of the Company or from 20 million baht, whichever is lower. relevant However, in considering such indebtedness, it shall include the indebtedness incurred during the 1 year prior to the date of business relationship with the same person.

5. Not being or having been an auditor of the Company, parent company, subsidiary company, associated company, major shareholder, or a controlling person of the Company. The person shall not be a significant shareholder, controller, or partner of the audit firm which are auditors of the Company, parent company, subsidiary company, associated company, major shareholder, or the controlling person of the company and affiliated. Unless he or she has retired from such a position for at least 2 years before the date of appointment as a director.

6. Not being or having been a professional service provider, including legal advisory services or financial advisor, which receives service fees of more than 2 million baht per year from the Company, parent company, subsidiary company, associated company, major shareholder or controlling person of the company and not being a significant shareholder, controller or partner of that professional service provider as well. Unless he or she has retired from such a position for not less than 2 years before the date of appointment as a director.

7. Not being a director who has been appointed as a representative of the Company's directors Major shareholders or Shareholders who are related to major shareholders.

8. Does not operate a business with the same condition and is a significant competition with the business of the Company Or a subsidiary and not a partner with shares in a partnership or being an executive director,

employee, staff, advisor who receives a regular salary or holding more than 1% of shares with voting rights of any other company operating a business of the same nature and in significant competition with the business of the Company or its subsidiaries

9. There are no other characteristics that make it impossible to express independent opinions on the operations of the Company.

Presently, the Company comprises 4 independent directors, constituting 57.14% of the entire board. These independent directors are (1) Mr. Bibit Bijaisoradat, (2) Mr. Suranit Sorasuchart, (3) Mr. Pongsak Achakulwisut, and (4) Mr. Pisit Puapan. Notably, the independent directors maintain independence from major shareholders and Company management, possessing all requisite qualifications as per established criteria. During the preceding accounting period, the independent directors had no business relationships with, nor did they provide professional services to, the Company.

• Recruitment of Directors and Executives

Recruitment of Directors

The Company has instituted a Nomination and Remuneration Committee responsible for selecting directors based on criteria aligned with the nature of the business and the Company's strategy. The qualifications for recruiting directors are determined to be appropriate and in harmony with the Company's business strategy, considering essential skills that may be lacking. A policy emphasizing diversity in the board structure, encompassing professional skills, specialized expertise, knowledge, and experience, has been established. This diversity policy aids in identifying individuals with beneficial experience, skills, and knowledge to contribute to the Company's success. Additionally, individuals appointed to directorial positions must meet all qualifications stipulated in Section 68 of the Public Limited Companies Act B.E. 2535 (as amended) and comply with announcements made by the SEC. They must not possess prohibited characteristics as outlined in the Securities Act (including amendments) and other relevant laws and regulations.

The present Board of Directors comprises 7 members, a number deemed suitable for the Company's business operations. Each director possesses work experience, having held positions in senior management within both business and government agencies. In terms of education, directors hold degrees in disciplines such

as business administration, accounting, finance, and economics. This diverse composition ensures that the Board encompasses individuals with varied qualifications, experiences, and expertise, covering all relevant aspects comprehensively.

The Recruitment and Appointment Process for Committees

The selection of individuals for directorial positions involves a meticulous process overseen by the Nomination and Remuneration Committee, requiring subsequent approval from the shareholder meeting. The Company extends the opportunity for shareholders to nominate qualified candidates for election as Company Directors during the Annual General Meeting. The Nomination and Remuneration Committee assumes the responsibility of evaluating the qualifications and suitability of the nominated individuals. Subsequently, their recommendations

are presented to the Board of Directors for thorough consideration and approval. The final approval is then sought from the Annual General Meeting through a voting process for the election of Company directors. In the election process, the Company mandates the use of ballots, allowing shareholders to cast their votes for individual directors by allocating their entire voting shares to nominate one person each as a Company director.

In the 2023 Annual General Meeting of Shareholders, there were 2 directors who retired by rotation. The Board of Directors considered the criteria and method of nomination from the structure of the Board of Directors and scrutinized the qualifications of directors in various aspects including the performance of each director's position with prudence and caution. The Board of Directors proposed to the 2023 Annual General Meeting of Shareholders to re-elect the 3 directors who retired by rotation for another term including.

	Name	Position
1.	Mr. Suranit Sorasuchart	Independent Director/ Chairman of the Audit Committee/ Chairman of the Environment, Social and Governance (ESG) Committee
2.	Mr. Rakkiti Tanglamlert	Director

Later on Mr. Rakkiti Tanglamlert has announced his resignation from the position of Director of the Company with effect from 30 April 2023. Approved the appointment of Mr. Anothai Sritiapetch as the Director in replacement of Mr. Rakkiti Tanglamlert who resigned from the said position. The office term shall be equal to the remaining office term of Mr. Rakkiti Tanglamlert and effective from 1 May 2023 onwards.

Recruitment of Executives

The Nomination and Remuneration Committee assesses criteria and methodologies for appointing qualified individuals to executive positions, nominating those deemed suitable, and providing justifications for the Board of Directors' consideration. In recruitment, priority is given to individuals with comprehensive qualifications, appropriateness, knowledge, and abilities. The focus is on skills and experience beneficial to the Company's operations, coupled with a deep understanding of the Company's business and the capability to manage tasks

to attain the objectives and goals outlined by the Board of Directors.

In the recruitment of executives, the management team selects and nominates individuals possessing suitable qualifications, knowledge, and expertise, along with skills and experience advantageous to the Company's operations. These candidates are then presented to the Nomination and Remuneration Committee, with the Board of Directors subsequently consider

Orientation for new directors

The Company will conduct a comprehensive orientation program for new directors, encompassing general information and crucial policies, with a specific focus on corporate governance and adherence to good corporate governance principles. The orientation will also cover policies related to the oversight of insider information usage and the maintenance of Company confidentiality. Additionally, the program will elaborate on the roles and responsibilities of the Board of Directors in accordance with

relevant laws, aiming to equip directors with the knowledge needed to fulfill their duties efficiently and effectively.

Capacity Building for Directors and Executives

The Board of Directors and executives prioritize regular participation in training courses aimed at enhancing their knowledge and skills in fulfilling their duties. All directors of the Company have undergone training with the Thai Institute of Directors Association (IOD), encompassing

courses directly related to their roles, including the Directors Certification Program (DCP), Directors Accreditation Program (DAP), and Advanced Audit Committee Program (AACP). Additionally, participation in various seminars is actively pursued. details is shown in Attachment 1 “Details of directors, executives, controlling persons, assigned person to the highest responsibility in accounting and finance, the assigned person to be directly responsible for supervising the accounting and company secretary”

In 2023, the Company had directors and senior executives trained in the post-formula. as follows.

Name of Directors / Executive Directors	Topics of Trainings / Seminars	Organizations
Mr. Suranit Sorasuchart	<ul style="list-style-type: none"> - Risk Management Program for Corporate Leaders, Class 33/2023 - S01-S04 Corporate Sustainability Strategy - P01 Preliminary to Corporate Sustainability 	<ul style="list-style-type: none"> - Thai Institute of Directors : IOD - SET e-Learning
Mr. Pongsak Achakulwisut	<ul style="list-style-type: none"> - Board Nomination and Compensation Program, Class 18/2023 - S01-S04 Corporate Sustainability Strategy - P01 Preliminary to Corporate Sustainability 	<ul style="list-style-type: none"> - Thai Institute of Directors : IOD - SET e-Learning
Mr. Pisit Puapan	<ul style="list-style-type: none"> - Security Management and Leadership for Executives Program Class 4. 	<ul style="list-style-type: none"> - National Defence College
Mr. Piranart Chokwatana	<ul style="list-style-type: none"> - S01 Sustainability Commitment 	<ul style="list-style-type: none"> - SET e-Learning
Mr. Narathip Wirunechatapant	<ul style="list-style-type: none"> - Director Certification Program, Class 350/2023 - Anti-Corruption 	<ul style="list-style-type: none"> - Thai Institute of Directors : IOD
Mr. Anothai Sritiapetch	<ul style="list-style-type: none"> - Director Accreditation Program, Class 209/2023 - Anti-Corruption - S01-S04 : CORPORATE SUSTAINABILITY STRATEGY 	<ul style="list-style-type: none"> - Thai Institute of Directors : IOD - SET e-Learning
Ms. Jatuporn Konghun	<ul style="list-style-type: none"> - S01-S04 : CORPORATE SUSTAINABILITY STRATEGY - P01 Preliminary to Corporate Sustainability - e-learning CFO's Orientation Course - e-learning CFO's Refresher Course 	<ul style="list-style-type: none"> - SET e-Learning
Ms. Nattaya Uppamaame	<ul style="list-style-type: none"> - Update on Tax Laws for the Year 2023 and Tax Benefits - Organizational Risk Management: Applying Organizational Risk Management to Risks Related to the Environment, Society, and Governance (ESG) 	<ul style="list-style-type: none"> - Dhamniti Seminar and Training Co.,Ltd. - Thai Hire-Purchase Association - Federation of Accounting Professions Thailand

Self-Assessment of the Board of Directors

The Company has set in the good corporate governance policy that the Board of Directors must have self-assessment at least once a year by using the Board Self-Assessment form. This is an assessment form that is consistent with the revised guidelines of the Stock Exchange of Thailand. So, the Board of Directors can use it as a framework for reviewing the performance of its duties and jointly considering the results, problems and obstacles in the operations during the past year as well as improving and developing the performance of the Board of Directors in accordance with the established policy guidelines.

The Company Secretary shall deliver Board Self-Assessment form, both collective and individual, to all

members of the Board of Directors, which will be later returned to the Company Secretary to count the score, summarize the results and analyse the performance for the year and report to the Board of Directors for consideration to achieve the objectives mentioned above. Each director will complete the Board Self-Assessment form and return back to the Company Secretary to summarize and present the evaluation results to the Board of Directors meetings for their mutual consideration and determination of appropriateness of the board composition and reviewing the problems and obstacles during the past year. This will help the work of the Board of Directors to be more productive and it also improves the relationship between the Board of Directors and the management.

The Board of Directors has approved the Board Self-Assessment form, which has been scrutinized and approved by the Nomination and Remuneration Committee. There are 3 types of assessment forms including the Board Self-Assessment for Collective Board of Directors, the Board Self-Assessment for Sub-Committees, and the Board Self-Assessment for individual director. The criteria for evaluating the performance scores are divided into 5 levels as follows:

Score	Level
More than 4.5	Excellent
More than 4.0	Very Good
More than 3.5	Good
More than 3.0	Fair
Less than 3.0	Should be improved

In 2023, the assessment results can be concluded that The Board of Directors performs duties in accordance with the principles of good corporate governance and good corporate governance manual of the Company as well as operates efficiently, completely, and appropriately according to the current situation. The performance results are as follows:

No.	Committees	Assessment Results	
		Committee (%)	Individual (%)
1.	Board of Directors	93.79	89.28
2.	Audit Committee	93.33	89.93
3.	Nomination and Remuneration Committee	90.59	90.91
4.	Risk Management Committee	93.23	95.45
5.	Executive Committee	89.49	90.91
6.	Environment, Social and Governance (ESG) Committee	93.79	89.28

Annual Performance Evaluation of Executive

The Company conducts an annual performance evaluation of the chief executive officer (CEO), considering criteria such as leadership, strategy formulation and implementation, and business operations planning across corporate governance, economic, environmental, and social dimensions, as well as financial performance. The results guide efforts to enhance duty performance efficiency, particularly for determining the annual salary adjustment and other compensation. The Managing Director's remuneration aligns with and is appropriate for the Company's short and long-term operating results.

In 2024, the Nomination and Remuneration Committee assessed the chief executive officer (CEO) duties, achieving a highly commendable performance level (80%-90%), as acknowledged by the Board of Directors. Subsequently, the Board collectively utilized these evaluation outcomes to establish the schedule for annual salary adjustments and other compensatory measures for the chief executive officer (CEO).

8.1.2 Meeting Attendance and Remuneration of Individual Directors

8.1.2.1 Meeting Attendance

The Company will hold the Board of Directors' meeting in accordance with the Company's Articles of Association, Public Limited Company Act and regulations of the Stock Exchange of Thailand, and special meetings may be held as deemed necessary. The Chairman of the Board of Directors as chairman of the meeting will encourage prudent discretion and sufficient time allocation for the meeting, so the management can present and discuss the important issues thoroughly. The Company schedules annual Board meetings at least 6 meetings per year. In

each meeting, the meeting schedule and agenda is set in advance throughout the year and a meeting invitation letter with clear and adequate supporting documents for each agenda item will be delivered to the directors for at least 7 business days in advance before the meeting. The Company requires that directors are obliged to attend the Board of Directors' meetings every time except in case of necessity and there accurate and complete meeting minutes that can be verified by the shareholders.

Quorum of the Board of Directors

- The Board of Directors' meeting must constitute a quorum. In the event that the Chairman of the Board of Directors is absent from the meeting or unable to perform his duties. If there is a Vice Chairman of the Board, the Vice Chairman of the Board of Directors shall preside over the meeting. If there is no Vice Chairman of the Board of Directors or if he is unable to perform his duties, the Board of Directors present at the meeting shall elect one director to preside over the meeting.

- The decision of the Board of Directors' meeting shall be made by a majority vote. One director shall have one vote to vote, unless a director who has an interest in any matter shall not be entitled to attend the meeting and shall not have the right to vote on such matter. If the votes are equal, the chairman of the meeting shall cast one more casting vote.

In 2023, the Board of Directors, headed by the Chairman of the Board of Directors, held a meeting of the Board of Directors. In addition, a meeting of non-executive directors was held at least once a year held on 19 January 2024 to allow for meetings among themselves as necessary so that non-executive directors could freely discuss matters of interest to the Company.

Details of the attendance of each director as of 31 December 2023 as follows:

Name	Number of Meetings / Total Meetings							
	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Executive Committee	ESG Committees	EGM No.1/2023	AGM 2023
1. Mr. Bibit Bijaisoradat	13/13	-	7/7	-	-	-	1/1	-
2. Mr. Suranit Sorasuchart	13/13	7/7	-	-	-	4/4	1/1	1/1
3. Mr. Pongsak Achakulwisut	13/13	7/7	7/7	5/5	-	-	1/1	1/1

Name	Number of Meetings / Total Meetings							
	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Executive Committee	ESG Committees	EGM No.1/2023	AGM 2023
4. Mr. Pisit Puapan	13/13	7/7	-	5/5	-	-	1/1	1/1
5. Mr. Piranart Chokwatana	13/13	-	-	-	-	-	1/1	1/1
6. Mr. Narathip Wirunechatapant ¹	5/5	-	1/1	-	8/9	-	-	-
7. Mr. Anothai Sritiapetch ²	5/5	-	-	2/2	9/9	4/4	-	1/1
Board of Directors attendance (%)	100	100	100	100	100	100	100	100

Remark :

1. Approved the appointment of Mr. Narathip Wirunechatapant as the Director / Chairman of the Executive Committee/ Member of the Nomination and Remuneration Committee and Authorized Director as effective from 9 May 2023, in replacement of Mr. Kittipong Kanokvilairat who resigned from the said position. and effective from 30 April 2023 onwards.

2. Approved the appointment of Anothai Sritiapetch as the Director / Member of the Executive Committee/ Member of the Risk Management Committee /Member of the Environment, Social and Governance (ESG) Committee / Authorized Director as effective From 1 May 2023 ,in replacement of Ms.Rakkiti Tanglamlert who resigned from the said position. and effective from 30 April 2023 onwards.

8.1.2.2 Remuneration of Individual Directors Policy and Remuneration Criteria for the Board of Directors

Pursuant to Article 45 (4) of the Articles of Association of the Company, the Board of Directors shall propose to the annual general meeting of shareholders to consider and approve the remunerations for the directors. To comply with such article, the shareholders' meeting is proposed to consider and approve the remunerations for the directors and members of sub-committees for the year 2023. The details are as follows:

The Company sets out the rules and procedures for determination of the directors' remuneration, in which the Nomination, Remuneration and Governance Committee shall review the remuneration of the directors and members of sub-committees on an annual basis and make

recommendation thereof to the Board of Directors to further propose to the shareholders' meeting for determination of remuneration of the directors and members of sub-committees.

In this regard, the Nomination and Remuneration Committee has considered the remuneration of the directors and members of sub-committees by taking into account the Company's operating results, the size of the business, and the responsibilities of the Board of Directors and subcommittees in comparison with other companies listed on the Stock Exchange of Thailand with a similar market capitalization and other listed companies within the same industry. Thus, the shareholders' meeting is proposed to determine the remuneration of the directors and members of sub-committees for the year 2023 as following details:

(1) Monetary Remuneration

(1.1) Fixed remuneration to be quarterly paid for each position.

Position	Remuneration for the year 2022 (Baht/Year)	Proposed Remuneration for the year 2023 (Baht/Year)	Changed
Chairman of the Board of Directors	565,500	593,775	+ 5%
Director	353,500	371,175	+ 5%
Chairman of the Audit Committee	213,000	223,650	+ 5%
Member of the Audit Committee	171,000	179,550	+ 5%

Position	Remuneration for the year 2022 (Baht/Year)	Proposed Remuneration for the year 2023 (Baht/Year)	Changed
Chairman of the Nomination and Remuneration Committee	60,500	63,525	+ 5%
Member of the Nomination and Remuneration Governance Committee	36,500	38,325	+ 5%
Chairman of the Risk Management Committee	60,500	63,525	+ 5%
Member of the Risk Management Committee	36,500	38,325	+ 5%
Chairman of the Environment, Social and Governance (ESG) Committee	-None-	63,525	-
Member of the Environment, Social and Governance (ESG) Committee	-None-	38,325	-

Remark: Fixed remuneration shall be paid to directors and members of sub-committees who are not the executive of the Company only.

(1.2) Directors' bonus
-None-

(2) Other benefits
-None-

Details of Directors' Monetary Remuneration for the Year 2023

Detail the total monetary remuneration of the Board of Directors In the year 2023 ended December 31, 2023, the Company paid remuneration in the form of meeting allowances and annual remuneration to non-executive directors as follows:
Unit : baht

Name	Remuneration (baht)							
	BOD	AC	NRC	Risk	Exc	ESG	Bonus	Total
1. Mr. Bibit Bijaisoradat	593,775.00	-	47,643.75	-	-	-	-	641,418.75
2. Mr. Suranit Sorasuchart	371,175.00	223,650.00	-	-	-	47,643.75	-	642,468.75
3. Mr. Pongsak Achakulwisut	371,175.00	179,550.00	28,743.75	63,525.00	-	-	-	642,993.75
4. Mr. Pisit Puapan	371,175.00	179,550.00	-	38,325.00	-	-	-	589,050.00
5. Mr. Piranart Chokwatana	371,175.00	-	-	-	-	-	-	371,175.00
6. Mr. Narathip Wirunechatapant	239,632.21	-	15,161.54	-	-	-	-	254,793.37
7. Mr. Anothai Sritiapetch	-	-	-	-	-	-	-	-
Total	2,318,107.00	582,760.00	91,549.00	101,850.00	-	47,643.75	-	3,276,900.00

Remark:

- Mr. Kittipong Kanokvilairat Received meeting allowance as a director of the Company in the amount of Baht 122,365.38 and received meeting allowance as a member of the Nomination and Remuneration Committee. 12,634.62 Baht for a total of 135,000 Baht
- No accrued compensation

8.1.3 Supervision of Subsidiaries and Associated Companies

The Company has established investment policies and supervised operations of subsidiaries and associated companies. The objective is to take care of and maintain the benefits from the Company's investments. Including benefits to shareholders and all groups of stakeholders and supervising the business management of subsidiaries and/or associated companies to ensure that their operations are in line with the policy and various measures as specified by the Company, including related laws. There is a regulatory mechanism that can control the management of subsidiaries and/or associated companies can be summarized as follows:

1. The Company will send a person representing the company. to hold positions as directors and/or executives in such companies in proportion to their shareholding with the approval of the Executive Committee

2. The Company will determine and/or consider the appropriateness of the scope of authority, duties, and responsibilities of directors and/or executives who represent the Company according to positions in each subsidiary and associated companies.

3. Subsidiaries and Associated Companies must submit business plan business expansion reports including joint investment with other entrepreneurs through reporting quarterly operating results to the Company. The Company has the right to request or submit additional supporting documents for evaluation and the subsidiaries or affiliated companies must strictly follow.

4. The Company will establish a regulatory mechanism that results in the disclosure of information such as financial status and operating results, transactions between subsidiaries or joint ventures with connected persons, acquisition or disposition of assets, and any other important transactions of such companies. It is complete, correct, and uses the rules related to the disclosure of information and the above transactions in the same manner as the one from the Company.

5. The Company will require its subsidiaries and associated companies to set up an appropriate and sufficiently concise internal control system by testing the internal control system and audited by the internal audit department of the company for the Board of Directors and the management of the Company to be able to monitor performance financial status, related transactions, significant transactions efficiently. In addition, internal auditors and

independent directors of the Company will be assigned. They can directly access the internal information of subsidiaries and associated companies within the scope of relevant laws and present the internal audit results to the directors and/or the management of the Company for acknowledgment and/or improvement. This is done to ensure that subsidiaries and associated companies will strictly comply with the established systems and guidelines.

6. The Company shall require its subsidiaries and associated companies to report the information of relevant persons. To enable the Board of Directors to acknowledge the transactional relationship with the Company in a manner that may cause conflict of interest, or to participate in the approval of matters with direct or indirect interests. In the event that the audit company finds that there are significant issues, it may notify its subsidiaries or associated companies. Provide or submit documents for consideration.

7. Transactions between subsidiaries or associated companies and directors Executives or related persons who do not comply with the criteria of connected transactions.

8. Use of Company Information Subsidiaries or associated companies that knowingly seek personal gain, except for publicly available information.

9. Use of assets or business opportunities of the Company Subsidiaries or associated companies that violate the rules and regulations prescribed by the Capital Market Supervisory Board

8.1.4 Monitoring to ensure compliance with good corporate governance policies and practices

- (1) Compliance with Corporate Governance Policy and compliance with good corporate governance principles

The Company adheres to the management approach in the good corporate governance system according to the principles of good corporate governance. which is an important factor that will lead the business to success with good management, morality, and transparency can check Free from corruption Focus on maximizing benefits for shareholders take into account the stakeholders, and build good relationships between the Board of Directors, executives, employees and all groups of stakeholders.

The Board of Directors Meeting No. 7/2022 held on November 7, 2022, resolved to approve the corporate governance policy and compliance with good corporate governance principles. The aforementioned policy has established guidelines for company directors, executives, and all employees to understand and be able to adhere to

as a guideline for their work. It covers 8 principles as follows:

- Principle 1: Recognize the role and responsibility of the Board of Directors as an organizational leader who creates sustainable value for the business.
- Principle 2: Determine objectives and main goals of the business that are sustainable.
- Principle 3: Strengthen an Effective Board of Directors
- Principle 4: Recruitment and Development of Senior Executives and Personnel Management
- Principle 5: Promote Innovation and Responsible Business Operations
- Principle 6: Ensure appropriate risk management and internal control systems
- Principle 7: Maintain Financial Credibility and Disclosure
- Principle 8: Encourage participation and communication with shareholders

The Board of Directors with the support of every sub-committee has monitored the implementation of good corporate governance policies and practices regularly through various steps including internal audit, risk management and receiving complaints, etc. The corporate governance policy and compliance with the principles of good corporate governance in full version can be viewed on the website the Company at www.sgcapiatal.co.th under the topic of Corporate Governance

Information dissemination channels

The Company places great importance on the disclosure of information of the Company, with accuracy, completeness, transparency, and equality, including performance data and other important information as required by law. There are various channels for communicating information to shareholders, investors, and other stakeholders, for example, the establishment of an investor relations unit as a way to contact investors and analysts directly dissemination of news through the website of the Company and the Stock Exchange of Thailand including the preparation of annual reports, etc.

However, in 2023, The Company has not found any wrongdoing or action in the manner of correcting its financial statements, violating laws, the Public Limited Companies Act and the regulations of regulatory agencies

such as the Securities and Exchange Commission ("SEC") and the Stock Exchange of Thailand.

(2) Conflict of Interest Prevention Compliance

The Company has established a policy to prevent conflicts of interest. Based on the principles of conducting business for the utmost benefit of the Company, and avoid actions that may cause conflicts of interest. It is required that directors and executives who have interests in any transaction must notify the Company of such interest. This is to prevent such persons from getting involved in transactions that may create conflicts of interest or connected transactions. The main principles are as follows:

1. The directors and executives of the Company must inform the Company of their relationship, or connected transactions in businesses that may cause conflicts of interest or the pursuit of personal benefits, such as
 - Shareholding in companies that are competitors of the Company.
 - Joint venture or holding any position in a business that is a business partner of the Company.
 - Conducting business with the Company or being a service provider directly to the company or proceeding through another person.
2. Avoid making connected transactions with connected persons, as specified by the Capital Market Supervisory Board that may cause a conflict of interest with the Company and/or its subsidiaries in the event that such transaction is necessary to present connected transactions to the Audit Committee to evaluate and approve before proposing to seek approval from the Board of Directors meeting and/or the shareholders meeting, as the case may be, in accordance with the principles of good corporate governance and related laws.

The Company requires directors and executives who have significant interests in any transaction must not be involved in evaluating that transaction including having no authority to approve the transaction.

However, in the year 2023, the Company did not make any transactions that would cause a conflict of interest with any person including connected transactions with legally connected persons of the Company apart from conducting normal business transactions with affiliates of the company

Please see the full version of the conflict of interest prevention policy on the website of the Company www.sgcapiatal.co.th.

sgcapital.co.th under the topic of Corporate Governance.

(3) Compliance with the policy on supervision of the use of internal information and confidentiality of the Company

The Company places great importance on internal information and trade secrets. by the Board of Directors, executives, and all employees It has a duty to ensure that such information does not leak to unrelated persons. This includes not using such information. use for the benefit of oneself and/or others wrongfully as well in this regard. The Company has established a policy to supervise the use of internal information and the confidentiality of the Company. and securities trading policy of directors, executives, and employees in accordance with relevant laws by focusing on transparency in the use of internal information and confidentiality of the Company, in 2023, the following actions have been taken:

1. The Company provides knowledge to directors. and executives of the Company Regarding the duty to prepare a report on the holding of the Company's securities under Section 59 and penalty provisions under Section 275 of the Securities and Exchange Act B.E. 2535, including the preparation of a report on the acquisition or disposal of the Company's securities under Section 246 and penalty provisions under Section 298 of the said Act.

2. The Company requires directors, executives, and auditors to Prepare and disclose a report on the holding of the Company's securities. that he and his related person hold under Section 59 of the Securities and Exchange Act B.E. and every time it changes by forwarding

to the Company Secretary to submit to the Office of the Securities and Exchange Commission every time within the specified period. and the company secretary reports the securities holdings and changes in securities holdings of such persons. to the Board of Directors Meeting for acknowledgment every 6 months

3. The Company prohibits directors, executives, and relevant personnel of the Company who have access to internal information that affects the change in securities prices, purchasing and/or selling the securities of the Company neither directly nor indirectly and whether for the benefit of oneself or others before the Company publish financial statements performance and any important information that affects the change in securities prices to the public. The Company has notified the persons to refrain from doing the above transactions in writing at least 30 days in advance of the public disclosure of that information and within 24 hours after its publication.

4. The Company requires directors The management of the senior company informs the Board of Directors about the purchase and sale of the Company's shares at least 1 day in advance of the trading process.

5. The Company prohibits directors, executives, and employees of the company, including former directors, executives, and employees who have resigned. Bring internal information or secrets of the company Including such information of partners or business partners of the Company. which he has been informed of his duty to disclose to outsiders Whether doing so will cause damage or not, the company has arranged for such people to sign important documents that they will not do so.

In addition, the company monitors compliance with the policy on the use of internal information and the confidentiality of the company. In the year 2023, no complaints were detected or received regarding the use of insider information and disclosure of the company's secrets. to seek any benefit

As of 31 December 2023, the Company has not encountered any cases of directors. Executives and employees purchase securities using internal data or sell during the blackout period.

Name	As Of 31 December 2022		As Of 31 December 2023		Increase/ (decrease) (Share)	% of Voting shares
	Direct (Share)	Indirect (Share)	Direct (Share)	Indirect (Share)		
1. Mr. Bibit Bijaisoradat	100,000	-None-	100,000	-None-	-	0.0031%
2. Mr. Suranit Sorasuchart	-None-	100,000	-None-	100,000	-	0.0031%
3. Mr. Pongsak Achakulwisut	100,000	-None-	100,000	-None-	-	0.0031%
4. Mr. Pisit Puapan	102,120	-None-	102,120	-None-	-	0.0031%

Name	As Of 31 December 2022		As Of 31 December 2023		Increase/ (decrease) (Share)	% of Voting shares
	Direct (Share)	Indirect (Share)	Direct (Share)	Indirect (Share)		
5. Mr. Piranart Chokwatana	111,224	-None-	111,224	-None-	-	0.0034%
6. Mr. Narathip Wirunechatapant	-None-	-None-	-None-	-None-	-	-
7. Mr. Anothai Sritiapetch	-None-	-None-	-None-	-None-	-	-
8. Ms. Jatuporn Konghun	100,000	-None-	100,000	-None-	-	0.0031%
9. Mr. Noppadol Sangpratoom	15,000	-None-	15,000	-None-	-	0.0005%
10. Ms. Nattaya Uppamaame	-None-	-None-	-None-	-None-	-	-

For the policy on the use of internal information and confidentiality of the Company and the securities trading policy of directors, executives, and employees in full version appearing on the Company's website at www.sgcapital.co.th under the topic of Corporate Governance

(4) Adherence to Anti-Corruption Policies and Practices

The Company is dedicated to conducting business with a commitment to ethics and transparency, recognizing the imperative of combating all forms of corruption, whether direct or indirect, monetary or non-monetary. It is a fundamental principle and responsibility for executives and employees at all levels to operate with morality, civic responsibility, and a conscientious approach in resisting

fraud and corruption. To prevent corruption in the workplace, including the giving and receiving of bribes, the Company places importance on supporting operations and cultivating strong awareness of values, morality, and ethics. An organizational culture has been established to raise awareness of the dangers of corruption, aiming to increase confidence among all stakeholders and effectively combat corruption. This initiative also seeks to enhance Thailand's transparency image to meet international standards. The



Company has accordingly instituted policies and guidelines to combat fraud and corruption.

The Company has disseminated the policy to employees at all levels through internal communication channels, including orientation sessions for new employees. The policy encompasses measures and guidelines concerning political assistance, charitable donations, and various financial contributions. Violations of the Company's policies and guidelines will result in disciplinary action in accordance with regulations. If such actions breach relevant laws, the Company will also pursue legal remedies. Notably, during significant festivals in the past year, such as the New Year Festival in 2023, the Company adheres to a policy of not accepting gifts and presents from any individual. Additionally, the Company strictly prohibits executives and employees from personally accepting gifts or favors from

anyone, especially with the intent of seeking personal benefits from the Company.

Furthermore, the Company has demonstrated its commitment to combat corruption by declaring its intention to join the Thai Private Sector Collective Action against Corruption (CAC) in 2021. It successfully obtained certification as a member of the CAC on September 30, 2021, following a rigorous certification process. SG Capital Public Company Limited, being a certified member of the CAC project, is presently preparing the requisite information for its second certification. Moreover, in both 2024 and the preceding year, the Company's executives and employees participated in training sessions titled "Role of Executives and Employees in Anti-Corruption and Corruption (ANTI-CORRUPTION)" held at the Jaymart Building, Head Office, and conducted online via the ZOOM system.



**The Roles of Management and Employees in Anti-Corruption
and the Declaration Ceremony for the Anti-Corruption Compliance Commitment,
J-Mart Group for the year 2023**

As of 19 October 2023, the Company underwent training on the "The Roles of Management and Employees in Anti-Corruption." The training sessions occurred at the Jaymart Building, Head Office, and were simultaneously conducted online via the ZOOM system for nationwide broadcast to employees in group companies. The primary objective of this event was to raise awareness regarding the

crucial significance of combating corruption and fostering an organizational culture that unequivocally opposes, disapproves, and refrains from any involvement in corrupt practices. These initiatives hold utmost importance in shaping the credibility that the investor community and all company stakeholders attribute to the organization. "Anti-corruption is not the sole responsibility of any one party;

rather, it is a collective duty for everyone to rigorously adhere to and fulfill their respective roles. This collective effort aims to establish an organization that is both free from corruption sustainably

The entire policy and guidelines addressing corruption are available on the Company's website at www.sgcaptial.co.th specifically under the "Corporate Governance"

(5) Compliance with Protection and Fair Treatment Policy for Whistle blowers

The Company places a high priority on the significance of reporting wrongdoing, and consequently, a policy has been instituted to safeguard and ensure fairness for individuals reporting such incidents. This policy aims to mitigate potential risks and harm to whistleblowers. Providing valuable leads for information collection, fact-finding investigations, and intervention in instances of wrongdoing is pivotal. The policy also addresses the disciplinary process and offers relief to those affected. Moreover, it emphasizes the confidential reporting and storage of documents in accordance with established guidelines. The Board of Directors, in Meeting No. 12/2023 held on 9 November 2023, thoroughly reviewed and approved the policy. According to the stipulations, witnesses of wrongdoing can report incidents, optionally disclose their identity, and submit the information to the Chairman of the Audit Committee using the provided details:

1.1 Registered Mail:

Chairman of the Audit Committee

SG Capital Public Company Limited

72 NT Bangrak Tower, Floor 20, Charoen Krung Road, Bangrak, Bangkok 10500

1.2 E-mail address

SgcAmnesty@sgcaptial.co.th

To facilitate effective cooperation in investigating facts, the Company ensures a conducive environment for whistleblowers and those aiding in fact-finding, emphasizing fair treatment devoid of intimidation, bullying, harassment, or any unjust actions. Protective measures have been instituted to safeguard complainants or reporters of wrongdoing, with the Company committed to maintaining the confidentiality of reported information, unless otherwise required by law or specifically requested. The Company pledges to notify the complainant or whistleblower before any information disclosure. In instances where there is evidence of bullying, intimidation, illegal disciplinary actions, or discriminatory practices against the complainant or whistleblower, the Company will enforce disciplinary measures in accordance with Company regulations. This may include legal recourse and accountability for any damages incurred by the Company and affected parties. It is noteworthy that, as of 2023, the Company has not received any reports of wrongdoing from any individual or entity within the organization.

The entire version of the policy designed to protect and ensure fairness for individuals reporting wrongdoing is available on the Company's website at www.sgcaptial.co.th specifically under the "Corporate Governance"

8.2 Performance Report of the Audit Committee in the Past Year

8.2.1 Report of the Audit Committee and of Other Subcommittee

As of 31 December 2023, Details of attendance of the Audit Committee meeting for the year 2023 are as follows:

No.	Name – Surname	Position	Number of meetings attended / Number of meetings
1.	Mr. Suranit Sorasuchart	Chairman of the Audit Committee	7/7
2.	Mr. Pongsak Achakulwisut	Member of the Audit Committee	7/7
3.	Mr. Pisit Puapan	Member of the Audit Committee	7/7

The Audit Committee completely performed its duties as specified in the Audit Committee Charter by using knowledge and skills with caution and prudence and being independent in performing duties. It can perform by receiving good information and cooperation from the management of the Company. The Audit Committee has the opinion that the Company (1) has accurate financial reports in accordance with generally accepted accounting standards. There is complete and adequate disclosure of material information. (2) There are connected transactions and connected transactions of the Company and persons

who may have conflicts of interest under normal business conditions with necessary and reasonable and complete and sufficient information has been disclosed (3) There is an internal control system and an audit of the internal control system that is suitable, concise, and efficient. without any material errors that may affect the Company's business operations and financial statements.

The report of the Audit Committee appears in Attachment 6 of this Annual Report 2023 /Form 56-1 One Report.

8.3 Performance Summary of Other Committees

8.3.1 Report of the Nomination and Remuneration Committee

Number of attendance at meetings of the Nomination and Remuneration Committee

As of 31 December 2023, Details of attendance of the Nomination and Remuneration Committee meeting for the year 2023 are as follows:

No.	Name – Surname	Position	Number of meetings attended / Number of meetings
1.	Mr. Bibit Bijaisoradat	Chairman of the Nomination and Remuneration Committee	7/7
2.	Mr. Pongsak Achakulwisut	Member of the Nomination and Remuneration Committee	7/7
3.	Mr. Narathip Wirunechatapant ¹	Member of the Nomination and Remuneration Committee	1/7

Remark:

1. Approved the appointment of Mr. Narathip Wirunechatapant as Member of the Nomination and Remuneration Committee, in replacement of Mr. Kittipong Kanokvilairat who resigned from the said position. and effective from 9 May 2023 onwards.

The report of the Nomination and Remuneration Committee appears in Attachment 6 of this Annual Report 2023 /Form 56-1 One Report.

8.3.2 Report of the Risk Management Committee

Number of attendance at meetings of the Risk Management Committee

As of 31 December 2023, Details of attendance of the Risk Management Committee meeting for the year 2023 are as follows:

No.	Name – Surname	Position	Number of meetings attended / Number of meetings
1.	Mr. Pongsak Achakulwisut	Chairman of the Risk Management Committee	5/5
2.	Mr. Pisit Puapan	Member of the Risk Management Committee	5/5
3.	Mr. Anothai Sritiapetch ¹	Member of the Risk Management Committee	2/2
4	Ms. Jatuporn Konghun ²	Member of the Risk Management Committee	4/4

Remark:

1. Approved the appointment of Mr. Anothai Sritiapetch as Member of the Risk Management Committee, in replacement of Ms. Busaba Kunsiritham who resigned from the said position. and effective from 1 May 2023 onwards.
2. Approved the appointment of Ms. Jatuporn Konghun as Member of the Risk Management Committee, and effective from 1 March 2023 onwards.

The report of the Risk Management Committee appears in Attachment 6 of this Annual Report 2023 /Form 56-1 One Report.

8.3.3 Report of the Executive Committee

Number of attendance at meetings of the Executive Committee

As of 31 December 2023, Details of attendance of the Executive Committee meeting for the year 2023 are as follows:

No.	Name – Surname	Position	Number of meetings attended / Number of meetings
1.	Mr. Narathip Wirunechatapant ¹	Chairman of the Executive Committee	8/9
2.	Mr. Anothai Sritiapetch ²	Member of the Executive Committee	9/9
3.	Ms. Jatuporn Konghun ³	Member of the Executive Committee	12/12
4.	Mr. Noppadol Sangpratoom	Member of the Executive Committee	16/16
5	Mr. Assawatap Krainara ⁴	Member of the Executive Committee	9/9

Remark:

1. Approved the appointment of Mr. Narathip Wirunechatapant as Chairman of the Executive Committee, in replacement of Mr. Kittipong Kanokvilairat who resigned from the said position. and effective from 9 May 2023 onwards.
2. Approved the appointment of Mr. Anothai Sritiapetch as Member of the Executive Committee, in replacement of Ms. Busaba Kunsiritham who resigned from the said position. and effective from 1 May 2023 onwards.
3. Approved the appointment of Ms. Jatuporn Konghun as Member of the Executive Committee, and effective from 1 March 2023 onwards.
4. Approved the appointment of Mr. Assawatap Krainara as Member of the Executive Committee, and effective from 1 May 2023 onwards.

The report of the Executive Committee appears in Attachment 6 of this Annual Report 2023 /Form 56-1 One Report.

8.3.4 Report of the Environment, Social and Governance (ESG) Committee

Number of attendance at meetings of the Environment, Social and Governance (ESG) Committee

As of 31 December 2023, Details of attendance of the Environment, Social and Governance (ESG) Committee meeting for the year 2023 are as follows:

No.	Name – Surname	Position	Number of meetings attended / Number of meetings
1.	Mr. Suranit Sorasuchart	Chairman of the Environment, Social and Governance (ESG) Committee	4/4
2.	Mr. Anothai Sritiapetch ¹	Member of the Environment, Social and Governance (ESG) Committee	4/4
3.	Ms. Jatuporn Konghun ²	Member of the Environment, Social and Governance (ESG) Committee	4/4
4	Mr. Noppadol Sangpratoom ³	Member of the Environment, Social and Governance (ESG) Committee	-

Remark:

1. Approved the appointment of Mr. Anothai Sritiapetch as Member of the Environment, Social and Governance (ESG) Committee, in replacement of Ms. Busaba Kunsiritham who resigned from the said position. and effective from 1 May 2023 onwards.
2. Approved the appointment of Ms. Jatuporn Konghun as Member of the Environment, Social and Governance (ESG) Committee, and effective from 1 March 2023 onwards.
3. Approved the appointment of Mr. Noppadol Sangpratoom as the Member of the Environment, Social and Governance (ESG) Committee in replacement of Mr. Yuthaya Sangnak who resigned from the said position. and effective from 9 November 2023 onwards.

The report of the Environment, Social and Governance (ESG) Committee appears in Attachment 6 of this Annual Report 2023 /Form 56-1 One Report.



9. Internal Control and Connected Transaction



9.1 Internal Control

The Company prioritizes the establishment of a robust internal control system. PricewaterhouseCoopers ABAS (Thailand) Company Limited (“PwC”) has been appointed as the internal audit unit, operating independently with a direct reporting responsibility to both the Audit Committee and executives. This structure ensures the Company maintains an effective internal control system.

In the Audit Committee Meeting No. 1/2024 on February 8, 2024, and the Board of Directors Meeting No. 2/2024 on February 12, 2024, all members of the Audit Committee were present. The Board of Directors has evaluated and devised a form to assess the adequacy of the Company’s internal control system. This assessment encompasses all five components outlined by The Committee of Sponsoring Organizations of the Treadway Commission (COSO), as follows:

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

The Audit Committee and the Board of Directors concur that the Company’s internal control system is both effective and adequate in mitigating potential risks. They have consequently approved the assessment affirming the sufficiency of the Company’s internal control system.

Internal Control within the Organization

The Company has established a robust internal control environment through a clear and appropriate organizational structure and chain of command. This includes defining business goals and Key Performance Indicators (KPIs) to assess operational efficiency in alignment with organizational objectives. A written approval and authority manual has been implemented as a work guideline. Furthermore, the Company fosters a culture of good corporate governance among all executives and employees. This is achieved by implementing a comprehensive corporate governance policy and a code of conduct, serving as frameworks and guidelines for operations. These cover business ethics, stakeholder ethics, and the conduct of directors, executives, and employees.

Annual knowledge promotion initiatives aim to enhance employee awareness of working with transparency and fairness. The Company ensures that all directors and employees are acquainted with the established policies and codes, emphasizing the consequences outlined for policy violations. This information is also disseminated to external stakeholders through the Company's website: <https://www.sgcapiatal.co.th/th/home>, under the topic "Corporate Governance". The goal is to underscore the importance of personnel operating with transparency, preventing corruption, and promoting ethical conduct among employees.

Risk Management

The Company recognizes the significance of risk management in addressing potential disruptions to business operations stemming from both internal and external factors. In response, the Board of Directors has instituted a Risk Management Committee tasked with overseeing and advising on risk management protocols across the organization. The Risk Management Committee collaborates with various departments to analyze risks, assess their levels, determine impacts, designate responsible individuals, and drive personnel capability development. This includes fostering a change in organizational culture through training sessions that adhere to the approved Risk Management Manual, sanctioned by the Board of Directors. The Company is committed to cultivating awareness of risks and their control mechanisms at all employee levels within each department. This ensures the consistent and standardized implementation of the risk management policy throughout the organization.

The Risk Management Committee holds quarterly meetings to assess and manage risks arising from both external and internal factors within the organization, spanning areas such as strategy, operations, finance, and regulatory compliance. This includes addressing risks associated with various events, including those related to corruption. Subsequently, outcomes are obligated to be reported to both the Audit Committee and the Board of Directors, ensuring that risk management within the Company's operations is maintained at an acceptable level.

Control Activities

The Company has clearly defined duties and responsibilities for each job position, with written policies, work regulations, and manuals in place. These documents encompass Company's operations and establish control measures at the organizational, departmental, and process levels, tailored to the organization's risks and characteristics. This includes periodic reviews of the approval authority, operating authority manual, work regulations, and work manuals to align with the current organizational structure and operations. Furthermore, performance results undergo regular scrutiny to ensure compliance with established rules, regulations, operating authority manuals, and various operational manuals. This systematic review process is integral to guaranteeing the presence of an adequate and appropriate internal control system, thereby ensuring the efficiency of operations.

The Board of Directors has approved the guiding principles for commercial agreements involving transactions with related parties, aligning with legal provisions. This authorization empowers the management to engage in transactions or commercial agreements falling within the scope defined by the Securities and Exchange Law. However, such transactions must adhere to the standard of conduct expected in dealings with a general contracting party in similar circumstances, maintaining fair trade bargaining power independent of one's status as a director, executive, or related person (General Trade Agreements). This encompasses both existing and potential transactions. To facilitate this process, the management is entrusted with establishing a regulatory framework to govern these transactions, accompanied by the preparation of a comprehensive report summarizing such transactions for presentation at Audit Committee meetings. The Board of Directors will be promptly informed of these transactions within a reasonable timeframe. In instances where potential conflicts of interest may arise in future transactions, the Company commits to appointing an Audit Committee to assess the appropriateness of such transactions. This measure aims to mitigate the risk of undue benefits transfer and ensures compliance with disclosure requirements set forth by the Securities and Exchange Commission regulations.

Information & Communication

The company prioritizes information systems and data communications, actively endorsing and facilitating the continuous enhancement of our system to deliver accurate and up-to-date information. We have instituted a modern and efficient information technology system from the initial stages of data collection through processing, storage, and follow-up. This ensures that critical information is readily available for executive management and various stakeholders, complete, and accurate within a reasonable timeframe, facilitating informed business decisions. Our commitment extends to establishing policies for information technology security and data usage. Additionally, we provide an intranet system as an internal communication channel for disseminating policies, rules, orders, operating manuals, and comprehensive updates throughout the organization.

The Company has established effective channels and processes for internal communication with personnel, disseminating policies, rules, orders, and operating manuals. This includes timely distribution of various news to enhance knowledge and understanding of pertinent issues. Utilizing diverse communication channels, such as electronic mail (e-mail), ensures the efficient delivery of messages to recipients. Furthermore, external communication with stakeholders is facilitated through various media, with particular emphasis on online platforms, including the corporate website. This medium, known for its rapid information dissemination, ensures accessibility, enabling immediate searches through mobile devices to meet usage needs promptly and efficiently.

The Investor Relations Department is specifically designated to handle communication and organize seminars for investors and other stakeholders of the Company. An investor relations website has been established to provide essential updates to the Company's stakeholders, including pertinent news such as financial information, stock prices, shareholder details, and analyst information.

Additionally, the Company has instituted a channel for lodging complaints and reporting information or tips regarding corruption (Whistleblowing), which can be submitted through mail or E-mail. Individuals reporting clues and complaints, as well as those cooperating in the investigation process, will be granted protection and included in the investigative proceedings.

Monitoring Activities

The Company has implemented a comprehensive internal control system that encompasses various aspects such as accounting, finance, operations, compliance with laws and regulations, and property maintenance. Performance monitoring is conducted through regular Board of Directors meetings and a hierarchical system involving the executive team. This structure ensures oversight of goals and supervision of the implementation of strategic plans, plans, and projects outlined in the annual business plan approved by the Board of Directors. Regular comparisons between business goals and operational results are made to ensure the ongoing effectiveness and appropriateness of the internal control system. The Company is equipped to address changing risks promptly in each period. Matters affecting internal control are reported to the designated responsible person, with significant issues promptly communicated to senior management, the Executive Committee, the Audit Committee, and the Board of Directors within an appropriate timeframe.

1. Internal Audit

The Company has engaged an internal audit consultant, PricewaterhouseCoopers ABAS Company Limited, to conduct internal audits in accordance with the annual audit plan. The auditing team, qualified per the criteria and regulations of the Institute of Internal Auditors of Thailand (IIAT), reports the audit findings to the Audit Committee. Subsequently, the Company proactively addresses observations and suggestions, striving for ongoing corrections and improvements in various processes to align with the principles of robust internal control.

2. Auditor

The Audit Committee has considered and approved the selection of auditors and audit fees, intending to propose them to the Board of Directors to propose to the Annual General Meeting of Shareholders. KPMG Phoomchai Audit Ltd. an independent, knowledgeable, and expert entity, is chosen as the Company's auditor. A certified public accountant conducts the audit, and the results are regularly presented to the Audit Committee on a quarterly and annual basis. The review conducted by the certified public accountant did not identify any material deficiencies.

9.2 Connected Transaction

9.2.1 Connected Person and Nature of Relation

As at December 31, 2022, and December 31, 2023, the connected individuals and juristic persons involved in significant connected transactions with the Company are outlined below:

Individuals/legal entities who may have conflicts of interest	Nature of business	Nature of relation
1. SINGER Thailand Public Company Limited	Sell electrical appliances, sewing machines, commercial products, etc.	<ul style="list-style-type: none"> SINGER Thailand Public Company Limited ("SINGER"), a major shareholder, possessing 2,449,998,000 shares, which represents 74.92% of the total registered and paid-up capital. A shared director is Mr. Narathip Wirunechatapant
2. Jaymart Group Holdings Public Company Limited	Holding Company	<ul style="list-style-type: none"> Jaymart Group Holdings Public Company Limited ("JMART"), an indirect major shareholder, possessing 208,871,053 shares in SINGER, represents for 25.20% of the total registered and paid-up capital. Furthermore, JMART is a direct shareholder in the Company, holding 145,798,585 shares, representing 4.46%.
3. JMT Network Services Public Company Limited	Debt collection and low-quality debt management services	<ul style="list-style-type: none"> JMT Network Services Public Company Limited ("JMT"), a subsidiary of JMART.
4. SG Broker Company Limited	Life and casualty insurance brokerage	<ul style="list-style-type: none"> SG Broker Company Limited, a subsidiary of SINGER. SINGER holds 139,998 shares, represents 99.99% of the total registered and paid-up capital. A shared director is Mr. Narathip Wirunechatapant
5. SG Service Plus Company Limited	Repair and maintenance for electrical appliances	<ul style="list-style-type: none"> SG Service Plus Company Limited, a subsidiary of SINGER. SINGER holds 4,998 shares, represents 99.96% of the total registered and paid-up capital. A shared director is Mr. Narathip Wirunechatapant
6. Jaymart Mobile Company Limited	Distributing mobile phones and related accessories	<ul style="list-style-type: none"> Jaymart Mobile Company Limited is a subsidiary of JMART
7. Jaymart Insurance Public Company Limited	Non-life insurance business	<ul style="list-style-type: none"> Jaymart Insurance Public Company Limited is a subsidiary of JMT.
8. J Ventures Company Limited	Software development business and investments in other ventures	<ul style="list-style-type: none"> J Ventures Company Limited is a subsidiary of JMART.
9. Beans and Brown Company Limited	Food and beverage distribution business and coffee shop brand Casa Lapin	<ul style="list-style-type: none"> Beans and Brown Company Limited is a subsidiary of JMART.
10. J Elite Company Limited	Digital points collection service business	<ul style="list-style-type: none"> J Elite Company Limited is a subsidiary of JMART.

9.2.2 Connected Transaction
1. SINGER Thailand Public Company Limited ("SINGER")

NO.	Nature of transaction	Transaction value (million baht)		Necessity and reasonableness	Opinion of the Audit Committee
		As at December 31, 2022	As at December 31, 2023		
1.	The Company acquires products from SINGER for utilization in its hire purchase loan business: - Purchase of products - Trade accounts payable - Other receivables	2,544.89 460.84 -	398.34 69.70 3.56	This transaction is integral to the hire purchase loan business as the Company specializes in providing such loans for various products, including electrical appliances, household appliances, and commercial items distributed by SINGER. The hire purchase lender assumes ownership through this process. Consequently, acquiring products from SINGER initiates ownership, enabling delivery to the customer and facilitating subsequent hire purchase contracts.	This transaction aligns with the Company's ordinary business transactions, adhering to standard pricing and trading conditions consistent with those offered by SINGER to third parties.
2.	The Company engages SINGER to sell repossessed products: - Sales income - Sale foreclosed assets - Sales agent fees	15.02 1,169.37 1.20	- - -	This transaction stems from the hire purchase loan business for products distributed by SINGER. In cases where debtors fail to meet installment payments or default, the company actively pursues debt collection. If repayment is not achieved, the Company seeks collateral, and SINGER handles the sale of repossessed assets. To mitigate losses from debtor defaults, the Company sells the products back to SINGER at a predetermined rate of 75% of SINGER's cost price. This arrangement is formalized in a business support memorandum, which also adjusts conditions for SINGER's sales compensation to 15% of the selling price, effective from April 1, 2022.	This transaction align with the Company's business nature, determined at an agreed-upon price between both parties. The list of expenses is deemed appropriate and can be benchmarked against the compensation rate SINGER previously paid to an external property auction service provider.

NO.	Nature of transaction	Transaction value (million baht)		Necessity and reasonableness	Opinion of the Audit Committee
		As at December 31, 2022	As at December 31, 2023		
				<p>In this context, the 15% compensation rate aligns with the price previously paid by SINGER to an external auction service provider for assets. Consequently, both the Company and SINGER derive mutual benefits from this transaction. In 2022, the Company sold NPA to the parent company for 1,169 million Baht, which arises from repossession.</p> <p>In 2023, the Company independently executed the sale of repossessed products, eliminating any connected transactions for the year as previously discussed.</p>	
3.	<p>Subsidized income from SINGER</p> <ul style="list-style-type: none"> - Interest subsidy income² - Deferred income 	<p>-</p> <p>13.00</p>	<p>-</p> <p>2.18</p>	<p>This item refers to interest subsidy income from SINGER, derived from a mutual agreement in the past. Presently, no such item exists.</p> <p>The items presented in the financial statements are subsidy items recognized progressively based on the installment payments of the loan contract. For both 2023 and 2022, there are no cash receipts recorded from subsidy income</p> <p>As of December 31, 2023, there is an outstanding deferred subsidy income of 2.18 million Baht, anticipated to be fully realized during 2024.</p>	<p>This transaction is designed to support the business operations between the Company and SINGER, reflecting a common practice in loan businesses. Both entities have collaboratively agreed upon and adjusted the criteria to align with the overall situation of the Company, prioritizing the maximum benefits for both parties.</p>

NO.	Nature of transaction	Transaction value (million baht)		Necessity and reasonableness	Opinion of the Audit Committee
		As at December 31, 2022	As at December 31, 2023		
4.	Debt Collection fee - Debt Collection fee - Other creditors	35.95 3.84	10.30 2.31	As the Company specializes in providing hire purchase loans for electrical appliances distributed by SINGER, which boasts a direct distribution channel and a team of proficient sales staff with in-depth product knowledge, close customer relationships, and a thorough understanding of customer needs, the Company relies on SINGER for debt collection services from its debtors. The service fee, ranging from 1% - 10%, is determined through mutual agreement, considering factors such as the number of customers to be charged and the debt collection efficiency. This service rate is consistent with those paid to other companies.	This transaction is both reasonable and advantageous for the company. Leveraging SINGER's sales staff with strong customer relationships and product knowledge enhances the convenience and flexibility in collecting debtor installments. Moreover, the service rates serve as incentives for employees, fostering a higher quality of debt collection work.
5.	Management fee - Management fee - Management fee payable	12.00 1.07	12.00 2.14	Historically, the Company engaged SINGER to deliver management services encompassing administrative personnel, support personnel, consulting, and information systems. Service rates are determined by actual expenses, employing the Pro Rata Basis for consistent allocation based on each company's actual usage. The scope of services and service rates undergo annual review.	The sharing of resources, including personnel, leads to cost savings through economies of scale. The opinion is that the allocation of service costs, consistent with actual usage based on the Pro Rata Basis, is appropriate. Furthermore, it is noted that the service rates are deemed reasonable and align with general commercial conditions.

NO.	Nature of transaction	Transaction value (million baht)		Necessity and reasonableness	Opinion of the Audit Committee
		As at December 31, 2022	As at December 31, 2023		
6.	Other expenses - Purchased goods from SINGER - Other creditors	1.28 - -	0.76 0.24	The Company purchases products from SINGER for distribution to customers, employees with specified service periods, and retired employees as a gesture of appreciation for their long service and to foster unity within the organization. Additionally, products are purchased for use in donations, such as contributing to schools, serving as an additional avenue to enhance the Company's brand. The purchase prices align with general trading conditions.	This transaction is deemed reasonable and advantageous for the Company.
7.	Rental expenses, service charges, and total utilities cost - Other expenses - Lease agreement liabilities - Other payables	- 1.90 0.53	2.80 - 1.68	The transaction resulted from a rental arrangement where a leasing company utilizes SINGER's premises for various purposes: (1) Sub-office area for a revenue-generating vehicle, serving as a workspace for credit service-related activities; (2) Warehouse for storing repossessed goods; (3) Work area for credit department employees. In total, there are 16 locations, reflecting a reduction of 6 places from the previous year. This reduction primarily stems from consolidating sub-office spaces for Rod Tam Ngoen to enhance efficiency in management and target group clarity. The rental rate for SINGER-owned spaces will be comparable to neighboring spaces owned by others. For the rented areas, rates will be allocated based on the actual space used, with an additional 15% for common service fees such as cleaning, security, and parking. Actual utility costs will be proportionally covered by the company based on the rented space.	The utilization of shared resources results in cost savings through economies of scale. The allocation of service costs, consistent with actual usage based on the Pro Rata Basis, is considered appropriate and beneficial to the Company.

NO.	Nature of transaction	Transaction value (million baht)		Necessity and reasonableness	Opinion of the Audit Committee
		As at December 31, 2022	As at December 31, 2023		
8.	Financial costs - Long-term loans - Interest expense	11,172.67 597.50	10,072.67 591.01	<p>The mentioned transaction originated from a loan obtained from SINGER, given SINGER's status as a publicly-listed company with access to a broader range of funding sources, including issuing bonds. The Company borrowed funds from SINGER, its parent company, to facilitate continued expansion in lending activities. The loan agreement with SINGER stipulates an interest rate equivalent to SINGER's rate derived from the average bond issuance, plus a 0.25% premium to cover SINGER's expenses in bond issuance. Following the securities offering, the Company utilized funds from the IPO to settle the loan with SINGER. As of the end of 2023, the outstanding loan amounts to 10,072.67 million Baht, with scheduled repayments in 2024 and 2025 totaling 2,353.83 million Baht and 7,718.84 million Baht, respectively. The Company is exploring additional funding sources, such as issuing debentures, to repay the remaining loan. The repayment strategy will be considered within the stipulated period for SINGER's bond repayment, contingent on the alignment with the Company's future cash flows.</p>	<p>The inter-company loan transactions of the Company are considered both reasonable and advantageous. Following the Company's listing on the Stock Exchange of Thailand, there is a strategic effort to diminish dependence on major shareholders. This approach is driven by the Company's access to a more diverse set of fundraising channels.</p>

NO.	Nature of transaction	Transaction value (million baht)		Necessity and reasonableness	Opinion of the Audit Committee
		As at December 31, 2022	As at December 31, 2023		
9.	Loss Adjustment Income - Other Income - Other receivables	- -	1.95 0.97	The aforementioned transaction is a result of a mutual agreement between the two companies to safeguard against damages arising from work lapses and/or employee corruption. In the event that the Company confirms that the loan contract, initiated by SINGER's employees, causes damage—such as customer contract rejection due to intentional misconduct by SINGER's employees—the Company retains the right to claim damages. Subsequently, SINGER will pursue damages from the responsible employees. The charge rate is determined based on the actual damages incurred.	The aforementioned transaction is deemed reasonable and aligns with general commercial conditions. It is conducted with the objective of optimizing the Company's benefits to the fullest extent.
10.	Promotional income - Other income - Other receivables - Accrued income	- - -	4.58 3.16 1.63	In this transaction, SINGER provides financial support to the Company to boost sales of products under the SINGER trademark. The Company is required to allocate personnel and resources to facilitate swift customer responses. The credit contract terms are set by the Company, ensuring no harm to its interests. Both companies are mutually responsible for loan quality control. In case bad debt rates rise, joint discussions and considerations are necessary. The project can be terminated based on the agreement made in the 4th quarter of 2023.	This transaction supports business operations between the two companies, and the service rate is deemed appropriate, causing no harm to the Company.
11.	Loan payments via SINGER top-up machines - Other receivables	-	0.29	The mentioned item represents the actual funds received from the Company's customers who make loan installment payments through SINGER's cash register. This channel serves to facilitate customers in paying their installments.	The mentioned transaction aligns with general commercial conditions and does not result in any loss of benefits for the Company.

Remarks: 1. Other receivables encompass revenue from sales and initial payments made by the company's debtors through SINGER.

2. In both 2022 and 2023, the Company has not yet received subsidy interest payments from SINGER. However, these amounts are being gradually recognized as subsidy income in the income statement based on the installment payments of the hire purchase contract, totaling 83.24 million baht and 10.82 million baht, respectively.

2. SG Broker Company Limited ("SGB")

NO.	Nature of transaction	Transaction value (million baht)		Necessity and reasonableness	Opinion of the Audit Committee
		As at December 31, 2022	As at December 31, 2023		
1.	Commission income from insurance sales - Commission income - Accrued income - Other receivables	19.26 11.67 10.88	19.58 5.88 0.04	The transaction involves offering insurance policy products to the Company's loan customers, including car insurance and credit line protection insurance, to mitigate risks related to the loan customers' repayment ability. This is particularly applicable in the event of damage to the collateral vehicle or a severe event resulting in the disability or death of the loan applicant. The Company serves as a channel for connecting customers with insurance, while SGB, holding an insurance sales agent license, collaborates with insurance companies. The Company will receive a commission share from SGB based on jointly established objectives and the scope of work. The share ratios are annually reviewed collaboratively to align with the goals and scope of work.	These transactions are reasonable and reflect actual services that bring benefits to the company.

3.JMT Network Services Public Company Limited ("JMT")

NO.	Nature of transaction	Transaction value (million baht)		necessity and reasonableness	Opinion of the Audit Committee
		As at December 31, 2022	As at December 31, 2023		
1.	Income from sales of receivables - Revenue from the transfer of debt claims - Other receivables	15.77 - -	110.31 61.75	The Company offers loans and hire purchase loans, exposing it to the risk of default by loan debtors, resulting in non-performing loans. To recover cash flow and enhance the overall quality of the loan portfolio, the Company engages in the sale of claims on receivables as per loan agreements through auctions of non-performing loans. The Company invites at least 3 non-performing debt management business operators to participate in the auction through invitation letters.	The transaction aligns with the general commercial conditions of the loan business.
2.	Debt collection service fee - Debt collection service fee - Other payables - Other expenses	2.35 0.18 0.37	18.33 1.25 4.35	The Company provides loans and hire purchase loans, which carry the risk of being unable to collect installments as scheduled. In cases where the Company is unable to collect debts as scheduled, and there are debtors who have been overdue for an extended period, this situation impacts the classification of the debtor's status and the provision for expected credit losses. It may also lead to additional operating expenses in the event of litigation or legal action. The Company, therefore, engages debt collection services for overdue debts, property possession, litigation, property investigation, and enforcement from external service providers (Outsource), with JMT being one of the aforementioned service providers. The Company evaluates the capabilities of each service provider and allocates a loan portfolio to each service provider for debt collection based on their expertise, cost-effectiveness, and the best offer of each service provider.	The process of tracking down debts, reclaiming assets, filing lawsuits, conducting asset investigations, and enforcing cases is an essential procedure for businesses. This requires expertise to manage debts and minimize damages from payment defaults. The service rate is a mutually agreed-upon price based on market criteria. Work efficiency is measured, and the engagement can be terminated if performance does not meet the Company's standards. This is a reasonable and beneficial action for the Company.

NO.	Nature of transaction	Transaction value (million baht)		Necessity and reasonableness	Opinion of the Audit Committee
		As at December 31, 2022	As at December 31, 2023		
3.	Rod Tam Ngoen loans commission - Other expenses	-	0.04	<p>However, the Company routinely evaluates the performance (KPI) of JMT and other service providers. If the results do not meet the Company's specifications, the Company has the right to terminate the contract and engage another company with better performance. Debt collection rates remain consistent across all service providers. Regarding expenses incurred in legal proceedings, these are actual costs such as court fees and various document fees collected by government agencies.</p> <p>The Company has a partnership with JMT for a Rod Tam Ngoen project. JMT is responsible for customer acquisition, conducting loan sales, coordinating with the loan approval department, and collecting necessary documents from customers for submission to the Company. JMT will receive a commission for each approved loan sale, and the customer will be granted the approved credit limit.</p> <p>When evaluating JMT's commission rate, the Company compared it to standard sales transactions involving expenses for sales representatives and staff. This includes commissions for customer-recommending agents, sales staff responsible for customer interaction, car inspection, coordination with the credit analysis department, and document collection from customers. Upon comparison, there is no discernible difference in the commission rate paid to JMT.</p>	<p>This transaction serves as one of the channels for acquiring customers for the company, and the service fee is deemed appropriate.</p>

4. SG Service Plus Company Limited ("SGS")

NO.	Nature of transaction	Transaction value (million baht)		Necessity and reasonableness	Opinion of the Audit Committee
		As at December 31, 2022	As at December 31, 2023		
1.	Venue rental list with SGS - Other expenses - Lease liability	- -	0.48 -	The Company has subleased a portion of a warehouse building in Phra Nakhon Si Ayutthaya from SGS for the operational needs of the telephone debt collection department. The rental cost is determined by apportioning SGS's rental expenses based on the Company's actual space usage. An additional 15% is added to cover service-related expenses within the area, including cleaning, security, car parking services, etc. Utility bills are to be paid based on the proportional use of space, as allocated from actual utility invoices.	Utilizing shared resources leads to cost savings through economies of scale. The allocation of service costs is in line with actual usage based on the pro-rata basis, making it a deemed appropriate and advantageous asset for the Company.
2.	Area service fee, Repairs and maintenance of tools and appliances service fee - Other expenses - Other payables	0.07 -	0.29 0.09	The Company employs services for the maintenance and repair of tools and equipment, including products repossessed from customers, to ensure the functionality of company-owned assets. The service rate aligns with market prices.	These transactions align with general commercial conditions, and the service rates are in accordance with market norms.

5. Jaymart Mobile Company Limited ("JMB")

NO.	Nature of transaction	Transaction value (million baht)		Necessity and reasonableness	Opinion of the Audit Committee
		As at December 31, 2022	As at December 31, 2023		
1.	The Company purchase products from JMB for utilization in its hire purchase loan business - Purchase of products - Trade accounts payable	237.10 7.85	29.78 4.67	The transaction originated from JMB's mobile phone leasing business. The Company placed orders with JMB to facilitate mobile phone leasing services, with product delivery to customers managed through JMB's access, coordination, and documentation. The exchange of mobile phones between the Company and JMB involves specifying purchase/sale prices based on market rates at the time of the transaction.	This transaction constitutes a credit-based business model, necessitating a purchase process for ownership. The acquisition of mobile phone occurs at market prices prevailing at the time of purchase. Consequently, this transaction is considered both reasonable and advantageous for the company.
2.	Commission - Sales commission fees - Other payables	3.18 0.20	- -	On January 1, 2022, the Company and JMB established a memorandum of understanding, enabling JMB to manage document coordination with customers interested in acquiring mobile phone products through the Company's leasing services. The Company paid a commission to JMB, and the agreement concluded at the end of 2022 without renewal. Consequently, no programs are anticipated in 2023.	The transaction is general commercial conditions and opting not to renew the agreement will not result in any adverse consequences.

6. Jaymart Insurance Public Company Limited ("JMI")

NO.	Nature of transaction	Transaction value (million baht)		Necessity and reasonableness	Opinion of the Audit Committee
		As at December 31, 2022	As at December 31, 2023		
1.	Insurance premium - Other expenses - Other receivables	0.09 0.05	0.29 0.16	The Company holds property risk insurance, director and officer liability insurance with JMI at prices consistent with those offered by other insurance companies.	The mentioned transaction is both reasonable and advantageous for the Company.

7. Jaymart Group Holdings Public Company Limited ("JMART")

NO.	Nature of transaction	Transaction value (million baht)		Necessity and reasonableness	Opinion of the Audit Committee
		As at December 31, 2022	As at December 31, 2023		
1.	Service fee - Other expenses	-	1.54	The Company has engaged a related business to conduct an inspection of its operational processes, and the professional fee for this service is comparable to fees charged by other companies.	The mentioned transaction is a standard hiring arrangement, with the service fee deemed appropriate and advantageous for the Company.

8. J Ventures Company Limited ("JVC")

NO.	Nature of transaction	Transaction value (million baht)		Necessity and reasonableness	Opinion of the Audit Committee
		As at December 31, 2022	As at December 31, 2023		
1.	Software development cost - Purchase of intangible assets	-	2.11	The Company has engaged JVC to develop a software system, primarily focusing on the SG Tracking system for efficiently managing debt collection through field debt collectors. The system accurately stores customer addresses (latitude, longitude), enabling precise tracking of field employees' movements for work monitoring and expense disbursement purposes. The procurement transaction involved a price comparison based on the company's general conditions, and the agreed price aligns with market rates.	The transaction adheres to general commercial conditions, and the pricing is considered reasonable.
2.	Maintenance service fees - Other expenses - Other payables	- -	0.11 0.07	The Company has engaged JVC for the maintenance of the cloud network system responsible for storing data related to the aforementioned SG Tracking system.	The transaction adheres to general commercial conditions, and the pricing is considered reasonable.

9. Beans and Brown Company Limited ("BB")

NO.	Nature of transaction	Transaction value (million baht)		Necessity and reasonableness	Opinion of the Audit Committee
		As at December 31, 2022	As at December 31, 2023		
1.	Purchase of products - Other expenses - Other payables	- -	0.09 0.02	This involves purchase of products, such as coffee machines and coffee beans, for business use. The purchase is made at market prices and is comparable to those of other brands.	The transaction adheres to general commercial conditions, and the pricing is considered reasonable.

10. J Elite Company Limited ("JElite")

NO.	Nature of transaction	Transaction value (million baht)		Necessity and reasonableness	Opinion of the Audit Committee
		As at December 31, 2022	As at December 31, 2023		
1.	Promotional costs - Other expenses - Other payables	- -	0.01 0.01	The Company initiated a promotional project with its affiliates, offering J Points from related businesses to retail customers participating in the Debt Consolidation project. The pricing of J Points aligns with market rates and is comparable to points offered by other companies.	The mentioned transaction serves to support business operations within the group and acts as an incentive for the Company's customers and/or customers of affiliated companies to engage with the Company. The established price is consistent with the reference price from other companies.

9.2.3 Item of loan guarantees from financial institutions

For more specific information regarding these items, please refer to Section 5 General Information and Other Information – “Section 5.2.2.9 Loan Agreement with Commercial Banks.”

No.	Loan recipients	Guarantors	Lenders	Types of Loans	Loan Amount (million baht)	Details of Mortgage/ Guarantee	Outstanding Balance as of (million Baht)		Necessity and reasonableness
							As at December 31, 2022	As at December 31, 2023	
1	SG Capital	SINGER	Commercial Bank No. 1	Long-term loans	30.00	SINGER acts as a guarantor for debt repayment, with a maximum amount set at 30,000,000 Baht.	14.39	-	The mentioned transaction involves a loan from a financial institution for the Company's regular business operations. The first point notes that the Company repaid the loan in full in 2023. The second point highlights a letter of guarantee with Thailand Post for mail delivery services. The third item pertains to an overdraft credit line for circulating use, with no outstanding balance as of the end of 2023. The fourth item specifies that the Company has already fulfilled repayments in 2023.
2	SG Capital	SINGER	Commercial Bank No. 2	Letter of Guarantee (L/G)	0.50	-	0.51	0.01	
3	SG Capital	SINGER	Commercial Bank No. 2	Overdraft (O/D)	5.00	-	-	-	
4	SG Capital	SINGER	Commercial Bank No. 2	Promissory Note (P/N)	55.00	-	55.00	-	

9.3 Necessity and reasonableness of connected transactions

During the Audit Committee Meeting No. 1/2024 on February 8, 2024, the committee deliberated on information regarding the Company's connected transactions for the fiscal year ending December 31, 2023. This process included inquiries to the Company's management and a review of the information specified in the audited notes to the financial statements by the Company's auditor. The committee concluded that the connected transactions in the fiscal year ending December 31, 2023, were necessary and beneficial to the Company's business operations. These transactions were deemed consistent with the Company's normal business operations and/or aligned with general commercial conditions. They were conducted on an Arm's Length Basis, akin to how a reasonable person would engage with a normal contracting party in a similar situation, devoid of the influence of the other party's potential conflict.

9.3.1 Measures and procedures for connected transactions approval

The Board of Directors, in Meeting No. 12/2023 on November 9, 2023, deliberated on approving the connected transaction policy. This policy aims to ensure transparency in transactions involving the Company and entities with potential conflicts, safeguarding the Company's interests. The key points are summarized below.

Guidelines for connected transactions

Directors and management are requested to compile a report detailing their personal interests and those of related parties. This report should be submitted to the Company to ensure compliance with regulations governing connected transactions. Additionally, any changes in the provided data require prompt notification through revised reports, maintaining the information's up-to-date accuracy.

2. Directors and management must refrain from engaging in connected transactions that could potentially lead to conflicts of interest with the Company.

3. If the Company and/or its subsidiaries engage in connected transactions, they must adhere to the measures and procedures outlined in the Company's policy, as defined herein. This includes compliance with SEC and Stock Exchange requirements.

For connected transactions falling under the approval authority of the management, relevant departments are tasked with evaluating various aspects in accordance with the Company's approval authority regulations. Once management has considered and approved these transactions, the concerned entities must present them to the Audit Committee for a review of their reasonableness.

3.2) For connected transactions falling under the approval authority of the Company's Board of Directors or shareholders, relevant departments are tasked with comprehensive details, necessity, and justification for the transaction. Prior to presenting to the Board of Directors, these details must be submitted to the Audit Committee for approval. Subsequently, approval from the Board of Directors is sought, and if necessary, presentation to the shareholders' meeting is requested for final consideration and approval of the transaction.

Price determination and conditions for connected transactions must involve careful consideration of various conditions, aligning with the nature of trading operations. This should adhere to market prices and follow the normal course of business, ensuring fair and an arm's length basis. A comparative analysis of prices for goods or services with similar characteristics occurring with third parties is essential.

5. For significant connected transactions, approval is required from the Executive Committee, Audit Committee, Board of Directors, or shareholder meeting, as applicable. This excludes items covered by general commercial conditions approved in principle by the Board of Directors, allowing the management to proceed (as per the Securities and Exchange Act, Section 89/12)

6. The Company mandates the disclosure of information on connected transactions following the criteria outlined by the Capital Market Supervisory Board, the

SEC Office, and the Stock Exchange. This disclosure is specified in the Annual Information Disclosure (Form 56-1) and the Annual Report (Form 56-2), or any other applicable report forms. Furthermore, details regarding connected transactions of the Company and its subsidiaries are disclosed in the financial statements' notes, adhering to accounting standards.

7. Mandatory procedures include a review of connected transactions by the internal audit department, with subsequent reporting to the Audit Committee. Additionally, measures are in place for controlling, inspecting, and ensuring a random review of actual transactions to confirm their correctness and adherence to the specified contract, conditions, or policies.

Principles for approving connected transactions

The Company will adhere to securities and stock exchange laws, regulations, announcements, orders, or requirements by the Capital Market Supervisory Board, the SEC Office, and the Stock Exchange. However, engaging in such transactions must prioritize the best interests of the company and its shareholders, avoiding the transfer of benefits to either.

For ordinary business transactions or ordinary business support transactions of the Company and/or its subsidiaries, with the potential for ongoing occurrence, the Company has established a policy outlining the framework for such transactions. This framework requires a commercial agreement conducted in a manner consistent with how a reasonable person would engage with a standard contracting party in a similar situation. It ensures an unbiased negotiation process, free from influence stemming from one's status as a director, manager, or related individual, and prohibits the transfer of benefits. If the Board of Directors approves the transaction framework as a general principle, the management is authorized to proceed immediately with transactions aligning with the specified framework without requiring further approval from the Board of Directors. This practice is in strict accordance with securities and stock exchange laws, as well as regulations, announcements, orders, or requirements by the Capital Market Supervisory Board, the SEC Office, and the Stock Exchange.

To adhere to good corporate governance principles, the Company's management responsible for such transactions will prepare a transaction summary. This includes information demonstrating that the items involved have prices referable to market prices and adhere to general commercial conditions. This information will be presented to the internal audit department for review, ensuring compliance with the framework set by the Board of Directors. Additionally, the management and the internal audit department will provide a transaction summary to the Audit Committee on a quarterly basis for assessment, ensuring the transactions are reasonable and yield maximum benefits for the Company. Should the Audit Committee find any non-compliance with the Board's framework, they will report to the Company's Board of Directors for necessary improvements within an appropriate timeframe. If the Board or management fails to take corrective action within a reasonable period, any Audit Committee member may report such transactions or actions to the SEC or the Stock Exchange of Thailand.

In the case of a connected transaction differing from others, the Company will submit to the Audit Committee for an opinion on the appropriateness of the price, assessing the reasonableness of such transactions. If the Audit Committee lacks expertise in evaluating these connected transactions, the Company will engage a qualified individual with specialized knowledge, such as an independent auditor or property appraiser, to provide an opinion. The Board of Directors or the shareholders, as applicable, will then consider this information, ensuring that the transaction prioritizes the maximum benefit to the Company and all shareholders, without involving the transfer or relinquishment of Company benefits.

9.3.2 Policy on future-connected transactions

The Board of Directors, in Meeting No. 12/2023 on November 9, 2023, deliberated on approving policy on future-connected transactions. The discussion aimed to establish guidelines for upcoming connected transactions, summarized as follows.

In the event of future connected transactions, the Company shall adhere to the Securities and Exchange Act B.E. 2535 (as amended), as well as the regulations,

announcements, orders, or requirements of the Capital Market Supervisory Board, Securities and Exchange Commission, and the Stock Exchange of Thailand. This commitment includes compliance with regulations governing the disclosure of information related to connected transactions and adherence to disclosure standards outlined by The Institute of Certified Accountants and Auditors of Thailand . However, such transactions must prioritize the maximum benefit of the Company and all shareholders, without involving the transfer or relinquishment of Company benefits.

For ordinary business transactions or ordinary business support transactions, the Company will establish rules and guidelines aligning with the general commercial conditions. This involves referencing prices and conditions that are deemed appropriate, fair, reasonable, and verifiable. The proposed terms will be submitted to the Audit Committee for evaluation, facilitating the Board of Directors' consideration and approval of the framework for such transactions.

Part **3**

Financial Statements

3.1 Board of Directors' Responsibilities to the Financial Statements

3.2 Financial Statements





Board of Directors' Responsibilities to the Financial Statements

The Board of Directors shall be responsible to the Company's financial statements and the relevant financial information disclosed in the 2023 Annual Report (56-1 One Report). The said financial statements and relating financial information has been prepared in accordance with the generally-accepted accounting standard by implementing the accurate and appropriate accounting policies that are consistently applied by the Company, as well as using the careful consideration and best estimates. Furthermore, all important and relevant information are adequately disclosed in the Notes to the Financial Statements.

In this regard, the Board of Directors has appointed the Audit Committee consisting of Independent Directors, to assist the Board of Directors in supervising the quality of the financial statements and the internal control of the Company. The opinions of the Audit Committee relating to these matters appear in the report of the Audit Committee included in this 2023 Annual Report (56-1 One Report).

Mr. Bibit Bijaisoradat

Chairman of the Board of Directors / Independent Director
SG Capital Public Company Limited

SG Capital Public Company Limited

Financial statements for the year ended
31 December 2023
and
Independent Auditor's Report



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Independent Auditor's Report

To the shareholders of SG Capital Public Company Limited

Opinion

I have audited the financial statements of SG Capital Public Company Limited (the "Company"), which comprise the statement of financial position as at 31 December 2023, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2023 and its financial performance and cash flows for the year then ended in accordance with the Thai Financial Reporting Standard (TFRSs).

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 Financial Statements* section of my report. I am independent of the Company in accordance with *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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



Valuation of hire-purchase contract receivables and loan receivable	
Refer to Note 3, 7 and 8	
The key audit matter	How the matter was addressed in the audit
<p>The core businesses of the Company are hire-purchase and lending consist of a great number of wholesale and retail accounts with small receivable value. The gross amount of hire-purchase contract receivables and loan receivable as at 31 December 2023 amount to Baht 14,501 million and allowance for expected credit losses (“ECL”) amount to Baht 2,341 million and the net amount of Baht 12,160 million was approximately 90.4% of the Company’s total assets.</p> <p>Management has estimated the allowance for expected credit losses based on credit models which are complex and dependent on significant management judgments and estimates including establishment of the criteria for determining whether credit risk has increased significantly since initial recognition, development of models used to measure ECL, determination of the forward-looking macroeconomic variables and probability-weighted scenarios into the measurement of ECL. In particular, the ongoing economic situation adds further complexity to management’s estimation process.</p> <p>Due to materiality of transactions and involving significant management judgment, I consider this to be key audit matter.</p>	<p>My audit procedures included the followings:</p> <ul style="list-style-type: none"> • Understanding the credit approval, collection and monitoring processes including the policies and procedures in consideration of allowance for expected credit losses. • Considering the Company’s accounting policies to determine whether these have been set up in accordance with the requirements of TFRS 9 <i>Financial Instruments</i>. • Evaluating the design and implementation and testing the operating effectiveness of key internal controls surrounding the credit approval and allowances for expected credit losses process. • Assessing and testing the reasonableness of staging applied by the Company for different types of credit exposures including sampling testing with relevant documents. • Involving KPMG’s credit specialists to inspect model documentation, assess key data, assumptions, method, models including mathematical theory including evaluating the reasonableness of the economic factors used by management in the models to adjust losses rate based on current economic conditions and forward-looking information by comparing them to relevant market information to derive expected credit losses model parameters on customers portfolios. • Testing the mathematic calculation of the expected credit losses of hire-purchase contract receivables and loan receivable. • Considering the adequacy of the Company’s disclosures in accordance with the relevant Thai Financial Reporting Standards.



Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the 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 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 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 those charged with governance and request that the correction be made.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 financial statements.

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

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



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

(Chokechai Ngamwutikul)
Certified Public Accountant
Registration No. 9728

KPMG Phoomchai Audit Ltd.
Bangkok
12 February 2024



Statement of financial position

Assets	Note	31 December	
		2023	2022
		(in Baht)	
Current assets			
Cash and cash equivalents	6	153,998,119	3,106,144,072
Current portion of hire-purchase contract receivables	7	855,864,484	3,438,456,427
Current portion of loan receivables	8	2,263,274,663	2,006,260,095
Other receivables	5, 9	212,463,783	67,316,191
Accrued income	5	7,516,723	11,667,682
Asset foreclosed	10	181,740,360	39,051,937
Other current assets		-	78,953
Total current assets		3,674,858,132	8,668,975,357
Non-current assets			
Hire-purchase contract receivables	7	715,579,981	1,918,404,852
Loan receivables	8	8,325,438,185	7,030,473,098
Leasehold improvement and equipment		21,969,749	21,472,369
Right-of-use assets	11	26,044,489	18,937,065
Intangible assets		13,565,558	6,273,606
Deferred tax assets	20	674,971,747	116,913,442
Other non-current assets		2,442,956	1,915,120
Total non-current assets		9,780,012,665	9,114,389,552
Total assets		13,454,870,797	17,783,364,909

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



Statement of financial position

Liabilities and equity	Note	31 December	
		2023	2022
		(in Baht)	
Current liabilities			
Short-term loan from financial institution	13	-	55,000,000
Trade accounts payable	5, 26	75,188,263	473,237,230
Other payables	5, 12, 26	127,495,157	177,201,339
Current portion of long-term loan from parent company	13	2,353,829,494	-
Current portion of long-term loan from financial institution	13	-	10,475,584
Current portion of lease liabilities	5, 13	14,207,355	9,018,285
Corporate income tax payable		-	92,396,748
Total current liabilities		2,570,720,269	817,329,186
Non-current liabilities			
Long-term loans from parent company	5, 13	7,718,843,038	11,172,672,533
Long-term loan from financial institution	13	-	3,918,566
Lease liabilities	5, 13	12,308,228	11,767,927
Provisions for employee benefits	14	17,946,102	24,141,654
Employee security deposits		13,609,635	2,138,721
Total non-current liabilities		7,762,707,003	11,214,639,401
Total liabilities		10,333,427,272	12,031,968,587
Equity			
Share capital	15		
Authorised share capital		3,270,000,000	3,270,000,000
Issued and paid-up share capital		3,270,000,000	3,270,000,000
Share premium:			
Share premium on ordinary shares		2,292,002,706	2,292,002,706
Difference arising from business combination under common control	17	(974,117,594)	(974,117,594)
Retained earnings (Deficit):			
Appropriated:			
Legal reserve	16	209,379,885	209,379,885
Unappropriated (Deficit)		(1,675,821,472)	954,131,325
Total equity		3,121,443,525	5,751,396,322
Total liabilities and equity		13,454,870,797	17,783,364,909

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

**Statement of comprehensive income**

		Year ended 31 December	
	Note	2023	2022
		(in Baht)	
Income			
Interest income from hire-purchase contract and loans	5	2,089,380,173	2,399,077,460
Other income	5	80,108,933	39,679,667
Total income		2,169,489,106	2,438,757,127
Expenses			
Service and administrative expenses	5, 19	640,538,370	641,602,454
Total expenses		640,538,370	641,602,454
Profit from operating activities		1,528,950,736	1,797,154,673
Finance costs	5	(592,721,805)	(600,215,109)
Expected credit loss	23	(3,770,817,519)	(395,211,096)
(Loss) profit before income tax expense		(2,834,588,588)	801,728,468
Tax income (expense)	20	559,312,373	(134,486,528)
(Loss) profit for the year		(2,275,276,215)	667,241,940
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain (loss) on remeasurements of defined benefit plans	14	6,270,341	(1,044,249)
Income tax relating to items that will not be reclassified subsequently to profit or loss	20	(1,254,068)	208,850
Total items that will not be reclassified to profit or loss		5,016,273	(835,399)
Other comprehensive income (expense) for the year, net of tax		5,016,273	(835,399)
Total comprehensive income (expense) for the year		(2,270,259,942)	666,406,541
Basic earning (loss) per share	21	(0.70)	0.27

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

Statement of changes equity

			Difference arising from business combination under common control	Legal reserve	Unappropriated	Total equity
			(in Baht)			
<i>Note</i>						
	Issued and paid-up share capital	Share premium				
	2,450,000,000	-	(974,117,594)	176,017,788	762,086,881	2,413,987,075
Year ended 31 December 2022						
Balance at 1 January 2022						
Transactions with owner, recorded directly in equity						
<i>Contributions by and distributions to owners</i>						
Issue of ordinary shares	820,000,000	2,292,002,706	-	-	-	3,112,002,706
Dividends	-	-	-	-	(441,000,000)	(441,000,000)
Total transactions with owner, recorded directly in equity	820,000,000	2,292,002,706	-	-	(441,000,000)	2,671,002,706
Comprehensive income for the year						
Profit	-	-	-	-	667,241,940	667,241,940
Other comprehensive income	-	-	-	-	(835,399)	(835,399)
Total comprehensive income for the year	-	-	-	-	666,406,541	666,406,541
Transfer to legal reserve	-	-	-	33,362,097	(33,362,097)	-
Balance at 31 December 2022	3,270,000,000	2,292,002,706	(974,117,594)	209,379,885	954,131,325	5,751,396,322

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



SG Capital Public Company Limited

Statement of changes equity

Year ended 31 December 2023

Balance at 1 January 2023

Transaction with owner, recorded directly in equity

Contributions by owners of the parent

Dividends

Total transaction with owner, recorded directly in equity

Comprehensive income (expense) for the year

Profit (loss)

Other comprehensive income

Total comprehensive income (expense) for the year

Transfer to legal reserve

Balance at 31 December 2023

Note	Issued and paid-up share capital	Share premium	Difference arising from business combination under common control	Retained earnings (Deficit)			Total equity
				Legal reserve	Unappropriated	(in Baht)	
	3,270,000,000	2,292,002,706	(974,117,594)	209,379,885	954,131,325		5,751,396,322
22	-	-	-	-	(359,692,855)		(359,692,855)
	-	-	-	-	(359,692,855)		(359,692,855)
	-	-	-	-	(2,275,276,215)		(2,275,276,215)
	-	-	-	-	5,016,273		5,016,273
	-	-	-	-	(2,270,259,942)		(2,270,259,942)
	-	-	-	-	-		-
	3,270,000,000	2,292,002,706	(974,117,594)	209,379,885	(1,675,821,472)		3,121,443,525

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



Statement of cash flows

	31 December	
	2023	2022
	(in Baht)	
<i>Cash flows from operating activities</i>		
(Loss) profit for the year	(2,275,276,215)	667,241,940
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>		
Tax (income) expense	(559,312,373)	134,486,528
Interest income from hire-purchase contract and loans	(2,089,380,173)	(2,399,077,460)
Finance costs	592,721,805	600,215,109
Depreciation	25,217,603	19,830,959
Amortisation	963,548	593,259
Expected credit loss	3,770,817,519	395,211,096
Loss from impairment of asset foreclosed	22,649,043	6,866,208
Provision for employee benefit	5,374,539	4,014,104
(Gain) loss on written-off equipment and intangible asset	(6,074)	1,175,646
Other interest income	(7,717,287)	(230,110)
	(513,948,065)	(569,672,721)
<i>Changes in operating assets and liabilities</i>		
Hire-purchase contract receivables	524,672,163	(547,410,354)
Loan receivables	(1,990,128,648)	(3,563,416,332)
Other receivables	(146,530,052)	149,011,025
Accrued income	4,150,959	13,899,936
Assets foreclosed	(165,337,466)	(45,918,145)
Other current assets	78,953	(65,176)
Other non-current assets	(527,836)	(451,620)
Trade accounts payable	(398,048,967)	(706,390,965)
Deferred interest subsidies	(10,815,616)	(83,239,453)
Other payables	(38,883,366)	(3,003,138)
Employee security deposits	11,470,914	941,831
Employee benefit paid	(5,299,750)	(60,000)
Net cash used in operations	(2,729,146,777)	(5,355,775,112)
Interest received hire-purchase contract and loans	2,018,555,555	2,379,527,699
Tax paid	(92,113,545)	(104,917,915)
Net cash used in operating activities	(802,704,767)	(3,081,165,328)

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

**Statement of cash flows**

	31 December	
	2023	2022
	(in Baht)	
<i>Cash flows from investing activities</i>		
Other interest received	7,717,287	230,110
Proceeds from sale investment	6,075	-
Acquisition of leasehold improvement and equipment	(8,983,866)	(14,082,097)
Acquisition of intangible assets	(8,255,500)	(2,147,800)
Net cash used in investing activities	(9,516,004)	(15,999,787)
<i>Cash flows from financing activities</i>		
Proceeds from issued of shares - net	-	3,112,002,706
Dividends paid to owners of the Company	(359,692,855)	(441,000,000)
Finance cost paid	(591,160,492)	(598,930,542)
Proceeds from short-term borrowings from financial institutions	-	55,000,000
Repayment of borrowings from financial institutions	(69,394,150)	(9,935,887)
Proceeds from borrowings from related parties	-	7,718,843,039
Repayment of borrowings from related parties	(1,100,000,000)	(4,009,260,686)
Payment of lease liabilities	(19,677,685)	(14,776,141)
Net cash (used in) from financing activities	(2,139,925,182)	5,811,942,489
Net (decrease) increase in cash and cash equivalents	(2,952,145,953)	2,714,777,374
Cash and cash equivalents at 1 January	3,106,144,072	391,366,698
Cash and cash equivalents at 31 December	153,998,119	3,106,144,072

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



Notes to the financial statements

For the year ended 31 December 2023

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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 12 February 2024.

1 General information

SG Capital Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand in December 2022. The Company’s registered office at 72 NT Bangrak Building 20th Floor, Charoenkrung Road, Bangrak, Bangkok.

The parent company during the financial year was Singer Thailand Public Company Limited (74.92% shareholding) shareholding incorporated in Thailand.

The principal activities of the Company are sales by hire purchase contracts of electrical appliances, commercial product, mobile phones and vehicles, and loan receivables and others.

2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies are described in note 3, have been applied consistently to all periods presented in these financial statements.

The preparation of financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of the Company’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that are described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3 Significant accounting policies

(a) Financial instruments

(1) Classification and measurement

A financial asset and financial liability (except for other receivables, see note 3 (d)) are initially recognised when the Company becomes a party to the contractual provisions of the instrument and measured at fair value plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value to other comprehensive income (FVOCI); or fair value to profit or loss (FVTPL). Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.



Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

(2) *Derecognition and offset*

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(3) *Impairment of financial assets other than other receivables*

The Company recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVOCI.

Recognition of expected credit loss

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; or
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of a financial instrument.

Loss allowances for hire-purchase contract receivables and loan receivables, the Company recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.



Expected credit losses are computed as unbiased, probability weighted amounts which are determined by evaluating a range of reasonably possible outcomes, the time value of money, and considering all reasonable and supportable information. This includes forward looking information.

The estimate of expected cash shortfalls is determined by multiplying the probability of default (PD) with the loss given default (LGD) with the expected exposure at the time of default (EAD).

Forward-looking macroeconomic assumptions are incorporated into the PD, LGD and EAD where relevant and where they have been identified to influence credit risk, such as GDP, unemployment rate and Consumer Price Index. These assumptions are determined using all reasonable and supportable information, which includes both internally developed forecasts and those available externally and are consistent with those used for financial and capital planning.

Multiple forward-looking scenarios are incorporated into the range of reasonably possible outcomes for all material portfolios both in terms of determining the PD, LGD and EAD, where relevant, and in determining the overall expected credit loss amounts.

The estimate of expected cash shortfalls on a collateralised financial instrument should consider the amount and timing of cash flows that are expected from confiscation on the collateral less the costs of obtaining and selling the collateral without considering the possibility of the confiscation.

The estimate of expected cash shortfalls are discounted using the initial effective interest rate on the financial asset.

Expected Credit Loss Recognition - Staging

Stage 1 Financial asset without a significant increase in credit risk (Performing)

Expected credit losses are recognised at the time of initial recognition of a financial instrument and represent the lifetime cash shortfalls arising from possible default events up to 12 months into the future from the balance sheet date. Expected credit losses continue to be determined on this basis until there is either a significant increase in the credit risk of an instrument or the instrument becomes credit-impaired. If a financial assets is no longer considered to exhibit a significant increase in credit risk, expected credit losses will revert to being determined on a 12-month basis.

Stage 2 Financial asset with a significant increase in credit risk (Under-performing)

If a financial asset experiences a significant increase in credit risk (SICR) since initial recognition, an allowance for expected credit loss is recognised for default events that may occur over the lifetime of the asset. SICR is assessed by comparing the risk of default of an exposure at the reporting date to the risk of default at origination, the significance of which being determined by using a number of quantitative and qualitative factors as

- financial assets that are 30 or more days past due, or
- financial assets that have more than 3 times of 30 or more days past due during the past 12 months.

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

Financial assets that are credit impaired or in default represent those that are at over 90 days past due in respect of principal and/or interest. Financial assets are also considered to be credit impaired where the customers are unlikely to pay on the occurrence of one or more observable events that have a negative impact on the estimated future cash flows of the financial asset.



Evidence that a financial asset is credit impaired includes observable data about the following events:

- Significant financial difficulty of the borrower;
- Breach of contract such as default or a past due event;
- Pending or actual bankruptcy or other financial reorganisation to avoid of the borrower's obligations; or
- Purchase or origination of a financial asset at a deep discount that reflects incurred credit losses.

Impairment provisions against credit impaired financial assets are determined based on an assessment of the recoverable cash flows under a range of scenarios, including the realisation of any collateral held where appropriate, representing the difference between the present value of the cash flows expected to be recovered, discounted at the instrument's original effective interest rate, and the gross carrying value of the instrument prior to any credit impairment.

Modified financial instruments

Where the original contractual terms of a financial asset have been modified for credit risk reasons and the instrument has not been derecognised, the resulting modification loss is recognised within credit impairment in the income statement with a corresponding decrease in the gross carrying value of the asset.

When a receivable has a significant increase in credit risk, the Company considers to write-off the receivable by comparing the cash flows from net realisable value of reverted inventory with gross carrying amount of the receivable excluded allowance for expected credit losses in profit or loss.

Expected credit losses for modified financial assets that have not been derecognised and are not considered to be credit-impaired will be recognised on a 12-month basis, or a lifetime basis, if there is a significant increase in credit risk. These assets are assessed to determine whether there has been a significant increase in credit risk subsequent to the modification.

Improvement in credit risk

A period may elapse from the point at which financial instruments enter stage 2 or stage 3 and are reclassified back to stage 1. For financial assets within stage 2, these can only be transferred to stage 1 when they are no longer considered to have experienced a significant increase in credit risk.

Where significant increase in credit risk was determined using quantitative measures, the financial instruments will automatically transfer back to stage 1 when the original PD based transfer criteria are no longer met. Where financial instruments were transferred to stage 2 due to an assessment of qualitative factors, the issues that led to the reclassification must be cured before the financial instruments can be reclassified to stage 1. This includes instances requiring the action to be resolved before loans are reclassified to stage 1.

The Company considers a financial asset to have low credit risk when its credit rating is equivalent to the globally understood definition of 'investment grade'.

Write-off and reverse expected credit loss

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.



If the amount of the credit impairment loss decreases and the decrease can be related objectively to an event occurring after the credit impairment was recognised, such as an improvement in the debtor's credit rating, the previously recognised credit impairment loss is reversed by adjusting the provision account. The amount of the reversal is recognised in profit or loss.

(4) *Write offs*

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(b) *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances, cash deposits and highly liquid short-term investments which have maturities of three months or less from the date of acquisition.

(c) *Hire-purchase contract and loan receivables*

Hire purchase receivables are stated at the contract value net of unearned hire purchase, which is presented after net of initial direct income and costs at the inception of the contracts.

Loan receivables are stated at the principal amount and accrued interest receivables, which is presented after net of initial direct income and costs at the inception of the contracts.

The Company considers expected credit losses of hire-purchase contract and loans receivables as disclosed in note 3 (a(3)).

(d) *Other receivables*

Other receivable is recognised when the Company has an unconditional right to receive consideration. An other receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Company estimates lifetime expected credit losses (ECLs), using a provision matrix to find the ECLs rates. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

(e) *Assets foreclosed*

Assets foreclosed consisting of vehicles, electric appliances and others are stated at the lower of cost and net realisable value less estimated disposal expenses of the assets foreclosed less loss on decline in value.

Any gains and losses on disposal of assets foreclosed are determined by comparing the proceeds from disposal with the carrying amount of assets foreclosed and are recognised in profit or loss.



(f) Leasehold improvement and equipment

Leasehold improvement and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs and, the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of leasehold improvement and equipment are recognised in profit or loss.

The cost of replacing a part of an item of leasehold improvement and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of leasehold improvement and equipment are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on land and assets under construction and installation.

The estimated useful lives are as follows:

Leasehold improvement	3 - 10 years
Office equipment	3 - 5 years

(g) Intangible assets

Software licenses that have finite useful lives are measured at cost less impairment losses. Subsequent expenditure is capitalised only when it will generate future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognized in profit or loss.

The estimated useful life is as follow:

Software licenses	5 - 10 years
-------------------	--------------

(h) Leases

At inception of a contract, the Company assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Company accounted for the lease and non-lease components wholly as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which are recognised as expense on a straight-line basis over the respective lease terms.



Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. The company considers the impairment of intangible assets, as disclosed in note 3 (i).

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Company uses the Company's incremental borrowing rate to discount the lease payments to the present value. The Company determines its incremental borrowing rate by obtaining interest rates from external financing sources to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

At inception or on modification of a contract, the Company allocates the consideration in the contract to each component on the basis of their relative standalone selling prices.

At lease inception, the Company considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

The Company recognises rental income received under hire-purchase contract in profit or loss over the lease term and present as part of interest received from hire-purchase contract. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

The Company derecognises and determines impairment on the hire-purchase receivables (see note 3 (a(3))). The Company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

(i) Impairment of non-financial assets

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.



The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment losses of assets recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(j) Employee benefits

Defined contribution plan

Obligations for contributions to the Company's provident funds are expensed as the related service is provided.

Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Company determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits

Short-term employee benefit are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(k) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

**(l) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

(m) Revenue from contracts with customers*Interest income from hire-purchase contract and loans*

Interest income from hire purchase and loan receivables are recognised in profit or loss using the effective interest rate method. In calculating based on the gross carrying amounts of the hire purchase and loan receivables.

When the hire purchase and loan receivables subsequently become credit-impaired, interest income is calculated by using the effective interest rate method on the net carrying amount (gross book value net of an allowance for expected credit losses) of the receivables.

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

Commission revenue

For the contracts that the Company is arranging for the provision of the services on behalf of its customers and does not control the services before the primary service providers will provide the services to the customers. The Company acts in the capacity of an agent and recognises the net amount of consideration as commission revenue when provide services.



(n) Income tax

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

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(o) Earnings per share

Basic earnings per share (EPS) is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

4 COVID-19 relief measures

Due to uncertainty of the situation since 2020, the Bank of Thailand (“BoT”) provided measures, which are intended to support the financial institutions and finance businesses to help the affected debtors. Additional measures continue to be provided.

In 2022 and 2023, the Company applied the accounting guideline no. 37/2564 dated 3 December 2021, “Guideline regarding the provision of financial assistance to the debtors affected by the Covid-19”. This guideline is applied to the affected debtors during 1 January 2022 to 31 December 2023 or as further updated by BoT. For debt restructuring under the specified criteria from 1 January 2021 to 31 December 2021, the entity can apply the relevant staging and provisioning guideline under this accounting guideline to the debtors from 1 January 2022 to 31 December 2023. The guideline of staging and provisioning depends on debt restructuring method which can be categorised into 2 groups below. The accounting guideline is in line with the BoT Circular no. BoT. For Nor Sor. 2 Wor. 802/2564 dated 3 September 2021, “Guidelines regarding the provision of financial assistance to the debtors affected by the Covid-19 (sustainable debt resolution)”.



Debt restructuring method

1. Debt restructuring which aims to reduce the repayment burden other than term extension.
2. Debt restructuring by term extension only

Guideline of staging and provisioning

1. Non-NPL modified loans can be classified as stage 1 performing immediately once they are identified as being likely to repay.
 2. NPL modified loans can be classified as stage 1 performing only if they can repay 3 consecutive months or 3 consecutive dues, whichever is longer.
 3. Significant increase in credit risk consideration (Under-performing or Stage 2) consider from overdue for principle or interest payments more than 30 days or 1 month from the due date.
 4. Revision of effective interest rate (EIR) at the date of modification.
- Apply in accordance with the relevant financial reporting standard.

During 2023, the management closely monitored the collection from customers which were in Covid-19 relief program and identified a significant portion of customers which are unable to meet payments under the revised collection schedule. Accordingly, the Company has written off bad debts and significantly increased the estimated allowance for expected credit loss in the second quarter of 2023.

As at 31 December 2023, total outstanding modified receivables from existing Covid-19 relief program which is was approximately 2.75% of the total hire-purchase contract receivables and loan receivables.

The temporary accounting relief measures have been expired at 31 December 2023. From 1 January 2024, the receivables and loan's staging and provisioning of all modifications will be classified as per requirement of relevant financial reporting standards. The Company has assessed the changes with no material impact to the financial statements.

5 Related parties

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Company; a person or entity that is under common control or under the same significant influence as the Company; or a person or entity over which the Company has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making. The pricing policies for transactions with related parties are determined on an arm's length basis or contractual price.



Notes to the financial statements

For the year ended 31 December 2023

Relationship with parent is described in note 1. Other related parties which the Company had significant transactions with during the year were as follows:

Name of entities	Country of incorporation	Nature of relationships
SG Service Plus Co., Ltd.	Thailand	Sister company of the parent company
SG Broker Co., Ltd.	Thailand	Sister company of the parent company
Jaymart Group Holdings Company Limited	Thailand	Major shareholder of the parent company
Rabbit Holdings Public Company Limited	Thailand	Major shareholder of the parent company
The Group of Jaymart Group Holdings Company Limited	Thailand	Common director
The Group of Rabbit Holdings Public Company Limited	Thailand	Common director
Key management personnel		Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Significant transactions with related parties Year ended 31 December

	2023 (in thousand Baht)	2022
Parent		
Sale of assets foreclosed	-	1,169,373
Sale of revert goods	-	15,023
Other income	6,531	-
Purchase of goods*	398,339	2,544,892
Debt collecting fee	10,298	35,954
Management fee	12,000	12,000
Commission expense	-	1,200
Other expense	3,568	1,277
Interest expenses	591,007	597,496
Other related parties		
Commission income	19,578	19,264
Revenue from sales of rights in receivable	110,310	15,767
Purchase of goods*	29,780	237,103
Debt collecting fee	18,326	2,346
Commission expense	-	3,180
Other expenses	7,209	531
Purchase of Intangible assets	2,110	-
Key management personnel		
Key management personnel compensation		
Short-term benefit	35,249	31,632
Post-employment benefits	1,428	2,713
Total	36,677	34,345

* Purchased goods from related parties for hire-purchased receivables



Notes to the financial statements

For the year ended 31 December 2023

Balances with related parties

At 31 December

Other receivables

	Note	2023 (in thousand Baht)	2022
Parent	9	7,974	-
Other related parties		61,951	10,929
Total		69,925	10,929

Accrued income

Parent		1,634	-
Other related parties		5,883	11,668
Total		7,517	11,668

Trade accounts payable

Parent		69,705	460,837
Other related parties		4,671	7,850
Total		74,376	468,687

Other payables

Parent	12	8,544	18,080
Other related parties		1,438	384
Total		9,982	18,464

Lease liabilities

Parent		-	1,897
Total		-	1,897

	Interest rate (% per annum)	At 1 January 2023	Increase (in thousand Baht)	Decrease	At 31 December 2023
Loans from					
Parent	5.25 - 6.06	11,172,673	-	(1,100,000)	10,072,673

Significant agreements with related parties

Interest subsidy agreement

The Company entered into an interest subsidy agreement with the parent company. This agreement is effective for a year, and will be automatically renewed a year unless either party gives to the other party a written notice to terminate the agreements. Fees and conditions are specified in the agreements. The Company recorded deferred interest subsidy income as other payables when received and recognised over the period of related hire-purchase contracts with customers as interest income for the year 2023 amounting to Baht 10.82 million (2022: Baht 83.24 million). The parent company has terminated the interest subsidy agreement since 1 April 2021.



Promotional service agreement

The Company entered into a promotional service agreement with the parent company. This agreement is effective for a year, and will be automatically renewed a year unless either party gives to the other party a written notice to terminate the agreements. Fees and conditions are specified in the agreements. The Company recorded service fee as other income for the year 2023 amounting to Baht 4.58 million.

Loan agreement

The Company entered into loan agreements with the parent company in the amount of Baht 11,173 million, interest rate of 5.25% - 6.06% (2022: 5.25% - 6.06%). The interest rate shall be calculated from an average interest rate of the parent company's debentures, which were issued each time, with a mark-up. The interest shall be paid by monthly. The loans will be matured in September 2024 to December 2025.

Service agreement

The Company entered into several agreements within the parent company. The terms of these agreements are effective for 6 months to 1 year, and will be automatically renewed 1 year unless either party gives to the other party a written notice to terminate the agreements. Fees and conditions are specified in the agreements. Services and building rental scope are as follows:

- 1.1 The service support regarding to operation support, finance and accounting, human resource, information technology and others;
- 1.2 Building rental and service.

Memorandum of understanding for the business support

On 1 April 2022, the Company entered into the Memorandum of understanding for the business support with the parent company. The company agreed to hire the parent company as a seller of confiscated goods from the hire-purchase receivables due to breach of contract, the Company pay the commission as 15% of selling price to the parent company. The memorandum is effective, unless either party gives to the other party a written notice to terminate.

Receivable management and collection service agreement

The Company entered into agreement with JMT Network Services Public Company Limited (JMT) for certain receivable management and collection services to be provided by JMT to the Company in return for fees at rates specified in the agreement. The term of this agreement is effective for 1 year, and will be automatically renewed 1 year unless either party gives to the other party a written notice to terminate this agreement.

The Company entered into agreements with JMT Network Services Public Company Limited (JMT) for certain collection services to be provided by JMT to the Company in return for fees at rates specified in the agreement. The term of this agreement is effective for 1 year, and will be automatically renewed 1 year unless either party gives to the other party a written notice to terminate this agreement.

*Transfer rights of receivables agreement*

The Company occasionally entered into agreement with JMT Network Services Public Company Limited (JMT) for sale of rights in the Company hire purchase contract receivable. The consideration of transferring rights in the receivable is specified in the agreement.

6 Cash and cash equivalents

	2023	2022
	<i>(in thousand Baht)</i>	
Cash on hand	15	15
Cash at banks	53,367	406,129
Highly liquid short-term investments	100,616	2,700,000
Total	153,998	3,106,144



Notes to the financial statements

For the year ended 31 December 2023

7 Hire-purchase contract receivables

31 December 2023

Hire-purchase receivables	2,909,781	673,815	336,912	170,172	60,664	19,086	4,170,430
Less unearned interest income	(568,350)	(144,412)	(59,254)	(22,851)	(6,696)	(2,385)	(803,948)
	2,341,431	529,403	277,658	147,321	53,968	16,701	3,366,482
Less allowance for expected credit loss	(1,485,567)	(178,525)	(78,346)	(38,017)	(9,933)	(4,650)	(1,795,038)
Net	855,864	350,878	199,312	109,304	44,035	12,051	1,571,444

31 December 2022

Hire-purchase receivables	4,862,725	1,436,968	677,772	298,200	113,748	13,881	7,403,294
Less unearned interest income	(1,080,572)	(344,904)	(132,684)	(44,735)	(11,391)	(828)	(1,615,114)
	3,782,153	1,092,064	545,088	253,465	102,357	13,053	5,788,180
Less allowance for expected credit loss	(343,697)	(60,586)	(19,543)	(5,613)	(1,701)	(179)	(431,319)
Net	3,438,456	1,031,478	525,545	247,852	100,656	12,874	5,356,861

Notes to the financial statements

For the year ended 31 December 2023

As at 31 December 2023 and 2022, carrying amount and allowance for expected credit loss for electronic appliances, others and vehicles hire-purchase contract receivables were as follows:

	Electronic appliances and others			Vehicles			Total				
	Assets without significant increase in credit risk	Assets with a significant increase in credit risk	Assets with credit impairment	Assets without significant increase in credit risk	Assets with a significant increase in credit risk	Assets with credit impairment					
31 December 2023											
Hire-purchase contract receivables*											
Within credit terms	339,147	2,227	925	342,299	205,640	3,988	209,628	544,787	6,215	925	551,927
Overdue:											
1 - 30 days	117,026	2,863	842	120,731	90,340	14,619	104,959	207,366	17,482	842	225,690
31 - 60 days	-	85,762	969	86,731	-	118,682	118,682	-	204,444	969	205,413
61 - 90 days	-	76,892	2,031	78,923	-	70,930	70,930	-	147,822	2,031	149,853
more than 90 days	-	-	2,019,732	2,019,732	-	-	213,867	213,867	-	2,233,599	2,233,599
Hire-purchase contract receivables*	456,173	167,744	2,024,499	2,648,416	295,980	208,219	718,066	752,153	375,963	2,238,366	3,366,482
Less allowance for expected credit loss	(42,078)	(32,663)	(1,607,784)	(1,682,525)	(3,226)	(15,762)	(93,525)	(45,304)	(48,425)	(1,701,309)	(1,795,038)
Total	414,095	135,081	416,715	965,891	292,754	192,457	605,553	706,849	327,538	537,057	1,571,444

*Hire-purchase contract receivables net of unearned interest income

Notes to the financial statements

For the year ended 31 December 2023

	Electronic appliances and others			Vehicles			Total
	Assets without impairment ^a	Assets with a significant increase in credit risk	Assets with credit impairment	Assets without impairment ^a	Assets with a significant increase in credit risk	Assets with credit impairment	Total
31 December 2022							
<i>Hire-purchase contract receivables*</i>							
Within credit terms	2,085,624	38,853	-	321,634	8,067	-	329,701
Overdue:							
1 - 30 days	933,462	12,179	-	154,821	10,271	-	165,092
31 - 60 days	-	367,065	-	-	165,086	-	165,086
61 - 90 days	-	938,384	-	-	111,383	-	111,383
more than 90 days	-	-	600,987	-	-	40,364	40,364
Hire-purchase contract receivables*	3,019,086	1,356,481	600,987	476,455	294,807	40,364	811,626
Less allowance for expected credit loss	(70,652)	(111,387)	(223,934)	(2,353)	(10,380)	(12,613)	(25,346)
Total	2,948,434	1,245,094	377,053	474,102	284,427	27,751	786,280
*Hire-purchase contract receivables net of unearned interest income							

**Notes to the financial statements**

For the year ended 31 December 2023

Modification of hire-purchase contract receivables

The financial statements for the year ended 31 December 2023 and 2022 includes the following changes through various types of modification:

	2023		2022	
	Before modification	After modification (in thousand Baht)	Before modification	After modification
Modification of hire-purchase contract receivables net of unearned interest income for the year	<u>121,146</u>	<u>134,762</u>	<u>863,024</u>	<u>796,921</u>

Cash collection under modification of hire-purchase contract receivables for the year ended 31 December 2023 and 2022 were Baht 64.25 million and Baht 61.48 million, respectively.

As at 31 December 2023 and 2022 modified hire-purchase contract receivables have remaining balances of Baht 274.07 million and Baht 517.06 million, respectively. Partial of the receivables are also received the provision of financial assistance to the debtors affected by the Covid-19 relief program.

8 Loan receivables

	Portion due within 1 year 31 December		Portion due after 1 year 31 December		Total 31 December	
	2023	2022	2023	2022	2023	2022
	(in thousand Baht)					
Loan receivables	2,421,375	1,988,788	8,592,493	7,070,395	11,013,868	9,059,183
Add accrued interest receivable	<u>120,770</u>	<u>49,945</u>	<u>-</u>	<u>-</u>	<u>120,770</u>	<u>49,945</u>
	2,542,145	2,038,733	8,592,493	7,070,395	11,134,638	9,109,128
Less allowance for expected credit loss	<u>(278,870)</u>	<u>(32,473)</u>	<u>(267,055)</u>	<u>(39,922)</u>	<u>(545,925)</u>	<u>(72,395)</u>
Net	<u>2,263,275</u>	<u>2,006,260</u>	<u>8,325,438</u>	<u>7,030,473</u>	<u>10,588,713</u>	<u>9,036,733</u>



Notes to the financial statements

For the year ended 31 December 2023

At 31 December 2023 and 2022, carrying amount and allowance for expected credit loss for loan receivables were as follows:

31 December 2023	Loan receivables				Debt consolidation				Others				Total					
	Within credit terms		Overdue:		1 - 30 days		31 - 60 days		61 - 90 days		more than 90 days		Net carrying amount		Less allowance for expected credit loss		Total	
	7,017,111	36,472	-	7,053,583	511,765	-	-	511,765	5,928	-	-	5,928	7,534,804	36,472	-	-	7,571,276	
	1,580,202	72,397	-	1,652,599	4,811	-	-	4,811	2,064	-	-	2,064	1,587,077	72,397	-	-	1,659,474	
	-	710,408	-	710,408	-	2,175	-	2,175	-	885	-	885	-	713,468	-	-	713,468	
	-	338,012	-	338,012	-	878	-	878	-	906	-	906	-	339,796	-	-	339,796	
	-	-	837,103	837,103	-	-	7,415	7,415	-	-	6,106	6,106	-	850,624	850,624	-	850,624	
	8,597,313	1,157,289	837,103	10,591,705	516,576	3,053	7,415	527,044	7,992	1,791	6,106	15,889	9,121,881	1,162,133	850,624	-	11,134,638	
	(81,345)	(84,502)	(361,013)	(526,860)	(6,638)	(82)	(7,189)	(13,909)	(191)	(64)	(4,901)	(5,156)	(88,174)	(84,648)	(373,103)	(545,925)		
	8,515,968	1,072,787	476,090	10,064,845	509,938	2,971	226	513,135	7,801	1,727	1,205	10,733	9,033,707	1,077,485	477,521	10,588,713		



SG Capital Public Company Limited

Notes to the financial statements

For the year ended 31 December 2023

	Vehicles		Debt consolidation		Others		Total	
	Assets without a significant increase in credit risk	Assets with a significant increase in credit risk	Assets without a significant increase in credit risk	Assets with a significant increase in credit risk	Assets without a significant increase in credit risk	Assets with a significant increase in credit risk	Assets without a significant increase in credit risk	Assets with a significant increase in credit risk
31 December 2022								
Loan receivables								
Within credit terms	6,784,089	31,049	-	-	-	-	9,588	31,049
Overdue:								
1 - 30 days	1,088,860	42,210	-	-	-	-	3,848	42,210
31 - 60 days	-	531,498	1,110	1,110	1,042	-	1,042	533,650
61 - 90 days	-	251,944	-	-	1,217	-	1,217	253,161
more than 90 days	-	45,753	-	1,595	-	2,962	2,962	50,310
Net carrying amount	7,872,949	856,701	1,110	1,595	2,259	2,962	18,657	9,109,128
Less allowance for expected credit loss	(28,445)	(25,881)	(11)	(1,595)	-	-	(25,892)	(72,395)
Total	7,844,504	830,820	1,099	-	2,259	2,962	834,178	9,036,733

**Modification loan receivables**

The financial statements for the year ended 31 December 2023 and 2022 includes the following changes through various types of modification:

	2023		2022	
	Before modification	After modification (in thousand Baht)	Before modification	After modification
Modification of loan receivables for the year	<u>50,055</u>	<u>49,572</u>	<u>211,458</u>	<u>193,419</u>

Cash collection under modification of loan receivables for the year ended 31 December 2023 and 2022 were Baht 51.31 million and Baht 28.28 million, respectively.

As at 31 December 2023 and 2022 modified loan receivables have remaining balances of Baht 176.45 million and Baht 193.29 million, respectively. Partial of the receivables are also received the provision of financial assistance to the debtors affected by the Covid-19 relief program.

9 Other receivables

	Note	2023 (in thousand Baht)	2022
Related parties	5	69,925	10,929
Other parties			
- Revenue department receivables		128,270	28,232
- Other receivables		<u>15,368</u>	<u>45,739</u>
Total		213,563	84,900
Less allowance for expected credit loss		<u>(1,099)</u>	<u>(17,584)</u>
Net		<u>212,464</u>	<u>67,316</u>

Information of credit risk is disclosed in note 23.

10 Asset foreclosed

	2023 (in thousand Baht)	2022
Electric Appliance	47,746	18,242
Vehicle	159,874	18,383
Others	<u>25,771</u>	<u>31,429</u>
Total	233,391	68,054
Less allowance for decline in value of asset foreclosed	<u>(51,651)</u>	<u>(29,002)</u>
Net	<u>181,740</u>	<u>39,052</u>

**11 Leases*****Right-of-use assets
As at 31 December***

	2023	2022
	<i>(in thousand Baht)</i>	
Building	20,957	10,652
Equipment	1,541	2,307
Vehicle	3,546	5,978
Total	26,044	18,937

In 2023, additions to the right-of-use assets of the Company were Baht 23.84 million (2022: Baht 18.12 million).

The Company leases a number of warehouse and branch for 1 - 3 years, with extension options at the end of lease term. The rental is payable monthly as specified in the contract.

The Company leases a number of copy machine for 3 - 4 years, and paid fixed amount. These payment terms are common in Thailand.

Extension options

The Company has extension options on property leases exercisable up to one year before the end of the contract period. The Company assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess so.

<i>Year ended 31 December</i>	<i>Note</i>	2023	2022
		<i>(in thousand Baht)</i>	
<i>Amounts recognised in profit or loss</i>			
Depreciation of right-of-use assets:			
- Building	19	13,534	10,969
- Equipment	19	766	789
- Vehicle	19	2,431	2,323
Interest on lease liabilities		1,569	1,285
Expenses relating to short-term leases		1,744	176

In 2023, total cash outflow for leases of the Company were Baht 19.68 million (2022: Baht 14.78 million).

12 Other payable

	<i>Note</i>	2023	2022
		<i>(in thousand Baht)</i>	
Suspense payment - receivable wait for car registration transfer		34,091	55,124
Accrued commission		14,792	14,967
Other payable - related parties	5	7,800	5,466
Deferred interest subsidies income	5	2,182	12,998
Others		68,630	88,646
Total		127,495	177,201

**13 Interest-bearing liabilities**

	2023	2022
	<i>(in thousand Baht)</i>	
Current		
Short-term loan from financial institution	-	55,000
Current portion of long-term loans from parent company	2,353,829	-
Current portion of long-term loan from financial institution	-	10,476
Current portion of lease liabilities	14,207	9,018
Non-current		
Long-term loans from parent company	7,718,843	11,172,672
Long-term loan from financial institution	-	3,919
Lease liabilities	12,308	11,768
Total	10,099,187	11,262,853

As at 31 December 2023, the company had unsecured interest-bearing liabilities.

The detail of long-term loans from parent company is disclosed in note 5.

14 Provisions for employee benefits***Defined benefit plan***

The Company operates a defined benefit pension plan based on the requirements of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Company to actuarial risks, such as longevity risk and interest rate risk.

<i>Present value of the defined benefit obligations</i>	2023	2022
	<i>(in thousand Baht)</i>	
At 1 January	24,141	19,143
<i>Recognised in profit or loss:</i>		
Current service cost	4,452	3,835
Interest on obligation	923	179
	5,375	4,014
<i>Recognised in other comprehensive income:</i>		
Actuarial (gain) loss		
- Demographic assumptions	(671)	546
- Financial assumptions	1,013	(5,166)
- Experience adjustment	(6,612)	5,664
	(6,270)	1,044
Benefit paid	(5,300)	(60)
At 31 December	17,946	24,141
<i>Principal actuarial assumptions</i>	2023	2022
	<i>(%)</i>	
Discount rate	3.4	4.0
Future salary growth	5.0	5.0



Assumptions regarding future mortality are based on published statistics and mortality tables.

At 31 December 2023, the weighted-average duration of the defined benefit obligations was 15 years (2022: 15 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below.

<i>Effect to the defined benefit obligation</i>	1% increase in assumption		1% decrease in assumption	
<i>At 31 December</i>	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Discount rate	(1,609)	(1,942)	1,883	2,256
Future salary growth	1,832	1,959	(1,599)	(1,720)

15 Share capital

	Par value per share (in Baht)	2023		2022	
		Number	Baht	Number	Baht
		<i>(thousand share/thousand Baht)</i>			
Authorised shares at 31 December	1	<u>3,270,000</u>	<u>3,270,000</u>	<u>3,270,000</u>	<u>3,270,000</u>
<i>Issued and paid-up shares</i>					
At 1 January					
- ordinary shares	1	3,270,000	3,270,000	2,450,000	2,450,000
Increase of new shares	1	-	-	820,000	820,000
At 31 December					
- ordinary shares	1	<u>3,270,000</u>	<u>3,270,000</u>	<u>3,270,000</u>	<u>3,270,000</u>

Initial Public Offering

In December 2022, the Company offered 820 million ordinary shares to the initial public offering ("IPO"). The new shares were issued at a price of Baht 3.90 per share (par value of Baht 1 and share premium on ordinary shares of Baht 2.90). The Company received cash from issuing of new ordinary shares of Baht 3,198 million. The Company registered the increase of paid-up share capital with the Ministry of Commerce on 6 December 2022 and the shares of the Company were begun trading in the Stock Exchange of Thailand on 13 December 2022. The Company had expenses related to share issuance amounting to Baht 86 million. Hence, the Company recognised premium on ordinary shares totaling Baht 2,292 million.

16 Legal reserve

Section 116 of the Public Limited Companies Act B.E. 2535 (1992) Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital.

**17 Difference arising from business combination under common control**

During the year 2012, the extraordinary meeting of shareholders had passed the resolution to approve the entering into the Business transfer agreement with Singer Thailand Public Company Limited (“Parent company”) and agreed to the basis for the Company to enter into the asset sale and purchase agreement with Parent company by transfer in hire purchase business including staffs and related obligation from the Parent company as at 31 December 2012.

The net book value of related installments receivables and employee benefit obligations of Singer Thailand Public Company as at 31 December 2012 compared to total transfer price was as follows:

	<i>(in thousand Baht)</i>
Assets	
Installment receivables, net	1,582,796
Liabilities	
Employee benefit obligation	(8,614)
Net book value	<u>1,574,182</u>
Total transfer price (excluded value added tax)	<u>2,548,300</u>
Difference arising from business under common control	<u>(974,118)</u>

This transaction has been accounted for a transaction between entities under common control since the Company and the Parent company are under the same ultimate share holder both before and after this business transfer and such control is not temporary.

The arose difference amounting to Baht 974.12 million, between net book value of transfer’s assets and liability and total price of business transfer in, staged as difference arising from business combination under common control.

18 Segment information and disaggregation of revenue

Management considers that the Company operates in a single line of business, hire-purchase contract and loans, and has, therefore, only one reportable segment.

Geographical segments

The Company is managed and operates principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries.

Timing of revenue recognition

The Company recognised the interest income over the period and parts of other income at a point in time.



19 Expenses by nature

	Note	2023 (in thousand Baht)	2022 (in thousand Baht)
Employee benefit expenses		252,607	294,367
Commission expense - dealer		63,998	59,063
Traveling expenses		61,790	68,504
Other tax expenses		42,744	32,193
Professional expenses		31,713	22,520
Pre-settlement fee		29,125	32,703
Loss on impairment of asset foreclosed		22,649	6,199
Postage expenses		20,482	20,249
Depreciation of right-of-use assets	11	16,731	14,080
Management service fee		12,000	12,000
Depreciation and amortisation		9,450	6,344
Others		77,249	73,380
Total		640,538	641,602

20 Income tax expense

Income tax recognised in profit or loss

	2023 (in thousand Baht)	2022 (in thousand Baht)
Current tax expense		
Current year	-	157,564
Deferred tax expense		
Movements in temporary differences	(559,312)	(23,077)
Total income tax expense	(559,312)	134,487

	2023	2022
	Before Tax tax	Net of Tax benefit
Income tax		
<i>Recognised in other comprehensive income</i>		
Defined benefit plan		
actuarial gains (losses)	6,270	(1,254)
Total	6,270	(1,254)

Reconciliation of effective tax rate

	2023	2022
	Rate (%)	Rate (%)
Profit before income tax expense	(2,834,589)	801,728
Income tax using the Thai corporation tax rate	20	160,346
Expenses not deductible for tax purposes	7,606	10,880
Double deduction expense for tax purposes	-	(36,739)
Total	20	17



Notes to the financial statements

For the year ended 31 December 2023

<i>Deferred tax</i> <i>At 31 December</i>	Assets		Liabilities	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Total	701,008	139,210	(26,037)	(22,297)
Set off of tax	(26,037)	(22,297)	26,037	22,297
Net deferred tax assets	674,971	116,913	-	-

<i>Deferred tax</i>	<i>(Charged) / credited to:</i>			At 31 December
	At 1 January	Profit or loss <i>(in thousand Baht)</i>	Other comprehensive income or loss	
2023				
<i>Deferred tax assets</i>				
Allowance for expected credit loss	113,778	359,607	-	473,385
Allowance for decline in value of asset foreclosed	5,800	4,530	-	10,330
Provision for employee benefits	4,828	15	(1,254)	3,589
Deferred interest subsidies income	2,600	(2,163)	-	437
Lease liabilities	4,157	1,146	-	5,303
Fee income	8,047	(2,571)	-	5,476
Loss carry forward	-	202,488	-	202,488
Total	139,210	563,052	(1,254)	701,008
<i>Deferred tax liabilities</i>				
Commission paid	(18,510)	(2,318)	-	(20,828)
Right-of-use assets	(3,787)	(1,422)	-	(5,209)
Total	(22,297)	(3,740)	-	(26,037)
Net	116,913	559,312	(1,254)	674,971
2022				
<i>Deferred tax assets</i>				
Allowance for expected credit loss	65,991	47,787	-	113,778
Allowance for decline in value of asset foreclosed	4,560	1,240	-	5,800
Provision for employee benefits	3,830	789	209	4,828
Deferred interest subsidies income	19,247	(16,647)	-	2,600
Lease liabilities	3,232	925	-	4,157
Fee income	7,215	832	-	8,047
Total	104,075	34,926	209	139,210
<i>Deferred tax liabilities</i>				
Commission paid	(7,468)	(11,042)	-	(18,510)
Right-of-use assets	(2,980)	(807)	-	(3,787)
Total	(10,448)	(11,849)	-	(22,297)
Net	93,627	23,077	209	116,913

**21 (Loss) earnings per share**

	2023 (in thousand Baht / thousand shares)	2022 (in thousand Baht / thousand shares)
(Loss) profit attributable to ordinary shareholders of the Company (basic)	<u>(2,275,276)</u>	<u>667,242</u>
Weighted average number of ordinary shares outstanding (basic) as at 31 December	<u>3,270,000</u>	<u>2,508,411</u>
(Loss) earnings per share (basic) (in Baht)	<u>(0.70)</u>	<u>0.27</u>

22 Dividends

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in thousand Baht)
2023				
Annual dividend	20 April 2023	18 May 2023	0.11	<u>359,693</u>
Dividend paid				<u>359,693</u>
2022				
Annual dividend	20 April 2022	12 May 2022	0.18	<u>441,000</u>
Dividend paid				<u>441,000</u>

23 Financial instruments*(a) Carrying amounts and fair values*

Fair value of long-term loans and lease liabilities with bear fixed rate and remaining maturities greater than 1 year is estimated by using a discounted cash flow calculation applying interest rates current being offered on similar instruments.

Fair value of cash and cash equivalents, other receivables, trade account payables, other payables and short-term loan approximates their carrying amounts in the statements of financial position since such financial assets and liabilities have short maturity periods.

*(b) Financial risk management policies**Risk management framework*

The Company has established risk management policy to use as a framework for managing various risks to an appropriate level so that the company can operate its business stably and in line with its business plan. The Company's Risk Management Committee has an important role in developing and monitoring the Company's risk management policy regularly and appropriately in response to changing situations.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.



The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company's audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(b.1) Credit risk

The Company are exposed to credit risk primarily with respect to hire-purchase contract receivables and loan receivables. The Company manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company do not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of loan receivables less allowance for expected credit loss as stated in the statements of financial position.

Credit quality analysis**(1.1) Hire-purchase contract receivables and loan receivables**

	12-months ECL	Lifetime ECL - not credit- impaired (in thousand Baht)	Lifetime ECL - credit- impaired	Total
At 31 December 2023				
Hire-purchase contract receivables	752,153	375,963	2,238,366	3,366,482
Loan receivables	9,121,881	1,162,133	850,624	11,134,638
	<u>9,874,034</u>	<u>1,538,096</u>	<u>3,088,990</u>	<u>14,501,120</u>
Less allowance for expected credit loss	(133,478)	(133,073)	(2,074,412)	(2,340,963)
Net	<u>9,740,556</u>	<u>1,405,023</u>	<u>1,014,578</u>	<u>12,160,157</u>
At 31 December 2022				
Hire-purchase contract receivables	3,495,541	1,651,288	641,351	5,788,180
Loan receivables	8,198,748	860,070	50,310	9,109,128
	<u>11,694,289</u>	<u>2,511,358</u>	<u>691,661</u>	<u>14,897,308</u>
Less allowance for expected credit loss	(103,358)	(147,659)	(252,697)	(503,714)
Net	<u>11,590,931</u>	<u>2,363,699</u>	<u>438,964</u>	<u>14,393,594</u>



Notes to the financial statements

For the year ended 31 December 2023

<i>Movement of allowance for expected credit loss</i>	12-months ECL	Lifetime ECL - not credit-impaired (in thousand Baht)	Lifetime ECL- credit-impaired	Total
<i>Hire-purchase contract receivables</i>				
2023				
At 1 January 2023	73,005	121,767	236,547	431,319
Change from stage reclassification	(38,433)	(27,222)	65,655	-
Change from remeasurement of ECL	13,854	23,201	1,347,381	1,384,436
Acquired from new contracts	19,183	15,403	263,120	297,706
Repaid / Derecognition	(22,305)	(84,724)	(211,394)	(318,423)
At 31 December 2023	45,304	48,425	1,701,309	1,795,038
2022				
At 1 January 2022	87,400	58,600	130,601	276,601
Change from stage reclassification	(7,418)	6,017	1,401	-
Change from remeasurement of ECL	(17,080)	41,392	69,106	93,418
Acquired from new contracts	36,769	29,731	85,654	152,154
Repaid / Derecognition	(26,666)	(13,973)	(50,215)	(90,854)
At 31 December 2022	73,005	121,767	236,547	431,319
<i>Loan receivables</i>				
2023				
At 1 January 2023	30,353	25,892	16,150	72,395
Change from stage reclassification	(4,119)	(7,256)	11,375	-
Change from remeasurement of ECL	17,130	42,060	289,657	348,847
Acquired from new contracts	54,636	32,270	60,062	146,968
Repaid / Derecognition	(9,826)	(8,318)	(4,141)	(22,285)
At 31 December 2023	88,174	84,648	373,103	545,925
2022				
At 1 January 2022	15,045	8,346	6,712	30,103
Change from stage reclassification	1,416	163	(1,579)	-
Change from remeasurement of ECL	(2,381)	9,724	11,781	19,124
Acquired from new contracts	20,816	8,811	358	29,985
Repaid / Derecognition	(4,543)	(1,152)	(1,122)	(6,817)
At 31 December 2022	30,353	25,892	16,150	72,395



<i>Expected credit loss for the year ended 31 December</i>	2023 (in thousand Baht)	2022
Hire-purchase contract receivables	3,260,745	342,846
Loan receivables	508,974	49,218
Other receivables	1,099	3,147
Total	3,770,818	395,211

The information on the expected credit loss expense of hire-purchase contract receivables is included in Note 4 and revenue from sales of rights in receivable amounting to Baht 110.3 million was recognised as reversal of expected credit loss (2022: Baht 15.8 million).

Loss rates are based on actual credit loss experience over the past 3 years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Company's view of economic conditions over the expected lives of the receivables.

(1.2) Other receivables

The following table provides information about the exposure to credit risk and ECLs for other receivables.

<i>Movement of allowance for expected credit loss of other receivables</i>	2023 (in thousand Baht)	2022
At 1 January	17,584	14,437
Addition	1,099	3,147
Written-off	(17,584)	-
At 31 December	1,099	17,584

The Company limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 60 days. Outstanding trade receivables are regularly monitored by the Company. An impairment analysis is performed by the Company at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables/groupings of various customer segments with similar credit risks to reflect differences between economic conditions in the past, current conditions and the Company's view of economic conditions over the expected lives of the receivables.

(1.3) Cash and cash equivalents

The Company's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions, for which the Company considers to have low credit risk.

(1.4) Collateral held

In addition to determining counterparty credit quality through risk analysis, the Company also uses collateral as one type of credit risk mitigation to reduce potential credit losses to the Company. The Company considered the collateral value as at contractual effective date whether it is adequate to the Company's acceptable risk. Collateral is comprised of electronic appliances, vehicles and others whose values are appraised on an initial recognition of hire-purchase contract receivables and loan receivables.



For guarantee, the process for the analysis of guarantor's creditworthiness is aligned to credit assessment process for borrowers.

Concentrations of credit risk

The Company monitor concentrations of credit risk by type of financing which credit risk concentration of receivables can classify as follow;

- Electronic appliances hire-purchase contract receivables are approximately 41.70% in retail group comprising of owned-business and are approximately 58.30% in general retail group,
- Vehicle hire-purchase contract receivables and loan receivables are 58.86% in corporate group and are 41.14% are in retail group.

The Company has no significant concentration of credit risk on the financial statements.

Information related to ECL

Significant increase in credit risk (SICR)

When determining whether the probability of default on a financial instrument has increased significantly since initial recognition, the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and including forward-looking information.

Default

The Company consider a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company within 90 days from maturity date;
- it is becoming probable that the borrower will restructure the asset as a result of bankruptcy due to the borrower's inability to pay its credit obligations.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

Probability of default

Credit risk grades are a primary input into the determination of the probability of default. The Company has collected repayment performance data of each receivable and input into statistical models to analyse the data collected and generate estimates of the lifetime PD based on contractual repayment. Then, to estimate ECL.

Incorporation of forward-looking information

ECL has been estimated by the probability weighted of default over the expected life of the financial instrument. It is based on the present value of all expected cash shortfalls carried by historical loss experience data for the Company of assets that the Company consider credit risk to be similar such as types of financing and adjusted by current observed data, along with supportable and reasonable future forecasts if statistically correlated can be proved. Appropriate judgments are also incorporated to estimate ECL using macroeconomic data. The Company assess both the current situation and the forecast of future economic conditions and probability weighted for each situation. The Company has tested and found there is no significant correlation between economic factors and the assumption; therefore, the Company did not include the economic factors into the expected credit losses model on customers portfolios.



Moreover, the Company review the assumptions and forecasts of the future economic situations on a regular basis. In addition, the Company also provided the management overlay as a part of ECL for the receivables affected by the Covid-19.

(b.2) Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

At 31 December	Carrying amount	1 year or less	Contractual cash flows		Total
			More than 1 year but less than 2 years	More than 2 years but less than 5 years	
			(in thousand Baht)		
2023					
Non-derivative financial liabilities					
Trade accounts payable	75,188	75,188	-	-	75,188
Long-term loans from parent company	10,072,673	2,908,703	7,956,905	-	10,865,608
Lease liabilities	26,516	15,388	9,995	2,829	28,212
	<u>10,174,377</u>	<u>2,999,279</u>	<u>7,966,900</u>	<u>2,829</u>	<u>10,969,008</u>
2022					
Non-derivative financial liabilities					
Short-term loan from financial institution	55,000	55,305	-	-	55,305
Trade accounts payable	473,237	473,237	-	-	473,237
Long-term loans from parent company	11,172,673	643,723	4,059,087	7,956,905	12,659,715
Long-term loan from financial institution	14,394	10,980	3,958	-	14,938
Lease liabilities	20,786	9,785	6,872	5,354	22,011
	<u>11,736,090</u>	<u>1,193,030</u>	<u>4,069,917</u>	<u>7,962,259</u>	<u>13,225,206</u>

(b.3) Market risk

The Company is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Company does not hold or issue derivatives for speculative or trading purposes.

*Interest rate risk*

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Company's operations and its cash flows because loan interest rates (see note 13) are mainly fixed. So the Company has low interest rate risk. The sensitivity impact to increase or decrease in interest rate expenses from borrowings, as a result of changes in interest rates is immaterial on financial statements. The Company mitigates this risk by ensuring that the majority of its borrowings are at fixed interest rates.

24 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, by evaluating result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

25 Commitments with non-related parties*For the year ended 31 December*

	2023	2022
	<i>(in thousand Baht)</i>	
Capital commitments		
Building improvement and equipment	80	-
Intangible	22,000	-
Total	22,080	-
Other commitments		
Bank guarantees	10	510
Total	10	510

26 Reclassification of accounts

Certain accounts in the financial statements for the year ended 31 December 2022 have been reclassified to conform to the presentation of financial statements for the year ended 31 December 2023 as follows:

	Before reclassification	Reclassification <i>(in thousand Baht)</i>	After reclassification
Statement of financial position			
as at 31 December 2022			
Trade payables	486,476	(13,239)	473,237
Other payables	163,962	13,239	177,201
		-	

Part **4**

Attachment

- Attachment 1 Details of Directors, Executives, Auditors, Assigned Person to the Highest Responsibility in Accounting and Finance, the assigned Person to be Directly Responsible for Supervising the Accounting and Company Secretary
- Attachment 2 Details of Director in Subsidiary and Associated Company
- Attachment 3 Details of the Head of the Internal Audit and the Compliance Department of the Company (Compliance)
- Attachment 4 Assets Used for Business Operation
- Attachment 5 Corporate Governance Policy and Code of Conduct (Full Version)
- Attachment 6 Report on the performance of the sub-committees
 - 6.1 Report of the Audit Committee
 - 6.2 Report of the Nomination and Remuneration Committee
 - 6.3 Report of the Risk Management Committee
 - 6.4 Report of the Executive Committee
 - 6.5 Report of the Environment, Social and Governance (ESG) Committee





SG Capital Public Company Limited

Attachment 1

**Details of Directors, Executives, Auditors, Assigned Person to the Highest Responsibility in Accounting and Finance, the assigned Person to be Directly Responsible for Supervising the Accounting and Company Secretary
As of 31 December 2023.**

Details of Directors

As of 31 December 2023



Mr. Bibit Bijaisoradat

Chairman of the Board of Directors (Feb 22, 2021)

Independent Director (Feb 22, 2021)

Chairman of the Nomination and Remuneration Committee (Sept 27, 2021)

Age : 62 Year

In-Direct and Direct Shares Proportion : 100,000 Shares (0.0031%)

Education / Training :

- Master of Business Administration, National Institute of Development Administration
- Bachelor of Political Science, Major in International Relations, Chulalongkorn University
- Participated in: Director Certification Program, Class 24/2002
- Participated in: Audit Committee Program, Class 2/2004
- Participated in: Improving the Quality of Financial Reporting, Class 2/2009

Work experience in the past 5 years :

Year in office	Position	Company
2021 - Present	Chairman of the Board of Directors Chairman of the Nomination and Remuneration Committee Independent Director	SG Capital Public Company Limited
2016 - Present	Director	CHITCHAROEN Property CO., LTD.
2012 - Present	Director	TINY Wheels CO., LTD
2002 - Present	Director	SRIBATHANA CO., LTD.
2002 - Present	Director	SRIDHARANI CO., LTD.
2002 - Present	Chairman of the Board of Directors	SAMMAKORN Public Company Limited
2002 - Present	Director	DANU Thai Holding CO., LTD.
2002 - Present	Director	The Spare Mining CO., LTD.
2001 - Present	Director	SUARNACHAD CO., LTD.
2000 - Present	Managing Director	MONGKHOL CHAIPATTANA CO., LTD.
2015 - 2022	Director	Brainwake Cafe and Cycle CO., LTD.
2009 – 2018	Director/ Member of Audit Committee Chairman of the Nomination and Remuneration Committee	Singer Thailand Public Company Limited
2002 - 2017	Director	Thai Insurance Public Company Limited

Relation with Directors/Executives : -None-

Penalties in the past 5 years for violating securities and exchange laws and derivatives laws : -None-

Details of Directors

As of 31 December 2023



Mr. Suranit Sorasuchart

Independent Director (Mar 1, 2021)

Chairman of the Audit Committee (Mar 1, 2021)

Chairman of the Environment, Social and Governance (ESG) Committee
(Feb 13, 2023)

Vice Chairman (Apr 18, 2023)

Age : 63 Year

In-Direct and Direct Shares Proportion :

Spouse : Mrs.Chalairat Sorasuchart 100,000 Shares (0.0031%)

Education / Training :

- Master of Business Administration, Major in Finance, Kasetsart University
- Bachelor of Business Administration, Major in Finance, Dhurakij Pundit University
- Bachelor of Business Administration, Major in Accountancy, Ramkhamhaeng University
- Participated in: Director Certification Program Class 278/2019
- Participated in: Corporate Governance for Capital Market Intermediaries, Class 21/2019
- Participated in: Advanced Audit Committee Program, Class 38/2020
- Participated in: Director Leadership Certificate Program, Class 7/2022
- Participated in: Risk Management Program for Corporate Leaders , Class 33/2023
- Participated in: S01-S04 Corporate Sustainability Strategy
- Participated in: P01 Preliminary to Corporate Sustainability

Work experience in the past 5 years :

Year in office	Position	Company
Feb 2023 - Present	Chairman of the Sustainability Committee	SG Capital Public Company Limited
Apr 2023 - Present	Vice Chairman	SG Capital Public Company Limited
2021 - Present	Independent Director / Chairman of the Audit Committee	SG Capital Public Company Limited
2010 - 2021	Chief Operating Officer	Deutsche Bank

Relation with Directors/Executives : -None-

Penalties in the past 5 years for violating securities and exchange laws and derivatives laws : -None-

Details of Directors

As of 31 December 2023



Mr. Pongsak Achakulwisut

Independent Director (Apr 23, 2021)

Chairman of the Risk Management Committee (Sept 27, 2021)

Member of the Audit Committee (Apr 23, 2021)

Member of the Nomination and Remuneration Committee (Sept 27, 2021)

Age : 60 Year

In-Direct and Direct Shares Proportion : 100,000 Shares (0.0031%)

Education / Training :

- Master of Science in Finance , Georgia State University, Atlanta, USA
- Bachelor of Accountancy (Second Class Honors), Thammasat University
- Participated in: Director Certification Program, Class 73/2009
- Participated in: Advanced Audit Committee Program, Class 42/2021
- Participated in: Board Nomination and Compensation Program, Class 18/2023
- Participated in: S01-S04 Corporate Sustainability Strategy
- Participated in: P01 Preliminary to Corporate Sustainability
- Certified Public Accountant of Thailand, Federation of Accounting Professions
- Diploma in Auditing, Thammasat University, 1986

Work experience in the past 5 years :

Year in office	Position	Company
2021 - Present	Independent Director / Chairman of the Risk Management Committee Member of Audit Committee / Member of Nomination and Remuneration Committee	SG Capital Public Company Limited
2000 - 2012	Risk Assurance Partner	PricewaterhouseCoopers ABAS Ltd.
2012 - 2016	Executive Director	PricewaterhouseCoopers ABAS Ltd.

Relation with Directors/Executives : -None-

Penalties in the past 5 years for violating securities and exchange laws and derivatives laws : -None-

Details of Directors

As of 31 December 2023



Mr. Piranart Chokwatana

Director (Apr 23, 2021)

Age : 61 Year

In-Direct and Direct Shares Proportion : 111,224 Shares (0.0034%)

Education / Training :

- Master of Business Administration, Thammasat University
- Master of Engineering, Major in Chemistry Engineering, California Institute of Technology
- Bachelor of Engineering (First Class Honors Gold Medal), Chulalongkorn University
- Participated in: Director Certification Program, Class 302/2021
- Participated in: S01 SUSTAINABILITY COMMITMENT

Work experience in the past 5 years :

ปีที่ตั้งตำแหน่ง	ตำแหน่ง	บริษัท
2021 - Present	Director	SG Capital Public Company Limited
2022 - Present	Director	Nutrition Profess CO., LTD.
2022 - Present	Director	PEOPLE'S GARMENT Public Company Limited
2021 - Present	Director	CHUNBOK CO., LTD.
2017 - Present	Director	Coraline CO., LTD.
2016 - Present	Director	MAYFLOWER SAHA TRAVEL (Thailand) CO., LTD.
2016 - Present	Director	CHOKWATANA CO., LTD.
2016 - Present	Director	PROPHOLIC CO., LTD.
2006 - Present	Director	EK PAKORN CO., LTD.
2006 - Present	Director	Modern Resident CO., LTD.
1997 - Present	Director	SUN DATACOMM CO., LTD.
1995 - Present	Director	BANGKOK EMBROIDERY CO., LTD.
1995 - Present	Director	ORISOL International (Thailand) CO., LTD.
1995 - Present	Managing Director	SUNCOLOR O.A. CO., LTD.
1994 - Present	Director	SUNCOLOR O.A. CO., LTD.
1992 - Present	Managing Director	HLANPU CO., LTD.
1990 - Present	Director	PIRATORN CO., LTD.
1990 - Present	Director	EAKSUWAN CO., LTD.
1987 - Present	Director	BOONYAWAN Development CO., LTD.

Relation with Directors/Executives : -None-

Penalties in the past 5 years for violating securities and exchange laws and derivatives laws : -None-

Details of Directors

As of 31 December 2023



Mr. Pisit Puapan, PhD

Independent Director (May 11, 2021)

Member of the Audit Committee (May 11, 2021)

Member of the Risk Management Committee (May 11, 2021)

Age : 48 Year

In-Direct and Direct Shares Proportion : 102,120 Shares (0.0031%)

Education / Training :

- Ph.D., Faculty of Development Economics, National Institute of Development Administration
- Master of International Economics and Finance, Brandeis University, MA, USA
- Bachelor of Economics, Boston College, MA, USA
- Participated in: Director Certification Program, Class 307/2021
- Participated in: Advanced Audit Committee Program, Class 42/2021
- Participated in: Security Management and Leadership for Executives Program, Class 4/2023

Work experience in the past 5 years :

Year in office	Position	Company
2021 - Present	Independent Director / Member of Audit Committee Member of Risk Management Committee	SG Capital Public Company Limited
2018 - Present	Executive Director of Macroeconomic Policy Division	Fiscal Policy Office - Ministry of Finance
2008 - Present	Director	IDEAS 1606 CO., LTD.

Relation with Directors/Executives : -None-

Penalties in the past 5 years for violating securities and exchange laws and derivatives laws : -None-

Details of Directors

As of 31 December 2023



Mr. Narathip Wirunechatapant

Director /Chairman of the Executive Committee (May 9, 2023)

Member of the Nomination and Remuneration Committee (May 9, 2023)

Authorized Directors

Age : 45 Year

In-Direct and Direct Shares Proportion : -None-

Education / Training :

- Master of Business Administration, Shinawatra University
- Master of Arts (Communication Arts), Chulalongkorn University
- Bachelor of Architecture (B.Arch.), Chulalongkorn University
- Participated in: Director Certification Program, Class 350/2023
- Participated in: The Roles of Management and Employees in Combating Anti-corruption

Work experience in the past 5 years :

Year in office	Position	Company
May 2023 - Present	Director/Chairman of the Executive Committee Member of the Nomination and Remuneration Committee	SG Capital Public Company Limited
May 2023 - Present	Director / Chief Executive Officer / Investment and Risk Management Committee	Singer Thailand Public Company Limited
June 2019 - May 2023	Director / Chief Executive Officer	Jaymart Mobile CO., LTD.
Sep 2008 - June 2019	CMO	Jay Mart Public Company Limited

Relation with Directors/Executives : -None-

Penalties in the past 5 years for violating securities and exchange laws and derivatives laws : -None-

Details of Directors

As of 31 December 2023



Mr. Anothai Sritiapetch

Director /Member of the Executive Committee (May 1,2023)

Member of the Environment, Social and Governance (ESG) Committee /

Member of the Risk Management Committee (May 1,2023)

Authorized Directors

Age : 44 Year

In-Direct and Direct Shares Proportion : -None-

Education / Training :

- Master degree of Accounting, Thammasat University
- Bachelor Degree of Accounting, Chulalongkorn University
- Participated in: Director Accreditation Program, Class 209/2023
- Participated in: S01-S04 Corporate Sustainability Strategy
- Participated in: The Roles of Management and Employees in Combating Anti-corruption

Work experience in the past 5 years :

Year in office	Position	Company
Mar 2023 - Present	Chief Executive Officer	SG Capital Public Company Limited
Apr 2022 - Mar 2023	Managing Director	The White Space Limited
July 2021 - Mar 2022	Senior Vice President (Investment Banking)	KGI Securities (Thailand) PCL.
July 2014 -June 2021	Senior Vice President (Investment Banking)	Asia Plus Advisory Company Limited

Relation with Directors/Executives : -None-

Penalties in the past 5 years for violating securities and exchange laws and derivatives laws : -None-

Details of Executive

As of 31 December 2023



Mr. Anothai Sritiapetch

Chief Executive Officer (Mar 15, 2023)

Age : 44 Year

In-Direct and Direct Shares Proportion : -None-

Education / Training :

- Master degree of Accounting, Thammasat University
- Bachelor Degree of Accounting, Chulalongkorn University
- Participated in: Director Accreditation Program, Class 209/2023
- Participated in: S01-S04 Corporate Sustainability Strategy
- Participated in: The Roles of Management and Employees in Combating Anti-corruption

Work experience in the past 5 years :

Year in office	Position	Company
Mar 2023 - Present	Chief Executive Officer	SG Capital Public Company Limited
Apr 2022 - Mar 2023	Managing Director	The White Space Limited
July 2021 - Mar 2022	Senior Vice President (Investment Banking)	KGI Securities (Thailand) PCL.
July 2014 - June 2021	Senior Vice President (Investment Banking)	Asia Plus Advisory Company Limited

Relation with Directors/Executives : -None-

Penalties in the past 5 years for violating securities and exchange laws and derivatives laws : -None-



Details of Executive

As of 31 December 2023

Ms. Jatuporn Konghun

Chief Financial Officer (Mar 1,2023)

Member of the Executive Committee / Member of the Risk Management Committee / Member of the Environment, Social and Governance (ESG) Committee (Mar 1,2023)

The person taking the highest responsibility in finance and accounting

Age : 50 Year

In-Direct and Direct Shares Proportion : 100,000 Shares (0.0031%)

Education / Training :

- Master of Accountancy, Chulalongkorn University
- Bachelor Degree of Faculty of Commerce and Accountancy, Thammasat University
- Participated in: S01-S04 Corporate Sustainability Strategy
- Participated in: P01 Preliminary to Corporate Sustainability
- Participated in: e-learning CFO's Orientation Course
- Participated in: e-learning CFO's Refresher Course

Work experience in the past 5 years :

Year in office	Position	Company
Mar 2023 - Present	Chief Financial Officer Member of the Executive Committee / Member of Risk Management Committee / Member of The Environment, Social and Governance (ESG) Committee	SG Capital Public Company Limited
2021 - Feb 2023	Chief Financial Officer	J Ventures Co., Ltd.
2017 - 2021	Chief Financial Officer	J Fintech Co., Ltd.
2015 - 2017	Business Consultant	Any I corporation Co., Ltd.

Relation with Directors/Executives : -None-

Penalties in the past 5 years for violating securities and exchange laws and derivatives laws : -None-

Details of Executive

As of 31 December 2023



Mr. Noppadol Sangpratoom

Assistant Executive Vice President of Sales Management (Jan 1, 2022)

Vice President Sales Department (Acting) (Aug 10, 2023)

Member of the Executive Committee (Sep 27, 2021)

Member of the Environment, Social and Governance (ESG) Committee
(Nov 9, 2023)

Age : 58 Year

In-Direct and Direct Shares Proportion : 15,000 Shares (0.0005%)

Education / Training :

- Bachelor of Computer Science, Ramkhamhaeng University

Work experience in the past 5 years :

Year in office	Position	Company
2023 - Present	Vice President Sales Department (Acting) Member of The Environment, Social and Governance (ESG) Committee	SG Capital Public Company Limited
2022 - Present	Assistant Executive Vice President of Sales Management	SG Capital Public Company Limited
2021 - Present	Member of the Executive Committee	SG Capital Public Company Limited
2020 - 2021	Executive Vice President of Car Loan Business	SG Capital Public Company Limited
2013 - 2020	Assistant CEO	Nava Leasing Public. Company Limited

Relation with Directors/Executives : -None-

Penalties in the past 5 years for violating securities and exchange laws and derivatives laws : -None-



Details of Executive

As of 31 December 2023

Ms. Nattaya Uppamaame

Senior Vice President of Accounting & Finance Division (Mar 1, 2023)

Senior Vice President of Operations & Credit Approval Division (Acting)
(Dec 1, 2023)

The person supervising accounting (May 16, 2023)

Age : 45 Year

In-Direct and Direct Shares Proportion : -None-

Education / Training :

- Master's Degree, Faculty of Business Administration, Major in Finance and Banking, Ramkhamhaeng University
- Bachelor's Degree, Faculty of Business Administration, Major in Accountancy, Valaya Alongkorn Rajabhat University
- Participated in: Update on Tax Law 2023 and Tax Benefits Bookkeepers Must Know
- Participated in: TFRS 9 For Hire Purchase and leasing business
- Participated in: Enterprise Risk Management Application of corporate risk management to environmentally related risks Social and Governance (ESG)

Work experience in the past 5 years :

Year in office	Position	Company
Dec 2023 - Present	Senior Vice President of Operations & Credit Approval Division (Acting)	SG Capital Public Company Limited
Mar 2023 - Present	Senior Vice President of Accounting & Finance Division	SG Capital Public Company Limited
2017- Feb 2023	Chief Operating Officer	KB J Capital Co., Ltd.

Relation with Directors/Executives : -None-

Penalties in the past 5 years for violating securities and exchange laws and derivatives laws : -None-

Details of Company Secretary

As of 31 December 2023

Ms. Watthana Bantadsuwan

Company Secretary (July 1, 2023)

Age : 39 Year

In-Direct and Direct Shares Proportion : -None-

Education / Training :

- Bachelor of Arts Program in Chinese, Ramkhamhaeng University
- Participated in: Company Secretary Program, Class 100/2019
- Participated in: Corruption Risk and Control Workshop, Class15/2022
- Participated in: Anti-Corruption Working Paper Class 1/2023
- Participated in: Writing official Documents and Meeting Minutes 2021
- Participated in: S01-S04 Corporate Sustainability Strategy
- PDPA Enforcement Preparation for Corporate Secretary 2022
- Topic “ Thai 100 investors Association Thai investors Promotion Association Thailand 2023”
- IOD Topic “ CGR Project Survey 2023 ”,Thai Institute of Directors
- Smart Disclosure Program , The Stock Exchange of Thailand
- TLCA Topic “ Techniques for preparing the notice for Annual General Meeting”

Work experience in the past 5 years :

Year in office	Position	Company
July 2023 - Present	Company Secretary	SG Capital Public Company Limited
2022 - May 2023	Company Secretary	Power Solution Technologies Public Company Limited
2021 - 2022	Senior Company Secretary	J.S.P. Property Public Company Limited
2018 - 2021	Officer Company - Secretary and Legal	Khon Kaen Sugar Industry Public Company Limited

Relation with Directors/Executives : -None-

Penalties in the past 5 years for violating securities and exchange laws and derivatives laws : -None-



SG Capital Public Company Limited

Attachment 2

Details of Director in Subsidiary and Associated Company

As of 31 December 2023, the Company has no subsidiary and associated company.



SG Capital Public Company Limited

Attachment 3

**Details of the Head of the Internal Audit and the Compliance
Department of the Company (Compliance)
As of 31 January 2024.**

Details of the Head of the Internal Audit

As of 31 January 2024

Ms. Chalida Kongprajya

Head of Internal Audit

Age : 39 Year

Shares Proportion : -None-

Education / Training :

- MA in Risk Management (Merit), The University of Nottingham, UK
- Bachelor of Accountancy, International program, (First class honour), Thammasat University
- Certified Public Accountant (CPA)
- ASEAN CPA

Work experience in the past 5 years :

Year in office	Position	Company
2019 - 2022	Director	PricewaterhouseCoopers ABAS Ltd.
2023 - present	Partner	PricewaterhouseCoopers ABAS Ltd.

Relation with Directors/Executives : -None-

Penalties in the past 5 years for violating securities and exchange laws and derivatives laws : -None-

Details of the Head of the Compliance Department of the Company (Compliance)

As of 31 January 2024

Mr. Soratus Pongpalanchai

Compliance Manager

Age : 36 Year

Shares Proportion : -None-

Education / Training :

- Bachelor's degree Major of Business Administration / Rajamangala University of Technology Rattanakosin University
- Bachelor's degree Major of Law / Ramkhamhaeng University
- Master's degree Major of Public Administration / Ramkhamhaeng University
- Attorney at Law License / Lawyers Council of Thailand under Royal Patronage
- Notarial service attorney / Lawyers Council of Thailand under Royal Patronage
- Volunteer attorney at police station / Lawyers Council of Thailand under Royal Patronage

Work experience in the past 5 years :

Year in office	Position	Company
2024 - Present	Compliance Manager	SG Capital Plc.
2022 - 2024	Legal and Compliance Manager	Agile Assets Co.,Ltd
2016 - 2022	Senior Chief Business Control Management	Aeon Thanasinsap (Thailand) Plc.

Relation with Directors/Executives : -None-

Penalties in the past 5 years for violating securities and exchange laws and derivatives laws : -None-



SG Capital Public Company Limited

Attachment 4

Assets Used for Business Operation

1. Main Business Fixed Assets

As of 31 December 2023, the main fixed assets used in the business of the Company consist of rental space and office equipment and right-of-use assets for the head office space, cars, office equipment, leasehold improvements and equipment, as shown in the Company's financial statements. The details are as follows:

Item	Net Book Value as of 31, December 2023 (Million Baht)	Ownership	Obligation
Rental building renovations, office furnishings and supplies, and computers and equipment	21.97	Owner	See details in no. 1.1
Right-of-use assets	26.04	Hire Purchase	See details in no. 1.2
Intangible assets	13.57	Owner	See details in no. 1.3
Total	61.58		

1.1. Leasehold Improvement and Equipment

As of 31 December 2023, the Company's leasehold improvement and equipment are as follows:

Item	Net Book Value as of 31, December 2023 (Million Baht)	Ownership	Obligation
Leasehold improvement	8.73	Owner	Asset Retirement Obligation
Furniture and office equipment	5.94	Owner	Asset Retirement Obligation
Computer and equipment	7.30	Owner	Asset Retirement Obligation
Total	21.97		

1.2. Right-of-Use Assets

As of 31 December 2023, the Company's right-of-use assets are as follows:

Item	Net Book Value as of 31, December 2023 (Million Baht)	Ownership	Obligation
Head office and office space	20.96	Lease Agreement	Asset Retirement Obligation
Cars	3.54	Lease Agreement	Asset Retirement Obligation
Office equipment	1.54	Lease Agreement	Asset Retirement Obligation
Total	26.04		

1.2.1 Building Lease Agreement

As of 31 December 2023, the Company has significant building lease agreements for business use as follows:

(1) Space Lease Agreement from National Telecom Public Company Limited

The Company entered into an agreement to lease certain spaces in the NT Bangrak Tower with National Telecom Public Company Limited. As of 31 December 2023 to use as of the office of the Company, National Telecom Public Company Limited, in a total of 5 agreements, consisting of (1) lease of spaces on the 20 Fl, of NT Bangrak Tower with

a total area of 683 square meters; and (2) lease agreement for spaces of the 20 Fl, of NT Bangrak Tower, with a total area of 99 square meters, and (3) lease agreement for certain areas of the 20 Fl, NT Bangrak Tower, with a total area of 453 square meters; and (4) lease agreement for certain areas of the 20 Fl, NT Bangrak Tower, with a total area of 70 square meters; and (5) lease agreement for certain areas of the 4 Fl, NT Bangrak Tower, with a total area of 85 square meters. which summarizes the important details of the contract as follows:

Parties	: National Telecom Public Company Limited ("Lessor") SG Capital Public Company Limited ("Lessee")
Agreement Period	: (1) Lease agreement for the area of 683 square meters: 1 April 2023 to 31 March 2026 (2) Lease agreement for the area of 99 square meters: 1 April 2023 to 31 March 2026 (3) Lease agreement for the area of 453 square meters: 15 January 2022 to 14 January 2025 (4) Lease agreement for area 70 square meters: 1 January 2023 to 31 December 2025 (5) Lease agreement for area 70 square meters: 10 October 2023 to 9 October 2024
Agreement Renewal	: In case the lessee is willing to renew the lease agreement, the Lessee must notify the Lessor in advance within the period specified in the notice of agreement period. The lease period and the lease fee will be agreed upon.
Payment Term	: Pay the lease to the lessor within the 5 th day of every month.
Guarantee	: The Lessee must place a security deposit at the rate of 2 times of the monthly lease payment.
Other Key Terms	: - The Lessee must not transfer the right to lease, sublease or allow another person to exercise the right on behalf of the Lessee unless receiving written consent from the Lessor. - The Lessee must carry out repairs and/or must pay for damages in case the premises are leased, or other property of the lessor damaged by the fault of the Lessee or sub-Lessee.
Termination	: - In case the Lessee fails to comply with any contract clause and does not take the action resolved within 30 days. - The Lessee owes lease, service fees, utility bills, or any expenses. - The Lessee is appointed to bankruptcy by the court or has an absolute receivership order. - The Lessee has taken any action that disturbs or affects the service of the Lessor in which the Lessor notifies the Lessee, and the Lessee fails to perform as informed.
Default / Cancellation	: - In case the Lessee fails to pay the lease within the specified period, the Lessor is eligible to charge interest on the outstanding amount at the rate of 15 percent per year. - The Lessor has the right to forfeit the security deposit to pay for the outstanding debt in case the Lessee breaches any of the agreement terms which has any damages, or the Lessee owes lease service or utility bills including accrued interest.

- In case of contract termination, the Lessee must demolish the improvement, modification, or take any action and must deliver back the leased space within 30 days from the date of the agreement termination.

(2) Agreement for local service from National Telecom Public Company Limited

The Company has entered into a service agreement in the leased areas in the NT Bangrak Tower on the 20 Fl, used as the office of the Company and the 4 Fl, used as the operating area. As of 31 December 2023, the Company has 3 contracts for service in the leased area with National Telecom Public Company Limited. The summary is as follows:

Parties	: National Telecom Public Company Limited ("Service Provider") SG Capital Public Company Limited ("Service Recipient")
Agreement Period	: (1) Service agreement for the area of 666 square meters: 1 April 2023 to 31 March 2026 (2) Service contract for the area of 99 square meters: 1 April 2023 to 31 March 2026 (3) Service contract for the area of 453 square meters: 15 January 2022 to 14 January 2025
Agreement Renewal	: In case the parties have agreed to lease the area under the lease agreement, the parties agree that this service agreement will continue to be valid for the duration of the lease according to the agreed lease agreement.
Service Scope	: Utilities services within the building and car park space for rent
Payment Term	: Pay the lease to the lessor within the 5 th day of every month.
Guarantee	: The Service Recipient must place a security deposit at the rate of 2 times the monthly fee.
Other Key terms	: - The Service Recipient must pay compensation to the service provider including other applicants, customers and any person who has been damaged by the action of the service recipient. - The Service Recipient must not transfer the right to receive the service to another person. or allow another person to exercise the rights under the contract on behalf of the service recipient unless obtaining prior written consent from the service provider.
Termination	: The parties agree that the agreement will be terminated when the rental agreement for the use of space is extinguished or terminated.
Default / Cancellation	: - In case the Service Recipient fails to pay service fees or any other money within the specified period, the Service Recipient must pay interest on the outstanding amount at the rate of 15 percent per year. - In case the Service Recipient does not comply with the conditions of the lease agreement and/or service agreement, the Service Provider can suspend the service as it deems appropriate. - In case the Service Recipient fails to comply with any of the agreements which have any damages or unpaid service or utility bills including accrued interest, the Service Provider can seize the security deposit to pay back the outstanding debt.

(3) Office Space Lease Agreement from Singer Thailand Public Company Limited

The Company has entered into a space lease agreement for 10 locations with Singer Thailand Public Company Limited, who is a major shareholder of the Company to use in business. The summary and the important details of the agreements are as follows:

Parties	: Singer Thailand Public Company Limited ("Lessor") SG Capital Public Company Limited ("Lessee")
Agreement Period	: 1 January 2024 to 30 June 2024
Agreement Renewal	: In case the agreement expires and neither party terminates the lease agreement, the lease agreement will be effective for another 1 year, with the lease rates and lease terms being renewed.
Payment Term	: Pay the lease to the lessor within the 5 th day of every month.
Leased Asset	: 10 areas and utility services and facilities within the area
Other Key Terms	: - The Lessee is responsible for any damage that may occur to the building and asset of the Lessee within the leased premises caused by the Lessee or customers of the Lessee. - The Lessee must not transfer the leasehold rights and sublet the leased premises to other people. Unless the Lessor has provided written consent. - The Lessee agrees to pay utility bills such as electricity bills, water bills, etc. to the Lessor monthly. This is calculated from the actual utilities incurred on the monthly invoice billed to the Lessee in the proportion of 80 percent of the actual utility bills according to the proportion of electricity and water consumption.
Termination	: - In case either party breaches the agreement, and the other party has been notified in writing to act correctly and do not comply within 30 days. - In case the Lessee is willing to terminate the contract before the expiration of the lease term, the Lessee must notify the Lessor at least 90 days in advance.
Default / Cancellation	: The Lessee must proceed to move the property out of the lease premises and must deliver the lease place back to the Lessor in good condition.

(4) Space Lease Agreement with SG Service Plus Public Company Limited

The Company entered into an area lease agreement with SG Service Plus Co., Ltd., which is a company under the SINGER group to use for the business of the Company. The summary and important details of the agreement are as follows:

Parties	: SG Service Plus Public Company Limited ("Lessor") SG Capital Public Company Limited ("Tenant")
Agreement Period	: 1 November 2022 to 31 December 2024
Agreement Period	: In case neither party terminates the lease, the lease period shall be extended for another 1 year at a time with the lease rate and rental conditions to be agreed upon.
Leased Asset	: Parts of the area of the warehouse building, No. 8, Moo 4, Sam Khok-Sena Road, Bang Nom Kho Subdistrict, Sena District, Phra Nakhon Si Ayutthaya Province and utility services and facilities within the lease area.

Other Key Terms	<ul style="list-style-type: none"> - The Lessor is responsible for any damage that may occur to the building and asset of the Lessee within the lease premises caused by the Lessee or customers of the Lessee. - The Lessee must not use the lease premises and leased properties for purposes other than the business of the Lessee and must not allow other people to use the leased premises to be used as a business and must not transfer the leasehold right under the contract and bring the leased premises to other people to sublet without the prior written consent of the Lessor.
Termination	<ul style="list-style-type: none"> - In case either party breaches the agreement, and the other party must notify in writing the party that violates the agreement to resolve within 30 days, but the Lessee still ignores or does not comply. - In case the Lessee is willing to terminate the agreement before the expiration of the agreement, the Lessee must notify the Lessor at least 90 days in advance.
Default / Cancellation	<ul style="list-style-type: none"> - When the contract ends, the Lessee must move the property out of the lease premises and must deliver the lease place back to the lessor in good condition.

1.2.2 Car Rental Agreement

The Company has entered into a car lease agreement with a service provider. As of 31 December 2023, the Company has a total of 4 car lease agreements, totaling 9 cars, which can be summarized as follows:

Parties	<ul style="list-style-type: none"> - True Leasing Company Limited ("Lessor") - SG Capital Public Company Limited ("Lessee")
Agreement Term	<ul style="list-style-type: none"> - 4 Year
Payment Term	<ul style="list-style-type: none"> - Pay the lease to the lessor within the 25th day of every month.
Responsibility of Lessee	<ul style="list-style-type: none"> - Do not sell, transfer, pledge, lend, sublease, create obligations to be occupied by others, or take the lease car outside Thailand without written consent. - Do not modify, add, or use the car in an illegal act or use the vehicle while there is an abnormal condition.
Responsibility of Lessor	<ul style="list-style-type: none"> - Providing insurance according to the Motor Vehicle Accident Victims Protection Act and car insurance type 1, responsible for insurance premiums throughout the contract period. - Responsible for any expenses related to registration, car tax, expenses for car repairs, spare parts, and car maintenance expenses. - Notify the Lessor of changes in lease rates at least 30 days in advance, in case of changes in lease rates during the agreement period.
Other Key Term	<ul style="list-style-type: none"> - Some agreements may specify conditions that the Lessee has the right to make a purchase decision at the price specified in the Agreement. In case the Lessee is willing to purchase the leased car at the expiration of the agreement before the Lessor offers the car to another person.
Termination	<ul style="list-style-type: none"> - Agreement expires. - The Lessee fails to comply with any of the conditions in of the agreement. - The Lessee fails to pay the monthly lease fee in time

Default / Cancellation






- : - In case the Lessee fails to pay the rent in time, the Lessee must pay the rent and damages with interest at the rate of 7.5% per year of the outstanding amount.
- In case the agreement expires, and the Lessee delivers the car back to the Lessor later than specified, the Lessee must pay the lease rate until the car is returned.
- In case the Lessee terminates the contract before the expiration or the Lessee breaches the agreement and the Lessor has notified to resolve it within 7 days and the Lessee does not take an action to resolve it, the Lessee must return the car immediately or within the date specified by the Lessor and must pay all debts and compensation in the amount of 30 percent of the remaining rent within 15 days from the Lessee terminating the agreement or the date the contract ends.

1.3 Intangible Assets

As of 31 December 2023, the intangible assets of the Company are computer software, etc., with a net book value according to the financial statements of the Company of 13.57 million Baht or 0.10% of total assets.

1.4 Trademark

As of 31 December 2023, the Company has a trademark registration and a trademark registration application with the Department of Intellectual Property and the Ministry of Commerce. The details are as follows:

Trademark	Description
	Category 36, providing hire purchase loans, open credit or loan.
	Category 36, providing hire purchase loans, open credit or loan.
	Category 36, loan guarantees, providing loans and hire-purchase loans services, financial consulting for hire purchase loans.
	Category 36, providing hire purchase loans, open credit or loan.
	Category 36, provides hire purchase loans, installment loans, providing loans and credits financial, consulting financial services.

1.5 Significant Licenses for Business

As of 31 December 2023, the company has important licenses to operate its business. The details are as follows:

License	Licensor	Type	Date of Issuance	Expiration Date
Letter of permission to operate personal loan business under supervision	Ministry of Finance	Business operators that are not commercial banks, finance companies and credit fancier companies under the law on financial institution, business established under specific laws.	18 December 2019	-None-

1.6 Insurance of Business Assets

As of 31 December 2023, the Company has entered into an insurance contract for asset risk. The coverage covers the head office of the Company and gold, which is collateral for gold installment loans. The details of the major asset. The summary is as follows:

(1) Insurance Policy of the Asset Risks No. CN.IAR.2023.11.0109

Insurer	: SG Capital Public Company Limited
Beneficiary	: SG Capital Public Company Limited
Insurance company	: Jay Mart Insurance Public Company Limited
Coverage Period	: 19 November 2023 to 19 November 2024
Location of Insured Asset	: 72 NT Bangrak Tower, 20 Fl. Charoen Krung Rd. Bang Rak, Bang Rak Bangkok
Insured Asset	: Assets and various contract documents, including the cost of copying or making various contract documents, including vehicle registration documents hire purchase agreement, documents related to lawsuits and judgment documents including furniture in the room where such documents are stored.
Coverage Type	: Loss coverage or damage to the insured asset which is caused by fire, lightning, explosion, windstorm, earthquake disaster or volcanic eruption or underwater waves, or tsunamis, flooding threats disaster due to water (excluding floods), hail, smoke, aircraft, vehicles the threat of protests, strikes, riots or acts of malicious intent and including other accidents under the conditions and exclusions of the standard asset risk insurance policy.
Coverage and Claim Limit	: The limit is not more than 37,537,000 Baht, with the limit of coverage for loss or damage caused by floods in the amount of not more than 3,000,000 Baht per event per time and throughout the insurance period.

First Claim	: - The first 5,000 Baht per each and every incident except fire, lightning, explosion, aircraft peril, vehicle peril, peril from protests, strikes, riots or acts of malicious intent. - 10% of damage or a minimum of 5,000 Baht, whichever is higher for each and every event for loss or damage from disasters due to water (excluding floods) and the threat of burglary that does not appear to show signs of prying. - 10% of damage or a minimum of 10,000 Baht, whichever is higher to each and every event for loss or damage from floods, windstorms, earthquakes or volcanic eruptions or undercurrent or Tsunami.
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(2) Insurance Policy of the Asset Risks No. CN.IAR.2023.11.0110

Insurer	: SG Capital Public Company Limited
Beneficiary	: SG Capital Public Company Limited
Insurance company	: Jay Mart Insurance Public Company Limited
Coverage Period	: 19 November 2023 to 19 November 2024
Location of Insured Asset	: 72 NT Bangrak Tower, 20 Fl. Charoen Krung Rd. Bang Rak, Bang Rak Bangkok
Insured Asset	: Assets and various contract documents, including the cost of copying or making various contract documents, including vehicle registration documents hire purchase agreement, documents related to lawsuits and judgment documents including furniture in the room where such documents are stored.
Coverage Type	: Loss coverage or damage to the insured asset which is caused by fire, lightning, explosion, windstorm, earthquake disaster or volcanic eruption or underwater waves, or tsunamis, flooding threats disaster due to water (excluding floods), hail, smoke, aircraft, vehicles the threat of protests, strikes, riots or acts of malicious intent and including other accidents under the conditions and exclusions of the standard asset risk insurance policy.
Coverage and Claim Limit	: The limit is not more than 60,000,000 Baht, with the limit of coverage for loss or damage caused by floods in the amount of not more than 3,000,000 Baht per event per time and throughout the insurance period.
First Claim	: - The first 5,000 Baht per each and every incident except fire, lightning, explosion, aircraft peril, vehicle peril, peril from protests, strikes, riots or acts of malicious intent. - 10% of damage or a minimum of 5,000 Baht, whichever is higher for each and every event for loss or damage from disasters due to water (excluding floods) and the threat of burglary that does not appear to show signs of prying. - 10% of damage or a minimum of 10,000 Baht, whichever is higher to each and every event for loss or damage from floods, windstorms, earthquakes or volcanic eruptions or undercurrent or Tsunami.

(3) Insurance Policy for Jewelers no QR.SP.0727/66(2)

Insurer	: SG Capital Public Company Limited
Beneficiary	: SG Capital Public Company Limited
Insurance Company	: Muang Thai Insurance Public Company Limited
Location of Insured Asset	: 72 NT Bangrak Tower, 20 Fl. Charoen Krung Rd. Bang Rak, Bang Rak Bangkok
Insured Asset	: Stock of products related to the business operations of the insured or asset which has been entrusted to maintain and occupied by the beneficiary.
Coverage Period	: 20 November 2023 to 19 November 2024
Coverage Type	: Loss coverage or damage from all kinds of risks against the insured asset within the insured premises.
Coverage Limit	: Coverage limits not exceeding 10,000,000 Baht
Claim	: First 30,000 Baht for each and every damage

2. Investment and Management Policy in Subsidiaries and Associated Companies

The Company has established a joint investment policy with subsidiaries and/or associates in business groups that operate in accordance with the main business and provide synergy for the Company. However, subsidiaries and/or associated companies may consider investing in other types of businesses additionally if they are businesses that can generate good returns and have the potential to extend or benefit the core business of the Company to increase competitiveness and achieve maximum returns.

The investment evaluation of the Company, subsidiaries, and/or associated companies, the Company will conduct investment analysis with caution and must be approved by the Board of Directors or the resolution of the shareholders meeting on a case-by-case basis. The investment approval of such subsidiaries and/or associated companies must be in accordance with the principles of the Capital Market Supervisory Board and the Board of Governors of the Stock Exchange of Thailand or related agencies.



SG Capital Public Company Limited

Attachment 5

Corporate Governance Policy and Code of Conduct (Full Version)

The Board of Directors realizes the important of governing the Company under the principles of good corporate governance. Therefore, the Corporate Governance Policy including Code of Conduct and Business Ethics have been established which can be downloaded from the Company's website at: https://www.sgcapital.co.th/en/investor/ir_cg



SG Capital Public Company Limited

Attachments 6

Report on the performance of the sub-committees



Mr. Suranit Sorasuchart

Chairman of the Audit Committee
SG Capital Public Company Limited

6.1 Report of the Audit Committee for the year 2023

The Audit Committee of SG Capital Public Company Limited (the “Company”) comprises three independent directors, each possessing the necessary qualifications outlined in the Audit Committee Charter. This charter is

developed in adherence to the guidelines and requirements stipulated by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand as of 31 December 2023. The members of the Audit Committee, as follows:

No	Name- Last name	Position	Number of Meetings
1.	Mr. Suranit Sorasuchart	Chairman of the Audit Committee / Independent Director	7/7
2.	Mr. Pongsak Achakulwisut	Member of the Audit Committee / Independent Director	7/7
3.	Mr. Pisit Puapan	Member of the Audit Committee / Independent Director	7/7

The Board of Directors has tasked the Audit Committee with assessing and examining the effectiveness of the internal control system implemented by the management. This includes engaging an independent internal auditor to assess the internal control system, risk management, and oversight to ensure compliance with law and regulation requirements. The Audit Committee reviews the outcomes of the internal control system audit conducted by the independent internal auditor, along with financial reports and the auditor’s opinion. Meetings are held with the Company’s management, independent internal auditors, and auditors to receive reports on the review results, share perspectives, and determine suitable measures.

In 2023, the Audit Committee conducted a total of 7 meetings, with all Audit Committee members present, maintaining a quorum for each meeting. These sessions included joint meetings with the executive, auditors and the Company’s independent internal auditor. The Audit Committee diligently fulfilled its duties in alignment with the scope of authority, duties, and responsibilities outlined in the charter. Key information from these meetings can be summarized as follows:

1. The Audit Committee conducts quarterly reviews of the Company’s financial statements, with a comprehensive year-end review for the period ending December 31, 2023, performed by the auditor. This process involves scrutinizing key figures and information in the financial statements, addressing material issues and special items. The committee seeks clarification and confirmation from both the auditor and relevant management regarding the information used in preparing the financial statements. Additionally, a thorough examination of the disclosure of notes to the financial statements is conducted to ensure accuracy, completeness, and reliability in accordance with financial reporting standards. Upon completion of the review, the Audit Committee grants approval to the financial statements, endorsed by the auditor’s opinions.

2. The Audit Committee has reviewed the connected transactions of the Company, along with individuals who might have conflicts of interest. The committee has taken into account the disclosure of information pertaining to these transactions. Their assessment concludes that these transactions are conducted in compliance with standard business conditions, deemed necessary and reasonable.

The committee emphasizes the accurate, complete, and adequate disclosure of the Company's information in this regard.

3. The Audit Committee has assessed the internal control system to verify its adequacy, appropriateness, and efficiency within the Company. This evaluation is derived from the findings of the audit conducted by the independent internal auditor, encompassing both the internal control system and operational processes.

Additionally, the Audit Committee has directed the independent internal auditor to oversee the implementation of corrections, ensuring that the management addresses the recommendations within the designated timeframe. Following this review, the Audit Committee deems the Company's internal control system to be appropriate and sufficient, without identifying any material deficiencies impacting the Company's operations and financial statements.

4. The Audit Committee has assessed the scope of work, duties, responsibilities, and adherence to the audit plan by the independent internal auditor to uphold quality and standards in internal audit operations. For the internal audit activities in 2023, the Company has engaged PricewaterhouseCoopers ABAS Company Limited, a firm specializing in auditing internal control systems, as the independent internal auditor. This appointment aligns with international standards. The Audit Committee has reviewed reports on the outcomes of the internal control system examination, monitored the progress of the internal control system audit, and provided guidance to the independent internal auditors. This ensures that operations align with the internal control system audit plan, demonstrating efficiency and effectiveness. The Audit Committee is satisfied that the internal audit performance aligns with the established objectives and is sufficiently efficient.

5. The Audit Committee has scrutinized the oversight of the Company's operations to verify compliance with various regulations and laws pertinent to the Company's business activities. This evaluation is based on the results of the review conducted by the company's operations supervision unit, ensuring that the company conducts its business with correctness, transparency, and reasonableness. The Audit Committee holds the view that the company has effective supervision guidelines in place and demonstrates commendable adherence to various relevant regulations and laws.

6. Regarding the appointment of auditors for the year 2023, the Audit Committee considered and approved the appointment of auditors from KPMG Phoomchai Audit Company Limited to serve as the Company's auditors for the year 2023. The committee proposes to the Board of Directors to seek approval at the annual shareholder meeting for the appointment of an auditor and approval of the audit fee for the year 2023.

In this context, the Audit Committee held a dedicated meeting with the auditor, excluding management attendance. The purpose was to discuss the scope, guidelines, and audit plan, emphasizing the auditor's independence and opinion. The committee focused on ensuring accurate, complete, and comprehensive presentation of information. It's important to note that the Audit Committee retains the authority to propose the removal of the Company's auditor.

7. The Audit Committee has assessed its performance, considering both group and individual effectiveness. The outcomes of this evaluation have been communicated to the Board of Directors. To ensure the efficiency and attainment of specified results, the committee has reviewed and enhanced the Audit Committee Charter, presenting it to the Board of Directors for deliberation and approval.

8. To consider various complaints and investigate facts. It also considers and instructs the management to take corrective action if found. Cases arising from improper performance or requirements.

In summary, the Audit Committee fulfilled its responsibilities outlined in the Audit Committee Charter. Utilizing knowledge and expertise with due care and independence, the Committee received valuable information and cooperation from the Company's management. The Audit Committee is satisfied that the Company (1) produces accurate financial reports adhering to generally accepted accounting standards with comprehensive and adequate disclosure of essential information; (2) conducts transactions and related parties transaction under normal business conditions with necessary and reasonable disclosure of individuals with potential conflicts of interest; (3) maintains a suitable, robust, and efficient internal control system and undergoes internal control system audits without material deficiency that could impact the Company's operations and financial statements; and (4) adheres appropriately to relevant laws, requirements, and regulations.

(Mr. Suranit Sorasuchart)

Chairman of the Audit Committee



Mr. Bibit Bijaisoradat

Chairman of the Nomination and Remuneration Committee
SG Capital Public Company Limited

6.2 Report of the Nomination and Remuneration Committee for the year 2023

The Nomination and Remuneration Committee of SG Capital Public Company Limited has fulfilled its duties as directed by the Board of Directors, in accordance with the responsibilities specified in the Nomination and Remuneration Committee Charter. The committee is tasked with establishing criteria, processes, and policies for recruiting and determining compensation for the Board of Directors and sub-committees. This includes the recruitment, selection, and presentation of qualified individuals for appointment as Company Directors, sub-

committee members, and the Managing Director, to be presented to the Board of Directors or shareholders' meeting, as applicable. Furthermore, the committee is responsible for considering procedures and methods for evaluating the performance of the Board of Directors, sub-committees, and the Managing Director, adhering to the principles of good corporate governance. Additionally, the committee carries out other duties as assigned by the Board of Directors. As of 31 December 2023, the Nomination and Remuneration Committee comprises 3 directors, as follows:

No	Name- Last name	Position	Number of Meetings
1.	Mr. Bibit Bijaisoradat	Chairman of the Nomination and Remuneration Committee / Independent Director	7/7
2.	Mr. Pongsak Achakulwisut	Member of the Nomination and Remuneration Committee / Independent Director	7/7
3.	Mr. Narathip Wirunechatapant	Member of the Nomination and Remuneration Committee	1/1

In 2023, the Nomination and Remuneration Committee held 7 meetings. The sessions were dedicated to the follow-up and consideration of important matters assigned by the Board of Directors, summarized as follows:

1. Recruitment

1.1 Deliberate on appointing directors to replace those whose terms expire. The Nomination and Remuneration Committee has conducted the selection process and adhered to set criteria. The selected candidates will be

presented to the Board of Directors and the Annual General Meeting of Shareholders for consideration and approval. Directors with vested interests will abstain from attending the meeting and voting on these matters.

In 2023, the Company provided shareholders the opportunity to nominate individuals for election as directors at the 2023 Annual General Meeting of Shareholders. This nomination period spanned from December 27, 2022, to January 27, 2023, as detailed on the Stock Exchange of Thailand's website and the

Company's website. As of December 27, 2022, it is noted that no shareholder proposed a list of individuals to enter the director selection process for the regular general meeting of shareholders in 2023.

1.2 Deliberate on the appointment of the Managing Director. The Nomination and Remuneration Committee has diligently followed the selection process and criteria, presenting the chosen candidate to the Board of Directors for their consideration and approval.

2. Remuneration

2.1 Deliberate on and consider policies and criteria for determining remuneration and other benefits for company directors, sub-committees, and the Managing Director for the year 2023. This involves considering duties, responsibilities, business size, the business environment, and overall economic conditions. Additionally, ensure that performance results are linked to overall performance and align with the Company's long-term strategy and goals. Compare remuneration rates with companies in the same industry, maintaining competitiveness and reasonability. Disclose this information in the Company's Annual Registration Statement/Annual Report (Form 56-1 One Report).

3. Review the Nomination and Remuneration Committee Charter for the year 2023 and prepare it for presentation to the Board of Directors for approval.

4. Conduct an evaluation of the Nomination and Remuneration Committee's performance for the year 2023 to enhance operational efficiency. Report the evaluation results to the Board of Directors for acknowledgment and prepare to disclose the assessment in the Company's Annual Registration Statement/Annual Report (Form 56-1 One Report).

5. Compile a report on the performance of the Nomination and Remuneration Committee for the Board of Directors to acknowledge. Ensure the report adheres to the regulations of the Stock Exchange of Thailand and is prepared for disclosure in the Company's Annual Registration Statement/Annual Report (Form 56-1 One Report).

In summary, the Nomination and Remuneration Committee executed its assigned duties with diligence, transparency, and provided honest and independent opinions. In expressing opinions and voting, directors with an interest in the matter under consideration were not present at the meeting, adhering to the principles of good corporate governance. This approach is designed for the utmost benefit of shareholders, investors, and all stakeholders.



(Mr. Bibit Bijaisoradat)
Chairman of the Nomination
and Remuneration Committee



Mr. Pongsak Achakulwisut

Chairman of the Risk Management Committee
SG Capital Public Company Limited

6.3 Report of the Risk Management Committee for the year 2023

SG Capital Public Company Limited places importance on overseeing enterprise risk management as a crucial tool for addressing various risk factors, both internal and external. This includes fluctuations in the world economy and the emergence of new, more complex risk factors, leading to increased uncertainty that significantly impacts the Company's operations.

In the face of volatility and challenges, the Company prioritizes risk management processes to navigate crises, seize opportunities, enhance competitiveness, and foster sustainable growth. Throughout the past year of 2023, the Risk Management Committee diligently fulfilled its responsibilities, providing opinions and recommendations on diverse risk management measures. As of 31 December 2023, the committee comprises 2 independent directors and 2 executive directors, as follows:

No	Name- Last name	Position	Number of Meetings
1.	Mr. Pongsak Achakulwisut	Chairman of the Risk Management Committee / Independent Director	5/5
2.	Mr. Pisit Puapan	Member of Risk Management Committee / Independent Director	5/5
3.	Mr. Anothai Sritiapetch	Member of Risk Management Committee	2/2
4.	Ms. Jatuporn Konghun	Member of Risk Management Committee	2/2

Recognizing the significance of good governance in risk management, the Risk Management Committee emphasizes addressing both existing and potential risks to ensure the Company delivers sustainable value to stakeholders. In the year 2023, the committee conducted a total of 5 Risk Management Committee meetings to provide comments, suggestions, and receive updates on the following agendas:

Risk Governance Framework

1. Review the organization's risk management policy to ensure that it is current and appropriate in alignment with the nature of business.
2. Review the Operational Risk Management Policy, operating framework, criteria, and guidelines for operational risk management operations, including incident Management Guidelines to ensure that the operational risk

management appropriately align with the business plans and goals.

3. Examine Business Continuity Management (BCM) to prepare disasters for crises or potential threats, aiming to prevent harm to the company customer companies and stakeholders across all sectors.

4. Provide comments and suggestions on measures to aid debtors impacted by COVID-19.

Monitoring and reporting risks

1. Regularly track the overall risk status and specific risk areas, including both financial and non-financial risks, through various risk reports. These reports included quarterly risk management reports, loan portfolio quality reports, credit review inspection reports, and incident reports detailing information on errors or damages.

2. Monitor the adequacy of reserves by reviewing data reports on credit portfolio quality and expected credit losses in accordance with Thai Financial Reporting Standard No. 9, Financial Instruments (TFRS9).

In summary, the Risk Management Committee has diligently fulfilled its responsibilities in managing critical organizational risks, aligning with the charter's assigned duties comprehensively. It has consistently considered the long-term interests of the Company, shareholders, and relevant stakeholders. Furthermore, the committee has conducted a self-evaluation to ensure efficiency and the accomplishment of assigned objectives.



(Mr. Pongsak Achakulwisut)
Chairman of the Risk Management Committee



Mr. Narathip Wirunachatapant

Chairman of the Executive Committee
SG Capital Public Company Limited

6.4 Report of the Executive Committee for the year 2023

The Executive Committee of SG Capital Public Company Limited The Executive Committee of SG Capital Public Company Limited has diligently executed its duties as mandated by the Board of Directors, adhering to the

responsibilities outlined in the Executive Committee Charter. Comprising company directors and executives with suitable qualifications, the Executive Committee, as of 31 December 2023, consists of 5 directors, detailed as follows:

No	Name- Last name	Position	Number of Meetings
1.	Mr. Narathip Wirunachatapant	Chairman of the Executive Committee	8/9
2.	Mr. Anothai Sritiapietch	Member of the Executive Committee	9/9
3.	Ms. Jatuporn Konghun	Member of the Executive Committee	12/12
4.	Mr. Noppadol Sangpratoom	Member of the Executive Committee	16/16
5.	Mr. Assawatep Krainara	Member of the Executive Committee	9/9

In 2023, the Executive Committee held 16 meetings. The sessions focused on the follow-up and consideration of important matters assigned by the Board of Directors, summarized as follows:

1. Prepare and present policies, goals, vision, missions, and business strategies, along with annual plans, business plan, annual budget, and organizational chart. This includes seeking approval from the Board of Directors for the Company's various matters and establishing authority levels. Additionally, the committee is responsible for managing the Company's affairs in alignment with policies and specified goals, with monthly follow-ups on overall Company operations.

2. Review and scrutinize policies and criteria for determining compensation and other benefits for the Company's employees for the year 2023, in collaboration with the Company's managing director.

3. Review the Executive Committee Charter for the year 2023 and prepare it for presentation to the Board of Directors for approval.

4. Conduct an evaluation of the Executive Committee's performance for the year 2023 to enhance operational efficiency. Report the evaluation results to the Board of Directors for acknowledgment and prepare to disclose the assessment in the Company's Annual Registration Statement/Annual Report (Form 56-1 One Report).

5. Compile a report on the performance of the Executive Committee for the Board of Directors to acknowledge. Ensure the report aligns with the regulations of the Stock Exchange and is ready for disclosure in the Company's Annual Registration Statement/Annual Report (Form 56-1 One Report)

In summary, the Executive Committee is dedicated to fulfilling its duties with integrity, prudence, and to the best of its abilities, prioritizing the utmost benefits for the Company, shareholders, and all stakeholders. This commitment includes ensuring the Company maintains an efficient operating system and adheres to the principles of good corporate governance, aiming to guide the organization towards steady and sustainable growth.



(Mr. Narathip Wirunachatapant)
Chairman of the Executive Committee



Mr. Suranit Sorasuchart

Chairman of the Environment, Social and Governance (ESG) Committee
SG Capital Public Company Limited

6.5 Report of the Environment, Social and Governance (ESG) Committee for the year 2023

The Environment, Social and Governance (ESG) Committee of SG Capital Public Company Limited has executed its duties as mandated by the Board of Directors, adhering to the responsibilities outlined in the Environment, Social and Governance (ESG) Committee

Charter. The committee is composed of members who are directors and/or executives of the Company, totaling no less than 3 individuals as of 31 December 2023. The Environment, Social and Governance (ESG) Committee currently comprises 4 directors, as follows:

No	Name- Last name	Position	Number of Meetings
1.	Mr. Suranit Sorasuchart	Chairman of the Environment, Social and Governance (ESG) Committee / Independent Director	4/4
2.	Mr. Anothai Sritiapietch	Member of the Environment, Social and Governance (ESG) Committee	4/4
3.	Ms. Jatuporn Konghun	Member of the Environment, Social and Governance (ESG) Committee	4/4
4.	Mr. Noppadol Sangpratoom ¹	Member of the Environment, Social and Governance (ESG) Committee	-

Remark: 1. Approved the appointment of Mr. Noppadol Sangpratoom as the Member of the Environment, Social and Governance (ESG) Committee in replacement of Mr. Yuthtaya Sangnak who resigned from the said position. and effective from 9 November 2023 onwards.

In 2023, the Environment, Social and Governance (ESG) Committee conducted 4 meetings, The meetings focused on the follow-up and consideration of important matters assigned by the Board of Directors, and the outcomes can be summarized as follows:

1. Supervise to ensure compliance with the Company's policies and guidelines for good corporate governance

1.1 Supervised compliance with laws, rules, regulations, and company policies to align with international standards and national regulatory requirements. Ensured comprehensive and accurate disclosure of company

information in accordance with criteria set by regulatory agencies, including the Annual Report/Form 56-1 One Report and the Company website. In 2023, SG Capital Public Company Limited received an “excellent” rating in the Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors Association (IOD). This included overseeing the 2023 Annual General Meeting of Shareholders conducted as an electronic meeting (E-AGM) in adherence to COVID-19 related announcements, orders, and measures established by government agencies and relevant laws. The Company’s adherence to corporate governance principles and various best practices resulted in an “Excellent” assessment of the

2023 AGM quality, receiving a full score of 100 points from the Thai Investors Association (TIA) for the first time.

1.2 Continuously follow up and provide recommendations to ensure evaluations of compliance with good corporate governance principles from both domestic and international regulatory agencies. This includes adherence to ASEAN CG Scorecard criteria, CGR criteria, AGM Checklist criteria, and SET ESG Ratings.

1.3 Evaluate the suitability of applying the principles outlined in the Good Corporate Governance for Listed Companies 2017 (CG Code). Provide opinions and recommendations to the Board of Directors for enhancing or developing duties in alignment with the Company's current situation and business context. Ensure that relevant information is disclosed in the annual report/Form 56-1 One Report and on the Company website.

1.4 Facilitate effective communication of the Corporate Governance Policy, Good Corporate Governance Principles, Code of Business Ethics, and Code of Conduct to directors, executives, employees at all levels, and related parties. Ensure awareness and understanding of compliance with these principles

2 Sustainable Development

2.1 Evaluate and define the Company's annual sustainability issues, incorporating operational plans, policies, and goals. Monitor sustainable development operations to align with the Company's business direction and international standards, with a balanced focus on environmental, social, and governance aspects (ESG). Supervise ESG practices and track the Company's sustainability performance. Ensure the disclosure of these performance results in the Annual Report/Form 56-1 One Report and on the Company website.

2.2 Consider formulating the Company's annual plan for Corporate Social Responsibility (CSR) activities for efficiency. Last year, the Company enhanced students' health by donating water filters to schools under the "Sharing Kindness, Caring for Schools". Additionally, participated in contributing funds through the "Sharing for Children, for My School" project to support educational institutions and improve overall quality of life.

2.3 Promote the review of significant sustainability issues (Materiality) and enhance work processes, plans, and indicators for sustainable development. Align these initiatives with stakeholders' expectations and address emerging challenges in the new world context.

3. Report on performance of duties, evaluation and development of directors

3.1 Provide support for company directors, sub-committees, and executives to attend the Stock Exchange of Thailand's training course on business sustainability strategies. This aims to enhance their understanding of the significance of sustainability and enable its effective application in the Company's business operations.

3.2 Review the Environment, Social and Governance (ESG) Committee Charter for the year 2023 and prepare it for presentation to the Board of Directors for approval.

3.3 Conduct an evaluation of the Environment, Social and Governance (ESG) Committee's performance for the year 2023 to enhance operational efficiency. Report the evaluation results to the Board of Directors for acknowledgment and include the assessment in the Company's Annual Registration Statement/Annual Report (Form 56-1 One Report).

3.4 Compile a report on the performance of the Environment, Social and Governance (ESG) Committee for the acknowledgment of the Board of Directors. Prepare reports in compliance with the regulations of the Stock Exchange of Thailand to be disclosed in the Company's Annual Registration Statement /Annual Report (Form 56-1 One Report) of the Company.

In summary, the Environment, Social and Governance (ESG) Committee has prioritized rigorous oversight of the Company's adherence to corporate governance policies, compliance with the principles of good corporate governance, and a stringent business ethics code. The committee is dedicated to ongoing development, aligning corporate governance practices with international standards. Recognizing that good corporate governance and sustainable development are crucial for efficient operations, the committee aims to foster sustainable business practices, thereby earning trust from stakeholders and gaining international recognition.

(Mr. Suranit Sorasuchart)

Chairman of the Environment, Social and Governance
(ESG) Committee



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