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February 26, 2025

Manager and Director of
The Stock Exchange of Thailand

Subject: Management discussion and Analysis for the year 2024

The results of operations for the year 2024 report comprehensive net profit of Baht 62.03 million from consolidated financial statements compare with prior year of Baht 108.20 million, a decrease of Baht 46.17 million or 42.67% .The significant changing is detailed as follows:

Revenues

Revenue was Baht 709.40 million, Baht 55.41 million increase or 8.47% over prior year. Hire purchase income was Baht 530.82 million, Baht 62.55 million or 13.36% increase from prior year. During the years 2022, 2023 and 2024 hire purchase income rose gradually and continuingly. During the year 2024 the company still provided assistance to customer continuingly via debt restructuring to reduce installments payment to enable continuing repayment in the midst of the beginning of the economic recovery. Furthermore, the Consumer Protection Board has established ceiling for hire purchase interest rates for all types of vehicles as well as delayed payment penalty rate, All of these resulted in dampening revenue growth.

Other income amounted to Baht 175.75 million consisting primarily of fees and service income related to credit extension, collection, and insurance commission earned, bad debt recovery Baht 15.20 million from amount already written-off, including the sale of group receivables lost from the sale of repossessed cars and accelerating measures taken by legal department.

Expenses

The company's selling, general, and administrative expenses amounted to Baht 340.74 million increased by Baht 30.83 million from Baht 309.92 million of prior year the majority of which was a result of loss from sales of repossessed vehicles amounted to Baht 113.20, as a result to faster disposal of repossessed vehicle and the price of cars has reduced.

Borrowing cost consisting of interest expense amounted to Baht 164.96 million an increase of Baht 35.80 million or 27.72% as a result of continuing growth in credit extension corresponding with increase in borrowings coupled with increase in the bank lending rates throughout the year. and borrowing from low interest rate sourcing have also adjusted interest rate upward.

Bad debt written-off during 2024 amounted to Baht 75.42 million, increased by Baht 27.49 million from 2023 of Baht 47.93 million , Expected loss provisioning was Baht 52.40 million increased by Baht 13.75 million from prior year of Baht 38.65 million, primarily for increasing provisioning from the rise of hire purchase receivable and debtors under litigation, and specially considered case-by-case basis provisioning e.g. tourism related receivables. A/R with compromising agreements in cooperation with the Execution Department

Financial position

Total Asset

Total asset for year 2023 and 2024 amount to Baht 4,982.21 million and 5,069.87 million. The increase of Baht 87.66 million in 2024 was a result of increase in the hire purchase receivable portfolio, and other receivables related to the increase in personal loan products. The company invested in joint venture with book value of Baht 67.51 million increased from Baht 1.65 million, and long term equity investment in the vehicle maintenance service business of Baht 3.88 million (net off impairment loss in full).

The company's net asset pending disposal for 2024 was Baht 26.41 million against Baht 19.24 million for the years 2023, an increase of Baht 7.16 million. The company has speedy repossession and sales of repossessed motor vehicle, As at year end, the company's appraisal prices were in line with market condition. Loss from vehicle sales was with recourse to debtor and litigation Proceeding continues.

For the year 2024, expected loss for HP receivable provisioning was Baht 250.31 million in Comparison with Baht 219.39 million for the year 2023, and increase of Baht 30.92 million. The increase was a result of changes in the expected loss for receivables under HP contract provisioning .

As for receivables under litigation and compromised agreement for the year 2023 and 2024 amounted to Baht 53.53 million and Baht 75.27 million, a increase of Baht 21.74 million and provisioning of Baht 51.64 million and 72.49 million, with provisioning increased by Baht 20.85 million.

Total liabilities

Total liabilities were Baht 3,089.31 and 3,137.62 million at the end of 2023 and 2024 respectively , an increase by Baht 47.81 million or 1.55% for the year 2024 as a result of increasing loan financing corresponding with greater credit extension as the economy started to recover during the year, and operational system development investment for greater efficiency.

As at the end of 2023 and 2024 Debt to Equity ratios of the company at 1.63 and 1.62 similar to last year of the ratio was a result of continuing in credit extension during the year, and the corresponding increase in financial institution borrowings.

Please be informed accordingly.

Sincerely yours,

Mrs.Duangrat Jaengmongkol

Director and Company Secretary