



บริษัท ตะวันออกพาณิชย์ลีสซิ่ง จำกัด (มหาชน)

EASTERN COMMERCIAL LEASING PUBLIC COMPANY LIMITED

Sor Gor 40 /62

10 June 2019

To the Attention of the Manager and Director of the Securities Exchange of Thailand

Subject Reporting on the approval for the increase in investment in registered capital of ECL Asset Co., Ltd. by another Baht 24 million

The Board of Directors of the Eastern Commercial Leasing PLC (referred to as ECL) at its 2/2562 meeting on 14 May 2019, passed resolutions approving increase in investment capital in ECL Asset Co., Ltd., by another Baht 24 million, and approving loan extension as working capital by another Baht 200 million.

ECL Asset Co., Ltd. is engaged in the business of providing real estate credit with existing registered capital of Baht 40 million, requesting for increase by another Baht 40 million to Baht 80 million total. Shareholders consist of ECL holding 60%, and Global Best Real Estate Loan Co., Ltd. (referred to as Global) holding 40%, resulted in the pro-rata shareholding of Baht 48 million, and Baht 32 million respectively. There have been no executives or major shareholders (related parties) of ECL or Global holding ECL Asset exceeding 10% who may be capable of having controlling interest in ECL Asset.

Pursuant to the Board approval for Baht 24 million increase in investment in ECL Asset, considered proportional investment (60:40) in subsidiary, and not required to comply with rules on the acquisition of asset transaction, and ECL's extension of Baht 200 million loan to ECL Asset not considered a related party transaction in accordance with the announcement of the Capital Market Committee Tor Jor 21/2511.

Even though the transaction is not required to comply with the acquisition of asset transaction rule, and related transaction announcement, the transaction is material in the company's business engagement, and therefore is disclosed for information to investors with details provided in the attachments.

Please be informed accordingly.

Sincerely Yours

Mrs. Duangrat Jaengmongkol,
Director and Company Secretary
Eastern Commercial Leasing PLC



Attachment

Information Summary

Eastern Commercial Leasing PLC

Subject Approval for Investment Capital Increase by Baht 24 million, and loan extension increase by Baht 200 million in/to ECL Asset Co., Ltd.

1. Date of Transaction 24 May 2019

2. Relevant Contract Parties

Investment Company : ECL Asset Co., Ltd.
: Eastern Commercial Leasing PLC (ECL) holding 60%
: Global Best Real Estate Loan Co., Ltd. (Global) holding 40%

Reasoning for Capital Increase: Pursuant to the ECL joint venture investment with Global over a period of approximately 1 year. ECL Asset Co., Ltd. has achieved good operating performance in its business. ECL Board of Directors felt appropriate to approve investment capital increase and to increase credit extension to support ECL Asset business expansion, and create revenue growth generation continuingly.

3. Nature of Transaction

1. Proportion of investment shareholding 60: 40 with below list of shareholders:

ECL Asset shareholding structure as at 31 March 2019 with registered capital of Baht 40,000,000 comprised 400,000 ordinary shares with Baht 100 per share par value:

	Number of shares	Percentage holding
1. Eastern Commercial Leasing PLC	239,997	60%
2. Global Best Real Estate Loan Co., Ltd.	159,998	40%
3. Mr. Danucha Veerapong	1	- %
4. Mrs. Walaiporn Panyatanya	1	-%
5. Miss Kanchana Soponpongpipat	1	-%
6. Mr. Kittichai Trirachatapong	1	- %
7. Mr. Noppadol Prasertsuko	1	- %
Total	<u>400,000</u>	100%



บริษัท ตะวันออกพาณิชย์ลีสซิ่ง จำกัด (มหาชน)

EASTERN COMMERCIAL LEASING PUBLIC COMPANY LIMITED

2. The Board of Directors of ECL Asset consists of:
 1. Mr. Danucha Veerapong
 2. Mrs. Walaiporn Panyatanya
 3. Miss Kanchana Soponpongpiat
 4. Mr. Kittichai Trirachatapong
 5. Mr. Noppadol Prasertsuko
 3. The original registered capital was Baht 40 million, with 60% held by ECL. ECL Asset increased its registered capital by another Baht 40 million at this time. ECL's proportional holding of 60% amounted to Baht 24 million increase in investment capital.
 4. Business Objective is to extend loan credit to be secured by land collateral through registered mortgage or sale with right of redemption or hire purchasing with land title deeds retained at ECL.
 5. ECL shall provide credit no more than 5 times of ECL Asset's registered capital which shall be $80 \times 5 =$ Baht 400 million. Also, the amount limit shall not exceed 10% of ECL's hire purchase receivable portfolio of Baht 7,000 million as at 31 March 2019 or Baht 700 million at 10%.
 6. ECL charges interest on loan based on ECL commercial bank borrowing rate plus at least 1.75% margin.
4. **Opinion of the Board of Directors Regarding Decision to Participate in the Transaction**
- Such joint investment has had the objective of diversifying types of business to supplement revenue generation of the company. The Board of Directors unanimously resolved to approve the additional investment in ECL Asset amounting to Baht 24 million, and approve loan credit limit increase by Baht 200 million.

Please be informed accordingly

Mrs. Duangrat Jaengmongkol,
Director and Company Secretary
Eastern Commercial Leasing PLC