

Sor Gor 69/62

13 November 2019

To the Attention of        the Manager and Director of the **Securities Exchange of Thailand**  
Subject                        Information summary for Related Party Transaction concerning the entity's  
   borrowing  
  
Attachment                    Information for Related Party Transaction concerning ECL's borrowing under  
   the B/E instrument, from Mr. Preecha Veerapong, who is the Chairman of the  
   Board, and also the major shareholders

The Board at its 4/2562 meeting held on 13 November 2019 resolved to approve ECL's borrowing through issuance of bill of exchange (B/E) instrument, from Mr. Preecha Veerapong, who is the Chairman of the Board, and also the major shareholder. The amount limit for the borrowing has been increased from Baht 200 million to Baht 300 million, in order to support hire purchase credit expansion. The B/E issuance shall be short term with tenor restricted to no more than 270 days, at the rates of 3.5 – 4 percent per annum payable upon B/E issuance, and principal sum payable at maturity. Such transactions are considered related party transaction in accordance with announcement of the Security Exchange of Thailand with detailed information per attachment.

Please be informed accordingly.

Sincerely Yours,

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

## Attachment

### Information Summary for Related Party Transaction

#### EASTERN COMMERCIAL LEASING PLC

**Subject:** Approval for the borrowing through issuance of bill of exchange within the amount limit of Baht 300 million from Mr. Preecha Veerapong, the major shareholder

1. **Date of transaction:** 13 November 2019

2. **Relevant contract parties**

Lender: Mr. Preecha Veerapong

Borrower: Eastern Commercial Leasing PLC. (ECL)

Relationship: Mr. Preecha Veerapong holds the position of the Chairman of the Board of Eastern Commercial Leasing PLC, and the shareholder of the Eastern Commercial Leasing PLC, holding 171,265,875 shares accounting for 15.45% of ECL's issued and paid up capital, on 28 October 2019

3. **Nature of transaction**

Pursuant to the issuance of bill of exchange (B/E) for the purpose of borrowing from individuals, ECL has benefited from the lower interest rate than borrowings from commercial banks, and without requirement to provide collateral as in the case of commercial banks. This provides supplementary liquidity as part of the company's liquidity requirement. Since 13 May to 24 October 2019, ECL has issued 9 bills of exchange to borrow from Mr. Preecha Veerapong totaling Baht 200 million, and paid interests amounting to Baht 3,613,905.75. Because this borrowing has been beneficial to the company, and the company may have the needs to borrow through the issuance of bill of exchange when the issued B/E matures (B/E renewal), and ECL may continue to issue additional B/E during the year 2000. As of now, the company has already issued B/E up to the approved amount limit of Baht 200 million.

At the Board of Director's Meeting, the Board has considered and of the opinion that it is necessary that the company utilizes funding support for its hire purchase credit business expansion. The Board resolved to approve the increase of the borrowing amount limit from Baht 200 million to Baht 300 million through the issuance of B/E each of which shall have tenor no more than 270 days, at the interest rate of 3.5 to 4.0% (or lower than commercial banking loan rate of interest as at the borrowing date, from time to time). At present commercial bank loan rates range from 4.40% – 5.125% per annum.

**4. Total value and basis for the establishment of total transactional value**

In the event the company borrows to the amount limit of Baht 300 million per year at the interest rate of 3.5% p.a., the interest payable shall be Baht 10,500,000 accounting for 0.59% of the company's net tangible assets (NTA as at 30 September 2019 amounted to Baht 1,791,680,660.13 referring to company's financial report).

**5. Name list for related party transaction**

Name of director with vested interest within Eastern Commercial Leasing PLC.

Mr. Preecha Veerapong, the Chairman of the Board of ECL

**6. Meeting attendance and voting at the Board of Directors' Meeting by related parties**

Director who has vested interest per item 5 did not attend, and vote at the Board of Directors' Meeting in consideration of the agenda mentioned.

**7. Nature and scope of vested interest of the related parties in engaging in the related party transaction**

The transaction value is greater than Baht 1 million but less than Baht 20 million or greater than 0.03% but less than 3% of the company's net tangible assets (NTA). The transaction is considered related party transaction in accordance with the announcement of the Board of Governors of the Securities Exchange of Thailand as pertinent to information disclosure and operation of listed companies in engaging in related party transactions of the receipt of financial support classification. This requires Board of Directors' approval for the transaction, and providing information disclosure to the Securities Exchange of Thailand, but not requiring approval at the shareholders' meeting.

**8. The Board of Directors' opinion on decision to engage in the related party transaction**

Such borrowing has the objective of supporting hire purchase credit expansion. The rate of interest payable is lower than loan rate from commercial banks which currently the highest borrowing rate is 5.125% p.a. Therefore, accepting such financial support shall reduce interest payable burden to the company, being reasonable, and without risks.

**9. The Audit Committee opinion and /or company directors' opinion different from the Board of Directors' opinion referred to in item 8.**

- None -