

Eastern Commercial Leasing PLC

Minute of the Annual General Shareholders' Meeting

For the Year 2020

Date, Time, and Location of the Meeting

Held on 17 July 2020 from 14:00 – 14:51 O'clock, at the Parichart Room (3rd Floor), Hotel Golden Tulip Sovereign Bangkok, Rama IX Road, Huay Kwang District, Bangkok

The Meeting

Mr. Preecha Veerapong, the Chairman of the Board, acted as the Chairman of the meeting, introduced company directors and auditors attending the Meeting as follows:

Attending Directors (9 out of 9 directors, 100% participation):

1. Mr. Preecha Veerapong, the Chairman of the Board
2. Mr. Danucha Veerapong, Vice Chairman of the Board, and Chairman of the Executive Committee
3. Mr. Prapakorn Veerapong, Director, Vice Chairman of the Executive Committee, and Managing Director
4. Mrs. Duangrat Jaengmongkol, Director, Member of the Executive Committee, Company Secretary, and Member of the Recruitment and Remuneration Committee
5. Mr. Masayuki Nozawa Director
6. Mr. Sorapas Suttienkul, Independent Director, Member of the Audit Committee, and Chairman of the Recruitment and Remuneration Committee
7. Mrs. Prapasri Permsab Independent Director, Chairpersons of the Audit Committee, and Member of the Recruitment and Remuneration Committee
8. Mr. Thailuck Leetavorn, Independent Director, and Audit Committee Member
9. Mr. Wichai Maithong Independent Director

Auditor for the year 2019

Mr. Viroj Sajathamnukul, Certified Public Accountant Number 5128 participated in the meeting on behalf of Miss Somjintana Polhirunyarat, Certified Public Accountant Number 5599

Management Staff Participated in Responding to Shareholders' Questions in This Meeting

1. Mrs. Walaiporn Panyatanya, Deputy Managing Director – Credit
2. Mrs. Charatsang Yuumpai, Deputy Managing Director – Finance and Accounting

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The Meeting

Mr. Preecha Veerapong assigned Mr. Danucha Veerapong, the Vice Chairman of the Board, to conduct the meeting.

Mr. Danucha Veerapong, the Vice Chairman, informed the Meeting that there were shareholders attending by themselves totaling 27 individuals, and via proxy 19 individuals totaling 46 holding in aggregate 633,401,092 equivalent to 57.12 percent of the total 1,108,857,244 shares issued and paid up. The quorum requirement per Company's Articles of Association has been met considering the number of attending shareholders no less than 25 individuals holding in aggregate no less than one third of total shares issued and paid up (369,619,081 shares). The Meeting hence proceeded to consider various matters in accordance with the established agenda contained in the meeting invitation document.

Mr. Danucha Veerapong informed the meeting of the voting procedures and vote count of shareholders for each subject matter agenda considered as follows:

- As per Article 42, in voting for each agenda considered, a shareholder shall have the right to vote, one vote for one share, with total votes equal to the total number of shares held plus the number of shares under proxy. Utilizing the voting card provided at registration, a shareholder may elect to vote in only one of the three choices namely to vote for, to vote against, or to abstain in each agenda being considered. A shareholder may not split the shares held to vote in more than one choice.

- Resolution passed or approval on any agenda is by majority votes of the eligible and attending shareholders. For speedy result, vote count shall be administered by accumulating the number of votes against, abstained, and voided in each agenda considered. These votes against, abstained, and voided shall be deducted from the total number of shares attending the meeting to derive at the number of votes for the issue being considered. Voided votes are vote cards with unclear marking or amended marking without signature initial, considered ineligible and required to be deducted from the overall attending votes. It is requested that shareholders who vote against or abstained raise their hands so official on duty may come to the shareholders to pick up the voting cards and accordingly record the vote count. To accurately record the vote count in each agenda it is requested that shareholders who wish to leave the meeting room during the meeting in progress to please inform registration official at the front desk. (Remark: the number of vote count in each agenda may not be equal to the total number of votes when the meeting starts if there are shareholders depart from or enter into the meeting after the meeting has already begun)

- After the meeting, the company shall require collection of the voting cards distributed. It is requested that shareholders return the voting cards.

Subsequently, Mr. Danucha Veerapong introduced Mr. Surachai Teerasontikul, a member of the internal audit team from Improvis Co., Ltd. who shall perform the duties of vote count at this time. Mr. Danucha requested observer from Thai Investors Association, who was the shareholder's right protection volunteer, on fieldwork to introduced oneself to be Mr. Somyos Saksrikunakorn.

Mr. Danucha Veerapong then proceeded to introduce subject matters for consideration per the Agenda as follows:

Agenda1

To consider ratification of the Minute of the Annual General Shareholders' Meeting for the year 2019 held on 26 April 2019

Mr. Danucha Veerapong proposed to the meeting to consider ratification of the Minute of the Annual General Shareholders' Meeting for the year 2019 held on 26 April 2019 the copy of which has been forwarded to shareholders in advance along with the invitation documents.

There were no shareholder enquiries or request for modification of the Minute.

Upon proper proceeding and ratification, the resolution is as follows:

Resolution

The meeting resolved to ratify the Minute with majority votes comprising the following vote count:

For....	633,385,713.....	Votes, equivalent to....	99.9975....	percent
Against	4,434.....	Votes, equivalent to...	0.0007...	percent
Abstained ...	11,545.....	Votes, equivalent to ...	0.0018...	percent
Voided		Votes, equivalent to		percent

Of the eligible and attending shareholders

Remarks: There were shareholders and proxy attending this agenda totaling 48 individuals accounting for 633,401,692 shares

Agenda 2

To consider acknowledgement of Company's results of operations, for the year ended on 31 December 2019

Mr. Danucha Veerapong, the Chairman of the Executive Committee, reported on Company's operating results for the year 2019 with details shown in Company's Annual Report 2019 summarized as follows:

The year 2019 reported reduction in credit extension by 10.55% totaling approximately Baht 3,365.10 million down from Baht 3,762 million of prior year as a result of lack of growth in the vehicle sale market. Credit portfolio grew by approximately 16.24% from Baht 7,277 to 8,459 million. There were 10,397 new

customers in total, with total revenue of Baht 914.85 million and expense of Baht 792.26 million. The substantial increase in expense was partly a result of the provisioning under IFRS 9 and the issue about sales of repossessed vehicles. The company has been cautious in the sales of repossessed vehicles. Price has dropped substantially in the used vehicle market over the past year. These two issues adversely affected company's net profit. Company's NPL for the year 2019 was at 4.63% and profit of Baht 127.72 million comparing with the year 2018 with profit of Baht 142.26 million, the profit reduction of approximately 10.22% and earning per share of Baht 0.117.

Operating results for the first quarter of 2020 reported Baht 11.22 million profit partly a result of reduction in credit extension from January to March as pertinent to the Corona Virus pandemic, the company attempted to dispose of repossessed vehicles as many as possible toward year end 2019 as price has dropped substantially in the used vehicle market.

As for the activities related to the fight against fraud and corruption practices, report shall be presented to shareholders via the projector screen with details provided within pages 78-82 of the annual report. After the report, Mr. Danucha Veerapong provided opportunities for shareholders to raise questions:

Subsequent **question and answer session** is summarized below:

Shareholder question (Khun Sataporn Pangnirund):

Annual report, page 8, financial summary (consolidated F/S)

1. ROA for the year 2017, 3.89%, 2018, 2.72%, and 2019, 1.88% clearly indicated the consecutive decline over three years.
2. D/E ratios 2017, 1.95, 2018, 2.64, and 2019, 2.94, indicated rising debts.
3. Considering the three asset quality ratios over the past three consecutive years, have we considered changes of personnel or not and why?
4. Has ECL planned for incremental credit extension for other types of credit other than motor vehicles?
5. Has ECL planned for the application of other types of financial instruments to help reduce burden of cost of finance and how to be prepared for the new normal environment.
6. Does the company have policy regarding credit and quality control in the new normal environment?
7. Was IFRS9 the primary reason for the decline in performance of the company over the year 2020?

ECL answer (Khun Dhanucha):

1. ROA (Return on Asset) is the return on asset. As the company has not had substantial assets, there has not been much expectation from rising ROA. The company emphasizes more on ROE (Return on Equity) since ROE number indicates profit generation capability in compensating shareholders.

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Therefore, if we look at company ROE, the rate was at 9.07% for 2018, and 7.14% for 2019. These numbers are more representative of the leasing company performance.

2. The ability to leverage per commercial bank requirement is 4 times which means the company may create debt four times of capital. D/E ratios at the rate of 2.6 or 2.9 have not fully leveraged itself and the company may still extend more credit. The ratios at the moment should not be considered excessive borrowings because covenant ratio agreed with financial institutions is still higher than ratios at present. Financial institution competitors of similar business have created greater amount of debt in particular lending business. D/E of 2-3 should not be considered excessive and should not be indicative of company's performance.
3. The company plans for continuing growth. During the year 2019, there were 300 employees but presently (July 2020) there remained approximately 200 employees. The company attempts to reduce costs because sales of motor vehicles dropped corresponding with used motor vehicles. Other than work from home which have been implemented for over 2 months, was indicative that cost reduction is necessary with corresponding adaptation and change for employees and executive to correspond with future business engagement. Shareholders should be informed that the company has considered adaptation, and change also.
4. The company has yet to have plan for other supplementary credit extension. The company is still firmly engaged in secure lending of which motor vehicles are collateral we have expertise in.
5. The company is prepared for situation where liquidity may be needed because liquidity is more important than performance in many types of businesses. The company holds bond outstanding amounting to Baht 600 million, and prepare fund for debenture repayment. The reduction in credit extension results in less borrowing from financial institutions. At the moment the company still does not know when the situation will return to normal. But the company is aware of the situation and believes the company's equity fund is sufficiently strong to weather through this long and sluggish period with full confidence of not having liquidity problem.
6. The company has policy for deferment of debt repayment during the months of February to March. Like other non-bank entities the company extended debt moratorium period. Out of the company's 28,000 customers, there were approximately 2000 eligible customers for debt moratorium accounting for 7% of total customers, 5% of total installment payments, or Baht 450 million or 5% suspended payment receivables. In return for relaxation of installment collection from customers, the company has been provided with soft loan support from other bank. As for credit extension the company has been more stringent on condition of credit with more detailed screening because of more difficulty analyzing credit. As for collection, the company increased collection staff both in-house, and outsource without causing customer suffering by listening to what extent customers'

problem is and keeping regular contact to maintain individual existence. The rising NPL has been partly a result of lessening credit extension as demand for vehicle credit declined over the past 3-4 months, and secondly most of the customers were adversely affected and were short of income to pay. These are the two main problems causing rise in company's NPL. The company anticipates that the NPL will come down under control in the future.

7. IFRS9 affected the company's operating results for the year 2020. Nonetheless the company has been reasonably prepared itself for this new accounting standard.

Upon proper proceeding and ratification, the resolution is as follows:

Resolution

The meeting resolved to acknowledge Company's operating results for the year 2019 as proposed by the Board of Directors with majority votes comprising the following vote count:

For. ...	633,713,755.....	Votes, equivalent to...	99.9993....	percent
Against	4,434.....	Votes, equivalent to	0.0007....	percent
Abstained		Votes, equivalent to		percent
Voided		Votes, equivalent to		percent

Of the eligible and attending shareholders

Remarks: There were shareholders and proxy attending this agenda totaling 53 individuals accounting for 633,718,189 shares

Agenda 3

To consider approving Company's Statement of Financial Position and the Statement of Comprehensive Income for the year ended on 31 December 2019

Mr. Danucha Veerapong proposed to the Meeting to consider approving Company's Statement of Financial Position, Statement of Comprehensive Income for the year ended on 31 December 2019, which were audited by Company's auditor and included in the Annual Report forwarded to shareholders in advance prior to the meeting date.

Mr. Danucha Veerapong provided opportunities for shareholders to raise their questions or make suggestions. The Executive Committee members and Company Auditor were available to respond to their questions:

Shareholder question (Khun Sataporn Pangnirund):

How the company is going to rectify the substantial rise in doubtful receivables, and turning them into dividend?

ECL answer (Khun Dhanucha):

On the issue of dividend, a number of companies have still suspended payment because of various circumstances. As for the company itself, there is a need to maintain this funding strength as the situation has yet to improve. It is not known whether the pandemic will end. It is therefore appropriate to report to the shareholders that the NPL for all companies for all businesses have risen. As for dividend payment for many companies, the BOT has requested that they suspend payment to maintain continuing business engagement. As for debt collection, Mr. Masayuki Nozawa would like to add more explanation.

ECL supplementary explanation (Khun Masayuki Nozawa):

Doubtful debt provisioning has in fact risen, in particular during the year 2020 with the primary reason being the new adoption of the IFRS9, accounting standard which resulted in substantial rise in doubtful debt provisioning. The company has been aware of the situation since the beginning of the year. Even though provisioning has been high, we will be able to recoup the additional provisioning within the end of the year, and by year end the amount of provisioning will be less than that of the year 2019.

Mr. Danucha Veerapong then proceeded to request the meeting to pass resolution approving the aforementioned financial reports.

Upon proper proceeding and ratification, the resolution is as follows:

Resolution:

The Meeting resolved to approve the Statement of Financial Position, and Statement of Comprehensive Income for the year ended 31 December 2019 with majority votes comprising the following vote counts

For....	633,702,211.....	Votes, equivalent to ...99.9975...	percent
Against	15,979.....	Votes, equivalent to... 0.0025....	percent
Abstained .....	.....	Votes, equivalent to	percent
Voided .....	.....	Votes, equivalent to	percent

Of the eligible and attending shareholders

Remarks: There were shareholders and proxy attending this agenda totaling 54 individuals accounting for 633,718,190 shares.

Agenda 4

To consider approving appropriation of legal reserve from operating results for the year 2019, and suspension of dividend declared

Mr. Danucha Veerapong requested the meeting to consider approving appropriation of profit for the year 2019 as proposed by the Board of Directors namely

4.1 Operating results for the company for the year 2019, resulted in net profit of Baht 110,321,781.98 (after paying corporate income tax at the rate of 20%). The Board proposed to the meeting to consider approving appropriation of profit for legal reserve amounting to Baht 5,516,089.10

4.2 After the appropriation of legal reserve, there remained balance of profit amounting to Baht 104,805,692.88 and unappropriated retained earnings available for dividend declared increased to Baht 394,693,723.42

In light of the lengthy slowdown of the economy, the virus pandemic adversely affecting the business sector, and widespread population income which may adversely affect company's liquidity, the Board felt appropriate to suspend dividend declared to retain cash increasing funding strength and to be utilized for future business expansion.

Prior to resolution in this agenda, Mr. Danucha Veerapong provided opportunities for shareholders to raise their questions regarding other issues, or suggestion.

Shareholder question (Khun Sataporn Pangnirund)

Historical dividend declared comprised:

2015: suspension	2016: suspension	2017: paid from 2014, Baht 0.02
2017: paid from 2015, Baht 0.03		2018: paid from 2017, Baht 0.04
2019: suspension	2020: suspension	

Shareholders anticipated dividend declared at the rate of Baht 0.05 for the year 2019. Would like to know how or when dividend will be declared.

ECL answer (Mr. Danucha)

In the past, the company has been maintaining a regular dividend payout over a period of 2-3 years. The past years, we might not have paid dividend, but the company has grown, credit portfolio grew, profit risen, having strong capital, and equity which will help us through this difficult period, and maintaining the growth rate. If situation improves, the company may certainly reconsider dividend declared.

Upon proper proceeding and ratification, the resolution is as follows:

Resolution

The meeting approved the appropriation of legal reserve, and suspension of dividend declared for operating results of the year 2019 with majority votes comprising the following vote counts:

For....	633,702,211.....	Votes, equivalent to ...99.9975...	percent
Against	15,979.....	Votes, equivalent to... 0.0025....	percent
Abstained .....	.....	Votes, equivalent to	percent
Voided .....	.....	Votes, equivalent to	percent

Of the eligible and attending shareholders

Agenda 5

To consider the appointment of directors replacing directors scheduled to be retired

To adhere to good governance practices, prior to the proceeding of this agenda, directors with rotational retirement and proposed to be reinstated for another term, have requested to leave the Meeting namely Mr. Prapakorn Veerapong, Mr. Thailuck Leetavorn, and Mr. Wichai Maithong.

Mr. Danucha Veerapong explained details to shareholders that during this meeting a third of the directors or three directors are scheduled to be retired namely:

1. Mr. Prapakorn Veerapong, Director, Member of the Executive Committee, and Managing Director
2. Mr. Thailuck Leetavorn, Independent Director, Audit Committee member
3. Mr. Wichai Maithong Independent Director

All three directors are eligible to be reinstated.

As the company has been encouraging participation at the Meeting and requesting shareholders to submit agenda, and qualified and appropriate individuals for director appointment per regulation to represent themselves via SET channel and disclosed through company's website during 1 October to 30 December 2019, there were no director candidates or agenda being submitted to the company.

In this regard, the Recruitment and Remuneration Committee has considered the matter and felt appropriate to submit for Board approval consideration and further submission at the shareholders' meeting for approval consideration to reinstate the three retiring directors for another term.

The Board of Directors has convened to consider the various qualification including past performance as company directors and concluded that the three directors are qualified, knowledgeable and experienced beneficial to the business engagement of the company, with intent to perform their duties with due care for the interest of the company and shareholders as a whole throughout. In particular Directors #2, and #3 on the list as independent directors shall be able to provide independent opinion and in accordance with relevant regulation. The Board therefore resolved to submit the three directors for shareholders appointment consideration namely:

1. Mr. Prapakorn Veerapong, Director, Member of the Executive Committee, and Managing Director
2. Mr. Thailuck Leetavorn, Independent Director, Audit Committee member
3. Mr. Wichai Maithong Independent Director

to be reinstated as directors for another term, and retain all original position as proposed by the Recruitment and Remuneration Committee.

All three individuals' background information have been provided along with the invitation document as per attachment 3, and qualification of independent director per attachment 4.

There were no enquiries from shareholders.

Mr. Danucha requested for individual director voting.

Upon proper proceeding and ratification, the resolution is as follows:

Resolution:

The Meeting passed resolution with majority votes comprising:

1. Resolution passed to appoint Mr. Prapakorn Veerapong as director for another term
For.... 633,702,211..... Votes, equivalent to ...99.9975.... percent
Against 15,979..... Votes, equivalent to ...0.0025..... percent
Abstained Votes, equivalent to percent
Voided Votes, equivalent to percent
Of the eligible and attending shareholders
2. Resolution passed to appoint Mr. Thailuck Leetavorn as director for another term
For.... 633,702,211..... Votes, equivalent to99.9975... percent
Against 15,979..... Votes, equivalent to.....0.0025..... percent
Abstained Votes, equivalent to percent
Voided Votes, equivalent to percent
Of the eligible and attending shareholders
3. Resolution passed to appoint Mr. Wichai Maithong as director
For.... 633,702,211..... Votes, equivalent to99.9975.... percent
Against 15,979..... Votes, equivalent to ...0.0025..... percent
Abstained Votes, equivalent to percent
Voided Votes, equivalent to percent
Of the eligible and attending shareholders

Reinstated directors returned to the Meeting.

Agenda 6

To consider the appointment of auditor and establishing audit fees for the year 2020

Mr. Danucha Veerapong informed the Meeting that with the deferment of the AGM as a result of the Corona Virus 2019 pandemic, the agenda on auditor appointment for the year 2020 has been postponed. However the Capital Market Supervisory Board through its announcement Tor Jor 28/2563 dated 27 March 2020 permits listed companies which have not been able to organize AGM for auditor appointment, may appoint auditor per SEC approved list of auditors to perform financial report review for the first quarter

of the year 2020. The aforementioned auditor shall be approved at the AGM to be convened subsequently.

Therefore the current AGM, on this agenda is for the approval consideration of the original auditor aforementioned. With counsel from the Audit Committee, and the Board has considered it appropriate to propose for appointment Mrs. Somjintana Polhiranrat, Certified Public Accountant Registration No. 5599 or Mr. Nopalerk Pitsanuvong, CPA Registration Number 7764 or Miss Supaporn Mangjit, CPA Registration Number 8125 all from DIA International Audit Co., Ltd. as Company's external auditor for the year 2020. The Board is of the opinion that the audit firm has been working efficiently providing good quality services. Auditor of the company, and auditor of the joint venture shall be the same audit firm in which the Board shall supervise to ensure timely preparation of financial reports and auditors as listed have no relationship with or vested interest in the Company, executives, or major shareholders whatsoever. Proposed audit fees for the year 2020 would be Baht 1,611,000 (one million, six-hundred and eleven thousand only), increasing by Baht 151,000 from prior year as a result of increasing amount of works, and changing accounting standards.increasing number of audit assistant. If appointed at this time, the auditor shall be performing audit for the company for the 4th year.

Mr. Danucha Veerapong provided opportunities for shareholders to raise their queries.

Shareholder question (Khun Sataporn Pangnirund)

Is it appropriate for audit fees to increase every year? What will the increased amount next year?

ECL answer (Mr. Danucha)

On the audit fee increase, the company has not been complacent and has undergone negotiation and considered appropriateness of the increased compensation. The company will not be able to respond whether the fees will be increase or not next year and will have to discuss with the auditor in subsequent years.

Upon proper proceeding and ratification, the resolution is as follows:

Resolution:

The meeting passed resolution appointing Mrs. Somjintana Polhiranrat or Mr. Nopalerk Pitsanuvong or Miss Supaporn Mangjit, all auditors from DIA International Audit Co., Ltd. as Company's external auditor for the year 2020 with established audit fee amounting to Baht 1,611,000 (one million, six hundred and eleven thousand only), an increase of Baht 151,000 from prior year, with majority votes comprising the following vote count:

For.... 633,702,211..... Votes, equivalent to99.9975.... percent
Against 15,979..... Votes, equivalent to ...0.0025..... percent

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Abstained Votes, equivalent to percent
 Voided Votes, equivalent to percent
 Of the eligible and attending shareholders

Agenda 7

To consider establishing compensation amount for directors and audit committee members for the year 2020

Mr. Danucha Veerapong stated that compensation has been carefully considered by the Recruitment and Remuneration Committee in comparison with other company in the same industry, and operating results, and presented to the Board of Directors for approval consideration, prior to being presented at the shareholders' meeting for approval consideration with the opinion that director and audit committee member compensation amounting to Baht 8.5 million, the same as prior year, is appropriate (details for the appropriation for the year 2019 presented in the Annual Report, pages 37-8, section 6.4, director and executive compensation).

The Board of Directors felt appropriate to submit for shareholder approval consideration for directors, and audit committee member compensation for the year 2020 for amount not exceeding Baht 8.5 million, the same as prior year. The Board is authorized to appropriate the amount based on its judgment. It should be noted that the amount Baht 8.5 million was prepared for approval since the beginning of February 2020. Upon occurring of the corona virus pandemic, and the economic environment at present, the director compensation has been reduced by 20% since April of 2020 and shall continue to be reduced until economic condition improves.

Mr. Danucha Veerapong asked the shareholders if there were any suggestions or queries
 Upon proper proceeding and ratification, the resolution is as follows:

Resolution

The meeting resolved to approve compensation for directors and the Audit Committee members with majority votes comprising the following vote count:

For.... 633,702,211..... Votes, equivalent to99.9975... percent
 Against 15,979..... Votes, equivalent to ...0.0025.... percent
 Abstained Votes, equivalent to percent
 Voided Votes, equivalent to percent
 Of the eligible and attending shareholders

Agenda 8

To consider other matter

Mr. Danucha Veerapong provided opportunities for shareholders queries or additional suggestion.

Shareholder Question (Khun Karnda Sri-ngangam):

What is the company policy relating to and how does it support company's share price as the present the price has been below Baht 1, the level deemed to reflect company's declining performance or not?

ECL answer (Mr. Danucha Veerapong):

Share value in comparison with book value, book shall be multiple of market price at the stock Market. The issue of business/company valuation has been the issue we have emphasized its utmost importance the same as retained earnings, shareholders' equity. Listed company in the stock market for 14-15 years have experienced continuing share prices movements up and down. At times they have no relationship with assets, and operating results of the company. The company therefore may still maintain its good operating performance. Share price will recover and becomes reasonable in the future. At this time, the emphasis is on weather through the current situation and attempt to improve the performance continuingly in the coming years to enable dividend declared to shareholders.

The meeting adjourned at 14:51 o'clock

Mrs. Duangrat Jaengmongkol,
Company Secretary

Mr. Preecha Veerapong
The Chairman of the Meeting