

Annual Report 2021

Sawad Finance Public Company Limited

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Remark: Investors can study further information from the Company's 56-1 One Report Form which appear on www.set.or.th or the Company website www.srisawadfinance.com

Financial Information

unit: Thousand Baht			
Financial Status	2021	2020	2019
Investments – net	37,131	120,209	180,868
Net loans to customers and accrued interest receivables	4,314,320	11,484,557	18,295,569
Deposits and borrowings	175,901	5,240,096	8,354,333
Total assets	14,249,808	19,582,043	20,699,198
Total Liabilities	4,506,134	9,985,397	11,416,929
Shareholders' equity	9,743,674	9,596,646	9,282,269
Paid-up capital	2,756,236	2,756,236	2,756,236
Number of shares (shares)	551,247,241	551,247,241	551,247,241
Performance			
Interest Income	1,417,385	3,422,449	3,101,333
Dividend income		2,047	2,769
Fees and services income	138,555	138,225	213,773
Gain (loss) on investment	0	0	(1)
Other income	120,216	138,363	92,998
Total income	1,676,156	3,816,045	3,410,872
Net income	1,613,832	3,594,998	2,943,498
Net profit	913,182	1,567,193	810,859
Financial Ratio			
Net profit margin (%)	54.48	41.07	23.77
Return on equity (%)	9.44	16.60	13.74
Return on assets (%)	5.45	7.78	4.02
Par value (Baht per share)	5.00	5.00	5.00
Earnings (Baht per share)	1.66	2.84	1.98
Dividend (Baht per share)	0.82	1.40	2.25
Book value (Baht per share)	17.68	17.41	16.84
BIS ratio (%)	55.03	45.84	45.16

Message from Chairman

Overall Outlook of Thailand's Economy in 2021

Thailand's economy in 2021 increased by 1.9 percent when comparing with dropped 6.2 percent of the year 2020 resulting from Export value, private sector consumption expenditure and the private sector investment gradually decreased. However, when considering the common inflation rate of 2021, it averaged to 1.2 percent because of the outbreak of Coronavirus-19 in Thailand from beginning of 2020. Then there were measurements to control the outbreak such as lockdown, and measures to support households and business sector to return to near the pre-COVID level. According to considering the interest rate of the policy by the Monetary Policy Committee of the Bank of Thailand, the policy interest rate was stood at 0.50 percent during the year – it was considered the economic has potentially recovery.

Financial Status and Performance

On 31st December 2021, the company owned the assets for 14,520 million Baht decreasing from the previous year by 27.23 percent with the decreasing financial markets and loans and the decreasing assets among banks, assets of investment while the company meanwhile the company was decreasingly deposited by 96.75 percent. However, the company gained the net interest for 1,355.06 million Baht decreasing by 57.67 percent from the previous year – the total interest income decreased by 58.59 percent from the recognition of income while the financial cost decreased by 71.80 percent. Nevertheless, when including the profit from the sale of investment and dividend, in 2021, the company had the net profit for 913.18 million Baht decreasingly from 2020 by 41.73 percent.

Business Trend in 2022

The expansion of Thailand's economy in 2022 is projected to expand in the range of 3.5-4.5 percent, from government consumption expenditure, domestic spending and resolving household debt. However, the war between Russia and Ukraine may raised the price of the consumption products. The company still appreciates the quality of assets and continuously and carefully expands the act of granting credits –the company is capable of earning more profits and maintaining liquidity in a fair level. It is assured that the company will sustainably run the business in 2022

On behalf of the Company, we would like to profusely thank the shareholders, the customers and all people concerned who have reposed in and supported the company as always.



Mr. Suchart Leungsuraswat
Vice Chairman

Part 1 Business Operation and Performance

Policies and Overall Business Operations

Srisawad Finance Public Company Limited (Former: Bangkok First Investment & Trust Public Company Limited) was founded in 1972 as a finance company listed on the Stock Exchange of Thailand provides financial services under the scope permitted by the Bank of Thailand, Ministry of Finance and other relevant government agencies. The Company's business operations have been based on the principle of caution, resulting in continuous operating profits, no significant damage from the invested assets, as well as having a stable capital position.

Business

The principal business operation is finance company, which has been approved by the Ministry of Finance, in accordance with the license no 8/2516, to operate 4 types of finance businesses as below;

1. Business of finance for commerce
2. Business of finance for development
3. Business of finance for disposition and consumption
4. Business of finance for housing

Moreover, the Company is licensed to operate as a debenture holders' representative and/or trustee. The Company has been providing service as a debenture holders' representative since April 2018.

Business Goals

The Company still has the goal to operate on behalf of financial institution, type of finance company, listed on the Stock Exchange of Thailand. The Company focuses on the quality of assets, the liquidity of assets and the continuous expansion of assets. The Company aims to continuously operate the credit business which is the main business of the Company, expand the business from existing customers and provide additional service which is personal loans for individuals and people who have limited access to funding by providing both secured and unsecured loans. The aforementioned expansion of the customer base fortifies the Company's business foundation to ensure stability and readiness to support the growth of the loan business in the future, help diversify the business risks and bring the opportunities to generate revenue and good returns which will benefit the business operations of the Company and shareholders in long term.

Significant changes and developments over the past years

In 2016

- Professor Sakorn Suksriwong, DBA, resigned from the Chairman, Director and Chief Executive Officer of the Company.
- The Board of Directors appointed Mr.Auychai Somklin as Authorized Director and Deputy Managing Director of the Company.
- The Board of Directors appointed Mr.Thititham Rojanapruk, Director, as Authorized Director and Deputy Managing Director of the Company.
- Mr.Thanapol Sirithanachai resigned from the Director, Independent Director and Member of the Audit Committee of the Company.
- The Company has been informed the Voluntary Tender Offer from Srisawad Power 1979 Public Company Limited (SAWAD), major shareholder of 19,680,000 shares, representing 9.84% of the total issued shares of the Company, by acquiring from Company's shareholders in the amount of 53,011,000 shares or 26.51% of the total issued shares of the Company at price of not exceeding than Baht 10.50 per share. For the rest amount of 127,309,000 shares or 63.65% of the total issued shares of the Company will be tendered at the price of not exceeding Baht 11.42 per share. However, the tender offer for all shares must be approved from the SAWAD shareholders meeting first.

In 2017

- The Board of Directors appointed Mr.Kudun Sukhumananda as Director, Independent Director and Member of the Audit Committee of the Company.
- Mrs.Kingthien Bang-Or resigned from the Director and Acting Managing Director of the Company.
- The Board of Directors appointed Ms.Duangchai Kaewbootta as Director and Managing Director of the Company.
- The shareholder structure has been changed; Srisawad Corporation Public Company Limited has been the major shareholder holding 36.35% of the paid-up share capital of the Company.
- The Annual General Meeting of Shareholders approved the change of the Company's name to "Srisawad Finance Public Company Limited", the change of the seal of the Company, the amendments of Memorandum of Association and Articles of Association in order to comply with the changed name of the Company.
- Mr.Thira Wipuchanin resigned from the Independent Director, Member of the Audit Committee and Chairman of the Audit Committee of the Company.

- Mr.Amorn Jetchamnongnuch resigned from the Director of the Company.
- Mr.Vorakit Srangsiwong resigned from the Director of the Company.
- Mrs.Thanyathorn Chonlavan resigned from the Director of the Company.
- The Board of Directors appointed Mr.Sukont Kanjana-Huttakit as Director and Chairman of the Company.
- The Board of Directors appointed Mr.Suchart Leungsuraswat as Independent Director, Member of the Audit Committee and Chairman of the Audit Committee of the Company.
- The Board of Directors appointed Mr.Pinit Puapan as Director of the Company.
- The Board of Directors appointed Mr.Prayong Saennual as Director of the Company.
- Mr.Auychai Somklin resigned from Director and Deputy Managing Director of the Company.
- The Company has launched new credit products which are Car for Cash and Home for Cash.

In 2018

- The office has been relocated from Bangkok Insurance Building to Srisawad Building, Chaeng Wattana Road.
- The major shareholder of the Company, Srisawad Corporation Public Company Limited, increased its shareholding in the Company from 36.35% to 45.34%.

In 2019

- Assoc.Prof.Dr.Siriwut Buranapin has resigned from independent director, Audit Committee
- The Board of Director appointed Mr. Anantroj Thangsupanich to be independent director, Audit Committee
- AGM approved to increase registered capital from 1,102,494,485 Baht to 2,756,236,215 Baht by issuing 330,748,346 ordinary shares at the par value of 5 Baht to offer to existing shareholders by proportion of holding at the ratio of 1 existing share to 1.5 new shares at the offer price at 18 Baht per share. The subscription shares amounted 330,748,344 shares.
- Srisawad Corporation Plc., major shareholder, had increased its proportion by oversubscription from 45.34% to 77.95%
- The Company had been informed tender offer from Srisawad Corporation Plc. (SAWAD), major shareholder held 429,717,210 shares or 77.95% of paid-up shares. For the rest amount of 121,530,031 shares or 22.05% of the total issued shares of the Company will be tendered at the price of not exceeding Baht 18.00 per share. After tender offer period, the major shareholder had raise its proportion to 82.04%.
- Mr. Weidt Nuchjalearn had resigned from the Company's director.

- Miss DOUNGCHAI Kaewbootta had resigned from the position of Managing Director but still be director
- The Board of Director had appointed Mr. THITITHAM Rojanapruk to be Managing Director.

In 2020

- The Board of Director had appointed Miss NANTHIDA Pattanasakpinyo to be independent director, member of Audit Committee.
- Mr. ANANTROJ Thangsupanich had resigned from the Company's director.
- Mr. KUDUN Sumkhumananda had resigned from the Company's director.
- The Board of Director had appointed Mr. PRAWAT Phatraprasit, independent director, to be member of Audit Committee.
- Mr. SUKONT Kanjanahuttakit and Mr. PINIT Puapan had resigned from the Company's directors.
- The Board of Director had appointed Mr. SUCHART Luengsuraswat to be Vice Chairman of the Board.
- Mr. PRAYONG Saennual had resigned from the Company's director.

In 2021

- The Board of Director had appointed Mr. MONTREE Chansongnoen to be director, authorized director.
- The Board of Director had appointed Mr. KOM Vachiravarakarn to be independent director and appointed Miss KANOKNUJ Cholvani to be director and authorized director.
- Change the deposit policy with minimum 10 million baht and adjusted interest rate related to money market situation.
- Change the Company address from floor 1,3,5,6 Srisawad Bldg. to floor 1,3,6 Srisawad Bldg.

Nature of Business

1. Income Structure

Income Structure	2021		2020		2019	
	Million Baht	%	Million Baht	%	Million Baht	%
Interest income						
Interbank and money market items	13.69	0.82	9.96	0.26	15.76	0.46
Investments in debt securities	1.62	0.10	6.37	0.17	7.78	0.23
Loans to customers	1,402.07	83.55	3,406.12	89.26	3,077.79	90.23
Total Interest income (1)	1,417.38	84.46	3,422.45	89.69	3,101.33	90.92
Fees and services income						
Acceptances, aval and guarantees	-	-	-	-	-	-
Others	138.55	8.26	138.23	3.62	213.77	6.27
Total fees and services income (2)	138.55	8.26	138.23	3.62	213.77	6.27
Net gains (losses) on investments						
Gains (losses) on disposals	31.08	1.85	0	0.00	0	0.00
Gain on financial instruments measured at fair value through profit and loss	40.26	2.40	114.96	3.01		
Reversal (losses) on impairment of investments	0	0.00	0	0.00	0	0.00
Net gains (losses) on investments (3)	71.34	4.25	114.96	3.01	0	0.00
Other operating income						
Dividend income	0.57	0.03	2.05	0.05	2.77	0.08
Other income	48.31	2.88	138.36	3.63	93.00	2.73
Total other operating income (4)	48.88	2.91	140.41	3.68	95.77	2.81
Total income (1) + (2) + (3) + (4)	1,678.15	100.00	3,816.05	100.00	3,410.87	100.00

2. Products and Services

The nature of Company's services by permission can be separated by business type as follows:

- Finance
- Other financial services that company is authorized

Both types of businesses above can be separated into various services as follows:

- Deposit
- Lending
- Debenture Holders' Representative
- Investment in securities

Details of the products or services

Deposit

The company raises funds by providing deposit services in the form of deposit receipts and promissory notes for individuals, corporate entities, foundations and associations. The terms of deposits are determined according to the needs of depositors that are at call or time deposits ranging from 1 month, 3 months, 6 months, 9 months, 12 months, 18 months, 24 months, 36 months, etc. with the appropriate interest rate according to national economy situation, the company's liquidity, yield and interest rate in the money market as a whole.

Source of funds at the end of the year is classified by the remaining period of the deposit receipts and promissory notes over the past 3 years as stated in the company's financial statements are as follows:

Remaining period	At December 31, 2021		At December 31, 2020		At December 31, 2019	
	Million Baht	%	Million Baht	%	Million Baht	%
At call	62.09	36.55	199.19	3.81	94.70	1.49
Less than 1 year	100.81	59.33	4,684.09	89.49	5,441.94	85.72
More than 1 year	7.00	4.12	350.82	6.70	811.69	12.79
Total	169.90	100.00	5,234.10	100.00	6,348.33	100.00

Lending

The Company provides loans for the following proposes:

1. Commercial Lending is a loan to various types of businesses to be used as working capital for the business in the short term, to pay the price of the ordered product or to extend the credit limit to customers of the business. The Company provides various types of credit to suit the needs and in accordance with the collateral risk.
2. Project finance is a loan for business expansion, expansion of a factory or for the construction of a new project that benefits the country's economy. Short-term loans, medium-term loans or long term loan are available in order to comply with project requirements including the SME business to meet the government's policy to support such businesses.
3. Consumer lending are both secured and unsecured loan to individual for consumption purposes. Short-term loans, medium-term loans or long term loan are available to suit the borrower's need and their abilities to repay the debts.

Markets and Competitions

Finance business condition in 2021

As of December 31, 2020, there are 2 finance companies, Srisawad Finance Public Company Limited and Advance Finance Public Company Limited, having total asset of 26,518 million Baht or average Baht 13,259 million per company. The combined net loan was Baht 8,719 million or average Baht 4,360 million per company while the combined net investment was Baht 4,167 million or average Baht 2,083 million per company.

Finance Business Outlook in 2022

During this decade, the finance companies have merged and upgraded to be full-scale commercial banks and retail banks. As a result, the number of finance companies currently remained only 2 companies. Major business of finance companies, according to their financial statements, focused on investment in securities and loans. In regard to business loans, the financial companies still focus on retail and SMEs customers. In terms of deposit funding, the finance company will continuously compete with mutual fund management companies that can offer tax advantages to investors who invest in money market funds including compete with medium-sized commercial banks.

Interest Rate Condition in 2021

Due to the Coronavirus-19 outbreak, the policy rate had been decreased since 2020 and still stood in the year 2021 at 0.50% in line with the direction of monetary policy in advanced economies countries and regional economies. This would help support overall economic growth. Government bond yield, which is used as a base for determining private sector debt yields in 2020, has volatility throughout the year. The government bond yield decreased all short term and long term bond.

The volatility of the return rate in 2021 is mainly from the outbreak of Coronavirus-19, then the investors worried about the global outbreak would impact the world economy.

Interest Rate Outlook in 2022

From the economic assessment in 2022, tends to recover continually from the recovery of tourism sector, export, and government driven. However, there are some constraints and risks which could undermine base line growth from rising global oil and commodity price and headline inflation is projected to increase. Then forecasted that the Monetary Policy Committee will maintain the policy rate at 0.50% this year.

Sources of funds

Procurement of the Company's funding, in addition to the company's funds, most sources of funds are in the form of deposit mobilization by issuing deposit receipts to receive deposits from the public, which are available both in the form of at call deposits, no maturity deposits and fixed deposits with a fixed period with interest rates that vary according to the tenor of the deposit receipt (The Company started issuing deposit receipts to the public since August 2008) and borrowing from the parent company.

Sources of Funds

(Unit: Million Baht)

Sources of funds	2021	2020	2019
Deposits and debt securities issued			
From individuals	175.84	5,240.04	6,354.27
From financial institutions	-0-	-0-	-0-
From foreign	0.06	0.06	0.06
Total deposits and debt securities issued	175.90	5,240.10	6,354.33
Borrowings	-0-	-0-	2,000.00
Other liabilities	4,330.23	4,745.30	3,062.60
Total funds from liabilities	4,506.13	9,985.40	11,416.93
Funds - Shareholders' equity	9,743.67	9,596.65	9,282.27
Total funds from equity	14,249.81	19,582.05	20,699.20

As of December 31, 2021, the Company had sources of funds from deposits and debt securities issued in the amount of Baht 175.90 million, with a proportion of deposit receipts from individuals, both individuals and corporate entities amounted to Baht 175.84 million or 99.96 percent, from promissory notes amounted to Baht 6 million or 0.11 percent. Total deposits and debt securities issued accounted for 1.23 percent of the company's funding. At present, the Company had pay funding from loans to reduce cost of fund due to excess liquidity.

For future funding sources, the Company has a policy for financing in accordance with the objectives and the need for money by taking into account the appropriateness of net capital.

Funding from related parties

The company has funding from related parties in the year 2021, in accordance with the ordinary course of business. Such transactions were made according to commercial conditions and the criteria under the contract between the Company and those persons or entities. (Please see item 12, related party transactions in 56-1 One Report Form and notes to financial statements No. 42 of the accompanying financial statements)

The outstanding balance as of December 31, 2021, the Company has no financing and lending from related parties.

Ability to Maintain Capital Funds

The Company will maintain capital funds to risk-weighted assets in accordance with the ratio prescribed by the Bank of Thailand, not less than 8.5 percent. The company will conduct business carefully by focusing on good quality customer base in order to minimize the risk of possible damage. In the past period, the Company has the capital ratio which much higher than the ratio prescribed by the Bank of Thailand. At December 31, 2021, the Company has the capital ratio at 55.03 percent.

Liquidity Management Policy

The liquidity management policy of the Company has a sufficient liquidity reserve for the current liquidity risk level. Most of liquidity reserve will be invested in private repurchase agreement, which is a loan between financial institutions that have government debt securities as collateral in full amount. At December 31, 2021, the Company's Liquidity Coverage Ratio (LCR) is at 5,435.36 percent.

Daily liquidity management is the responsibility of the Treasury and Investment Department, which will oversee the source of funds and investments according to the cash flow projections of each day. Also, the Treasury and Investment Department will be responsible for overseeing the liquidity of the Company to comply with the Company's risk management policy and the Notification of Bank of Thailand on the Capital Requirement and Maintenance of Liquid Assets, Regulations on Supervision of Capital and Liquid Coverage Ratio (LCR) and the criteria that require the Company to maintain an average deposit of not less than 1% of the average deposit and loan amount.

In addition, the Company has prepared a contingency plan for liquidity management in times of crisis which includes the practice guidelines according to such plan. The contingency plan will be reviewed annually to prepare and provide sufficient liquidity if the liquidity crisis occurs.

1.3 The Company's holding structure

As at 31 December 2021, the Company has no subsidiary and has no invest in other company more than 10%

Shareholders Structure

The list of shareholders and their shareholding out of the total registered and paid-up shares as shown in the book of shareholder's registration as of May 6, 2021 is as follows:

	Name	Number of shares	% of Holding
1.	SRISAWAD CORPORATION PUBLIC COMPANY LIMITED	450,678,407	81.76
2.	Mr. Luchai Phukhan-anan	8,480,070	1.54
3.	Miss Supaporn Ahunai	7,717,500	1.40
4.	Mrs. Jaruwan Jiampittayanuwat	7,514,905	1.36
5.	Mrs. Mei Lee	4,620,000	0.84
6.	Thai NVDR Company Limited	2,747,039	0.50
7.	Mrs. Lawan Whanglee	2,550,000	0.46
8.	Mr. Kiatchai Watcharaniti	2,500,000	0.45
9.	Mr. Wanont Wannapan	1,600,000	0.29
10.	Mr. Assadawut Duangpanyasawang	1,200,999	0.22
11.	General investors	61,638,321	11.18
	Total	551,247,241	100.00

1.4 Registered and paid up Capital

Ordinary shares

The Company had the registered capital of 2,756,236,215 baht, consisting of 551,247,243 ordinary shares at a par value of 5 baht per share, and the paid-up capital of 2,756,236,205 baht, consisting of 551,247,241 ordinary shares at a par value of 5 baht.

Other shares which have right or condition different from ordinary shares.

-None-

The Company's obligation on issuance of ordinary shares in the future

-None-

1.5 Other securities

-None-

1.6 Dividend Payment Policy

The Company has the policy of paying dividend not lower than 40 percent of the company's net profit by taking into consideration the adequacy of capital funds for the company's business operations, including economic necessity and the Company's financial position. For the year 2020 and 2021, Bank of Thailand had announced regarding to financial institutions may pay dividend to shareholders not more than 50% of net profit.

Dividend payment History

Year	2021	2020	2019
Earnings per share	1.66	2.84	1.98
Dividend paid per share	0.82	1.40	2.25
Dividend Payout Ratio (%)	49.40%	49.30%	113.64%

2. Risk Management

2.1 Risk Policy and Risk Management Plan

Risk management is a very important priority for the Company. Therefore, the Company has created risk management policies as a tool for risk management and internal control, as well as developing a risk management system for employees at all levels to adhere to. In addition, risk management policies are designated as part of the risk management manual, which will be updated to ensure consistency and effective response to the nature of business operations and changes in economic, social and environmental conditions.

Risk Management Framework

The Company's risk management framework and processes are based on international risk management standards, COSO ERM (The Committee of Sponsoring Organizations of the Treadway Commission, Enterprise Risk Management - Integrated Framework 2017) and ISO 31000: Risk Management, to serve as a guide for management and employees to manage risks in consistent manner throughout the organization. The company's risk management process consists of 8 main components:

- Internal Environment

The internal environment is an important basis for the risk management framework. It influences how the organization's strategies and goals are determined. It also affects the identification, assessment, and management of internal environmental risks within the organization; including ethics, how executives and personnel work, management's approach to running business, and assignment of authority, duties and responsibilities. It should be defined jointly by management and employees in the organization, and help to foster an awareness of risks and controls throughout the company.

- Objective Setting

Organizations should have clear business objectives to ensure that their aspirations are aligned with strategic goals and risks that are acceptable, by managing the risks within the framework of Risk Appetite and Risk Tolerance.

- Event Identification

In the process of identifying events, all potential risk factors should be considered, including risks pertaining to strategy, finances, personnel, operations, law, taxation, systems, and environment. The process should also consider the relationship between potential events, sources of risk from the internal environment

(such as corporate capacity, company information systems, or management structures), as well as risk sources from external environments such as culture, technology, or politics.

■ Risk Assessment

Risk assessment should be performed subsequent to the identification of risk events. The process includes the following:

1. Analysis of Risk

Causes and sources of risk should be considered, along with the chances of both positive and negative consequences of the risk events, as well as the contributing factors. One risk event may have an impact on multiple different objectives and business targets. In addition, the analysis should consider the risk management measures currently undertaken, as well as the effectiveness of such measures.

2. Assessment of Risk

Risk assessment compares the level of risk determined from the risk analysis exercise versus the Company's acceptable level of risk, or its "Risk Appetite". In the event that the level of risk exceeds the risk appetite, such risks shall be handled immediately

3. Determination of risk criteria

The criteria used to assess risk should reflect the value, objectives, and resources of the Company. Certain criteria may be developed from the legal requirements or regulations of the pertinent regulatory authority. The established criteria should be in line with the organization's risk policy and be reviewed on an ongoing basis.

Once risks are assessed, the Risk Management department will analyze and summarize the results of the assessment using the Risk Map, and prioritize risk issues to present to the Risk Oversight Committee to select key risk issues to be managed. The risk management measures are assigned to the related process owners, and their progress are reported to the Risk Oversight Committee, Audit Committee, and Executive Committee on a periodic basis.

■ Risk Response

Risk response is determined after the Company has identified and assessed the pertinent risks, and should correspond to the root causes in order to effectively reduce the potential for losses to a level that is acceptable.

■ Control Activities

Control activities are policies and procedures to ensure that risks are managed to an acceptable level to prevent impact on the goals of the organization, and can be divided into 4 categories:

1. Preventive Control is a control method that is established to prevent risks and errors before they occur.
2. Detective Control is a method of control to discover errors that have already occurred.
3. Directive Control is a method of control that promotes or encourages success of the intended objective.
4. Corrective Control is a method of control that is defined to correct errors and prevent future recurrence.

Nevertheless, the control activities should also take into account the related costs and the expected benefits.

■ Information and Communication

Information system and communication are essential for organizations to identify, assess and manage risks. Information related to the organization, both from internal and external sources, should be properly recorded and communicated to personnel in the organization, with respect to the approach and timing of the communication, to enable the personnel to fully perform their duties and responsibilities. The communication should also include the reporting of the risk management results, to allow everyone in the organization to be aware of the risks and the outcome from the effort to manage them. Effective communication also covers communication from top-to-bottom, bottom-to-top, and communication between departments. In risk management, both historical and present information should be used. Historical data shows event trends and helps predict future operations. Current information is useful for management to determine the risks posed in the process, lines, or departments. This enables organizations to modify control activities as necessary to keep risks at acceptable levels.

■ Monitoring

The risk management process undertaken internally requires communication of the risk assessment result and the controls implemented, progress in risk management. It also requires a continual monitoring of trends in the critical risks to ensure that:

1. Risk Owner monitors and assesses the current situation, and analyzes and manages risks under their responsibilities regularly and appropriately.
2. Progress on the risk management measures associated with risks that have significant consequences on the Company's objectives are reported to the responsible parties, and to the Risk Oversight Committees
3. The internal control system is sufficient, appropriate, effective, and properly implemented to prevent or reduce potential risks. Internal controls are reassessed continually to reflect changing circumstances or risks.

2.2 Risk Factor

2.2.1 Strategic Risk

The Company realizes the significance of systematic and effective risk management and control by clearly defining the risk management structure for the main purpose of preventing and managing risks. Including formulate the rules under the supervision of the Bank of Thailand conforming to good corporate governance, transparency and justice.

However, the Company has evaluated, controlled, monitored and reported the risk to create the methodical process of risk management which controlled, monitored and managed by the Board of Company, Audit Committee and Risk Oversight Committee.

Credit Risk

Credit risks are risks that may be caused by debtors being unable to fulfill their contracts, or that the debtor is at increased risk during the loan period, making it more likely that they will not be able to repay the debt as promised. As a result, the Company would need to increase the estimated credit loss to account for the increased potential delinquency, and for the consequent impact on the Company's bottom line and economic capital

The Risk Associated with the Increased Trend in Non-Performing Loans.

The COVID-19 pandemic from 2020 has resulted in a steady contraction in economic activity. A vast sector of workers have suffered lower income or unemployment. This has led to lower consumption and a reduction in repayment capacity. This can have a significant negative impact on the quality of the company's assets and revenue.

The Company manages risk by requiring careful consideration of loans at all stages, as well as prioritizing the quality of loans by monitoring customer and guarantor information. An evaluation report is used to determine the customer's ability to repay debt. In addition, the company's lending product consists mainly of secured loans, with collateral ratio (LTV) as low as 30-70 percent.

Risk from Impairment of Collateral

Currently, the Company has collateral both in the forms of movable and immovable assets of which collateral values may change depending on the economic situations. If the economy is in recession or depression, the value of the collateral may decrease. Consequently, the Company has to increase the amount of provision for non-performing loans. In addition, the amount of money received from selling of non-performing assets may reduce. Such factors can affect the Company's operations and capital fund. However, the Company has regularly appraised the value of collateral in order to determine the real value so appropriate tactics and strategic plan can be taken in line with changes in credit risk.

As for auto and housing loans, the Company regularly adjusts the rate book to reflect the real value and will adjust the collateral discount rate to affect the risk.

Risks of Inability to Locate Collateral

With most of the company's loan collateral being mobile assets such as cars and motorcycles, which can be difficult to locate in the event that the customer defaults on the loan payment, if the company is unable to track down the collateral to repossess and resell for proceeds against the outstanding loan, the financial performance of the Company would be negatively impacted.

To manage this risk, the Company has a lending policy to customers and/or collateral and/or guarantors with an address or domicile in the same area as the Company's branch that is issuing the loan. The branch is required to verify the location information to ensure that the address of the collateral is accurate. In the event that the customer misses their installment payment, the branch personnel will conduct a field visit to check on the whereabouts of the collateral on a timely basis to reduce the likelihood that the customer moves the collateral outside the area. The Company's branch network of 4,947 branches covering most of the country also allows for additional channels to help locate the collateral in case it is brought outside of the original zone.

The Risk of Inability to Sell Foreclosed Property

In the business of car-title loan and hire-purchase loan, when a customer misses 3 consecutive installments, the Company will send a notice of termination of the contract if the customer does not come to negotiate the repayment within 30 days in case of hire-purchase agreement or within 7 days in case of loan agreement. At this point, the company is legally able to repossess the related collateral, and a notice letter will be sent to the customer to inform that the collateral still be redeemed within 30 days (both in case of hire-purchase and loan agreements.) Once this 30-day window has passed and the customer does not come to redeem the collateral, the company may sell the collateral immediately. Currently, the Company sells property foreclosed through various channels such as Group's branches, auction companies: Union Auction Plc., Saha Crane Auction Co., Ltd. to pay off the outstanding balance of the customer. Sale proceeds less than the outstanding loan balance, or inability to sell the collateral will have a negative impact on the Company's performance.

The Company decides to extend loans to customers, considering the popularity of the vehicles in the market or the locations of the land in order to reduce potential impact of the lack of liquidity from the sale of confiscated collateral. After confiscating the collateral, the Company's staff will keep the items and sell them to the Group's selected counterparty by tranches at net asset value price.

The pricing of confiscated collateral is based on the remaining value of the outstanding balance, which is normally lower than the market price. Hence, the selling prices of confiscated collateral items are normally lower than the market prices, increasing more liquidity to the sale transactions.

Risk of high dependence on major shareholders

At present, the Company is serviced by SAWAD, its major shareholders with 81.76 percent of the paid-up capital as of 31 December 2021, for the marketing, credit monitoring and cash payment at branches of SAWAD. The relying on services from major shareholders in the case that the major shareholder is unable to provide services might cause the business continuity of the Company. However, the Company has a process to consider and assess the risk of outsources, including the Company are looking for additional outsources to reduce the risk.

2.2.2 Market Risk

Risks from the Government imposing additional controls over the consumer lending industry are ever on-going, since the Government's intentions are to help ensure fairness for all stakeholders, both lenders and customers, and to ensure that the source and use of money can be monitored for anti money-laundering purposes. The Government also needs to ensure that regulations pertinent to the finance industries are in-

line with financial innovations that are always evolving. The resulting changes in regulations from this oversight may impact the Company's financial results.

The risks posed by changes in interest rate and the price of instruments in the capital markets are another risk that has a negative impact on the company's earnings and economic capital. Currently, the Company is only exposed to interest rate risk pertaining to banking transactions.

The Company manages risks by closely monitoring interest rate trends, and assessing the impact from interest rate fluctuations by using the repricing gap approach to see the impact of interest rate changes on net interest income and economic value of shareholders on a monthly basis, comparing the impact to the risk threshold. If the impact is more than the risk threshold, the instance will be brought to the attention of the Risk Oversight Committee and the Board of Directors for consideration respectively.

2.2.3 Liquidity Risks

Liquidity risks are risks that the company is unable to settle debts and obligations at maturity because it cannot timely convert assets into cash or cannot provide sufficient financing within a specified period of time, or at a proper cost of funds, which may cause damage to the Company.

The Company continually manages liquidity risks on an on-going basis by reviewing, evaluating the liquidity level closely through the treasury system. Daily financial position reports are presented to the Managing Director for consideration, and monthly reports are presented to the Asset and Liability Management Committee to consider the Liquidity of the Company at each meeting. In addition, liquidity stress test analyses are also prepared and presented to the Board of Directors on a monthly basis. Therefore, in the event of an emergency, the Company has a liquidity contingency plan and manual in place to ensure that financial obligations can be met timely.

2.2.4 Operation Risk

The Company precisely formulates the policy scope of operational risk management with strong internal control system and the operation manual with the effective training. The Company organized Loss data and near-missed data both monetary and non-monetary from each department. Moreover, the Company formulates the outsourcing policy and new product through studying, analyze and assess the risk and gain comment from risk management department.

The Company also has an independent internal auditor that directly report to Audit Committee for formulate risk-based audit plan and provide consultancy for internal control improvement.

The Company also has formulated the Business continuity plan in order to prevent disruption in business operation. For the human resources, the Company has continued provide training, on the job training, online course and other development program to increase staff capability as well as the risk awareness from the operation.

2.2.5 Risks of securities holders

Shareholders who have invested in the securities of the Company are faced with a risk that the returns from the investment does not meet expectations due to volatility in the market price that fluctuates according to the economic conditions at the time; coupled with dividend payments that are dependent upon the financial results that the Company cannot guarantee will be as strong as in the past due to a variety of external factors such as political situations or economic conditions. However, the Company is making every effort to drive its business performance to grow sustainably. The Company has also disclosed its financial and operational information, along with the pertinent risks, which are all essential information for the shareholders to review and consider in making their investment decision accordingly.

2.2.6 Risks of Non-Compliance with the Personal Data Protection Act

The Personal Data Protection Act is intended to protect personal data of consumers. Therefore, the keeping, the use, the disclosure, or the transfer of personal data must be in accordance with the consent of the data subject, except for other reasons as permitted by law. To prevent the risk of non-compliance with the requirements of this Act, the company has implemented a system and operational procedures in strict accordance with the law; including a privacy policy, procedure manuals, and a department to monitor compliance to the policy as a means of check and balance. Training is also provided to employees at all levels. In addition, technology is used to store and ensure data security, including an alternate data storage location.

2.2.7 Environmental, social and governance risks

The Company places an emphasis on conducting business in a sustainable manner, since business decisions by the Company may have an impact on society. As such, the Company is cognizant of the benefits to the society as a whole more than the benefits to the Company. Therefore, the company considers and measures risks to the environment, society, and Good Governance as part of the strategy and day-to-day operation. For instance, employees are being requested to be mindful of their usage of electricity and water supply,

and encouraged to operate under good governance both inside and outside the organization. This reduces potential corruption and promotes fairness to those involved.

2.2.8 New potential risks

Risks associated with future changes in financial technologies

Currently, financial technology is changing rapidly. Financial service providers have developed new applications or tools for lending service through the digital channel. This has resulted in more flexibility in terms of service. For example, small business owners who are a group that historically had difficulty accessing funding due to lack of evidence of a source of income, are able to use their digital footprint, which shows their behavior of using online financial services, as a form of credit history on their loan application instead. This has allowed for the consumer group to quickly access funding, and make transactions 24 hours a day, reducing restrictions on business hours or challenges in traveling to the office location of the service providers. Funding options for the consumer can be compared instantly. Therefore, if the Company does not adapt to the technological changes, it may lose market share to the new competitors that are able to reach customers more quickly.

Risks of pandemic or natural disasters from climate change

The COVID-19 has significantly impacted social and economic conditions around the world. The end of this pandemic is uncertain. The company has been impacted both operational wise and customer service wise. Nonetheless, the Company has provided assistance to the customers in accordance with the Government's measures. The Company has implemented a business continuity plan that includes workspace reallocation for employees with certain job responsibilities that could not be carried out through work-from-home arrangement, as well as an increase in safety measures to enter and leave the head office. As a result, the Company's day to day activities have been able to be carried out as planned. For natural disaster risks caused by climate change such as global warming, coastal flooding, or farmland droughts, they may have a negative impact on agricultural productivity in terms of quality and quantity of the crops. As a result, the group of customers in the farming sector may experience a decrease in the ability to pay off debt, which may in turn reduce the quality of the Company's assets.

3 Business Drive for Sustainability

The Company has integrated operational practice based on the United Nations Sustainable Development Goals (UN SDGs) to our operational strategies. The Company has also outlined policies relevant to both internal and external contexts in the dimensions of economy, society and environment in order to determine strategies for business drive for sustainability, based on good corporate governance fundamentals.

3.1 Sustainability Management Policies

The Company is committed to sustainable development operations encompassing all economic, social, and environmental dimensions, as well as laying out concrete guidelines and procedures in line with international sustainability practices to build trust with stakeholders.

The Company has established a framework and sustainability management policy with a focus on business operations, and takes into account sustainability-oriented operations in four areas as follows:

1. Sustainable Business through Responsible Lending

The Company is committed to conducting business on the basis of good corporate governance to generate sustainable returns, adhering to responsibility to all stakeholders, focusing on the customers, by innovating and developing products and services to meet all customer needs, with proper and effective risk management practices at the international standard level.

2. Value and Social Responsibility through promoting quality-living for society.

The Company focuses on creating opportunities for employees and people in society, supporting community businesses by providing access the Company's services to improve the quality of life, promoting financial management awareness to all groups of people in the society equally, and valuing our employees by striving to improve their capacity.

3. Sustainable environment by conducting environmentally responsible business

The Company is committed to environmental conservation, including pollution prevention, by promoting the most efficient use of resources and energy, and encouraging all employees and all agencies to recognize the roles, duties and responsibilities of environmental protection and resource utilization.

4. Ethical Business Practice through Strategic Management of Human Resource, Governance, Risk Management, and Compliance

The Company is committed to complying with good governance and business ethics by communicating the Company's business ethics to all stakeholders both inside and outside the organization, conducting business in accordance with responsible corporate governance principles and respect human rights, maintaining strict compliance with government laws and regulations, managing risks and economic impacts both directly and to

its value chain partners to promote understanding and compliance with this Sustainability Management Policy. All management groups and employees are responsible for supporting, pushing, and acting in accordance with the policies and sustainability management frameworks set for the best interests of all stakeholders.

3.2 Management of impact on stakeholders in the value chain

- **Value Chain**

The Company operates business with responsibilities under corporate governance principles. The Company has principles to manage the supply chain as a core part of business operation, which should help drive organizational growth development in sustainable ways. The Company sincerely pays attention to details in all steps, starting from production designs to promotion of products through a number of channels, such as online channels - conversation with targeted customers through social media, e.g., Facebook and Line, and offline channels, e.g., billboards in various areas as well as public relation through TV media (i.e., vendor/suppliers).

In addition to the aforementioned points, the Company also emphasizes the significance of maintenance of the existing customer base while attracting potential customers. Therefore, the Company places emphasis on providing services with care and offering good aftersales services. Furthermore, the Company always welcomes customers' complaints, and takes them into consideration for further improvement. All these points are expected to lead to sustainability going forward.

Identification and analysis of stakeholders for prioritization

Identification of stakeholders

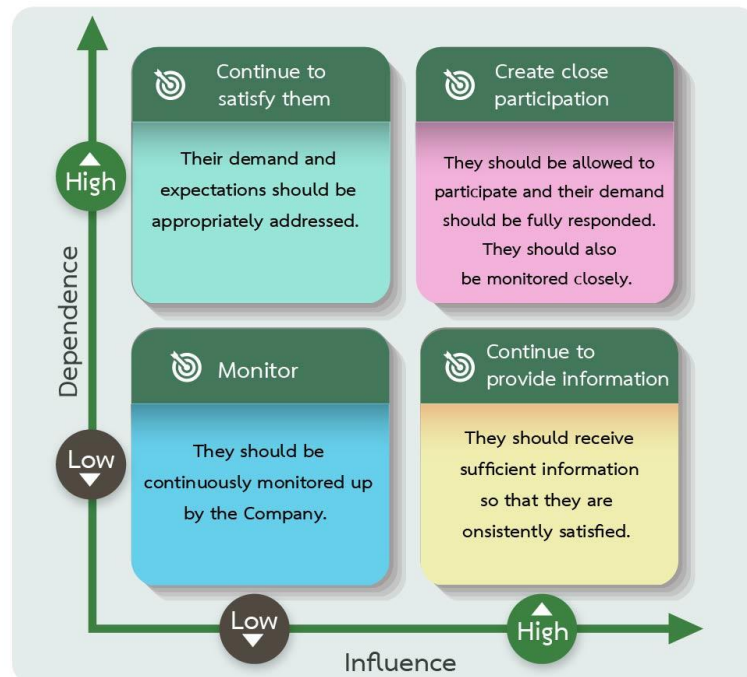
1. The Company identifies related stakeholders by examining the extent of their participation and the characteristics of individual stakeholders, who may impact the Company or may be impacted by the Company's business operation and activities, both directly and indirectly.
2. Initially, the Company classifies stakeholders into groups of individuals or organizations, which may impact or may be impacted by the Company's business operation and activities in the following prioritized order.
 1. Shareholders
 2. Customers
 3. Employees
 4. Partners and creditors
 5. Communities, society and environment

6. Competitors

The company prioritizes each group of stakeholders, based on the extent of their influence and dependence on the Company.

- **Influence:** Stakeholders with high influence refer to those who have an impact on the Company's potential to achieve the set business strategies.
- **Dependence:** Stakeholders with high dependence refer to those who have been impacted, both positively and negatively, by the Company's business operation and activities.

Dependent stakeholders refer to those who have been impacted, both positively and negatively, by the Company's business operation and activities



Stakeholders with influence refer to those who have an impact on the Company's potential to achieve the set business strategies.

Analysis and levels of engagement to stakeholders:

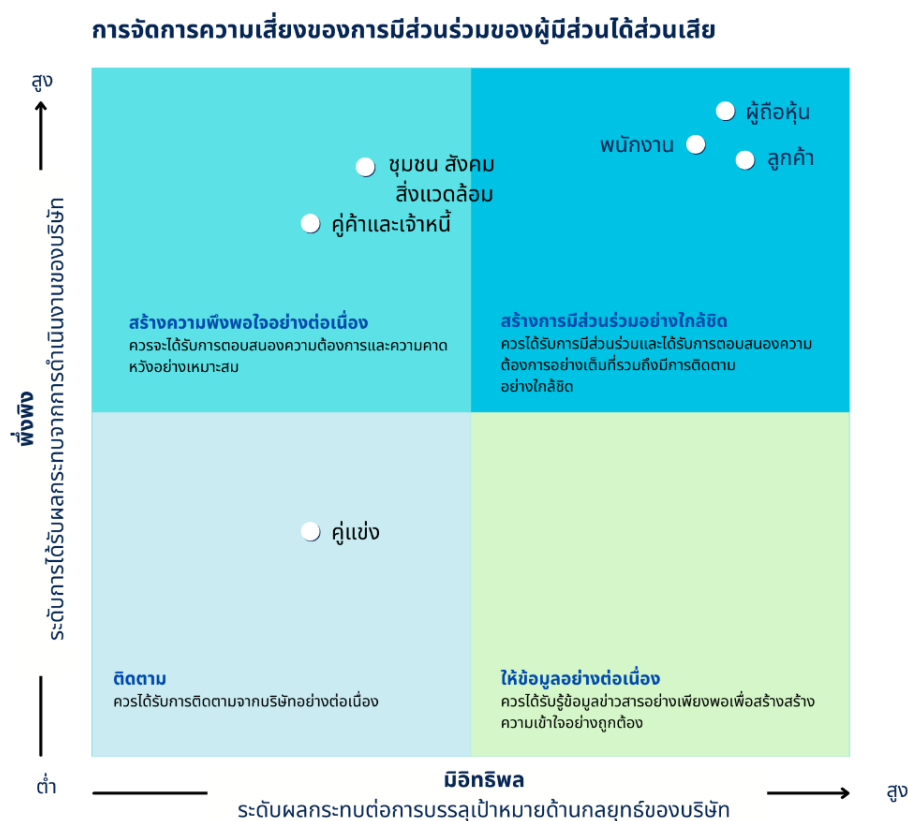
- Highly influential and high-stake stakeholders should be engaged, fully attended to, and closely monitored.
- Stakeholders with high influence but low stake in the company should be informed sufficiently to ensure continuous satisfaction.
- Low-influenced but high-stake stakeholders should be properly attended to based on their needs and expectations.
- Low-influenced and low-stake stakeholders should be constantly monitored by the company.

Management of Risks Pertaining to Involvement of Stakeholders

Entities that entail stakeholders must identify risk issues and develop important risk management plans, including the likelihood of such risks as a result of stakeholder participation as follows:

1. Conflicts between stakeholder engagements
2. Stakeholder vandalism, or unwillingness to engage
3. Stakeholder expectations for companies that fail to meet stakeholder needs
4. Stakeholders without authority and unidentifiable

Management of Risks Pertaining to Involvement of Stakeholders



3.3 Sustainability management in the dimension of environment

The company is aware of the importance of environmental preserve, which is becoming more intense. The company is determined to promote environmental preservation by setting an environmental policy that is consistent with the goals in accordance with business operations and employees shall be able

to practice. The Company encourage the employees to cooperate to preserve the environment in various fields such as water, electricity, waste separation, carrying a cloth bag to reduce the use of plastic. The company has emphasized on employees to be aware of the effective use of resources and has been publicized through various channels to recognize and participate in the practice, such as affixing signs at various points Notification of news via the company's mail or intranet, etc.

Management guidelines

- Risk management from climate change
- Mitigation

The company considers that company's operations will be able to grow sustainably along with developing and maintaining on a sustainable society and environment as well. Therefore, the company encourages employees to be conscious to deliver services that create value for society and the environment, including with the company participation in social impact management. The company is committed to taking part in reducing environmental impacts and social impacts by offering lending, financial opportunities and investment, which has been done though the concept of sustainable and responsible lending. In addition, the company has attempted to increase positive impacts on environment by presenting products to all customer groups in order to pave the way for sustainable growth.

Performance of environmental operation

The Company has set the guidelines for data collection along with arrangement of certain activities to create awareness among all employees, encouraging them to see the significance of environmental management within the organization. In addition the Company has attempted to promote environmental preservation projects in collaboration with the communities. This was under operation in 2021. For 2022, the goals for each project are as follows.

Energy use within the organization	Goals for 2022
Entire energy use (megawatt – hour)	Reduction by 5% from the energy usage level in 2021
Greenhouse gas emission	
Direct greenhouse gas emission (tons of carbon dioxide equivalent)	Reduction by 5% from the level in 2021
Indirect greenhouse gas emission (tons of carbon dioxide equivalent)	Reduction by 5% from the level in 2021
Water use within the organization	
Purchased tap water for use (MCM)	Reduction by 5% from the water use level in 2021
Waste management within the organization	
Unhazardous waste eliminated by landfill	Reduction by 5% from the volume of waste in 2021
Unhazardous waste for further recycling procedure	Reduction by 5% from the volume of waste in 2021

3.4 Sustainability management in the dimension of society

Human Right Policy

The Company is well aware that a key factor for sustainable business management is to respect human rights, which relate to personnel, organizations, customers, communities, society and business partners. The Company has thus determined the human right policy to ensure that the Company operates business well under key laws and international standards.

The Board of Directors, the management and all employees respect human rights in all areas and they are encouraged to respect the rights as well as treat all parties with equality without special favors given to any particular bodies. All parties avoid infringement of human rights and participation in other parties' action that infringes human rights. The Company also follows Thai laws and the laws of the countries where the Company's business is operated. In addition, the Company also communicates operation guideline related to the human rights to all stakeholders in order to encourage them to take part in operation under the Company's human right policy.

In addition, the Company will not accept any acts that violated right and freedom of any persons directly or indirectly such as physical abuse, verbal abuse, persecution, intimidation, humiliation, sexual harassment, contempt etc. The Company will not support or hire illegal labor. The Company had established the channel for human rights violation, complaints and whistleblowing as through the company website under "contact us". In the year 2021, there's no complaint in any case.

4. Management Discussion and Analysis

Summary of Operating Performance

(Unit: Thousand Baht)

	For the year		Change	
	2021	2020	Increase (Decrease)	%
Interest income	1,417,385	3,422,449	(2,005,064)	(58.59)
Interest expenses	(62,325)	(221,047)	(158,722)	(71.80)
Net interest income	1,355,060	3,201,402	(1,846,342)	(57.67)
Fees and service income	138,555	138,225	330	0.24
Net gain on financial instruments measured at fair value through profit or loss	71,337	114,961	(43,624)	(37.95)
Other operating income	48,879	140,410	(91,531)	(65.19)
Other operating expenses	(725,967)	(1,553,875)	(827,908)	(53.28)
Expected credit loss (Reversal)	255,105	(82,517)	(337,622)	(409.15)
Profit from operating before income tax expense	1,142,969	1,958,606	(815,637)	(41.64)
Income tax expense	(229,787)	(391,413)	(161,626)	(41.29)
Net profit for the year	913,182	1,567,193	(654,011)	(41.73)

The operating results of the Company for the year ended December 31, 2021 showed a net profit of Baht 913.18 million, a decrease of Baht 654.01 million or 41.73% compared with net profit of Baht 1,567.19 million obtained in the year 2020. The details of which are listed below:

1. A decrease in net interest income by Baht 1,846.34 million due to a decrease in interest income by Baht 2,005.06 million and a decrease in interest expenses by Baht 158.72 million. The details are described as below:

	(Unit: Thousand Baht)			
	For the year		Change	
	2021	2020	Increase (Decrease)	%
Interest income				
Interbank and money market items	13,687	9,963	3,724	37.38
Investment in debt securities	1,622	6,371	(4,749)	(74.54)
Loans to customers	1,402,076	3,406,115	(2,004,039)	(58.84)
Total interest income	1,417,385	3,422,449	(2,005,064)	(58.59)
Interest expenses				
Deposits	43,698	128,076	(84,378)	(65.88)
Contribution fees to FIDF and the Deposit Protection Agency	5,018	17,653	(12,635)	(71.57)
Debt securities issued and borrowings	105	60,705	(60,600)	(99.83)
Lease liabilities and decommissioning costs	13,504	14,613	(1,109)	(7.59)
Total interest expenses	62,325	221,047	(158,722)	(71.80)
Net interest income	1,355,060	3,201,402	(1,846,342)	(57.67)

A decrease in interest income by Baht 2,005.06 million due to

- A decrease in interest income from loans to customers by Baht 2,004.04 million which in line with the decrease in loans to customers
- An increase in interest income from interbank and money market items (Repo) by Baht 3.72 million due to the increase in private repo transaction volume compared with the year 2020.
- A decrease in interest income from investment in debt securities by Baht 4.74 million as there is no investment was purchased since the year 2020 onwards.

A decrease in interest expenses by Baht 158.72 million due to

- A decrease in interest expenses from deposits by Baht 84.38 million due to the decrease in outstanding deposits from Baht 5,234.10 million in 2020 to Baht 169.90 million in 2021 or decreased by 96.75%.
- A decrease in contributions to Financial Institution Development Fund and Deposit Protection Agency by Baht 12.63 million which is in line with the proportion of deposits and borrowings. Moreover, this is also a result of the temporality reduction of contribution rate for the Financial Institutions Development Fund according to the Bank of Thailand's notification.
- A decrease in interest expenses from debt securities issued and borrowings by Baht 60.60 million because of the repayment of all outstanding borrowings from related party for business operation during the year 2020
- A decrease in interest expenses of lease liabilities by Baht 1.11 million, which is in accordance with financial reporting standards 16: Lease.

2. A decrease in non-interest income by Baht 134.83 million. The details are described as below:

(Unit: Thousand Baht)				
	For the year		Change	
	2021	2020	Increase (Decrease)	%
Fees and service income				
Collection fee and penalty charge, net	135,499	117,938	17,561	14.89
Others	3,056	20,287	(17,231)	(84.94)
Total fees and service income	138,555	138,225	330	0.24
Net gains on financial instruments measured at fair value through profit of loss				
Gains on change in fair value	40,259	114,961	(74,702)	(64.98)
Gains on disposal of financial instruments	31,078	0	31,078	100.00
Total net gains on financial instruments measured at fair value through profit	71,337	114,961	(43,624)	(37.95)
Other operating income				
Dividend income	567	2,047	(1,480)	(72.30)
Other income	48,312	138,363	(90,051)	(65.08)
Total other operating income	48,879	140,410	(91,531)	(65.19)
Total non-interest income	258,771	393,596	(134,825)	(34.25)

- An increase in fee income relating to loans to customers by Baht 0.33 million mainly due to an increase in collection fee
- A decrease in net gains on financial instruments measured at fair value through profit or loss by Baht 43.62 million is a result of an increase in gains on disposal of financial instrument by Baht 31.08 million and a decrease in gains on changes in fair value from valuation in accordance with TFRS9 by Baht 74.70 million.
- A decrease in other operating income by Baht 91.53 million mainly due to a decrease in the bad debt recoveries balance in 2021.

3. A decrease in other operating expenses by Baht 827.91 million. The details are described as below:

(Unit: Thousand Baht)				
	For the year		Change	
	2021	2020	Increase (Decrease)	%
<u>Other operating expenses</u>				
Personnel expenses	240,047	409,542	(169,495)	(41.39)
Directors' remuneration	3,374	5,732	(2,358)	(41.14)
Premises and equipment expenses	52,114	50,185	1,929	3.84
Taxes and duties	60,204	136,601	(76,397)	(55.93)
Loan management fee	267,428	845,342	(577,914)	(68.36)
Other expenses	102,800	106,473	(3,673)	(3.45)
Total other operating expenses	725,967	1,553,875	(827,908)	(53.28)

- A decrease in loan management fee by baht 577.91 million due to the declining loan portfolio and the decrease in collection service provided by service provider.
 - A decrease in taxes and duties by Baht 76.40 million mainly due to a decrease in special business tax which is in line with the decrease in interest income.
 - A decrease in personnel expenses by Baht 169.50 million is in line with the decreasing number of employees.
 - A decrease in other expenses mainly due to the decrease in losses on foreclosed assets disposal.
4. A decrease in expected credit loss by Baht 337.62 million which was calculated according to TFRS9.

5. A decrease in income tax expense by Baht 161.63 million mainly due to a decrease in profit before income tax.

Financial Position

Assets

The Company's total assets as of December 31, 2021 amounted to Baht 14,249.81 million, which decreased by Baht 5,332.23 million or 27.23%, compared with the total assets of Baht 19,582.04 million at the end of 2020.

	(Unit: Thousand Baht)					
	December 31, 2021		December 31, 2020		Change	
	Amount	%	Amount	%	Increase (Decrease)	%
Cash	20	0.00	20	0.00	0	0.00
Interbank and money market items, net	1,053,563	7.39	4,774,983	24.38	(3,721,420)	(77.94)
Financial instruments measured at fair value through profit or loss	1,692,789	11.88	54,128	0.28	1,638,661	3,027.38
Investments, net	37,131	0.26	120,209	0.62	(83,078)	(69.11)
Net loans to customer and accrued interest receivables, net	4,314,320	30.28	11,484,557	58.65	(7,170,237)	(62.43)
Properties foreclosed, net	53,193	0.37	43,406	0.22	9,787	22.55
Land, premises and equipment, net	331,832	2.33	480,311	2.45	(148,479)	(30.91)
Intangible assets, net	13,159	0.09	13,677	0.07	(518)	(3.79)
Deferred tax assets, net	15,580	0.11	7,703	0.04	7,877	102.26
Receivable from related parties	6,710,792	47.10	2,569,409	13.12	4,141,383	161.18
Other assets, net	27,429	0.19	33,640	0.17	(6,211)	(18.46)
Total asset	14,249,808	100.00	19,582,043	100.00	(5,332,235)	(27.23)

At the end of 2021, the Company had a Private Repurchase Agreement of Baht 500.00 million (which is included in interbank and money market items), or approximately 3.51% of total assets.

The Company's main assets are comprised of financial assets as Interbank and money market items, financial instruments measured at fair value through profit or loss, investments and loans to customers and accrued interest receivables, the details of which are as follows:

Financial instruments measured at fair value through profit or loss

Financial instruments measured at fair value through profit or loss increased from Baht 54.13 million at the end of 2020 to Baht 1,692.79 million at the end of 2021 or increased by Baht 1,638.66 million. The details of fair value are as follows:

(Unit: Thousand Baht)						
	December 31, 2021		December 31, 2020		Change	
	Amount	%	Amount	%	Increase (Decrease)	%
Financial instruments measured at fair value through profit or loss						
Domestic marketable equity securities and unit trusts	1,650,716	97.51	150	0.28	1,650,566	1,100,377.33
Domestic non-marketable equity securities	42,073	2.49	53,978	99.72	(11,905)	(22.06)
Total financial instruments measured at fair value through profit or loss	1,692,789	100.00	54,128	100.00	1,638,661	3,027.38

Overall, the Company had a total financial instruments measured at fair value through profit or loss of Baht 1,692.79 million, an increase of Baht 1,638.66 million or an increased by 3,027.38%, mainly due to an investment in equity securities and unit trusts during the year 2021 of Baht 1,650.00 million and changes in fair value. The changes in financial instruments measured at fair value through profit or loss are detailed as follows:

- (1) Domestic marketable equity securities and unit trusts in the amount of Baht 1,650.72 million, accounting for 97.51% of total financial instruments measured at fair value through profit or loss, increased from the year 2020 by Baht 1,650.57 million or increased by 1,100,377.33%
- (2) Domestic non-marketable equity securities in the amount of Baht 42.07 million, accounting for 2.49% of total financial instruments measured at fair value through profit or loss, decreased from the year 2020 by Baht 11.91 million or decreased by 22.06%

Investments, net

Net investment decreased from Baht 120.21 million at the end of 2020 to Baht 37.13 million at the end of 2021 or decreased by Baht 83.08 million. The details of fair value are as follows:

(Unit: Thousand Baht)						
	December 31, 2021		December 31, 2020		Change	
	Amount	%	Amount	%	Increase (Decrease)	%
<u>Investment in debt instruments measured at fair value through other comprehensive income</u>						
Government and state enterprise securities	80,000	215.45	80,000	66.55	0	0.00
Private sector debt securities	0	0.00	83,078	69.11	(83,078)	(100.00)
Less Allowance for expected credit loss	(42,869)	(115.45)	(42,869)	(35.66)	0	0.00
Total	37,131	100.00	120,209	100.00	(83,078)	(69.11)
Total Investment, net	37,131	100.00	120,209	100.00	(83,078)	(69.11)

Overall, the Company had a total net investment of Baht 37.13 million, a decrease of Baht 83.08 million or a decreased by 69.11%, mainly due to the disposal of private debt securities during the year amounted to Baht 83.08 million or 100%.

Loans to customers and accrued interest receivables, net

Net loans to customers and accrued interest receivables decreased from Baht 11,484.56 million at the end of 2020 to Baht 4,314.32 million at the end of 2021 or decreased by Baht 7,170.24 million. The details are as follows:

(Unit: Thousand Baht)					
	December 31, 2021		December 31, 2020		Change
					Increase (Decrease) %
Loans to customers and accrued interest receivables, net					
Loans to customers	4,957,435		13,707,527		(8,750,092) (63.83)
Accrued interest receivables	601		877		(276) (31.47)
Loans to customers and accrued interest receivables	4,958,036		13,708,404		(8,750,368) (63.83)
Less Unearned interest income	(430,074)		(1,767,617)		(1,337,543) (75.67)
Less Allowance for expected credit loss	(213,642)		(456,230)		(242,588) (53.17)
Total loans to customers and accrued interest receivables, net	4,314,320		11,484,557		(7,170,237) (62.43)

A decrease in net loans to customers and accrued interest receivables of Baht 7,170.24 million or 62.43% mainly due to:

- A decrease in loans to customers net unearned interest income amounted to Baht 7,412.83 million due to a decrease in lending amount and debt repayment which amount of vehicle-backed loans, land and house-backed loans decreased by Baht 5,055.98 million and Baht 3,119.22 million, respectively, while other types of loans increased by Baht 762.37 million.
- A decrease in allowance for expected credit loss amounted to Baht 242.59 million is in accordance with TFRS9.

Liabilities

(Unit: Thousand Baht)						
	December 31, 2021		December 31, 2020		Change	
	Amount	%	Amount	%	Increase (Decrease)	%
Deposits						
Domestic	169,901	1.19	5,234,039	26.73	(5,064,138)	(96.75)
Foreign	0	0.00	57	0.00	(57)	(100.00)
Total deposits	169,901	1.19	5,234,096	26.73	(5,064,195)	(96.75)
Debt securities issued and borrowings	6,000	0.04	6,000	0.03	0	0.00
Provisions	21,002	0.15	45,708	0.23	(24,706)	(54.05)
Lease liabilities	204,286	1.43	351,899	1.80	(147,613)	(41.95)
Interest payables	6,058	0.04	19,858	0.10	(13,800)	(69.49)
Withholding tax payables	1,041	0.01	1,995	0.01	(954)	(47.82)
Tax payables	92,514	0.65	171,306	0.87	(78,792)	(45.99)
Other liabilities	4,005,332	28.11	4,154,535	21.22	(149,203)	(3.59)
Total liabilities	4,506,134	31.62	9,985,397	50.99	(5,479,263)	(54.87)
Total liabilities and equity	14,249,808	100.00	19,582,043	100.00	(5,332,235)	(27.23)

According to the financial statements at the end of 2021, the Company had the total liabilities of Baht 4,506.13 million which decreased from Baht 9,985.40 million at the end of 2020 or decreased by Baht 5,479.26 million or 54.87%. Such change was mainly due to a decrease in deposits with significant changes are as follows:

- Deposits at the end of 2021 amounted to Baht 169.90 million decreased from the end of 2020 by Baht 5,064.20 million or 96.75% because of the termination of the special rate for fixed deposit program which is effective on July 18, 2019 onwards and those deposit are gradually matured.

Equity

(Unit: Thousand Baht)						
	December 31, 2021		December 31, 2020		Change	
	Amount	%	Amount	%	Increase (Decrease)	%
Share capital						
Authorised share capital	2,756,236	19.34	2,756,236	14.08	0	0.00
Issued and paid-up share capital	2,756,236	19.34	2,756,236	14.08	0	0.00
Premium on share capital	4,299,729	30.17	4,299,729	21.96	0	0.00
Other components of equity	0	0.00	870	0.00	(870)	(100.00)
Retained earnings						
Appropriated-Legal reserve	275,623	1.93	241,903	1.24	33,720	13.94
Unappropriated	2,412,086	16.93	2,297,908	11.73	114,178	4.97
Total equity	9,743,674	68.38	9,596,646	49.01	147,028	1.53
Total liabilities and equity	14,249,808	100.00	19,582,043	100.00	(5,332,235)	(27.23)

According to the Company's financial statements, the equity as of December 31, 2021 amounted to Baht 9,743.67 million, increased by Baht 147.03 million or 1.53% compared with amount at the end of 2020. The details are as follows:

- Other components of equity at the end of 2021 decreased from the end of 2020 by Baht 0.87 million due to a disposal of debt instruments measured at fair value through other comprehensive income during the year 2021.
- Unappropriated retained earnings at the end of 2021 amounted to Baht 2,412.09 million which increased from the end of 2020 by Baht 114.18 million. Such changes were from the Company's net

profit for the year 2021 amounted to Baht 913.18 million and gains from remeasurement of post-employment benefit obligations amounted to Baht 6.46 million. In addition, the Company paid dividends and appropriated legal reserve which resulted in the decrease in unappropriated retained earnings at the end of 2021 by Baht 771.74 million and Baht 33.72 million, respectively.

Quality of assets, Liquidity, Reserves, and Capital Fund Requirements

Loans to customers

A. Component of loans to customers as classified by type of business

(Unit: Thousand Baht)						
	December 31, 2021		December 31, 2020		Change	
	Amount	%	Amount	%	Increase (Decrease)	%
Manufacturing and Commerce	0	0.00	0	0.00	0	0.00
Real estate and construction	0	0.00	0	0.00	0	0.00
Public utilities and services	35,000	0.77	39,290	0.32	(4,290)	(10.92)
Others						
Non-secured loans for retails	929,056	20.52	161,090	1.56	767,966	476.73
Secured loans for retails						
Vehicle-backed Loan	3,275,505	72.35	8,331,484	69.78	(5,055,979)	(60.69)
Motorcycle-backed Loan	10	0.00	7	0.00	3	42.86
Land and House-backed Loan	264,148	5.84	3,383,366	28.34	(3,119,218)	(92.19)
Others	23,642	0.52	24,674	0.21	(1,032)	(4.18)
Total loans to customers net of						
 unearned interest income	4,527,361	100.00	11,939,911	100.00	(7,412,550)	(62.08)

The loans to customers, net of unearned interest income as of December 31, 2021 decreased from Baht 11,939.91 million at the end of 2020 to Baht 4,527.36 million at the end of 2021 or decreased by Baht 7,412.55 million. Such change was resulted from the decline of secured loans for retails which its loan outstanding decreased by Baht 5,055.98 million for vehicle-backed loans, decreased by Baht 3,119.22 million for land and house-backed loans, compared with loan portfolio as of December 31, 2020.

Loans to customers and accrued interest receivables	December 31, 2021	
	Thousand Baht	%
Financial assets with no significant increase in credit-risk	2,973,003	65.66
Financial assets with significant increase in credit-risk	978,303	21.60
Credit-impaired assets	576,656	12.74
Total	4,527,962	100.00
Less Allowance for expected credit loss	(213,642)	(4.72)
Loans to customers and accrued interest receivables, net	4,314,320	95.28

As of December 31, 2021, the Company has loan receivables classified as financial assets with no significant increase in credit-risk for 65.66% and classified as financial assets with significant increase in credit-risk for 21.60%. This can imply that 87.26% of total loan receivables was performing loan, indicating that the quality of the debtor is in a good condition.

B. Classification of Loans and Allowance for expected credit loss

The Company always accounts for expected credit loss which involves a three-stage expected credit loss impairment model. The stage dictates how the entity measures impairment losses and applies the effective interest rate method. In which, the three-stage expected credit loss impairment will be as the following stages:

- Stage 1 - from initial recognition of a financial assets to the date on which the credit risk of the asset has not increased significantly relative to its initial recognition, a loss allowance is recognised equal to the credit loss expected to result from defaults occurring over the next 12 months.
- Stage 2 - following a significant increase in credit risk relative to the initial recognition of the financial assets, a loss allowance is recognised equal to the credit loss expected over the remaining life of the asset.
- Stage 3 - when a financial asset is considered to be credit-impaired, a loss allowance equal to full lifetime expected credit loss is to be recognised.

Under the three-stage expected credit loss impairment model except for significant exposures in loans to customer, the impairment will be assessed by using collective approach model with forward looking information

adjustment. The impairment of some significant exposures in loans to customer will be assessed by using individual assessment approach.

The Company defines a financial instrument as default or credit-impaired which is considered to have occurred when there is evidence that the customer is experiencing financial difficulty which is likely to significantly affect the ability to repay. Exposures are credit-impaired if they are past due for 90 days or more or possesses signs indicating weaknesses which are likely to impact ability to meet future financial obligations. The default definition is consistent with that used for risk management purposes.

Exposures that are credit-impaired are classified as Stage 3 and could be upgraded to Stage 2 if the customer no longer meet credit impaired definition, and exposures are classified as Stage 1 if significant increase in credit risk since initial recognition is no longer significant.

The Company applied the temporary exemption guidance for entities assisting debtors affected by the situation impacting the Thai economy announced by the Federation of Accounting Professions (TFAC) in accordance with the relief measures issued by Bank of Thailand on Thor Por Tor. For Nor Sor. (23) Wor. 273/2563 guidelines to assist debtors affected by the situation impacting the Thai economy, dated on 28 February 2020 and on Thor Por Tor. For Nor Sor. (01) Wor. 380/2563 additional measures to assist debtors affected by COVID-19 pandemic, dated on 26 March 2020 for the reporting periods ending between 1 January 2020 and 31 December 2021 as follows:

- in the event that the debt restructuring causes an original effective interest rate to no longer reflect the estimated cash flow to be received from the loans, the Company uses a new effective interest rate for the calculation of the current value of the restructured loans under the Bank of Thailand's circular assistance guidelines.
- the Company has maintained the staging of debtors as before entering the relief measures under the Bank of Thailand's circular assistance guidelines.

According to the Company's financial statements as at December 31, 2021, the classification of loans and allowance for expected credit loss are as follows:

	2021				
	Allowance for expected credit loss				
	Lifetime				
	12-month	ECL - not	Lifetime	Allowance	
	ECL	credit	ECL - credit	established	
	Baht	impaired	impaired	in excess	Total
		Baht	Baht	Bah	Baht
Loans to customers and accrued interest receivables - net					
As at 1 January 2021	60,463	209,275	113,019	73,473	456,230
Reclassification	4,251	(17,092)	12,841	0	0
Change in value of allowance for expected credit loss/ remeasurement	(10,402)	(6,814)	(3,393)	0	(20,609)
Purchase or origination of financial assets	10,817	1,731	2,279	0	14,827
Derecognition of financial assets	(43,168)	(151,516)	(42,122)	0	(236,806)
As at 31 December 2021	21,961	35,584	82,624	73,473	213,642

Loans and Non-Performing Loans

The Company had non-performing loans by Baht 576.66 million and Baht 863.36 million at the end of 2021 and 2020, respectively. The percentage of non-performing loans to total loans to customers (including loans to financial institutions) were 11.47% at the end of year 2021 and 5.30% at the end of year 2020 which were below the target NPL ratio set by Company.

Quality of Investment in Securities

In 2021, the Company has total revenue from investment by Baht 73.53 million which decreased from year 2020 by Baht 49.85 million or 40.41%. The details are described as below:

	(Unit: Thousand Baht)			
	For the year		Change	
	2021	2020	Increase (Decrease)	%
Interest income from investment in debt securities	1,622	6,371	(4,749)	(74.54)
Gains on change in fair value	40,259	114,961	(74,702)	(64.98)
Gains on disposal of financial instruments	31,078	0	31,078	100.00
Dividend income	567	2,047	(1,480)	(72.30)
Total revenue from investments	73,526	123,379	(49,853)	(40.41)

- A decrease in interest income from investment in debt securities by Baht 4.75 million as there is no additional investment in debt securities since 2020.
- A decrease in net gain in change of fair value amounted to Baht 74.70 million is resulted from the remeasurement according to TFRS 9.
- An increase in net gain from disposal of financial instruments amounted to Baht 31.08 million due to the disposals of general investment during the year 2021.
- A decrease in dividend income by Baht 1.48 million.

The Company will consider financial position and credit rating of the debt issuers before investing in debt securities. Moreover, the Company diversified its portfolio by investing in both government and state enterprise securities and private sector debt securities. For investment in equity securities, the Company will consider financial position, rate of return and liquidity before making a decision. However, the Company holds investment in debt security issued by private sector that had faced the financial operation difficulties. The security is a named senior unsecured bond, without any investment custodian. The cost of investment is Baht 80.00 million, the book value is Baht 37.13 million and related allowance for expected credit loss is booked at Baht 42.87 million.

Liquidity of Company

As of December 31, 2021, the Company had a liquidity coverage ratio of 5,435.36% which was higher than the minimum requirement of 100.00% set by the Bank of Thailand.

Daily liquidity management is under the supervision of the financial management department which supervises the sources of funds, the use of funds and ensuring that the Company's liquidity is in line with the Company's risk management policy and guidelines according to the Notification of the Bank of Thailand.

Relationships between sources and uses of fund

Major sources of fund of the Company, except from fund from shareholders, are deposits and borrowings. While major uses of fund are for loans to customers and investment. Sources and uses of fund as of December 31, 2021 are shown as below:

(Unit: Thousand Baht)

Period	Sources of fund						Uses of fund						Gap
	Deposits	Borrowings	Interest payables	Lease liabilities	Total	%	Loans and accrued interest	Financial instruments measured at fair value through profit or loss	Investment in debt securities	REPO	Total	%	
At call	62,091	6,000	5,769	0	73,860	15.82	35,626	1,692,789	0	0	1,728,415	25.42	(1,654,555)
≤ 1 year	100,810	0	284	24,444	125,538	26.89	4,284,436	0	0	500,000	4,784,436	70.35	(4,658,898)
> 1 year	7,000	0	5	260,485	267,490	57.29	207,900	0	80,000	0	287,900	4.23	(20,410)
Total	169,901	6,000	6,058	284,929	466,888	100.00	4,527,962	1,692,789	80,000	500,000	6,800,751	100.00	(6,333,863)

The Company had long term sources of fund greater than short term sources of fund, the proportion of At call : ≤ 1 year : > 1 year is 15.82 : 26.89 : 57.29. For the uses of fund, the Company invested in short term

invested assets greater than long term invested assets, the proportion of At call : \leq 1 year : $>$ 1 year is 25.42 : 70.35 : 4.23. These relationships between sources and uses of fund represent that

- In short term (Less than or equal to 1 year): The Company has sufficient liquid assets to pay for all short term debts.
- In long term (over than 1 year): The proportion of debts (57.29%), is greater than assets (4.23%). Such relationships will have no significant impact on Company because those long term debts are comprised of deposits amounted to Baht 7.00 million, from good-relationship-customers who always roll over deposit receipts when it due, and also comprised of lease liabilities amounted to Baht 260.49 million which resulted from the application of TFRS 16. The Company considered that it does not affect the liquidity of the Company.

Reserves and Capital Fund Requirements

At year ended 2021, the Company had capital ratio of 55.03% which was higher than the BOT's minimum requirement of 8.50%.

4.2 Financial Statement

Summary of Audit Reports

Financial statement ending December 31, 2019

PricewaterhouseCoopers ABAS Ltd, by Ms Anothai Leekitwattana, Certified Public Accountant (Thailand) No. 3442, carried out the audit in compliance with the accounting standards. The auditor opined that the Company's financial statement for the fiscal year ending December 31, 2019 accurately showed the financial position, the operating results and the cash flows of the Company, in accordance with Thai Financial Reporting Standards.

Financial statement ending December 31, 2020

PricewaterhouseCoopers ABAS Ltd, by Ms Anothai Leekitwattana, Certified Public Accountant (Thailand) No. 3442, carried out the audit in compliance with the accounting standards. The auditor opined that the Company's financial statement for the fiscal year ending December 31, 2020 accurately showed the financial position, the operating results and the cash flows of the Company, in accordance with Thai Financial Reporting Standards.

Financial statement ending December 31, 2021

PricewaterhouseCoopers ABAS Ltd, by Mr, Paiboon Tunkoon, Certified Public Accountant No. 4298, carried out the audit in compliance with the accounting standards. The auditor opined that the Company's financial

statement for the fiscal year ending December 31, 2021 accurately showed the financial position, the operating results and the cash flows of the Company, in accordance with Thai Financial Reporting Standards.

Statement of Financial Position

As at 31 December

(Unit: Thousand Baht)

Assets	2021		2020		2019	
	Amount	%	Amount	%	Amount	%
Cash	20	0.00	20	0.00	20	0.00
Interbank and money market items, net	1,053,563	7.39	4,774,983	24.38	1,549,837	7.49
Financial instruments measured at fair value through profit or loss	1,692,789	11.88	54,128	0.28	0	0.00
Investments, net	37,131	0.26	120,209	0.62	180,868	0.87
Loans to customers and accrued interest receivables, net						
Loans to customers	4,957,435	34.79	13,707,527	70.00	22,430,691	108.37
Accrued interest receivables	601	0.00	877	0.00	1,625	0.01
Total loans to customers and accrued interest receivables	4,958,036	34.79	13,708,404	70.00	22,432,316	108.38
Less Unearned interest income	(430,074)	(3.01)	(1,767,617)	(9.03)	(3,428,156)	(16.56)
Less Allowance for expected credit loss	(213,642)	(1.50)	(456,230)	(2.32)	(708,552)	(3.42)
Less Allowance for troubled debt restructuring	(0)	(0.00)	(0)	(0.00)	(40)	(0.00)
Total loans to customers and accrued interest receivables, net	4,314,320	30.28	11,484,557	58.65	18,295,568	88.40
Properties foreclosed, net	53,193	0.37	43,406	0.22	162,147	0.78
Land, premises and equipment, net	331,832	2.33	480,311	2.45	145,838	0.70
Intangible assets, net	13,159	0.09	13,677	0.07	5,685	0.03
Deferred tax assets, net	15,580	0.11	7,703	0.04	661	0.00
Receivable from related parties	6,710,792	47.10	2,569,409	13.12	331,978	1.60
Other assets, net	27,429	0.19	33,640	0.17	26,596	0.13
Total assets	14,249,808	100.00	19,582,043	100.00	20,699,198	100.00

(Unit: Thousand Baht)

Liabilities and equity	2021		2020		2019	
	Amount	%	Amount	%	Amount	%
Liabilities						
Deposits						
Domestic	169,901	1.19	5,234,039	26.73	6,348,276	30.67
Foreign	0	0.00	57	0.00	57	0.00
Total deposits	169,901	1.19	5,234,096	26.73	6,348,333	30.67
Debt securities issued and borrowings	6,000	0.04	6,000	0.03	2,006,000	9.69
Provisions	21,002	0.15	45,708	0.23	24,344	0.12
Lease liabilities	204,286	1.43	351,899	1.80	0	0.00
Deferred tax liabilities, net	0	0.00	0	0.00	0	0.00
Interest payables	6,058	0.04	19,858	0.10	44,247	0.21
Withholding tax payables	1,041	0.01	1,995	0.01	1,630	0.01
Tax payables	92,514	0.65	171,306	0.87	184,447	0.89
Other liabilities	4,005,332	28.11	4,154,535	21.22	2,807,927	13.57
Total liabilities	4,506,134	31.62	9,985,397	50.99	11,416,928	55.16
Equity						
Share capital						
Authorised share capital	2,756,236	19.34	2,756,236	14.08	2,756,236	13.32
Issued and paid-up share capital	2,756,236	19.34	2,756,236	14.08	2,756,236	13.32
Premium on share capital	4,299,729	30.17	4,299,729	21.96	4,299,729	20.77
Other components of equity	0	0.00	870	0.00	933	0.00
Retained earnings						
Appropriated- Legal reserve	275,623	1.93	241,903	1.24	163,543	0.79
Unappropriated	2,412,086	16.93	2,297,908	11.73	2,061,829	9.96
Total equity	9,743,674	68.38	9,596,646	49.01	9,282,270	44.84
Total liabilities and equity	14,249,808	100.00	19,582,043	100.00	20,699,198	100.00

Statement of Comprehensive Income

As at 31 December

(Unit: Thousand Baht)

	2021		2020		2019	
	Amount	%	Amount	%	Amount	%
Interest income						
Interbank and money market items	13,687	0.82	9,963	0.26	15,761	0.46
Investment in debt securities	1,622	0.10	6,371	0.17	7,782	0.23
Loans to customers	1,402,076	83.65	3,406,115	89.26	3,077,790	90.23
Total interest income (1)	1,417,385	84.56	3,422,449	89.69	3,101,333	90.92
Interest expense						
Deposits	43,698	2.61	128,076	3.36	176,541	5.18
Contributions to Financial Institution Development Fund and Deposit Protection Agency	5,018	0.30	17,653	0.46	56,791	1.66
Debt securities issued and borrowings	105	0.01	60,705	1.59	234,041	6.86
Lease liabilities and decommissioning costs	13,504	0.81	14,613	0.38	0	0.00
Total interest expenses	62,325	3.72	221,047	5.79	467,373	13.70
Interest income, net	1,355,060	80.84	3,201,402	83.90	2,633,960	77.22
Fees and services income						
Collection fee and penalty charge, net	135,499	8.09	117,938	3.09	200,914	5.89
Others	3,056	0.18	20,287	0.53	12,859	0.38
Total fees and services income (2)	138,555	8.27	138,225	3.62	213,773	6.27
Gains on financial instruments measured at fair value through profit or loss						
Gains on changes in fair value	40,259	2.40	114,961	3.01	0	0.00
Gains on disposal of financial instruments	31,078	1.85	0	0.00	0	0.00
Total gains on financial instruments measured at fair value through profit or loss, net (3)	71,337	4.26	114,961	3.01	0	0.00
Other operating income						
Dividend income	567	0.03	2,047	0.05	2,769	0.08
Others	48,312	2.88	138,363	3.63	92,998	2.73
Total other operating income (4)	48,879	2.92	140,410	3.68	95,767	2.81
Other operating expenses						
Personnel expenses	240,047	14.32	409,542	10.73	341,200	10.00
Directors' remuneration	3,374	0.20	5,732	0.15	6,685	0.20
Premises and equipment expenses	52,114	3.11	50,185	1.32	56,609	1.66
Taxes and duties	60,204	3.59	136,601	3.58	137,803	4.04
Loan management fee	267,428	15.95	845,342	22.15	1,214,547	35.61
Other expenses	102,800	6.13	106,473	2.79	83,546	2.45

Total other operating expenses	725,967	43.31	1,553,875	40.72	1,840,390	53.96
Expected credit loss (Reversal)	(255,105)	(15.22)	82,517	2.16	87,029	2.55
Profit from operating before income tax	1,142,969	68.19	1,958,606	51.33	1,016,081	29.79
Income tax	229,787	13.71	391,413	10.26	205,222	6.02
Net profit for the year	913,182	54.48	1,567,193	41.07	810,859	23.77

Total revenue (1)+(2)+(3)+(4)	1,676,156	100.00	3,816,045	100.00	3,410,871	100.00
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Statement of Comprehensive Income (Cont'd)

As at 31 December

(Unit: Thousand Baht)

	2021		2020		2019	
	Amount	%	Amount	%	Amount	%
Other comprehensive income (expenses)						
Item that will be reclassified subsequently to profit or loss						
Gains (losses) on investments in debt instruments at fair value through other comprehensive income	(1,088)	-	(411)	-	0	-
Unrealised gain (loss) on changes in value of available-for-sale investments	0	-	0	-	(1,772)	-
Income tax relating to item that will be reclassified subsequently to profit or loss	218	-	82	-	355	-
Item that will not be reclassified subsequently to profit or loss						
Remeasurements of post-employment benefit obligations	8,078	-	(4,865)	-	2,752	-
Income tax on item that will not be reclassified subsequently to profit or loss	(1,616)	-	973	-	(550)	-
Other comprehensive income (expenses) for the year, net of tax	5,592	-	(4,221)	-	785	-
Total comprehensive income for the year	918,774	-	1,562,972	-	811,644	-

Statement of Cash Flows

As at 31 December

(Unit: Thousand Baht)

	2021	2020	2019
Cash flows from operating activities			
Profit from operating before income tax expense	1,142,969	1,958,606	1,016,081
Adjustments to reconcile profit from operating before income tax expense to net cash provided by (used in) operating activities:			
Depreciation and amortisation	46,600	44,728	15,361
Amortisation of premium on investments in debt instruments measured at fair value through other comprehensive income	(10)	431	769
Gain on financial instruments measured at fair value through profit or loss	(71,337)	(114,960)	0
Bad debts and doubtful accounts	0	0	87,028
Expected credit loss (Reversal)	(255,105)	82,517	0
Allowance for troubled debt restructuring	0	0	(418)
Losses on disposal of assets	1,406	0	1,648
Losses from write-off of equipment	0	0	3
Diminution in value of properties foreclosed (reverse)	1,673	(5,266)	11,134
Employee benefit obligations	5,478	16,050	9,383
Interest income, net	(1,355,060)	(3,201,402)	(2,633,960)
Dividend income	(567)	(2,047)	(2,769)
Cash received from interest income	1,752,377	3,842,145	3,810,020
Cash paid for interest expenses	(75,936)	(245,243)	(467,203)
Cash received from dividend	567	2,047	2,769
Cash paid for employee benefit obligations	0	0	(194)
Cash paid for corporate income tax	(317,855)	(408,315)	(62,041)
Profit from operating activities before changes in operating assets and liabilities	875,200	1,969,291	1787,611
(Increase) decrease in operating assets			
Interbank and money market items	3,850,000	(3,680,000)	(70,000)
Loans to customers	7,252,798	6,820,106	(1,000,175)
Properties foreclosed	(15,423)	124,007	(81,329)
Receivable from related parties	(4,141,383)	(2,237,451)	(180,944)
Other assets	5,739	(6,383)	(15,103)
Increase (decrease) in operating liabilities			
Deposits	(5,064,194)	(1,114,237)	(925,640)
Provision	(338)	0	(55)
Other liabilities	(333,715)	877,623	753,315
Net cash flows provided by (used in) operating activities	2,428,684	2,752,956	267,680

Statement of Cash Flows (Cont'd)

As at 31 December

(Unit: Thousand Baht)

	2021	2020	2019
Cash flows from investing activities			
Cash paid for purchase of equipment	(26,899)	(13,767)	(11,153)
Cash paid for purchase of intangible assets	(2,697)	(9,413)	(1,128)
Cash from disposal and redemptions of investments	164,677	77,780	15,000
Cash from disposal of assets	4,953	0	2,152
Cash paid for purchase of investments	(1,650,000)	0	0
Net cash flows provided by investing activities	(1,509,966)	54,600	4,871
Cash flows from financing activities			
Cash from short-term and long-term borrowings from parent company	0	0	500,000
Cash paid in short-term and long-term borrowings from parent company	0	(2,000,000)	(7,000,000)
Cash received from issue of ordinary shares	0	0	5,953,470
Cash paid for principal elements of lease liabilities	(18,016)	(22,374)	0
Dividend paid	(771,746)	(1,240,306)	0
Net cash flow provided by (used in) financing activities	(789,762)	(3,262,680)	(546,530)
Net increase (decrease) in cash and cash equivalents	128,956	(455,124)	(273,979)
Cash and cash equivalents as at 1 January	424,607	879,731	1,153,710
Cash and cash equivalents as at 31 December	553,563	424,607	879,731

Financial ratio

Financial ratio	2021	2020	2019
<u>Profitability ratios</u>			
Gross profit margin (%)	95.99	93.79	85.90
Net profit margin (%)	54.48	41.07	23.77
Return on equity (%)	9.44	16.60	13.74
Interest income ratio (%)	12.97	18.73	15.59
Interest expense ratio (%)	2.30	3.25	3.87
NIM (%)	10.67	15.48	11.72
Return on investment (%)	7.72	45.33	5.56
<u>Operational efficiency ratio</u>			
Net income to total asset ratio (%)	8.01	15.90	13.05
Return on asset (%)	5.40	7.78	4.02
Asset turnover (times)	0.10	0.19	0.17
<u>Leverage ratio</u>			
Debt to equity ratio (times)	0.46	1.04	1.23
Loan to deposit and borrowing (times)	25.74	2.28	2.27
Deposit to total liabilities (%)	3.77	52.42	55.60
Dividend payout ratio (%)	49.50	49.24	152.96
Capital adequacy ratio	55.03	45.84	45.16
<u>Quality of asset</u>			
Allowance for expected credit loss to total loan receivables (%)*	4.72	3.82	3.73
NPL Ratio (%)*	11.47	5.30	5.37
Interest receivable to total loan receivables (%)*	0.01	0.01	0.01

Remark: The financial ratios above are calculated according to preparation manual for 56-1 form notified by the Securities and Exchange Commission

* Total loan receivables definition according to notification of the Bank of Thailand means loans to customers and the securities lending through private repo transaction.

General information

Srisawad Finance Public Company Limited (“BFIT”) is a finance company which is located at 99/1 Srisawad Building, Floor 1, 3, 6, Chaeng Watthana 10 Alley, Lane 3, Changwattana Road, Tungsonghong, Laksi, Bangkok, 10210. The Company has registered capital amounting to Baht 2,756,236,215 and has paid-up capital amounting to Baht 2,756,236,205 divided into 551,247,241 ordinary shares at par value of Baht 5 each. The Company does not have any branches.

Registration No. : 0107536000722
Tel : 0-2073-0677
Fax : 0-2073-0670
Home Page : www.srisawadfinance.com

Other references

Share Registrar

Thailand Securities Depository Company Limited
The Stock Exchange of Thailand Building
93 Ratchadaphisek Road
Din Daeng Sub district, Din Daeng District, Bangkok 10400
Tel. 0-2009-9000

Auditors

Auditors for the year 2021

Mrs. Anothai Leekitwattana, Certified Public Accountant (Thailand) No. 3442 and/or
Mr. Paiboon Tunkoon, Certified Public Accountant (Thailand) No. 4298 and/or
Ms. Sinsiri Thangsombat, Certificated Public Accountant (Thailand) No. 7352
PricewaterhouseCoopers ABAS Ltd.
15th Floor, Bangkok City Tower
179/74-80 South Sathorn Road
Sathorn Bangkok, 10120
Tel. 0-2844-1000

Head of Internal Control

Miss Ticha Suwansaeng

Legal advisor

- None -

Legal Disputes

As of December 31, 2021, the Company had not been involved in any major legal cases, which would have negative impacts on the Company's assets at a greater extent than 5% of the shareholders' equity, or any legal cases that would have significant negative impact on the Company's operation to an extent that the amount of negative impact could not be projected. There were just some usual cases, occurring within the Company, which were normal for core business operation of the Company.

Contatced financial institutions

1. Bangkok Bank Plc.
2. Kasikorn Bank Plc.
3. Krunghthai Bank Plc.
4. Bank for Agriculture and Agricultural Cooperatives
5. Government Savings Bank

Part 2 Corporate Governance

6. Corporate Governance Policy Policy and guideline for the Board

Nominated and appointed director and management

(1) Independent Director

Qualifications of independent directors

To ensure that the independent director of the Company has independence quality qualifications, the Company defines “Independent Director” means a director who has neither involvement in business executions nor related interests with the Company, its parent company, subsidiary, affiliated company, major shareholder or controlling person of the Company that would bring about conflicts of interest which may affect independent decisions. Qualifications of Independent Director of the Company, is more stringent than that under the criteria set by the Capital Market Supervisory Board, Re: Application for and Approval of Offering for Sale of Newly Issued Shares, detail of which are as follows.

- 1) Holding shares not more than 0.5% of the total shares with voting right of the Company, its parent company, subsidiary, affiliated company, major shareholder or controlling person. Such shareholding shall include the shares held by related persons of such independent director.
- 2) Not being or having been an executive director, employee, staff, or advisor who receives regular salary; or a controlling person of the Company, its parent company, subsidiary, affiliated company, subsidiary of the same level, major shareholder or controlling person of the Company, unless the foregoing status has ended not less than 2 years before taking up the position. Nevertheless, such prohibited characteristics exclude the person who had been a government official or an advisor to any government organization that is the Company’s major shareholder or controlling person.
- 3) Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the child – of the other directors, executives, major shareholders, controlling persons, or persons to be nominated as executives or controlling persons of the Company or its subsidiary.
- 4) Having no business relationship with the Company, its parent company, subsidiary, affiliated company, major shareholders, or controlling person of the Company in the manner which may impede his/her independent discretion; and neither being a significant shareholder or a controlling person of those having business relation with the Company, its parent company, subsidiary, affiliated company, major shareholders or controlling person of the Company, unless the foregoing characteristic has ended for not less than 2 years before taking up the position.

Business relationships above shall include any normal commercial transaction in business undertaking; a rental or lease of immovable property; a transaction relating to assets or services; a grant or receipt of

financial assistance via lending, borrowing or guarantee; an offer of assets as collateral as well as any similar action that results in the Company or its counter party being indebted to the other for the amount of 3% of net tangible asset or Baht 20 million or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transactions under the Notification of the Capital Market Supervisory Board concerning Criteria of Connected Transactions mutatis mutandis. The combination of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship with the person commences.

- 5) Not being or having been an auditor of the Company, its parent company, subsidiary, affiliated company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary, affiliated company, major shareholder or controlling person, unless the foregoing relationship has ended not less than 2 years before taking up the position.
- 6) Not being a professional advisor of any kind which includes legal advisor or financial advisor who receives an annual service fee exceeding Baht 2 million from the Company, and not being a significant shareholder, controlling person, or partner of the professional advisor, unless the foregoing relationship has ended not less than 2 years before taking up the position.
- 7) Not being a director appointed as a representative of the Company's directors, its major shareholder, or shareholder related to major shareholders.
- 8) Not undertaking any business similar to or competing with that of the Company to a significant extent, or not being a partner holding shares in a partnership exceeding 10%, or an executive director, employee, staff, or advisor who receives regular salary from or has more than 1% shareholding in any other company that undertakes any business similar to and competing with that of the Company or of its subsidiary to a significant extent.
- 9) Not having any characteristics that make him/her incapable of expressing independent opinions with regard to the applicant's business affairs.

In case that an independent director is nominated as a member of the Audit Committee, There are additional qualifications as follow:

- 1) Must not be a director who is assigned by the Board of Directors to decide in operational businesses of the company, a parent company, subsidiary companies, associate companies, major shareholders or the company's controlling persons and
- 2) Must not be a director of a parent company and subsidiary companies in the same chain level which are listed companies.

All current independent directors and members of the audit committee hold all qualifications as defined by the Company's policy above.

(2) Nomination and Appointment of directors

The Nomination and Remuneration Committee will scrutinize the selection and screening of individuals that will become the Company's directors and independent directors from a person who is qualified and not having prohibited characteristics as stated by the laws relating to the public limited company and other relevant laws, has capability, knowledge and experience in various fields by considering the size of the assembly that will fit with the organization, good corporate governance including the adjustment to conform with the changing environment. The selected candidates will be nominated to the Board of Directors for the appointment in case that the director positions become vacant apart from retirement by rotation or present to the shareholders meeting for appointment in case that the director positions are vacated due to the expiration of the terms or for the appointment of additional directors by which the Company's Articles of Association stipulates that the Company can have no more than 9 directors and not less than half of the directors must reside in Thailand. In every annual general meeting of shareholders, one-third or the number nearest to one-third of the directors shall retire from their office. A retiring director is eligible for election.

The resolution of the Board of Director for the appointment in case that the director position becomes vacant for any reason other than by rotation shall consist of not less than three-fourth of the votes of remaining directors. The director who fills the vacancy shall retain his office only for the remaining term of office of the director whom he replaces.

In case of the appointment of the directors that present to the shareholders meeting, the directors shall be elected at the general meeting of shareholders, provided that:

- 1) Each shareholder shall have a number of votes equal to a number share of held.
- 2) Each shareholder shall exercise all the votes to elect one or more persons as directors but he shall not split his votes in favor of any candidates.
- 3) The person receiving the highest number of votes in the respective order of the votes shall be elected as directors up to the total number of directors required or to be elected at such time.
- 4) In the event that a number of persons received an equal number of votes for the last directorship exceeding the number of directors the Company required or to be elected at such time, the chairman of the meeting shall have a casting vote.

The Company provides opportunity to all shareholders in order to nominate qualified candidates for annual general meeting of shareholders to appoint as the Company's directors.

Eligible candidates for the position of independent director must hold the qualifications of independence stipulated by the Company

Independence of the directors from the management

The duties of the Board of Directors and the management are clearly separated; therefore, the Chairman of the Board of Directors is not held by the same person as the Managing Director. Thus, the position of Chairman is still vacant, at present, Vice Chairman shall perform the duties of Chairman, and Vice Chairman is not the same person as the Managing Director.

The Company clearly separates the roles, duties and responsibilities between the directors and the management. The management takes a role in outlining policies and overall organizational direction as well as evaluating the Company's performance to ensure that the set business plans are fulfilled. Meanwhile, the Board of Directors have duties to review and approve key matters concerning the Company's overall business operation, including vision, mission, strategies, goals, risks, operation and budget plans. While the Board of Directors oversees the management's performance to ensure that they effectively and efficiently carry out managing operation under the set policies and business plans, the management, led by the Chief Executive Office, is in charge of overall business operation in various areas as specified by the Company's policies.

Development of the Board of Director and Executives.

The Company has a policy to encourage Directors and Executive to continuously and consistently educate for benefit of the business with the strong and sustained growth amidst the dynamic change of social, economic and business competency.

- The Company shall encourage the Company's Directors to get the training course from the Thai Institute of Directors for their understanding regarding roles, duties and responsibilities of the Directors.
- The Company shall encourage the Company's Directors, the Company Secretary and Executive to regularly get or participate in the training course that shall benefit the Company's business.
- The new Director and Executive shall be advised for the Company's business characteristics and business practices provided with sufficient documents and information.
- The Company shall encourage the Executives to prepare for the Management Development plan and Succession plan to ensure of the business continuity and efficacy.

The Board of Directors Self- Assessment

The Company believes that a good mechanism to evaluate the performance of the Board and the Sub Committee shall enable the Board and the Sub Committee to improve their operation and efficacy. Therefore, the company has designate the Board and the Sub Committee to conduct the Self- assessment with following detail.

- The Board of Director and the Sub Committee comprise of the Audit Committee and the Nomination and Remuneration Committee conduct the self-assessment at least once a year and disclose in the Annual report.

- The Nomination and Remuneration Committee shall regular prepare for and improve the self-assessment of the Board and the Sub Committee to comply with time and changing circumstances.

- The Company Secretary shall deliver the self-assessment form to each Director for their independently evaluation and submit the result in the Board meeting.

The policies and operation guidelines for treatment of shareholders and stakeholders

1 Rights of Shareholders

Shareholders have the right to the ownership of the company and control the Company by appointing the Board to act on behalf as their representatives. Shareholders are eligible to make decisions on any significant corporate changes. In addition to enforcing their right in the shareholders' meeting, Shareholders are able to obtain the results of Company performance, management policies, all large material transactions and any related transaction through the Company's website www.srisawadfinance.co.th both in Thai and English or through the website of the Stock Exchange of Thailand www.set.or.th. The Company has appointed Thailand Securities Depository Co., Ltd. As a registrar of the Company.

Fundamental rights of the shareholders are :

- Buy/Sell or transfer of shares.
- Share in the profit of the Company.
- Obtain relevant timely, correct and adequate information of the Company
- Participate and vote in Shareholder meetings to :
 - elect or remove members of the Board.
 - appoint the External Auditor.
 - make decision on dividend payment.
 - make decision on amendments to the Company's articles of association or by laws.
 - make decision on capital increases/decreases.

- approve extra ordinary transactions.
- other subject that affect the Company conforming to laws.

1. Shareholder's meeting

1.1 The Annual General Meeting is set to be organized once a year within 4 months after the end of the fiscal year of the Company. The Company may call for extraordinary meeting if necessary in relevant to the Company's regulations.

1.2 The Company convene the Shareholders Meeting once a year on appropriate date, time and venue. Meeting invitation letter together with meeting handouts with sufficient and complete information explaining the details and comments of the Board of Directors in all agendas shall be sent to the Shareholders with the followings details.

- Regulations of the Company specifically related to the Annual General Meeting of Shareholders.
- Information of the person nominated to serve as Directors
- Documents and evidences that the shareholders must present prior to attending the meeting.
- Proxy Form B. Type (which specifies detailed, clear and fixed items for authorization). The Company has prepared the proxy following the notices of the Ministry of Commerce, namely, Type B which can be downloaded from the Company website.
- Map of the meeting venue.

1.3 The Company assigned Thailand Securities Depository Co., Ltd. as the registrar of the Company to deliver the meeting invitation letter to shareholders not less than 14 days prior to the meeting.

1.4 The company provided Invitation for the Annual General Meeting letter to be published in the newspaper for 3 consecutive days and for at least 3 days prior to the meeting date.

1.5 The Company has increased the channel in publishing the meeting invitation letter and meeting handouts through the Company's website www.bfit.co.th both in Thai and in English at least 30 days prior to the meeting so that shareholders can spend more time considering important agendas.

1.6 The Company encourages the shareholders to propose nominees for Directors, items for meeting agendas through the Company's website. Shareholders shall be informed completely of their rights through The Stock Exchange of Thailand system.

1.7 The Company has disclosed the list of top 10 shareholders of the Company as of the book closing date before the Annual General Meeting of Shareholders to shareholders through the website of the Company.

2. The meeting date

2.1 The Company designated the procedure in the Annual General Meeting of Shareholders in compliance with law emphasize on convenience, right and equity of shareholders. As for meeting registration, the Company provides sufficient and appropriate equipment technology and person to ensure the Shareholders convenience in checking the documents not less than 1 hour prior to the meeting.

2.2 Before the start of the Annual General Meeting of Shareholders, the Company Secretary shall introduce members of the Board of Directors, auditors and high ranking executives of the Company participating the meeting to the Shareholders and inform the Shareholders on how to cast a vote and the Shareholders' rights. The Chairman of the meeting shall be responsible for conducting the meeting according to the agenda stated in the meeting invitation letter, allocating time for each agenda appropriately and sufficiently without adding any other agendas apart from those stated in the meeting invitation letter. Moreover, the Company shall prepare ballots for shareholders for voting of each agenda which made use of a bar code system. The votes of all agendas i.e. for, against and abstention shall be counted and disclosed transparently and fairly by Head of Legal Department as a head of vote count inspection.

2.3 During the meeting, The Board of Directors shall provide opportunities for shareholders to express their comments and inquires on various issues independently before voting.

2.4 The Company gives shareholders who attend the meeting after it has already been started the rights to cast a vote on the agenda being considered and not yet voted. Shareholders shall be counted as a quorum for the meeting starting from the agenda being considered when they enter the meeting.

2.5 In every Annual General Meeting of Shareholders, on the agenda to elect directors to replace directors who retire by rotation, the Company shall provide opportunities for shareholders to elect individual director with balloting. The Company has provided sufficient background information of each nominated director for the consideration of shareholders.

2.6 In every Annual General Meeting of Shareholders, the Company gives the Shareholders the right to consider and approve remuneration for Directors. The Company has provided sufficient details of the remuneration of Directors for the consideration of shareholders.

2.7 In every Annual General Meeting of Shareholders, there shall be an agenda on the appointment of Auditors and remuneration for Auditors which are to be proposed to the Shareholders for approval. The Company has provided the information about the nominated auditors as well as sufficient details of the remuneration for auditors for the consideration of the Shareholders.

2.8 In the case of there are various agendas, it should be voted for each agenda.

2.9 The Company requested all Directors and Executives to value the importance of the Annual General Meeting with perfect attendance to answer and inquiries and clarify relevant issues.

3. The preparation of the minutes and voting disclosure.

3.1 The Company shall produce a detailed, completed and factual meeting minutes after the meeting ended. The minutes shall be submitted to the Stock Exchange of Thailand, The Ministry of Commerce and The Securities and Exchange Commission Thailand within 14 days of the completion of the meeting and be posted throughout the Company website in both Thai and English.

3.2 To ensure that the Shareholders would receive the Company information, messages, operation performance and administration policies with accuracy and in timely manner, the Company shall disclose the significant information and messages through the Company's website in addition to the Stock Exchange of Thailand information system.

2 Equitable Treatment of Shareholders

All the Shareholders, either the Company executives or not, major or minor Shareholders, including foreign Shareholders shall be equally and fairly treated with their basic right protected. The Company shall communicate with the Shareholders and disclose information through various channels of the Stock Exchange of Thailand, the Company website and other appropriate media to ensure that all the Shareholders shall equally and properly receive all the Company information and messages.

1. Release of information before the Shareholders meeting

1.1 The Company shall send out meeting invitation letter together with handout documents with complete and accurate details and comments of the Board of Directors on each agenda to shareholders. The Thailand Securities Depository Co., Ltd. which is the registrar of the Company shall be assigned to deliver the invitation at least 14 days prior to the meeting date in both Thai and English version. In addition, the Company announce the meeting invitation together with handout documents through the Company's website both in Thai and English at least 30 days prior to the meeting date for sufficient timing enable the Shareholders to consider significant agenda.

1.2 The Company shall conduct the Annual General Meeting of Shareholders according to the agenda stated in the meeting invitation and shall not add any agendas without informing the shareholders in advance especially the agenda that the shareholders may need timely consideration.

1.3 The shareholders that are unable to attend the meeting can exercise their right through appointed proxy or an independent director of the Company.

2. Protection of Minor Shareholders

2.1 The Company determined the voting right of shareholders to be according to the amount of shares held, with one share equal to one vote.

2.2 The Company allows minority shareholders to submit nominee for director to the Board for consideration following the Company's code of practice and the procedure defined via the Company website. The exercise of their rights shall be published through the system of The Stock Exchange of Thailand.

2.3 The Company allows minor shareholders to propose any agenda item. The proposed agenda must not fall into the following categories.

- Matters that beyond the authority of the company.
- Matters that against the laws, announcements, rules and regulations of governmental authority or regulating authority or not in accordance with the company's objectives or Articles of Association or the resolutions of the Shareholders' meetings.
- Matters that may cause significant problems to shareholders at large.
- Matter that the company has already proceeded.
- Matters that are for the benefit of an individual or a particular group of person.
- Matters about the normal business operation of the company and the shareholders who proposed the agenda are unable to show that the matters are abnormal.
- Matters that the Board of Directors considers that they are no need to be included in the agenda, and the Board must have valid reasons and are able to explain to the shareholders.

2.4 The Company determined that the Independent Directors must not less than one-third of the Board and not less than 3 directors to protect the rights of minority shareholders.

3. Prevention on the abuse of Inside Information

3.1 The Company prohibits all directors, executives and employees involved in the inside information from disclosing such information to outside person or to person not involved in the information. Moreover, the mentioned personnel are prohibited from buying or selling the Company's shares within 14 days prior to the official announcement of the financial reports.

3.2 All directors and executives of the company must submit report on the change of ownership of the company's shares to the Company Secretary for reporting to the Stock Exchange Commission as required by laws.

3.3 The Company shall record and disclose the change of Director and executive ownership of the Company's shares in the Annual report.

4. Conflict of Interest of Directors and management

4.1 The company requested stakeholders Directors and management to submit stakeholders report before each agenda which shall be reported in the Shareholders meeting report. In case there is any conflict of interest that may significantly obstruct the Director or management from indecently comment, the Company shall have that Director or management to refrain from participation of that certain agenda.

4.2 The Company assigned the Audit Committee to review the Connected Transactions, or the transactions that may lead to conflicts of interest including the stakeholding of the Director to ensure that they

are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company.

3. Policy on Disclosure of internal information.

The Company has set guideline for storage and to prevent the use of internal information by providing "Regulations on Work". The Regulations on Work designate the supervisor of all piers to closely monitoring of the preliminary internal information usage. For the Information System, the Company has set a separate policies for "Regulations governing the use of computer networks". Apart from the above, the Company has also defined in the "Company's Codes of Conduct", the extent of information disclosure for the Board and the executives and requests the Board and the executives to immediately submit Report of changes in securities holding to the Company Secretary to report to the Stock Exchange Commission within 3 days according to the regulation.

4. Prevention of Conflicts of Interest

The Company operate similar businesses within the Group; this may cause some conflicts of interest. Therefore, the Company clearly divides lending business among the Group. The Company has separate policies, measures or criteria as well as operation guidelines for different types of lending businesses to ensure that all the persons performing the job can proceed with correct operation. In addition, the Company also applies technologies in order to mitigate risks associated with conflicts of interest.

The Company has policies to control business operation in order to ensure that the management's set operation guidelines are well responded and followed by the employees. The Company clearly identifies the appropriate scope of authority for approval of transactions. Certain duties are separated in order to prevent any chances that may support frauds or corruption. Procedure for entering certain transactions with the major shareholders, the directors, the management or related parties is clearly stated in order to prevent conflicts of interest and to be in compliance with the regulations of the Capital Market Supervisory Board and the Stock Exchange of Thailand.

5. Anti-Corruption

The Company has declared its intent against the corruption to the public by posting on Company's website, announcing at its office building and uploading to the Company's intranet in order to communicate with all stakeholders and staff about anti-corruption policy and guideline which were specified, based on size and characteristic of the Company, in the business ethics for Company's Board of Directors and ethics for the staff.

The anti-corruption policy specifies that Company's directors, executives and staff in all levels are prohibited to act or involve with any work operation with high risk in anti-corruption. Every staff must strictly

adhere to such policy by operating their duties with integrity and corruption free. The policy shall covers but not limit to some cases or risk patterns as follows.

- Embezzle or misappropriate of the Company's properties to be his or his party possession.
- Bribery in any forms such as receiving or providing present or facilitation in forms of cash, stuff or benefit in other forms.
- Giving donation to charity or contribution must be made under the Company's name only. Amount of money given must be appropriate based on each case.
- Political contribution means providing financial contribution, property or contribution in other forms both directly or indirectly to support political activity in order to receive benefit improperly for Company's business operation. The Company has been adhering to political neutrality and supporting democracy, so it does not allow any person in the Company to use its resources to contribute or support politician or political party, or take action involving politics.
- The procurement which is one of transactions that may lead to corruption easily, so it is necessary to be operated with prudence, transparency, being verifiable and in line with Company's rule and regulation.
- Human resource management which includes recruitment, training, performance evaluation, remuneration, promotion or punishment, etc. shall be done with transparency, neutrality, inequality or prejudice toward specific persons. Such action shall not represent personal interest or party interest which is in line with the prevention and against corruption measure.
- Conflict of interest refers to an event where personal interest is in conflict with Company's interest impacting work operation and decision-making on various transactions. Such conflict may arise from inappropriate or confuse duty and responsibility, for example a staff who has duty in imposing discipline for one department, but at the same time, he also works in that department, or arise from disclosing confidential information to outsiders which such information is used to benefit oneself or his party, etc.

Therefore, in order to handle the conflict of interest. The Company shall not just set clear and appropriate duty and responsibility, but if any transaction is found out that the staff has the conflict of interest, that staff shall avoid using authorization in making decision for such transaction. If there is inevitable, the operation should be conducted with prudence, neutrality and transparency. If any conflict of interest is found out, it shall be disclosed to the stakeholder or relevant persons for acknowledgement.

- The staff who deny actions involved corruption concerning Company's business operation will not be considered having guilty. The Company confirms that those staff will not receive any demotion or

punishment, although they might lose business opportunities due to such refusal. Besides, they might be praised and protected as well as those who report suspicions of corruption or complaint.

The Company has determined a guideline in receiving suspicions of corruption or complaint where they must be the matters or actions involved or implied corruption that affect benefit or reputation of the Company directly or indirectly. Those matters or actions must contain fact causing corruption. They are not created by dishonest intention to frame or bully others. The appellants or persons who are likely to report suspicions of corruption or complaint is following :

- Every staff shall consider the suspicions of corruption or complaint report as an important matter for anti-corruption measure. Therefore, it is their duties to report to the Company or their supervisory persons without hesitation when find any action involved or implied corruption which will affect the Company without any negligence or overlooking.
- Outsiders (such as shareholders, customers, people in general, etc.) can report suspicions of corruption or complaint.

The Company provides channels for the stakeholders to communicate with the Company, Board of Directors and Management who act as a center in receiving and handling complaints from individual customers and business customers. Moreover, the Company provides channels for communication, suggestion and receiving useful information which is benefit Company's business operation. Such channels were designated to handle complaints, if find any wrong actions which will be connected directly to the Board of Directors in order to maintain transparency in work operation.

The Company had established the Whistle blowing or Complain Channels as follows :

- Inform or report by oneself or by letter to 3rd floor, Srisawad Building, no. 99/392, Soi Chaeng Watana 10 yaek 3, Chaeng Watana Road, Tungsonghong Sub-district, Laksi District, Bangkok 10210
- Inform or report through Company's website:
<http://www.srisawadfinance.co.th> (under "Complaint")
- Inform or report via Company's E-mail as follows.
 - The Chairman of Audit Committee through a secretary : tichas@srisawadfinance.com
 - The Managing Director : thititham@srisawadfinance.com
 - The Head of Audit Department : tichas@srisawadfinance.com
- Inform or report through Company's telephone no. as follows.
 - The Chairman of Audit Committee through a secretary: 0-2073-0677 ext. 376
 - The Managing Director : 0-2073-0677
 - The Head of Audit Department (Acting) : 0-2073-0677 ext. 376

- Inform or report through Company's fax no. : 0-2073-0670

To protect the rights of information providers, the Company has established a policy of information or complaint receiving (Whistle-blowing Policy), identifying the receiving channels, information or complaint management processes, measures to protect the rights of information providers, protection of confidential information only authorized persons can have access to such information, and only independent directors are assigned to give orders and report to the Board of Directors on confidential information. Fair measures have been established for stakeholders to whom losses are incurred due to violation of their legal rights.

Measure for protecting the appellants: in order to protect persons who honestly report suspicion and complaint and provide information. The Company will keep their names, addresses or any information that can identify such person remained anonymous. All staff involved shall comply with:

- The staff who receive information from performing duties related to anti-corruption whistle blowing or complaint shall keep such information and evidences of the appellants and witnesses confidentially where they must not disclose such information to other irrelevant persons except the laws allows to disclose such information.
- Actions of the staff who report suspicion or complaint with honest intention are considered as performing duties lawfully and will receive appropriate protection from the Company. They will not receive demotion or unfair treatment.

Code of Conduct

Undertaking business in a just and equitable manner

To achieve just and equitable business operations. The Company has defined a core strategy of giving great importance to the rights of all Stakeholders, regardless of whether they are internal (ie : staff and members of management) or external (ie : customers, creditors or other involved organizations, including local communities, society as a whole, and the environment). This just and equitable way of conducting its businesses is not limited to what is required by law but also includes those actions that will not infringe upon or violate the basic rights of all these Stakeholder Groups.

Key changes and development of the policies, operation guidelines and corporate governance system

Key development of policies, operation guidelines and corporate governance system

The Company's Board of Director takes into account the corporate governance affairs. Therefore, in 2021, the Company took action concerning the corporate governance, as the following details.

- Revised Anti-Money Laundering and Counter-Terrorism Financing Policy and revised risk management guidelines for anti-money laundering and counter-terrorism financing.
- Revised Market Conduct policy
- Amended and appointed authorized directors
- Appointed Mr. Montree Chansungneon, Miss Kanoknuj Cholvani, directors who have experience to be authorized directors and appointed Mr. Kom Vachiravarakarn, director who has legal expertise to be independent director.

Compliance with corporate governance operation guidelines

In 2021, the Company followed the corporate governance policies in various aspects, as described in the following details.

1. The rights of the shareholders

The Company facilitated the attendance and voting rights in the AGM in 2021.

According to the Company's articles of association, an AGM of shareholders is arranged within four months after the end of the Company's fiscal year and the Board of Directors can call for an extraordinary meeting anytime. In 2021, the AGM of shareholders was arranged on April 23, 2021, which fell to a working day. The Company facilitated the attendance of all shareholders. As for the AGM, the meeting was held at the Emerald Hotel, which was conveniently accessible by the shareholders.

The Company encouraged the shareholders to attend the meeting and opened for the registration one hour prior to the scheduled meeting time. Any shareholders unable to attend the meeting could allow a

meeting representative by proxy; they could appoint another person or an intendent director to be their representative. One independent director was assigned to be representatives of shareholders. A proxy letter was also attached to a meeting invitation letter. Alternatively, the shareholders can download the proxy letter provided by the Company, The proxy letters are available in three forms, which can be downloaded from the Company's website. The Company arranged the venue, registration, and voting counts by barcodes for fast vote counting speed. The stamp duty was also provided for the shareholders who assigned proxies

Provision of sufficient information

The Company completed the invitation letter and published the meeting invitation, meeting agendas, meeting information and related documents not less than 21 days prior to the AGM date. For the 2021 AGM, the related meeting documents were published on March 30, 2021, 24 days ahead of the AGM date on April 30, 2021. The duration was sufficient for the shareholders to make decision. Each meeting agenda included related facts and reasons as well as the comments of directors to support decision making of the shareholders.

The shareholders were allowed to propose meeting agendas in an AMG as well as nominate an individual to be a director.

The Company opened the opportunity for the shareholders to propose meeting agendas and nominate an individual to be a director during November 13, 2020 to December 30, 2020. However, no proposal or nomination had been made.

Attendance in the AGM of the directors and the management

In 2021, the Company arranged the AGM held at the Emerald Hotel, the Company allowed the management to attend both in person and online in order to reduce risks of being infected with COVID-19. The attendance of the directors and the management both in person and online accounted for 100 %.

In each AGM, the chairman of the Board of Directors chaired the meeting and ensured that all meeting agendas indicated in the meeting invitation were discussed, with appropriate time allocated for each agenda. The shareholders were given the opportunities to raise questions and suggestions in each agenda and related directors could answer or provide information for the shareholders.

Record of the meeting minutes

The Company managed the meeting minutes with all details completed and the meeting resolutions were published on the Stock Exchange of Thailand's channels within the specified timeframe. In addition, the meeting minutes were also disclosed on the Company's website and the meeting report was submitted to the Ministry of Commerce within 14 days.

2. Fair treatment of the shareholders

The Company has a policy to treat all shareholders- both management and non-management ones and including foreign shareholders, equally and fairly. For example, the meeting invitation letters, which also indicate the meeting agendas and the clarification about details and reasons of each agenda, are sent to the shareholders not less than 14 days prior to the meeting, or other timeframe as specified by relevant laws and regulations. As for the foreign shareholders, the invitation letters in an English version are appropriately sent to them. In addition, all directors and management are required to report their legal holding of securities, and regularly submit the report to the Board of Directors; the report shall also be disclosed in the Company's annual report. Also, the shareholders are supported to cast the ballots in major agendas, e.g., connected transactions, disposal or acquisition of assets, and etc.; this is to ensure transparency and ability to be scrutinized. Also, the directors who may involve in interest in a certain agenda shall not participate in the meeting that will consider such particular agenda.

3. Role of stakeholders

The Company concerns and protects the rights and mutual benefit of all stakeholder groups i.e. Shareholders, employees, customers, partners, creditors, competitors, independent auditor, as well as the community, environment and society at large, including human rights and anti-corruption, with the belief that appropriate and fairly protection of the rights and mutual benefit of the stakeholders shall lead to the steady and sustainable growth of the Company. The Company shall continuously and regularly consider and review to promote the cooperation between the Company and each group of stakeholders to generate wealth, financial stability and sustainability of the business.

4. Disclosure of Information and Transparency

Disclosure Policy and Practice

The company's disclosure policy and procedures are incorporated within the Corporate Governance Policy, and Investor Relations has been assigned the role and responsibility to provide disclosure of the company's information in accordance with following principles:

- 1) Information to be disclosed must be accurate, adequate and clear as well as disclosed on a timely basis;
- 2) Disclosure must comply with all applicable rules and regulations.
- 3) Stakeholders including customers, counterparties, creditors, shareholders, investors, analysts and interested persons must have equal right of access to the information disclosed by the company.
- 4) Information that could affect the price of the company's shares or influence investors' decisions or affect the rights of shareholders must be immediately disclosed, as appropriate, to the public through the Stock Exchange of Thailand.

The company has designated officers and Investor Relations to be responsible for disclosure as well as maintaining the operating results disclosure schedule as specified in its Corporate Governance Policy, Audited the six-month period and annual financial statements are released within 60 days from the end of period and the end of financial year. Reviewed quarterly financial statements are released within 45 days from the end of period. Quarterly financial statements are disclosed together with the Management Discussion and Analysis (MD&A) to help investors better understand the company operating results.

In addition, the company's Corporate Governance Policy requires directors and management to disclose their holdings of the company's shares. Changes in the holdings of the company's shares by directors and management in 2021 are shown number of shares at the beginning and ending of the year and increase/decrease during the year which shown in the "Report of Company Ordinary Shareholding by Directors and Management" of this Report.

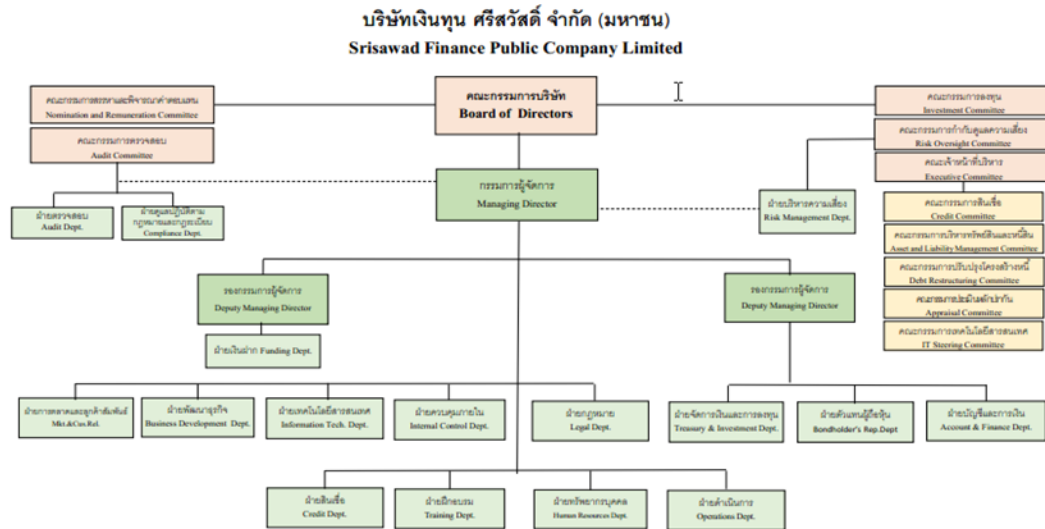
5. Responsibilities of the Board of Directors

The Board of Directors, in conducting the business of the Company, shall comply with laws and conforming to rules and regulations of the Bank of Thailand, the Securities and Exchange Commission and the Stock Exchange of Thailand, objectives of the Company, articles of association of the Company, code of ethics and resolutions of the shareholders' meetings, and summon general meetings of the shareholders of the Company, both ordinary and extraordinary. The Board of Directors shall perform its duties in good faith, with due diligence and care, for the best interest of the Company and all Shareholders.

The Company defined the Board of Directors to consist of individuals. They are required to be devoted to strengthen the Company with knowledge, capabilities and experience that beneficial to its business. The Board members shall have gone through the Director training course of the Thai Institute of Directors to understand the key role in directing and evaluating the operations of the Company.

7. Management Structure

7.1 Management Structure



Board of Directors

The Company's Board of Directors consist of 8 directors; three directors are management members and five are directors who are not management. The management director account for 37.5 % of the total directors and the non-management directors account for 62.5 %. There are four independent directors, based on the requirement of the Office of the Stock Exchange Commission. The independent directors account for 50 % of the total directors. three directors are female, making up 37.5 % of the total. By age ranges, there are two directors aged between 30-40 years; two member are between 41-50 years; two are between 51-60 years and two directors are 70 years old up. The Company's directors possess knowledge, skills and experience in different fields. The Board of Directors appoints a non-management director to be the chairman of the Board of Directors and the chairman of the Board of Directors is not the same person as the Chief Executive Officer.

7.2 Details of the directors

Name	Types	Position
1.Mr.Suchart Luengsuraswat	Vice Chairman of the Board / Non- management director / Independent Director	Vice Chairman of the Board / Chairman of the Audit Committee
2. Mr. Prawat Phatprasit	Director /Independent Director	Member of the Nomination and Remuneration Committee Member of the Audit Committee
3. Miss Nanthida Pattanasakpinyo	Director /Independent Director	Member of the Nomination and Remuneration Committee Member of the Audit Committee
4. Mr. Kom Vachiravarakarn	Director /Independent Director	
5. Mr. Thititham Rojanapruk	Director / Authorized Director	Managing Director, Executive Director
6. Miss Doungchai Kaewbootta	Director /Authorized Director	Executive Director
7. Mr. Montree Chansungnoen	Director /Authorized Director	Executive Director
8. Miss Kanoknuj Cholvaniit	Director /Authorized Director	

Two Directors authorized to bind the Company with condition as follow:

Miss Doungchai Kaewbootta, Mr.Thititham Rojanapruk, Mr. Montree Chansungnoen and Miss Kanoknuj Cholvaniit, two in four jointly signatures are required together with company's seal affixed

Roles, Duties and Responsibilities of the Board.

The Board of Directors has duties to carry out the company's business in compliance with the laws and regulations of Stock Exchange Commission and the Stock Exchange of Thailand, the objectives and articles of association of the company as well as the resolutions of shareholders' meeting. The duties shall be performed with honesty and prudence and taken into account for the maximum benefit and fairness of the company and shareholders. The Roles, Duties and Responsibilities of the Board include the following.

- Consider and approve major matters relevant to the company's business, such as vision, mission statements, business plan, financial objectives, annual operating budget and risk management for example.
- Oversight and monitor to ensure that the executive has operated the business with efficiency and in accordance with the approved policy and business plan.

- Oversight and monitor the Company for sufficient and efficient internal control and risk management system. The Board of Directors shall assign the Audit Committee to oversee the systems, review them constantly and report in the Annual report.

- Oversight and monitor the Company for operation control system, financial report and compliance to rules, regulations and policies. The Board of Director shall assign the Audit Committee to closely oversee and these subjects with the Internal auditor and report in the Annual report.

- Carefully review the connected transactions, or transactions that may cause conflict of interest. The connected parties are not allowed in the decision making process and the transactions shall be disclosed properly, correctly and accurately.

- Establish and approve the Corporate Governance policy.

- Establish and approve the “Codes of Conduct” so that all directors, executives and employees can use them as guidelines in operating the business.

- Oversight and monitor the Company’s business continuity plan, to cover long-term continuity of management and employee development plans.

- The Board of Directors assign the Company Secretary to collect helpful comments or suggestions from the stakeholders and report to the Board of Directors for consideration. In case the Stakeholders see any illegal issue, inaccuracy of the financial report, internal control deficiency or unethical business, they can address their concerns on misconducts following the details were disclosed in “Anti-Corruption policy”.

Sub-committee

The Audit Committee

As of December 31, 2021, the Audit Committee comprising 3 members of independent directors as follows:

1. Mr.Suchart Luengsurawat	Chairman of the Audit Committee
2. Miss Nanthida Pattanasakpinyo	Member of the Audit Committee
3. Mr. Prawat Phatprasit	Member of the Audit Committee

Member of Audit Committee who posses such extensive and sufficient knowledge and experience in accounting and finance that they are able to review the reliability of the Company’s financial statement, Mr.Suchart Luengsurawat is a chairman of audit committee, ex-partner, PricewaterhouseCoopers Ltd., and Miss Nanthida Pattanasakpinyo who is an independent auditor.

The Audit Committee has duties and responsibilities as follows:-

1. To review BFIT's financial reporting process to ensure that it is accurate and adequate.
2. To review BFIT's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit.
3. To review BFIT's compliance with the law on securities and exchange, the Stock Exchange's regulations, and/or the laws relating to BFIT's business.
4. To consider, select and nominate an independent person to be BFIT's auditor, and to propose such person's remuneration to the Board of Directors and submit to the General Meeting of Shareholders for approval, as well as to attend a non-management meeting with an auditor at least once a year.
5. To review the connected transactions, or the transactions that may lead to conflicts of interest, to ensure that they are in compliance with the laws and the Stock Exchange's regulations, and are reasonable and for the highest benefit of the Company.
6. To prepare, and to disclose in BFIT's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:
 - (a) an opinion on the accuracy, completeness and creditability of BFIT's financial report,
 - (b) an opinion on the adequacy of BFIT's internal control system,
 - (c) an opinion on the compliance with the law on securities and exchange, the Stock Exchange's regulations, and/or the laws relating to BFIT's business,
 - (d) an opinion on the suitability of an auditor,
 - (e) an opinion on the transactions that may lead to conflicts of interests,
 - (f) the number of the audit committee meetings, and the attendance of such meetings by each committee member,
 - (g) an opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter.
 - (h) other transactions which should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by BFIT's board of directors.
7. Clearly specify duties of the Audit Committee, change of the Committee's composition, and any changes which have material impact on the operations of the Audit Committee in writing, upon approval of the Board of Directors, and disclose in BFIT's Annual Report for shareholders' acknowledgement.

8. To report to the Board of Directors so that the board can rectify the issues within the timeline specified by audit committee on the following findings or suspected transactions or actions:

(a) Conflict of interest.

(b) Fraud, possible fraud, or significant deficiency of internal control;

(c) Breaching of the applicable laws and regulations. In case where the Board of Directors or Executive Management failed to rectify the issues within the specified timeline, audit committee shall report such deed to the Bank of Thailand, the Securities and Exchange Commission, the Stock Exchange of Thailand and disclose in BFIT's annual report.

9. To perform any other act as assigned by BFIT's board of directors, with the approval of the audit committee.

Nomination and Remuneration Committee

As of December 31, 2021, the Nomination and Remuneration Committee comprising 3 members of independent directors as follows:

- | | |
|--|---|
| 1. Mr.Suchart Luengsurawat
(Independent Director) | Member of the Nomination and Remuneration Committee |
| 2. Mr.Prawat Phatprasit
(Independent Director) | Member of the Nomination and Remuneration Committee |
| 3. Miss Nanthida Pattanasakpinyo
(Independent Director) | Member of the Nomination and Remuneration Committee |

The Nomination and Remuneration Committee appointed by the Company's board of director for a three-year tenure. The Nomination and Remuneration Committee shall have independent judgment. The Chairman of the committee must be an Independent Director. The Nomination and Remuneration Committee has duties and responsibilities as follows:-

1) Stipulate policy, guideline and procedure to nominate directors and high level management from the position of Assistant Managing Director or higher in order to present to the Company's board of directors to consider and approve.

2) Screen and submit the names of persons that are qualified for the following positions in order to nominate to the Board of Directors:-

(a) Directors

(b) Higher level management from Assistant Managing Director upwards.

3) Oversee that the size and structure of the Board of Directors are adapt to the organization and can be adjusted to the changing environment by which the Board of Directors comprises of knowledgeable, capable and experienced persons in various fields.

4) Stipulate the policy of remuneration and other benefits including the amount of remuneration and other benefits providing to the directors and high level management from Assistant Managing Director upwards with clear and transparent criteria in order to propose to the Company's board of directors for consideration.

5) Oversee that the Company's directors and higher level management from Assistant Managing Director upwards receive the remuneration that match their duties and responsibilities to the Company and those that entrusted with higher responsibilities and duties receive an increase in remuneration in relevant to their extended burdens.

6) Lay down the direction for the appraisal of the directors and higher level management from Assistant Managing Director upwards to determine their annual remuneration by taking into considerations their responsibilities and relevant risks including the emphasizing of the added value to shareholders in the long run.

Executive Committee

As of December 31, 2021, the Executive Committee comprising 3 members of directors and senior management as follows:

- | | |
|------------------------------|-----------------------------------|
| 1. Mr.Thititham Rojanapruk | Member of the Executive Committee |
| 2. Miss DOUNGCHAI Kaewbootta | Member of the Executive Committee |
| 3. Mr.Montree Chansongnoen | Member of the Executive Committee |

The Executive Committee has the authority to manage and operate the business within the scope that the Board of Directors had specified i.e.:-

1. The Executive Committee is authorized to manage business and oversee overall operation of the Company except some cases that the Company's Articles of Association had stipulated that they must be approved by the Company's board of directors or matters that the Board of Directors had already regulated specific authority such as the approval of credit line and investment.

2. To consider the alteration of the authorized persons and condition of the signing of the authorized persons.

3. To consider the appointment of the members of Assets and Liabilities Committee, Risk Management Committee, Investment Committee and Credit Committee in case the members' term expired and report to the Board of Directors for acknowledgement.

4. To stipulate and review the ratio of the holding of liquid assets of the Company.

5. To consider an approval of the extending the credit line of not more than Baht 100 million per case.

6. Authority to approve investments in equities, warrants, derivatives and unit trust, which are traded or expected to be traded in secondary markets, up to 100 million baht per company.

7. Authority to approve investments in debt securities that either have credit ratings below Investment Grade or do not have creating ratings up to 100 million baht per company. The aggregate investments in such debt securities will not exceed 10 percent of total debt securities portfolio value.

8. Authority to approve investments in private repo with securities specified by Bank of Thailand backed and market value worth more than investment, approval amounted more than 200 million baht but not more than 500 million baht per company will be approved by two of executive committee.

The Company also has a number of committees responsible for each business sectors or important functions i.e. the Credit Committee, the Investment Committee, the Assets and Liabilities Management Committee, the Debt Restructuring Committee, the Collateral Evaluation Committee, and the Risk Management Committee. These committees have the authorities stipulated by the Company's board of directors with management teams to oversee each business or each function in order to operate properly and in line with the rules, regulations, relevant laws as well as the plans and policies that approved by the Company's board of directors.

Executives

As of December 31, 2021, the Company's executives consisted of executive directors and executive officers as follows:-

1. Mr.Thititham Rojanapruk	Managing Director
2. Mr.Vasit Kanjanahuttakit	Deputy Managing Director/The person taking the highest responsibility in
	finance and accounting
3. Mrs. Sirinthip Rabinwong	Assistant Managing Director Head of Debt Management
4. Miss Kanoknui Cholvani	Vice President Head of Investment Advisory Dept.

- | | | |
|----------------------------------|--------------------------|---|
| 5. Miss Ticha Suwannasang | Vice President | Head of Compliance Dept. |
| 6. Mr. Adisorn Wichaidith | Assistant Vice President | Head of Personnel & General Service Dept. |
| 7. Miss Chonlada Thaweephanyopha | Assistant Vice President | Head of Account & Finance Dept. |

Remuneration for Executives

Remuneration consisting of salary, bonus, contribution to provident fund, group life insurance premium, medical treatment and others paid to 8 executives amounted to Baht 25,470,928 in 2021.

Other Benefits:

-None-

Personnel

As of December 31, 2021, the number of employees and executives totaled 505 persons, detail as follow;

1. Executives	3	persons
2. Investment Advisory Service	1	person
3. Credit Service	154	persons
4. Other Financial Service	1	person
5. Inspector, Control, Credit Quality	221	persons
6. Account and Finance	68	persons
7. Operations	21	persons
8. Information Technology	29	persons
9. Support and Administration	7	persons
Total	<u>505</u>	persons

Details of remuneration for employees for the year 2021 as follow;

1. Salary, bonuses, and other benefit	217,397,650.00	baht
2. Provident fund	<u>5,938,006.00</u>	baht
Total	<u>223,335,656.00</u>	baht

Human Resource Development Policy

The Company has established various procedures and systems relating to the continuous development of the potential of its employees at every level, including formal training programs, staff coaching, on the job training, and mentoring, so that every employee is able to become more effective in their work and be a positive part of the organization.

Persons assigned take certain responsibilities are as the following details.

- | | | |
|----|---------------------------|--|
| 1 | Mr. Vasit Kanjanahuttakit | The person taking the highest responsibility in finance and accounting |
| 2. | Miss Dounchai Kaewbootta | Company Secretary |
| 3. | Miss Ticha Suwansaeng | Vice President, Head of Internal Control |

The details and background of the directors, the management and person in charge of each areas are disclosed in the attachment 1.

Auditors

Mr. Paiboon Tunkoon	CPA. No. 4298 or
Mr. Boonrueng Lerdwiseswit	CPA. No. 6552 or
Ms.Sinsiri Thangsombat	CPA. No. 7352

Pricewaterhousecooper ABAS Co., Ltd.

Audit fee

For Examination of the financial statements of the Company for the year 2021 Baht 4,028,000

Non-Audit Fee

- None -

8. Report of Key Corporate Governance Performance

The performance of the directors in the past year

Nomination and appointment of directors

The Nomination and Remuneration Committee selected qualified individuals, who possesses abilities, experiences, and knowledge and propose that the Board of Director shall approve the appointment of the selected person to be the new directors, replacing the resigning director as follow:

1. Mr. Montree Chansungnoen who possesses experience in the finance business
2. Mr. Kom Vachiravarakarn who possesses experience in law
3. Miss Kanoknuj Cholvaniit who possesses experience in the finance business

In addition, the Nomination and Remuneration Committee also selected persons to replace the directors, who would leave upon term completion in the AGM No. 56. It is required that one third of the total 6 directors shall leave the position. Therefore, the following two directors had to leave the position upon the term completion.

1. Miss DOUNGCHAI Kaewbootta Non-management director
2. Miss NANTHIDA Pattanasakpinyo Non-management director

The Company opened an opportunity for the shareholders to nominate qualified individuals to replace the leaving directors; however, no nomination had been made during the specified time period. Thus, the Nomination and Remuneration Committee and the Board of Directors considered the knowledge, abilities and experiences of the leaving directors, who had completed the term; and after considering those factors, it was proposed to the AGM No. 56 that the retired directors shall be re-appointed as directors for another term.

Shareholders are allowed to nominate a person as a director

The Company realizes the right and the fair treatment to all shareholders, based on the corporate governance principles. Therefore, the Company opened an opportunity for the shareholders to nominate a qualified person as a candidate for a director, which is appointed by an AGM. This is based on the criteria disclosed on the Company's website. The qualifications of the shareholders, who are eligible to nominate a person as a director as follow

The shareholder who wishes to propose the agenda or nominate person to serve as the Company's director must be the shareholder of the Company, which can either be one shareholder or combined shareholders holding minimum shares of not less than the percentage of 0.5 of the total share with voting right. The percentage mentioned currently (November 12, 2021) is 2,756,236 shares.

The Nomination and Remuneration Committee of the Company will review the proposed persons and the Board of Directors shall consider qualifications and nominate such persons to the Annual General Meeting of Shareholder. Decision of The Board of Directors is absolute and final. The name of the person approved by the Board of Director will be included in the list, which is put in one of the AGM's agendas indicated in the meeting invitation letters. During the time the Company was open for nomination (November 13, 2020 to December 30, 2020), no shareholders had nominated anyone as a new director.

Development of the Board of Director and Executives.

The Company has a policy to encourage Directors and Executive to continuously and consistently educate for benefit of the business with the strong and sustained growth amidst the dynamic change of social, economic and business competency.

- The Company shall encourage the Company's Directors to get the training course from the Thai Institute of Directors for their understanding regarding roles, duties and responsibilities of the Directors.
- The Company shall encourage the Company's Directors, the Company Secretary and Executive to regularly get or participate in the training course that shall benefit the Company's business.
- The new Director and Executive shall be advised for the Company's business characteristics and business practices provided with sufficient documents and information.
- The Company shall encourage the Executives to prepare for the Management Development plan and Succession plan to ensure of the business continuity and efficacy.

The Board of Directors Self- Assessment

The Company believes that a good mechanism to evaluate the performance of the Board and the Sub Committee shall enable the Board and the Sub Committee to improve their operation and efficacy. Therefore, the company has designate the Board and the Sub Committee to conduct the Self- assessment with following detail.

- The Board of Director and the Sub Committee comprise of the Audit Committee and the Nomination and Remuneration Committee conduct the self-assessment at least once a year and disclose in the Annual report.
- The Nomination and Remuneration Committee shall regular prepare for and improve the self-assessment of the Board and the Sub Committee to comply with time and changing circumstances.
- The Company Secretary shall deliver the self-assessment form to each Director for their independently evaluation and submit the result in the Board meeting.

The result of the self-appraisal of the Board of Directors in 2021, based on the average score from all components, stood at 90.15.

The collective self-appraisal of the sub-committees

The Company also applies the self-appraisal form for sub-committees available at the Stock Exchange of Thailand to Company's performance appraisal form of the sub-committee. The key content in the self-appraisal form includes the structure and qualifications of the directors in the sub-committees, the meetings of the sub-committees, the roles and responsibilities of the sub-committees. The appraisal is carried out on a collective basis.

The results of the self-appraisal of the sub-committees in 2021, based on the average score from all components, are as follows: the score for the Audit Committee was at 93.75; the score for the Nomination and Remuneration Committee marked at 91.67.

Individual self-appraisal of the director

The Company also applies the self-appraisal form for individual directors available at the Stock Exchange of Thailand to Company's performance appraisal form of individual directors. The key content in the self-appraisal form includes the structure and qualifications of the directors, the meetings of the directors, the roles and responsibilities of the directors in the committees.

Performance appraisal of the management

The Nomination and Remuneration Committee appraises the performance of the Chief Executive Office and the Managing Director. The performance is appraised by the Company's annual earnings performance, which is determined by the profit for the year relative to the Company's strategic plans and targets, risk management in various areas, the financial position, the asset quality from business operation, the work collaboration with the directors, as well as assessment on other aspects, e.g., vision, strategies, corporate governance and sustainability development.

The meeting attendance of the members of board of directors / committees

In 2021, 12 meetings of the Board of Director, 4 meetings of the Audit Committee, 2 meetings of the Nomination and Remuneration Committee and 27 meetings of the Executive Committee were held. The meeting attendance records of the members of the board of directors / committees in those meeting are as follows:

Name of Directors	Attendance / Number of eligible meeting (times)			
	Board of Directors	Audit Committee	Nomination and Remuneration	Executive Committee
1. Mr.Suchart Luengsurawat	12/12	4/4	2/2	-
2. Miss.Doungchai Kaewbootta	12/12	-	-	27/27

3. Mr.Prawat Phatraprasit	12/12	4/4	2/2	-
4. Mr.Thititham Rojanapruk	11/12	-	-	27/27
5. Miss Nanthida Pattanasakpinyo	12/12	4/4	2/2	-
6. Mr. Montree Chansungnoen ¹	10/10	-	-	27/27
7. Mr. Kom Vachiravarakarn ²	8/8	-	-	-
8. Miss Kanoknuj Cholvani ³	8/8	-	-	-

Remark: ¹ Mr. Montree Chansungnoen was appointed to be director, authorized director on 25 February 2021

² Mr. Kom Vachiravarakarn was appointed to be independent director on 17 May 2021

³ Miss Kanoknuj Cholvani was appointed to be director, authorized director on 17 May 2021

Remuneration for the directors

(1) Cash Remuneration

Director remuneration

The director fees for the year 2020 approved by the shareholders meeting are as follows:

Board of Directors	Monthly Fee	Attendance Fee
Chairman	120,000	-
Vice Chairman	75,000	-
Non-management Director	50,000	-
Management Director	-	-
Sub-committee		
Chairman of Audit Committee	25,000	-
Chairman of Nomination and Remuneration	25,000	-
Chairman of Risk Management Committee	25,000	-

Remuneration paid to 8 directors amounted to Baht 3,374,200 in 2021, compared with Baht 5,732,371.00 paid in 2020. Details are as follow:

Remuneration of the year 2021 (Baht)

<u>Name of Directors</u>	<u>Board of Directors</u>	<u>Audit Committee</u>	<u>Nomination & Remuneration</u>	<u>Total</u>
1. Mr.Suchart Luengsurawat	900,000	300,000	-	1,200,000
2. Miss.Doungchai Kaewbootta	600,000	-	-	600,000
3. Mr.Prawat Phatraprasit	600,000	-	-	600,000
4. Mr.Thititham Rojanapruk	-	-	-	-
5. Miss Nanthida Pattanasakpinyo	600,000	-	-	600,000
6. Mr.Montree Chansungnoen	-	-	-	-
7. Mr.Kom Vachiravarakarn	374,200	-	-	374,200
8. Miss Kanoknui Cholvani	-	-	-	-
Total	3,074,200	300,000	-	3,374,200

Remuneration of the year 2020 (Baht)

<u>Name of Directors</u>	<u>Board of Directors</u>	<u>Audit Committee</u>	<u>Nomination & Remuneration</u>	<u>Risk Management</u>	<u>Total</u>
1. Mr.Sukont Kanjanahuttakit	1,236,000	-	-	257,000	1,493,500
2. Miss.Doungchai Kaewbootta	600,000	-	-	-	600,000
3. Mr.Suchart Luengsurawat	640,000	300,000	-	-	940,000
4. Mr.Kudun Sukhumananda	350,000	-	-	-	350,000
5. Mr.Prawat Phatraprasit	600,000	-	-	-	600,000
6. Mr.Thititham Rojanapruk	-	-	-	-	-
7. Mr.Pinit Puapan	515,000	-	-	-	515,000
8. Mr.Prayong Seannual	583,871	-	-	-	583,871
9. Miss Nanthida Pattanasakpinyo	500,000	-	-	-	500,000
10. Mr. Anantroj Thangsupanich	150,000	-	-	-	150,000
Total	5,174,871	300,000	-	257,500	5,732,371

(2) Other benefits

-None-

Compliance with the corporate governance policy and operation guidelines

1. Prevention of conflicts of interest

The Company has a clear policy and operation guidelines to prevent conflicts of interest in the Group and ensures that the directors and the management as well as the employees in the Group are aware of the measures to prevent conflicts of interest.

Connected transactions

The Company determines the measures and approval procedure for connected transactions. Any management or anyone with possible interest in certain connected transactions are not allowed to take part in the approval procedure. In case there are connected transactions between the Company and certain stakeholders or individuals, which may lead to conflicts of interest in the future, the Company seeks opinions from the Audit Committee concerning the necessity and justification of such connected transactions as well as the pricing appropriateness. The Audit Committee will consider whether the terms and conditions of the transactions are in line with the normal trade practice in the market and whether the prices of the transactions are comparable to the prices for transactions done with third parties. If the Audit Committee holds no expertise in judging certain connected transactions, the committee will seek advice or opinions concerning such transactions from experts, such as an auditor, an independent appraiser, a law office and etc., who are independent from the Company and connected persons. Such experts' opinions will be taken into consideration for decision making of the Audit Committee and/ or the Board of Directors and/ or the shareholders, whichever the case may be. The Company discloses all connected transactions in the note to the financial statements, which have been reviewed by the Company's authorized auditor.

In addition, the Company also approves in principles in regard to trade agreements with general trade terms for transactions between the Company and the directors, the management or connected persons. The management is authorized to approve connected transactions between the Company and/ or the subsidiaries and the directors, the management or connected persons (whether existing or potential transactions), without the approval from a meeting of the Board of Directors' meeting or an AGM; this is applicable for transactions with the trade agreements, which are in the same nature as the nature of trade agreements entered by wise men and their contract partners under the similar circumstance. The negotiation power on such transactions shall not be influenced by the status or the directors, the management or connected persons. The management is required to complete a summary report of all connected transactions involved by the directors, the

management or any connected persons and report the transactions to the Audit Committee's meeting and the Board of Directors' meeting on a quarterly basis.

In 2021, there were no connected transactions that violated the Company's connected transactions measures. The Audit Committee reviewed all connected transactions and provided its opinions of such transactions on a quarterly basis.

The directors and the management holding the director position in other corporations apart from the Companies and subsidiaries

The Company requires that the directors and the management report their holding of the director position or partnership in other corporations in addition to their positions in the Company every year. This report also includes the details of their spouses, minor children and corporations where the director, the management and their spouses hold controlling power. The report of all these details is aimed at preventing conflicts of interest.

2. Use of internal information for personal interest

The Company outlines the guidelines for prevention of insider trading. According to the guidelines, the directors, the management and employees holding the positions of vice president upwards, and individuals involving in the Company's internal information are prohibited from trading the Company's securities within one month prior to the disclosure of the quarterly and annual financial statements and 24 hours after the disclosure of significant information. In addition, the directors, the management, and those holding management positions in the accounting or finance department with manager positions upwards or equivalent are required to report all their trading transactions of the Company's securities to the Office of the Stock Exchange Commission within three days after the transaction day, as stated in the Stock and Exchange Act. The report on each change in their securities holding should be submitted to the Company Secretary.

The report of the changes in securities holding of the directors and the management in 2021 is as follows.

Shareholding in the Company of Board of Directors as of December 31, 2021.

Name	Number of share held	
	As of <u>Dec. 31, 2021</u>	Increase (Decrease) <u>During the year</u>
1. Mr.Suchart Luengsuraswat	-	-
2. Miss.Doungchai Kaewbootta	-	-
3. Mr.Prawat Phatraprasit	-	-

4. Mr.Thititham Rojanapruk	-	-
5. Miss Nanthida Pattanasakpinyo	-	-
6. Mr. Montree Chansungnoen	-	-
7. Mr. Kom Vachiravarakarn	-	-
8. Miss Kanoknui Cholvani	-	-

Shareholding in the Company of Executives as of December 31, 2021.

Name	Number of share held	
	As of <u>Dec. 31, 2021</u>	Increase (Decrease) <u>During the year</u>
1. Mr.Thititham Rojanapruk	-	-
2. Mr. Vasit Kanjanahuttakit	-	-
3. Mrs.Sirinthip Rabinwong	-	-
4. Miss Kanoknui Cholvani	-	-
5. Miss Ticha Suwansaeng	-	-
6. Mr. Adisorn Vichaidith	-	-
7. Miss Chonlada Taweepanyopas	-	-

As for the occurring trading transactions, the directors and the management reported the changes of their holding of the ordinary shares and the warrants (Form 59) to the Office of Stocks Exchange Commission, as required. The time when all transactions were proceeded was not during the time when the key information was disclosed.

3. Anti-corruption practice

The Company has anti-corruption policies and measures, with clear operation guidelines. The roles, duties and responsibilities are clearly indicated for involved parties, namely the Board of Directors, Audit Committee, the Chief Executive Office, the Managing Director, the management and the employees. The director, the management and the employees are required to strictly comply with the anti-corruption measures in preparation to declare the Company's intention to act against frauds and corruptions.

4. Complaining and whistle blowing

The Company had established the Whistle blowing or Complain Channels as follows :

- Inform or report by oneself or by letter to 3rd floor, Srisawad Building, no. 99/392, Soi Chaeng Watana 10 yaek 3, Chaeng Watana Road, Tungsonghong Sub-district, Laksi District, Bangkok 10210
 - Inform or report through Company's website: <http://www.srisawadfinance.co.th> (under "Complaint")
 - Inform or report via Company's E-mail as follows.
 - The Chairman of Audit Committee through a secretary : tichas@srisawadfinance.com
 - The Managing Director : thititham@srisawadfinance.com
 - The Head of Audit Department : tichas@srisawadfinance.com
 - Inform or report through Company's telephone no. as follows.
 - The Chairman of Audit Committee through a secretary: 0-2073-0677 ext. 376
 - The Managing Director : 0-2073-0677
 - The Head of Audit Department (Acting) : 0-2073-0677 ext. 376
 - Inform or report through Company's fax no. : 0-2073-0670
- In 2021, neither complaints nor whistle blowing was made.

The Board of Directors' responsibilities for financial reports

With duties and responsibilities as the directors of a SET-listed company, the Board of Directors oversaw and supervised the financial reports in 2021 to ensure that the financial reports were complete and accurate, based on appropriate policies and under the generally accepted accounting standards.

The Board of Directors appoints the Audit Committee, consisting for three independent directors, who possess knowledge, abilities, experiences, and all qualifications required by the Stock Exchange of Thailand. The Audit Committee has duties and responsibilities for overseeing the Company's financial reports and reviewing to ensure that the Company's financial reports and financial statements are accurate and that they disclose complete accounting data as well as connected transactions, which may lead to conflicts of interest. Moreover, the Audit Committee also sees that Company has an effective and appropriate internal control system and that all operation is in compliance with all laws, regulations and requirements of all supervisory bodies.

The Board of Directors views that the financial reports and financial statements of the Company for fiscal year 2021, ending December 31, 2021, which were reviewed by the Audit Committee as well as the management and the independent auditor, accurately and completely show the Company's financial position and earnings performance, based on the generally accepted accounting standards and related laws, regulations and orders.

Performance of the Audit Committee

In 2021, the Audit Committee arranged four meetings, with the details of attendance as follows.

Name	Position	2021	2020
1. Mr. Suchart Luengsurawat	Chairman of the Audit Committee	4/4	4/4
2. Miss Nanthida Pattanasakpinyo	Member of the Audit Committee	4/4	3/3
3. Mr. Prawat Phatraprasit	Member of the Audit Committee	4/4	1/1

The past performance of the Audit Committee, based on the Charter of the Audit Committee is as follows

1. Review of Financial Report

The Audit Committee reviewed the company's quarter and annual financial report by the auditor prior to proposing to the Board of Srisawad Finance (Public) Company Limited for consideration and approval along with asking the auditor for the problem found while examining and checking the financial report, the suggestion of account improvement, the suggestion of information disclosure and the auditor's independence to ensure that the financial report which had been examined and checked followed the standards of financial report and the terms of related laws and considered the suggestion to the auditor's internal control system. The Audit Committee reckoned that the company's process of financial report followed its procedures properly and in time for a benefit of investors or persons who spent the financial report to decide on investment.

2. Review of Internal Control and Internal Audit

The Audit Committee reviewed the internal control system by the internal auditor in all quarters and by the auditor to evaluate appropriateness of the internal control system which supported the cautious operation and eased the error from consideration of the 2021 report of internal audit and suggestion from the auditor; moreover, considering the scope of tasks and responsibilities, the independence, the right of internal operation, the management of organizations and manpower rates of the internal audit department including the internal auditor's approved plan which covered the company's significant work system – considering the internal control system as the direction specified by the Securities and Exchange Commission of Thailand and the Bank of Thailand regarding the control of administration, finance and legality. The Audit Committee reckoned that the company had the internal control system which was proper, ample and effective and conformed to the targets along with developing the examination quality of personnel and examining consistently.

3. Review of Business Supervision according to Regulations

The Audit Committee emphasized the transparent policy of management with systematically good business supervision to prevent the operation which did not follow the regulation or the company's rules by

inquiring the internal auditor and the executive related to the operation according to the Securities and Exchange regulation, the terms of Stock Exchange of Thailand or the regulation related to the company's business operation such as the Securities and Exchange Act, the terms of the Securities and Exchange Commission of Thailand, the terms of the Capital Market Supervisory, the terms of the Bank of Thailand, the terms of the Anti-Money Laundering Office and the terms of the Deposit Protection Agency including the commitment or liability which might result from a default of law or contract. According to the aforementioned inquiry, the satisfying answer was received. The Audit Committee reckoned that the company properly complied with the regulation and rules concerned.

4. Consideration of 2022 Selection, Nomination and Remuneration Payment of Auditor

The Audit Committee considered the independence, scope, direction, performance and the annual auditing plan raised before the examination; moreover, considering the auditor's and the auditor assistant's qualification, experience and productiveness including the auditor's service quality in the last year – the result was satisfying, and the discussed auditing fee was proper. Therefore, it should have been proposed to the Board of Srisawad Finance (Public) Company Limited for approval. The shareholder meeting nominated Mr. Paiboon Tunkoon CPA. No. 4298 and/or Mr. Boonruang Lerdvisesvit CPA.No. 6652 and/or Miss Sinsiri Thangsombat CPA. No. 7352 from PricewaterhouseCoopers ABAS Company Limited as the auditor of 2022.

5. Consideration of Concerned Particulars or Particulars with Conflicts of Interest

The Audit Committee considered revising and suggested disclosure of concerned particulars or particulars with conflicts of interest to ensure that the aforementioned particulars were reasonable, complete and proper according to the notice, the terms and the directions related to the Stock Exchange of Thailand and the Bank of Thailand. According to the consideration and the independent financial advisor's opinions, The Audit Committee reckoned that the management honestly made the aforementioned particulars – it was significantly considered the operation for the company's benefits like behaving towards common people with a reasonable price including the ample and complete information disclosure.

6. Report performance of the Audit Committee

The Audit Committee reported the performance of the Audit Committee on quarterly basis, such as reviewed financial statements and the Company's performance, internal control and internal audit results, the result of operations compliance with rules and regulations, summarized and suggested management and the Board the matter which should be improve.

The Audit Committee carried out the self-appraisal on a collective basis and the appraisal results show that the Audit Committee performed duties completely in accordance with the Charter of the Audit Committee and that all directors performed duties independently.

Performance of the Nomination and Remuneration Committee

In 2021, the Nomination and Remuneration Committee convened two meetings, with the details of attendance as follows.

Name	Position	2021	2020
1. Mr. Prawat Phatprasit	Member of Nomination and Remuneration Committee	2/2	3/3
2. Mr. Suchart Luengsurawat	Member of Nomination and Remuneration Committee	2/2	3/3
3. Miss Nanthida Pattanasakpinyo	Member of Nomination and Remuneration Committee	2/2	3/3

The past performance of the Nomination and Remuneration Committee, based on the Charter of the Nomination and Remuneration Committee is as follows.

1. Considered recruiting and proposing qualified individuals, who possess knowledge and abilities to be directors, replacing the directors who have completed the terms; and proposed such individuals to the Board of Directors for opinions and to the AGM for approval.

In 2021, the Company opened the opportunity for the shareholders to nominate persons to be directors, but no nomination was made. Therefore, the Nomination and Remuneration Committee considered the qualifications and the abilities of the directors, who have completed the term and were supposed to leave the positions. After considering such qualifications and abilities, the Nomination and Remuneration Committee proposed that the directors having completed the term shall be re-appointed for another term. Note that the chairman of the Nomination and Remuneration Committee was among the directors, who were about to leave the position; therefore, for this agenda, the chairman did not participate in the meeting in order that other members of the Nomination and Remuneration Committee could consider making decision independently.

2. Recruited and nominated person to be director to replace Mr. Sukont Kanjanahuttakit, Mr. Pinit Puapan and Mr. Prayong Saennual who resigned in November and December 2020. The Nomination and Remuneration Committee considered qualifications, knowledge and abilities of persons and thus nominated them to fill in the vacant director positions as follow:

Mr. Montree Chansungnoen	to be	Authorized Director
Mr. Kom Vachiravarakarn	to be	Independent Director
Miss Kanoknui Cholvani	to be	Authorized Director

3. Appraised the performance of the Managing Director and the Management in 2021. The Nomination and Remuneration Committee appraised the performance by considering the Company's 2020 earnings performance, 2021 profit in comparison to the Company's strategic plans and targets, risk management in various areas, the financial position, the asset quality from business operation, the work collaboration with the directors, as well as assessment on other aspects, e.g., vision, strategies, corporate governance and sustainability development.

4. Considered and reviewed the remuneration for the directors in accordance with their assigned duties and responsibilities and in comparison to the directors' remuneration offered by peers in the industry; and proposed such directors' remuneration to the Board of Directors for its comments and to the AGM for shareholders' approval.

5. Arranged the performance appraisal of the Board of Directors and the sub-committees and report the results to the Board of Directors.

Based on the self-appraisal on a collective basis for the sub-committees, the appraisal results show that the Nomination and Remuneration Committee could perform duties completely in accordance with the Charter of the Nomination and Remuneration Committee and that all directors performed duties independently.

9. Internal control and Risk Management

Board of Directors and the management have placed particular emphasis on an efficient internal control system and promotion of an appropriate business culture recognizing the importance of risk management and the adequacy of the internal control system in every function. Company requires all business units to comply with the best practices for internal control as a guideline for the business unit operations and in employee's practices. The Audit Committee has the duty and responsibility to review the effectiveness and adequacy of all risk management processes and internal control systems by discussing and evaluating operational results with the Audit Department on a continuing basis. These discussions include consideration of the appropriateness of the scope of work, roles and responsibilities, audit plans. The results of the evaluation and quality of internal control will be reported to the Board of Directors in case that it had recommendations or found significant loophole for further improvement.

Company's focus on governance and the culture of control and preparation of policies and procedures specified in writing. It also provides guidelines of employ discipline, professional ethics and penalty in order to uphold efficiency, transparency and fairness to all stakeholders.

In addition, a review of the operations and internal controls by using the internet to enhance the performance of measures taken in the performance of company's control activities as part of the process and control structure appropriate for all sectors. The job duties will be assigned to the worker, supervisors and evaluation of each to achieve a balance between appropriate and monitoring. For activities that may pose a conflict of interest, they will be identified and implemented according to the rules and regulations related to company.

Provisioning and monitoring operations of company is equipped with risk evaluation covering complying with laws and regulations governmental agencies, policies and ethical codes of company, adequacy evaluation in internal control, and proper risk management. Company always aware that internal control is the essential process for business which enables effective operations, gains rational confidence in achieving goals, provides long-term return, brings about prudential financial report and protects company from damages in assets and reputation.

Head of Internal Audit Unit

Miss Ticha Suwannasang Vice President, Internal Audit Department to responsible for overseeing the internal audit and compliance. For the central to care of BFIT's business in accordance with the laws, rules, regulations, policies and requirements of relevant government agencies, including the Bank of Thailand. Prevention and suppression of money laundering. Protection Act SEC and SET. The Board of Directors has approved a policy compliance (Compliance Policy) designated by the Board of Directors. The

Audit Committee Chief executive Departments or agencies and employees must follow correct legal. Including communications with employees even realize it. All employees have a duty and responsibility to study and understand the laws and regulations in the job. And practice, correctly Follow the rules strictly to consider and approve the appointment, transfer and dismissal of the incumbent head of internal audit of BFIT must be approved by the Audit Committee. Properties of the incumbent head of internal audit.

Related Party Transactions

In 2021, related party transactions between the Company and connected persons or related parties were conducted in the normal course of business operation. Such transactions have been concluded on the same commercial terms and conditions as applied to general customers of the company in the ordinary course of businesses

Policy on Related Party Transactions

The Company puts strong emphasis on effective management under good governance. The Company has issued an Operating Manual regarding Transactions with Connected Persons or Related Parties. The Company has a policy that the price or the conditions for related party transactions would be the same as for other normal business transactions

Procedures and Approval of Related Party Transactions

All related party transactions shall be done on the same basis and conditions as applied to external parties. The procedures for approval of related party transactions are summarized as follows:-

1. The transaction of the company or the subsidiary company with directors, executives or relevant persons has a commonly commercial condition; that is to say, it is considered the transaction with the commercial agreements in the same manner as reasonable men will conduct the transaction with common contract partners in the same situation. By the commercial bargaining power without the influence as directors, executives or relevant persons (it is the transaction relevant to deposit and withdrawal, borrowing and lending, arrangement of financial structure and project loan, property trading, investment consultant, financial consultant, property distribution and advance trading of agricultural products), the executive board or the executives can approve the transaction before according to the approval authority and the principle approved by the company's board; furthermore, it is necessary to report the abovementioned conducted transaction to the meeting of the examination board or the company's board as specified.

2. The transaction of the company of the subsidiary company with directors, executives or relevant persons has no commonly commercial condition (it is not the transaction relevant to deposit and withdrawal, borrowing and lending, arrangement of financial structure and project loan, property trading, investment consultant, financial consultant, property distribution and advance trading of agricultural

products); therefore, present the detail of particulars, relation of transaction, appropriateness of transaction and opinion from independent experts as the third party (auditors/appraisers/independent engineers/law offices) (if any) to the examination board for approval consideration and present to the company's board for approval consideration. The agreement of the abovementioned transaction will be presented to the shareholder's meeting for approval except the abovementioned transaction is based on the Section 89/12 and/or the Notification of Capital Market Supervisory Board Tor.Jor. 21/2551 on Rules of Relevant Transaction and/or the Notification of Stock Exchange Board on Information Disclosure and Registered Company Operation in Relevant Transaction B.E. 2546 (2003) and/or any of other conditions in the future.

3. The executives are prohibited to approve the relevant transaction with any concerns or involvements by the executives. However, the higher superior will approve the transaction and reveal the manner of relations or concerns or any interests to the company and the approver.

4. The directors with interests of conducting the transaction as the relevant particulars are prohibited to be a co-appraiser. However, those directors must reveal relations or concerns or any interests with the transaction conductor to the company.

5. Conducting the transaction with major shareholders or the activity with relevant benefits must follow the policy of the Bank of Thailand on Credit Transaction.

6. Conducting the transaction with major shareholders or the activity with relevant benefits must be approved by the company's board with the unanimous resolution except in case the company's board can authorize to the credit board or the executive board to approve the abovementioned credit. However, it must follow the rules of credit approval formulated by the company, and the amount of money granted to major shareholders or the activity with relevant benefits will be ratified by the company's board in the next meeting and must accept the unanimous resolution.

7. Granting credits, investing, taking on commitments or conducting transactions in the same manner of granting credits to the governmental agency, the fund for rehabilitation and development of financial institution systems or the governmental company or fund for rehabilitation and development of financial institution systems having the power to control the business of hold over 10 percent of all distributed shares of those companies.

8. Granting credits, investing, taking on commitments or conducting transactions in the same manner of granting credits to the previous customers who were approved by the company's board; however, in case of asking for the abovementioned additional financial amount or the abovementioned new financial amount.

However, if the company's board does not ratify or ratify with split resolution, granting credits, investing, taking on commitments or conducting transactions in the same manner of granting credit will be cancelled immediately.

Potential connected transaction

The connected transactions among the Company, the subsidiaries and related parties with possible conflict of interest will be done to support the Company's core business operation in order to maximize benefits to the shareholders. Potential connected transactions are as follows:

- Leases: The leases of buildings used for the Company's office is necessary to the Company's core business operation. Therefore, these lease transactions shall continue to exist. The rental rates that the Company pays to related parties with possible conflicts of interest are comparable to the market rates, or they are the rates appraised by an independent appraiser who carry out the appraisal to calculate the market-based rental rates used for public interest. In addition, the terms and conditions for the leases are in line with the core business operation.
- Interest expenses arising from the Company's deposits: The interest rate of the deposit that the Company pays to the connected persons is the same rate as the Company announced rate.

The Company has summarized all related party transactions and disclosed in Notes to Financial Statements as required by Accounting Standard. The Company has carried out the related party transactions according to the laws, the notifications of the Office of Securities and Exchange Commission and the regulations of the Stock Exchange of Thailand so as to comply with the Principles of Good Corporate Governance.

Summary of significant business transactions with related parties in 2021.

1. Deposits, Loan to customers and Obligation to key management directors of the company and family members, the company uses fair pricing which is a normal condition of doing business as follows:-

Deposits (Interest)	Baht 2.02 Million
Borrowing	Baht - Million
Obligation	Baht - Million

2. Related party transactions between the Company and related parties, the company uses fair market price pricing, which is a normal condition of doing business or according to the agreement agreed as follows:-

Related Party	Relationship	Transaction (Million Baht)		
		Deposits / Borrowing (Interest)	Service fees	Rental fees
1. Srisawad-samarn kaewbootta foundation	- A close relative of a director is a director and a shareholder in this company (Ms.Doungchai kaewbootta)	0.05	-	-
2. Pridapramote Co.,Ltd.	- A close relative of a director is a director and a shareholder in this company (Mr.Thititham Rojanapruk)	0.36	-	-
3. Rakvaree Co.,Ltd.	- A close relative of a director is a director and a shareholder in this company (Mr.Thititham Rojanapruk)	0.00	-	-
4. Com -Link Co.,Ltd.	- A close relative of a director is a director and a shareholder in this company (Mr.Thititham Rojanapruk)	11.32	-	-
5. Dharmavong Co.,Ltd.	- A close relative of a director is a director and a shareholder in this company (Mr.Thititham Rojanapruk)	0.01	-	-
6. Cassava Land Co.,Ltd.	- A close relative of a director is a shareholder in this company (Mr.Thititham Rojanapruk)	0.02	-	-
7. S.A.V.(Thailand) Co.,Ltd.	- A close relative of a director is a director and a shareholder in this company (Mr.Thititham Rojanapruk)	0.05	-	-
8.Prasert Dee Tae Co.,Ltd.	- A close relative of a director is a shareholder in this company (Mr.Thititham Rojanapruk)	0.01	-	-
9.PPGR Co.,Ltd.	- Common director (Mr.Thititham Rojanapruk) - Director and a close relative of a director are a director and a shareholder in this company (Mr.Thititham Rojanapruk)	0.04	-	-

Related Party	Relationship	Transaction (Million Baht)		
		Deposits / Borrowing (Interest)	Service fees	Rental fees
10. Hi-Tech Network Co.,Ltd.	- A close relative of a director is a director and a shareholder in this company (Mr.Thititham Rojanapruk)	0.68	-	-
11. RakThai Technology and Business Administration Co.,Ltd.	- A close relative of a director is a director in this company (Mr.Thititham Rojanapruk)	0.19	-	-
12. Eternal Energy Public Company Limited	- A close relative of a director is a director and a shareholder in this company (Mr.Thititham Rojanapruk)	0.05	-	-
13. I Tower Co.,Ltd.	- A close relative of a director is a director in this company (Mr.Thititham Rojanapruk)	2.60	-	-
14. Boon Anek Co.,Ltd.	- A close relative of a director is a director in this company (Mr.Thititham Rojanapruk)	0.11	-	-
15. Charoenporn Energy Co.,Ltd.	- A close relative of a director is a director in this company (Mr.Thititham Rojanapruk)	0.03	-	-
16 Boon Anek Anan Co., Ltd.	- Common director (Mr.Thititham Rojanapruk)	0.13		
17. Telservice Co., Ltd.	A close relative of a director is a shareholder in this company (Mr.Thititham Rojanapruk)	0.04		
18.Srisawad Power 2014 Co.,Ltd.	- Related party (Common Parent Company)	-	267.43	-
19.I.D. 2017 Co.,Ltd.	- Common director (Ms.Doungchai kaewbootta) - Director and a close relative of a director are a director and a shareholder in this company (Ms.Doungchai kaewbootta)	-	-	28.77

Part 3 Financial Statements

Report of the Board of Director's Responsibilities for Financial Statements

The Board of Directors is responsible as the directors of the listed company in the Stock Exchange of Thailand to oversee the financial statements for year 2021 be accurate and performed in compliance with generally accepted accounting standards.

The Board of Directors has appointed the Audit Committee which comprises of three independent directors whose experience and competence are qualified in accordance with the regulations of the Stock Exchange of Thailand, to review the accuracy of the Company's financial statements and disclosure of related parties' transactions. In addition, the Audit Committee oversees the adequacy and efficiency of internal control system and oversees the Company's operation to be conformable with laws and regulations of the Company's regulators.

The Board of Directors comments that the consolidated financial statements of the Company for year 2021 ended on December 31, 2021 which were jointly reviewed by the Audit Committee, Management and independent auditor were accurately and adequately performed in compliance with generally accepted accounting standards and related laws and regulations.



(Mr. Thititham Rojanapruk)
Managing Director



(Miss DOUNGCHAI KAEWBOOTTA)
Director

Report of the Audit Committee

The Board of Srisawad Finance (Public) Company Limited nominated three independent directors as the Audit Committee with the experience of accountancy, finance, administration consisting of (1) Mr. Suchart Leungsurawat, Chairman of the Audit Committee, (2) Mr. Prawat Phatraprasit and (3) Ms. Nanthida Pattanasakpinyo, Audit Committee

The Audit Committee called out as the scope of power, tasks and responsibilities assigned by the company's board. In 2021, the meeting was held for 4 times – to participate the meeting with the executives, the internal auditors and the auditors for having a discussion and sharing an opinion in the related agenda. And there was 1 meeting which the executives did not participate. The main points could be summarized as follows:

1. Review of Financial Report

The Audit Committee reviewed the company's quarter and annual financial report by the auditor prior to proposing to the Board of Srisawad Finance (Public) Company Limited for consideration and approval along with asking the auditor for the problem found while examining and checking the financial report, the suggestion of account improvement, the suggestion of information disclosure and the auditor's independence to ensure that the financial report which had been examined and checked followed the standards of financial report and the terms of related laws and considered the suggestion to the auditor's internal control system. The Audit Committee reckoned that the company's process of financial report followed its procedures properly and in time for a benefit of investors or persons who spent the financial report to decide on investment.

2. Review of Internal Control and Internal Audit

The Audit Committee reviewed the internal control system by the internal auditor in all quarters and by the auditor to evaluate appropriateness of the internal control system which supported the cautious operation and eased the error from consideration of the 2021 report of internal audit and suggestion from the auditor; moreover, considering the scope of tasks and responsibilities, the independence, the right of internal operation, the management of organizations and manpower rates of the internal audit department including the internal auditor's approved plan which covered the company's significant work system – considering the internal control system as the direction specified by the Securities and Exchange Commission of Thailand and the Bank of Thailand regarding the control of administration, finance and legality. The Audit Committee reckoned that the company had the internal control system which was

proper, ample and effective and conformed to the targets along with developing the examination quality of personnel and examining consistently.

3. Review of Business Supervision according to Regulations

The Audit Committee emphasized the transparent policy of management with systematically good business supervision to prevent the operation which did not follow the regulation or the company's rules by inquiring the internal auditor and the executive related to the operation according to the Securities and Exchange regulation, the terms of Stock Exchange of Thailand or the regulation related to the company's business operation such as the Securities and Exchange Act, the terms of the Securities and Exchange Commission of Thailand, the terms of the Capital Market Supervisory, the terms of the Bank of Thailand, the terms of the Anti-Money Laundering Office and the terms of the Deposit Protection Agency including the commitment or liability which might result from a default of law or contract. According to the aforementioned inquiry, the satisfying answer was received. The Audit Committee reckoned that the company properly complied with the regulation and rules concerned.

4. Consideration of 2022 Selection, Nomination and Remuneration Payment of Auditor

The Audit Committee considered the independence, scope, direction, performance and the annual auditing plan raised before the examination; moreover, considering the auditor's and the auditor assistant's qualification, experience and productiveness including the auditor's service quality in the last year – the result was satisfying, and the discussed auditing fee was proper. Therefore, it should have been proposed to the Board of Srisawad Finance (Public) Company Limited for approval. The shareholder meeting nominated Paiboon Tunkoon CPA. No. 4298 and/or Mr. Boonruang Lerdviseswit CPA. No. 6552 and/or Miss Sinsiri Thangsombat CPA. No. 7352 from PricewaterhouseCoopers ABAS Company Limited as the auditor of 2022.

5. Consideration of Concerned Particulars or Particulars with Conflicts of Interest

The Audit Committee considered revising and suggested disclosure of concerned particulars or particulars with conflicts of interest to ensure that the aforementioned particulars were reasonable, complete and proper according to the notice, the terms and the directions related to the Stock Exchange of Thailand and the Bank of Thailand. According to the consideration and the independent financial advisor's opinions, The Audit Committee reckoned that the management honestly made the aforementioned particulars – it was significantly considered the operation for the company's benefits like behaving towards common people with a reasonable price including the ample and complete information disclosure.

Finally, The Audit Committee followed the tasks and responsibilities assigned by the Board of Srisawad Finance (Public) Company Limited by sufficiently applying knowledge, carefulness, prudence and independence, commenting and suggesting for an equal benefit of stakeholders. The Audit Committee reckoned that the company's report of financial information was reliable and conformed to the standard of financial report. The company's operation followed the related regulation of business operation along with the excellent system of business supervision, the proper risk management, internal control system and internal audit; developed and improved the system of the aforementioned operations for better qualities.



(Mr. Suchart Leungsuraswat)

Chairman of the Audit Committee

Independent Auditor's Report

To the shareholders of Srisawad Finance Public Company Limited

My opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Srisawad Finance Public Company Limited (the Company) as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS) and the Bank of Thailand notifications in relation to the preparation and presentation of financial reporting as described in the Notes to the financial statements no. 3 and no. 5.

What I have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 December 2021;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to financial statements, which include significant accounting policies and other explanatory information

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 issued by the Federation of Accounting Professions that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. 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 judgement, were of most significance in my audit of the financial statements of the current period. I determine one key audit matter: Allowance for expected credit losses on loans to customers. The matter was 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 this matter.

Key audit matter	How my audit addressed the key audit matter
<p>Allowance for expected credit losses on loans to customers</p> <p>Refer to Notes to the financial statements which are Note 7 on Critical Accounting Estimates and Judgements, and Note 15 on Loans to Customers and Accrued Interest Receivables - net.</p> <p>Loans to customers contributed 30% of the Company's total assets. Management estimated the allowance for expected credit losses on loans to customers by applying both a qualitative approach and quantitative factors.</p> <p>I focused on this matter because the allowance for expected credit loss models under Thai Financial Reporting Standard 9 - Financial Instruments requires the use of complex models and significant assumptions about future economic conditions and customer's ability to repay.</p> <p>In addition, the significant management judgements in estimating allowance for expected credit losses include:</p> <ul style="list-style-type: none"> • building collective assessment models to calculate the allowance for expected credit losses and applying judgement in determining the appropriate construction of the models. • management assumptions used in setting up management overlays. <p>Furthermore, in response to COVID-19 outbreak, the Company has adopted the accounting treatment guidance on temporary relief measures for entities supporting debtors affected by the economic situation in Thailand. The adoption of these relief measures has an impact on the accounting treatment only for staging (Note 5.6 Accounting policy of Expected Credit Losses).</p>	<p>I evaluated management's judgement in determining the allowance for expected credit losses on loans to customers by enquiring with management about the method used and the assumptions made.</p> <p>I obtained an understanding of management's process and policy in setting up the allowance for expected credit losses on loans to customers.</p> <p>I evaluated the appropriateness of the collective assessment models calculation for the expected credit losses on loans to customers whether it is in accordance with related Thai Financial Reporting Standard.</p> <p>I evaluated the design of operating controls and tested the effectiveness of those controls over the allowance for expected credit losses as follows:</p> <ul style="list-style-type: none"> • the control over the completeness and accuracy of significant input data for the models calculation. • the control over recording the allowance for expected credit loss from models to general ledger • IT controls for loan data and aging. <p>I assessed and evaluated the reasonableness of forward-looking by checking statistical results and testing input data with reliable external data.</p> <p>I assessed and evaluated the reasonableness of management overlays by obtaining an understanding of the procedures applied and testing the calculation.</p> <p>I tested the accuracy of staging for customers under COVID-19 relief programmes according to Bank of Thailand notifications.</p> <p>I tested the calculation for the allowance for expected credit losses and agreed the results with the general ledger.</p> <p>Overall, the models and assumptions used for estimating the allowance for expected credit losses on loans to customers was properly set up, based on supporting evidence.</p>

Emphasis of matter

I draw attention to Note 3 of the financial statements, which describes the accounting policies in relation to adopting the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact from COVID-19. My opinion is not modified in respect to this matter.

Other information

The directors are 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 the 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 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 the audit committee.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with TFRS and the Bank of Thailand notifications in relation to the preparation and presentation of financial reporting, and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 the directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities 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 scepticism 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 the directors.
- Conclude on the appropriateness of the directors' 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 the audit committee 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 the audit committee 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, related safeguards.

From the matters communicated with the audit committee, 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.

PricewaterhouseCoopers ABAS Ltd.

Paiboon Tunkoon

Certified Public Accountant (Thailand) No. 4298

Bangkok

28 February 2022

SRISAWAD FINANCE PUBLIC COMPANY LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 2021

Srisawad Finance Public Company Limited
Statement of Financial Position
As at 31 December 2021

		2021	2020
	Notes	THB	THB
Assets			
Cash		19,754	20,000
Interbank and money market items - net	12	1,053,562,820	4,774,983,074
Financial assets measured at fair value through profit or loss	13	1,692,789,090	54,128,349
Investments - net	14	37,130,714	120,208,745
Loans to customers and accrued interest receivables - net	15	4,314,320,084	11,484,557,800
Properties for sale - net	17	53,192,973	43,405,501
Property, premises and equipment - net	18	331,832,247	480,311,275
Intangible assets - net	19	13,158,987	13,676,995
Deferred tax asset - net	26	15,580,566	7,702,695
Receivable from related parties	20	6,710,792,058	2,569,408,956
Other assets - net	21	27,428,759	33,640,046
Total assets		14,249,808,052	19,582,043,436

The accompanying notes are an integral part of this financial statements.

Srisawad Finance Public Company Limited
Statement of Financial Position (Cont'd)
As at 31 December 2021

	Notes	2021 THB	2020 THB
Liabilities and equity			
Liabilities			
Deposits	22	169,901,483	5,234,095,617
Borrowing	23	6,000,000	6,000,000
Lease liabilities	24	204,286,150	351,898,546
Provisions	25	21,002,311	45,707,667
Other liabilities	27	4,104,944,178	4,347,695,379
Total liabilities		4,506,134,122	9,985,397,209
Equity			
Share capital			
Authorised share capital			
551,247,243 ordinary shares			
at par value of Baht 5 each			
(2020: 551,247,243 ordinary shares			
at par value of Baht 5 each)			
		2,756,236,215	2,756,236,215
Issued and paid-up share capital			
551,247,241 ordinary shares			
paid-up of Baht 5 each			
(2020: 551,247,241 ordinary shares			
paid-up of Baht 5 each)			
		2,756,236,205	2,756,236,205
Premium on share capital		4,299,728,472	4,299,728,472
Retained earnings			
Appropriated			
Legal reserve	28	275,623,622	241,902,628
Unappropriated		2,412,085,631	2,297,908,271
Other components of equity		-	870,651
Total equity		9,743,673,930	9,596,646,227
Total liabilities and equity		14,249,808,052	19,582,043,436

The accompanying notes are an integral part of this financial statements.

Srisawad Finance Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2021

	Notes	2021 THB	2020 THB
Interest income - net	31	1,417,384,753	3,422,448,999
Interest expenses	32	(62,324,734)	(221,046,984)
Interest income - net		1,355,060,019	3,201,402,015
Fees and services income - net	33	138,555,296	138,225,455
Gain on financial instruments measured at fair value through profit or loss - net	34	71,337,208	114,960,553
Other operating income	35	48,879,086	140,410,288
Total operating income		1,613,831,609	3,594,998,311
Other operating expenses			
Personnel expenses		240,046,690	409,542,114
Directors' remuneration		3,374,200	5,732,371
Premises and equipment expenses		52,114,454	50,184,515
Taxes and duties		60,204,233	136,601,108
Loan management fee	42 b)	267,428,237	845,341,669
Other expenses	36	102,798,804	106,473,203
Total other operating expenses		725,966,618	1,553,874,980
Expected credit loss (Reversal)	37	(255,104,406)	82,517,424
Profit from operating before income tax		1,142,969,397	1,958,605,907
Income tax	38	(229,787,016)	(391,412,609)
Net profit for the year		913,182,381	1,567,193,298

The accompanying notes are an integral part of this financial statements.

Srisawad Finance Public Company Limited
Statement of Comprehensive Income (Cont'd)
For the year ended 31 December 2021

	Notes	2021 THB	2020 THB
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Losses on investments in debt instruments at fair value through other comprehensive income		(1,088,314)	(411,412)
Income tax relating to item that will be reclassified subsequently to profit or loss		217,663	82,282
Total items that will be reclassified subsequently to profit or loss		(870,651)	(329,130)
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of post-employment benefit obligations	25	8,077,638	(4,864,747)
Income tax on item that will not be reclassified subsequently to profit or loss		(1,615,528)	972,949
Total items that will not be reclassified subsequently to profit or loss		6,462,110	(3,891,798)
Other comprehensive income (expense) for the year, net of tax		5,591,459	(4,220,928)
Total comprehensive income for the year		918,773,840	1,562,972,370
Earnings per share			
Basic earnings per share (Baht per share)	39	1.66	2.84

The accompanying notes are an integral part of this financial statements.

Srisawad Finance Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2021

	Notes	Issued and paid-up share capital	Share premium	Retained earnings		Other components of equity	Total
		THB	THB	- Legal reserve	Unappropriated	THB	THB
Opening balance as at 1 January 2020		2,756,236,205	4,299,728,472	163,542,963	2,061,829,275	933,129	9,282,270,044
Retrospective adjustments from changes in accounting policy		-	-	-	(8,556,546)	266,652	(8,289,894)
Opening balance as at 1 January 2020 - restated		2,756,236,205	4,299,728,472	163,542,963	2,053,272,729	1,199,781	9,273,980,150
Changes in equity for the year							
Interim dividends	29	-	-	-	(1,240,306,293)	-	(1,240,306,293)
Loss on investments in debt instruments at fair value through other comprehensive income, net of tax		-	-	-	-	(329,130)	(329,130)
Loss on remeasurement of post-employment benefit obligations, net of tax		-	-	-	(3,891,798)	-	(3,891,798)
Legal reserve	28	-	-	78,359,665	(78,359,665)	-	-
Net profit for the year		-	-	-	1,567,193,298	-	1,567,193,298
Closing balance as at 31 December 2020		<u>2,756,236,205</u>	<u>4,299,728,472</u>	<u>241,902,628</u>	<u>2,297,908,271</u>	<u>870,651</u>	<u>9,596,646,227</u>
Opening balance as at 1 January 2021		2,756,236,205	4,299,728,472	241,902,628	2,297,908,271	870,651	9,596,646,227
Changes in equity for the year							
Dividends	29	-	-	-	(771,746,137)	-	(771,746,137)
Loss on investments in debt instruments at fair value through other comprehensive income, net of tax		-	-	-	-	(870,651)	(870,651)
Gain on remeasurement of post-employment benefit obligations, net of tax		-	-	-	6,462,110	-	6,462,110
Legal reserve	28	-	-	33,720,994	(33,720,994)	-	-
Net profit for the year		-	-	-	913,182,381	-	913,182,381
Closing balance as at 31 December 2021		<u>2,756,236,205</u>	<u>4,299,728,472</u>	<u>275,623,622</u>	<u>2,412,085,631</u>	<u>-</u>	<u>9,743,673,930</u>

The accompanying notes are an integral part of this financial statements.

Srisawad Finance Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2021

	Notes	2021 THB	2020 THB
Cash flows from operating activities			
Profit from operating before income tax expense		1,142,969,397	1,958,605,907
Adjustments to reconcile profit from operating before income tax expense to net cash provided by (used in) operating activities:			
Depreciation and amortisation	18,19	46,600,316	44,727,742
Diminution in value of properties for sale (reversal)	17	1,672,803	(5,266,304)
Amortisation of premium on investments in debt instruments measured at fair value through other comprehensive income		(10,284)	431,163
Gain on financial instruments measured at fair value through profit or loss - net	34	(71,337,208)	(114,960,553)
Expected credit loss (reversal)	37	(255,104,406)	82,517,424
Loss on disposal of assets		1,405,987	-
Loss from write-off of equipment		400	-
Employee benefit obligations	25	5,477,495	16,050,278
Interest income - net		(1,355,060,019)	(3,201,402,015)
Dividend income	35	(566,790)	(2,046,890)
Cash received from interest income		1,752,376,121	3,842,144,653
Cash paid for interest expenses		(75,935,924)	(245,243,284)
Cash received from dividend income	35	566,790	2,046,890
Cash paid for corporate income tax		(317,854,956)	(408,314,613)
Profit from operating activities before changes in operating assets and liabilities		875,199,722	1,969,290,398
Decrease (increase) in operating assets			
Interbank and money market items		3,850,000,000	(3,680,000,000)
Loans to customers		7,252,798,546	6,820,105,668
Properties for sale		(15,423,100)	124,007,690
Receivable from related parties	20	(4,141,383,102)	(2,237,451,069)
Other assets - net		5,739,225	(6,382,414)
(Decrease) Increase in operating liabilities			
Deposits		(5,064,194,134)	(1,114,237,120)
Provisions		(338,183)	-
Other liabilities		(333,714,511)	877,622,917
Net cash generated from operating activities		2,428,684,463	2,752,956,070

The accompanying notes are an integral part of this financial statements.

Srisawad Finance Public Company Limited
Statement of Cash Flows (Cont'd)
For the year ended 31 December 2021

	Notes	2021 THB	2020 THB
Cash flows from investing activities			
Cash paid for purchase of equipments	18	(26,898,966)	(13,767,037)
Cash paid for purchase of intangible assets	19	(2,696,828)	(9,412,640)
Cash received from disposal of equipments		4,953,270	-
Cash paid for purchase of investments		(1,650,000,000)	-
Cash received from disposal and redemptions of investments		164,676,467	77,780,003
Net cash (used in) generated from investing activities		(1,509,966,057)	54,600,326
Cash flows from financing activities			
Cash paid for borrowings from parent company	42 c)	-	(2,000,000,000)
Cash paid for principal elements of lease liabilities		(18,016,714)	(22,373,967)
Dividend paid	29	(771,746,137)	(1,240,306,293)
Net cash used in financing activities		(789,762,851)	(3,262,680,260)
Net increase (decrease) in cash and cash equivalents		128,955,555	(455,123,864)
Cash and cash equivalents as at 1 January		424,607,293	879,731,157
Cash and cash equivalents as at 31 December		553,562,848	424,607,293
Cash and cash equivalents consist of:			
Cash		19,754	20,000
Bank deposits		553,543,094	424,587,293
Total cash and cash equivalents		553,562,848	424,607,293
Non-cash items			
Acquisition of right-of-use assets under lease contracts	18	442,911	23,060,040
Transfer to assets-in-use	17, 18	3,962,825	-

The accompanying notes are an integral part of this financial statements.

1 General information

Srisawad Finance Public Company Limited (“the Company”) is a public limited company which is listed on the Stock Exchange of Thailand. The Company is incorporated and domiciled in Thailand. The registered address is:

Srisawad Building, 1st, 3rd, 6th Floor, 99/392, Chaeng Watthana 10 Alley, 3 Sub Alley, Chaeng Watthana Road, Thungsonghong, Laksi, Bangkok, 10210.

The principal business is a finance company under the supervision of the Bank of Thailand.

The financial statements are presented in Thai baht and rounded to the nearest baht, unless otherwise stated.

The financial statements were authorised for issue by the Board of Directors on 28 February 2022.

2 Significant events during and after the period

Coronavirus Disease 2019 outbreak

The outbreak of COVID-19 in early 2020 has had a severe and pervasive impact on the business sector, the Company’s customers and people. The Bank of Thailand has issued guidelines on how to assist debtors affected by the situation impacting the Thai economy. This included additional aid measures for debtors during the COVID-19 pandemic to financial institutions, specialised financial institutions and others financial services. Also, the government has declared a state of emergency to combat the COVID-19 outbreak.

The Company has continued to provide financial assistance to debtors impacted by COVID-19 following the Bank of Thailand’s measures by allowing a loan payment holiday or extending repayment terms for at least two months or two instalments.

3 Basis of preparation

The financial statements are prepared in accordance with Thai financial reporting standards under the Accounting Act B.E. 2543, being those Thai financial reporting standards issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission (“SEC”). The primary financial statements (i.e. statements of financial position, comprehensive income, changes in equity and cash flows) are prepared in the full format as required by the Securities and Exchange Commission and the Notification of the Bank of Thailand (“BOT”), no. SorNorSor. 22/2561 on the preparation and format of the financial statements of investment company and credit foncier company dated on 31 October 2018 and BoT circular letter number TorPorTor ForNorSor (23) Wor 276/2563 directive dated on 28 February 2020, regarding to “The relief programs for customers affected by Thai economic situations”.

The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with the Thai financial reporting standards requires management to use certain critical accounting estimates and to exercise its judgement in applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 7.

An English version of the financial statements has been prepared from the financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language financial statements shall prevail.

4 New and amended financial reporting standards

4.1 New and amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2021 that are relevant and impact to the Company

Certain amended financial reporting standards are mandatory for the current reporting period which have been adopted by the Company.

a) **Revised Conceptual Framework for Financial Reporting** added the following key principals and guidance:

- Measurement basis - including the factors for considering different measurement basis
- Presentation and disclosure - including classification of income and expenses in other comprehensive income
- Definition of a reporting entity - which maybe a legal entity, or a portion of an entity
- Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification on the prominence of stewardship for the objective of financial reporting.

b) **Amendment to TAS 1, Presentation of financial statements and TAS 8, accounting policies, changes in accounting estimates and errors** provide a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarifies when information is material and incorporates some of the guidance in TAS 1 about immaterial information.

Management has assessed the changes and decided these financial standards have no significant impact on the Company.

4.2 Amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2022 that are relevant and impact to the Company

The Company has not early adopted the following amended TFRSs for the current reporting period.

a) **Interest rate benchmark (IBOR) reform – phase 2, amendments to TFRS 9, TFRS 7, TFRS 16 and TFRS 4, and accounting guidance for insurance business** provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flows or hedging relationship arising from the replacement of one benchmark with an alternative benchmark.

Key relief measures of the phase 2 amendments are as follows:

- When changing the basis for determining contractual cash flows for financial assets and financial liabilities (including lease liabilities), changes that are necessary as a direct result of the IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement. TFRS 16 has also been amended to require lessees to use a similar practical expedient when accounting for lease modifications that change the basis for determining future lease payments as a result of the IBOR reform.

TFRS 7 requires additional disclosure about:

- the nature and extent of risks arising from the IBOR reform to which the entity is exposed to
- how the entity manages those risks
- the entity's progress in transitioning from the IBOR to alternative benchmark rates and how the entity is managing this transition.

Management has assessed the changes and decided these financial standards have no significant impact on the Company.

5 Accounting policies

5.1 Recognition of revenues and expenses

a) Interest and discounts on loans

Interest income is calculated by applying the effective interest rate to the gross carrying of the financial asset, except for:

- purchased or originated credit-impaired financial asset (POCI), for which the original credit-adjusted effective interest rate is applied to the amortised cost of financial asset since the initial recognition, and
- financial assets that are not POCI but subsequently become credit-impaired (a stage 3), for which interest revenue is calculated by applying the effective interest rate to the amortised cost, net of the provision expected credit loss expected to be incurred after the reporting period.

b) Interest and dividends on investments in securities

Interest income on investments is recognised as income on an accrual basis based on the effective interest rate.

Dividends from investments in securities are recognised as income when the entitlement to receive the dividends arises.

c) Gains (Losses) on trading in securities

Gains (Losses) on trading in securities are recognised as income or expense on the transaction dates.

d) Fees and services income

The Company recognises fees and services income when services rendered.

e) Recognition of expenses

The Company recognises expenses on an accrual basis.

5.2 Cash

Cash includes cash on hand according to the Notification of the Bank of Thailand.

5.3 Securities purchased under resale agreements

Securities purchased under resale agreements are to resell at certain date in the future at a fixed price. Amounts paid for securities purchased under resale agreements at a future date are presented as assets under the caption of interbank and money market items or loans to customer depending on terms as agreed with related counterparties. These receivables are shown as collateralised by the underlying security.

5.4 Financial assets

a) Classifications

The Company classifies its debt instrument financial assets in the following measurement categories depending on i) the business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

Those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss) and those to be measured at amortised cost.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Company has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI). However, those held for trading are measured at FVPL.

b) Recognition and derecognition

Regular-way purchases, acquisitions, and sales of financial assets are recognised on trade date, the date when the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has substantially transferred all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not measured at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest (SPPI).

d) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing assets and cash flow characteristics of the financial assets. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains (losses) on investments together with foreign exchange gains or losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.
- **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; and ii) for holding to collect and sell the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets are derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in gain (loss) on investments. Interest income is included in interest income. Impairment expenses are presented separately in the statement of comprehensive income.
- **FVPL:** Financial assets that do not meet the criteria for an amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented as net gain (loss) on financial instruments measured at fair value through profit or loss in the period in which it arises.

e) Equity instruments

The Company measures all equity investments at fair value. Where the Company has elected to present fair value gains or losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains or losses to profit or loss following the derecognition of the investment. Dividends from these investments continue to be recognised in profit or loss as other operating income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in gain (loss) on financial instruments measured at fair value through profit or loss in the statement of comprehensive income.

f) Impairment

The Company assesses on a forward-looking basis of the expected credit loss associated with its debt instruments measured at amortised cost and FVOCI. The applied impairment methodology depends on whether there has been a significant increase in credit risk.

Impairment and reversal of impairment losses are recognised in profit or loss as a separate line item.

5.5 Loans to customers

Secured personal loans

Personal loan receivable is initially recognised at an amount equal to the net investment in the contract. Subsequently, they are stated at net realisable value from the contract value net deferred revenue and allowance for expected credit loss. The allowance for expected credit loss on secured personal loans is disclosed in Note 5.6.

Unsecured personal loans and commercial loans

Personal loans receivables are initially recognised at an amount equal to the investment in the contract. Subsequently, they are stated at the net principal, including accrued interest receivable and allowance for expected credit loss. The allowance for expected credit loss on unsecured personal loans and commercial loans are disclosed in Note 5.6.

5.6 Allowance for expected credit loss

The Company measures the expected credit losses using the following approaches:

a) Simplified approach

The Company applies simplified approach to measure expected credit losses which uses a lifetime expected credit loss for other receivables.

b) General approach

At each reporting date, The Company applies a general approach to measure expected credit losses on debt instruments measured at amortised cost, debt instruments measured at fair value through other comprehensive income, loan commitments, and financial guarantee contracts except for those that are under the simplified approach. The Company considers the change in credit risk by using a three-stage expected credit loss impairment model. Each stage dictates how the entity measures impairment losses and applies the effective interest rate method. The three-stage are:

- Stage 1 - from the initial recognition of a financial assets to the date that the credit risk of the asset has not increased significantly relative to its initial recognition, a loss allowance is recognised equal to the credit losses expected to result from defaults occurring over the next 12 months.
- Stage 2 - following a significant increase in credit risk relative to the initial recognition of the financial assets. Here, a loss allowance is recognised equal to the credit losses expected over the full lifetime of the asset.
- Stage 3 - when a financial asset is considered to be credit-impaired, a loss allowance equal to full lifetime expected credit losses is to be recognised.

Under the three-stage expected credit loss impairment model except for significant exposures in loans to customer, the impairment will be assessed by using collective approach model with forward looking information adjustment. The impairment of some significant exposures in loans to customer will be assessed by using individual assessment approach.

Definition of default and credit-impaired financial assets

The Company defines a financial instrument as default or credit-impaired which is considered to have occurred when there is evidence that the customer is experiencing financial difficulty which is likely to significantly affect the ability to repay. Exposures are credit-impaired if they are past due for 90 days or more or possesses signs indicating weaknesses which are likely to impact ability to meet future financial obligations. The default definition is consistent with that used for risk management purposes.

Exposures that are credit-impaired are classified as Stage 3 and could be upgraded to Stage 2 if the customer no longer meet credit impaired definition, and exposures are classified as Stage 1 if significant increase in credit risk since initial recognition is no longer significant.

The Company applied the temporary exemption guidance for entities assisting debtors affected by the situation of COVID-19 pandemic announced by the Federation of Accounting Professions (TFAC) in accordance with the relief measures issued by Bank of Thailand on Thor Por Tor. For Nor Sor. (23) Wor. 273/2563 guidelines to assist debtors affected by the situation impacting the Thai economy, dated 28 February 2020 and on Thor Por Tor. For Nor Sor. (01) Wor. 380/2563 additional measures to assist debtors affected by COVID-19 pandemic, dated 26 March 2020 for the reporting periods ending between 1 January 2020 and 31 December 2021 as follows:

- In the event that the debt restructuring causes an original effective interest rate to no longer reflect the estimated cash flow to be received from the loans, the Company uses a new effective interest rate for the calculation of the current value of the restructured loans under the Bank of Thailand's circular assistance guidelines.
- The Company has maintained the staging of debtors as before entering the relief measures under the Bank of Thailand's circular assistance guidelines.

Surplus reserve

The Company measures the surplus reserve on the date of adoption for new financial reporting standards relating to the financial instruments by comparing the difference between allowance for expected credit losses according to requirement of the new financial reporting standards related to financial instruments and total reserves that the Company had on 31 December 2019. In which, the Company will amortised the surplus reserve using the straight-line method for five consecutive years in accordance with the BOT's notification on utilising surplus reserve, dated 6 November 2019.

Nevertheless, in 2021, the Company did not amortise the surplus reserve in order to reserve for possible losses that may be occurred from the COVID-19 pandemic in accordance with the BOT's notification on guidelines for loan staging and the setting of allowance for financial institutions, dated 31 October 2018 no. 5.8, which stated that the financial institutions may apply any guidelines that are more stringent than BOT's statements to classify loan stages or reserve an allowance on assets and financial commitment, or to derecognise assets.

5.7 Properties for sale

Properties for sale consist of movable and immovable assets, which the Company recognises at the lower of the outstanding loan principal including accrued interest or fair value net with selling expenses. Impairment loss (if any) is recognised as expense in profit or loss.

Gains (Losses) on disposal of foreclosed assets are recorded as income or expenses in profit or loss when the disposal is made. Impairment loss (if any) is recognised as expense in profit or loss.

5.8 Property, premises and equipment

Premises and equipment are stated at historical costs less the accumulated depreciation and impairment losses. Historical costs include expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Company. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Land	Not depreciated
Premises and building improvements	20 years
Equipments	3-5 years
Furniture and fixtures	5 years
Vehicles	5-10 years
Building improvements	18 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in other gains or losses.

5.9 Intangible assets

Acquired computer software

Acquired computer software is measured at cost. These costs are amortised over their estimated useful lives not over than 5 years.

Costs associated with maintaining computer software are recognised as an expense as incurred.

Research and development / Internally generated intangible asset

Research expenditure is recognised as an expense incurred.

Development expenditure is recognised as an asset when the Company can demonstrate all of the following:

- the expenditure attributable to its development can be measured reliably;
- the Company can demonstrate that it is technically, financially, commercially, and resourcefully feasible; and
- the Company intends to and has the ability to complete the development for the purpose of using or selling.

Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Capitalised development costs are amortised when the asset is ready to use or sell by applying a straight-line method over the period of its expected benefit, not exceeding 5 years.

5.10 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

5.11 Leases - where the Company is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurements of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

5.12 Financial liabilities

a) Classification

Financial instruments issued by the Company are classified as either financial liabilities or equity securities by considering contractual obligations as following:

- Where the Company has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Company's own equity instruments.
- Where the Company has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost except derivative liabilities that are measured at fair value through profit or loss (FVPL).

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Company assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceeds paid are recognised as other gains (losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated flows discounted at its original effective interest rate. The difference is recognised in other gains (losses) in profit or loss.

5.13 Borrowing

Borrowing is recognised initially at the fair value, net of directly attributable transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

5.14 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

5.15 Employee benefits

a) Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries, paid annual leave and paid sick leave, profit-sharing and bonuses, and medical care are revised as appropriate that are expected to be wholly settled within 12 months of the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

b) Defined contribution plan

The Company pays contributions to a separate fund on a mandatory basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due.

c) Defined benefit plans

Amount of retirement benefits are defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly against other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

5.16 Provisions

Provisions are recognised when: the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as an interest expense.

5.17 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

5.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Company's Board of Directors that makes strategic decisions.

6 Financial risk management

The Company exposes to a variety of financial risks: market risk (including fair value risk resulting from change in interest rate, cash flow risk resulting from change in interest rate, and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the fluctuation of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by the Central Treasury Department under policies approved by the Board of Directors. The Company's Treasury identifies, evaluates and hedges financial risks in close cooperation with the Company's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk and credit risk

6.1. Credit risk

6.1.1 Loan risk

The Company has no significant concentrations of credit risk. The Company has policies in place to ensure that contracts are made with customers who have appropriate credit levels by limiting customers' credit facilities, as well as guarantees from customers are appropriately obtained. Derivative counterparties and deposits are limited to be executed with highly credible financial institutions. The Company has policies that limit the amount of credit exposure to any financial institution.

The Management deals with the risk by adopting appropriate credit control policies and procedures. Therefore, the Company has assessed that it will not incur material financial losses. The maximum exposure to credit risk is limited to the carrying amounts of loan to customers receivables as stated in the statement of financial position.

6.1.2 Securities

The Company implements a range of policies and practices to mitigate credit risk. The key common of these is accepting collaterals for loans granted. The Company has internal policies on the acceptability of specific classes of collateral to reduce credit risk mitigation.

The Company appraises the collateral obtained as part of the loan origination process. The appraisal is reviewed periodically. The main collateral types accepted and given value by the Company are:

- Real estates
- Vehicles

The Company has evaluated the loan to value ratio to cover the credit risk over the entire terms of contracts and the policies for accepting collateral have not been significantly changed during the reporting period and there has been no significant change in overall quality of the collateral held by the Company since the prior period.

The Company closely examines collateral used for credit-impaired financial assets. If the Company is certain that the financial assets are credit-impaired, they will consider the foreclosure of collateral to mitigate probable credit risk.

Credit-impaired financial assets and their related collaterals held to mitigate credit risk are shown as below:

	31 December 2021			
	Gross carrying amount THB	Expected credit losses THB	Net carrying amount THB	Fair value of collateral held THB
Retail sector	541,655,492	47,623,969	494,031,523	1,319,080,900
Corporate sector	35,000,000	35,000,000	-	50,572,000
Total credit-impaired assets	576,655,492	82,623,969	494,031,523	1,369,652,900
	31 December 2020			
	Gross carrying amount THB	Expected credit losses THB	Net carrying amount THB	Fair value of collateral held THB
Retail sector	828,363,236	78,018,603	750,344,633	1,665,056,102
Corporate sector	35,000,000	35,000,000	-	50,572,000
Total credit-impaired assets	863,363,236	113,018,603	750,344,633	1,715,628,102

6.1.3 Maximum exposure to credit risk

The table below shows the maximum credit risk exposure of the Company in the event of other parties failing to follow their prescribed obligations, without consideration of any collateral held. Moreover, the maximum exposure to loss is considered to be a carrying amount in the statement of financial position or, a contractual nominal amount of off statement of financial position transaction, excluding derivatives. The exposure to credit risk of the Company equals to the carrying amount in the statement of financial position as at the reporting date, except as follows:

	31 December 2021	31 December 2020
	Maximum exposure THB	Maximum exposure THB
Credit risk exposures of on-statement of financial position assets:		
Investments - net	80,000,000	162,000,000
	80,000,000	162,000,000

6.2 Interest rate risk

The Company's majority of income and operating cash flows are independent of the changes in market interest rates. Most of the Company's financial assets and liabilities bear floating or fixed interest rates which are similar to the market rates. Besides, the Company will arrange an interest rate swap to manage interest risk in case of necessity. In addition, to reduce interest rate risk, the Company has determined the maximum limit of investments according to appropriateness. As a result, the interest rate risk is expected to be minimal.

Interest rate risk derives from the fluctuation of interest rates in the future market which will affect the Company's operating performance and its cash flows. However, hedging that risk by using derivatives is considered by the Company as unnecessary since the Management believes that the fluctuation of interest rates in the future market will not materially affect the Company's operating performance.

Financial assets and financial liabilities classified by interest rate characteristics are as follows:

31 December 2021				
Outstanding balance of financial instruments				
	Floating interest rate THB	Fixed interest rate THB	Non- interest THB	Total THB
Financial assets				
Interbank and money market items	-	828,528,120	225,014,974	1,053,543,094
Financial assets measured at fair value through profit or loss	-	-	1,692,789,090	1,692,789,090
Investments	-	80,000,001	-	80,000,001
Loans to customers	142,912,648	4,384,448,527	-	4,527,361,175
	142,912,648	5,292,976,648	1,917,804,064	7,353,693,360
Financial liabilities				
Deposits	-	169,901,483	-	169,901,483
Borrowing	-	6,000,000	-	6,000,000
Lease liabilities	-	204,286,150	-	204,286,150
	-	380,187,633	-	380,187,633

31 December 2020				
Outstanding balance of financial instruments				
	Floating interest rate THB	Fixed interest rate THB	Non- interest THB	Total THB
Financial assets				
Interbank and money market items	-	4,531,886,110	242,701,183	4,774,587,293
Financial assets measured at fair value through profit or loss	-	-	54,128,349	54,128,349
Investments	-	163,078,032	-	163,078,032
Loans to customers	219,686,754	11,720,223,951	-	11,939,910,705
	219,686,754	16,415,188,093	296,829,532	16,931,704,379
Financial liabilities				
Deposits	-	5,234,095,617	-	5,234,095,617
Borrowing	-	6,000,000	-	6,000,000
Lease liabilities	-	351,898,546	-	351,898,546
	-	5,591,994,163	-	5,591,994,163

Interest rate risk sensitivity analysis

The interest rate sensitivity result shows the impact of financial assets and liabilities bearing floating interest rates and fixed rate financial assets and liabilities on net profit after tax and owner's equity:

	Impact on net profit after tax Increase (Decrease) THB	Impact on owner's equity Increase (Decrease) THB
31 December 2021		
+100 basis points (bps)	10,789,595	-
-100 basis points (bps)	(10,789,595)	-
31 December 2020		
+100 basis points (bps)	16,174,034	-
-100 basis points (bps)	(16,174,034)	-

The result above represents the impact of interest rate sensitivity of financial assets and liabilities on net profit for the year. The Company uses the sum of risk weighted method per period of interest rate changes to simulate the effect of changes in interest rates rising or falling at 100 basis points.

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Financial assets and liabilities with interest rates can be separated according to the maturities from the date of statement of financial position to earlier of reprising dates or maturity date which are as follows:

	31 December 2021								
	Outstanding balance of financial instruments								
	At call THB	0 - 3 months THB	3 - 12 months THB	1 - 5 years THB	Over 5 years THB	Non- Performing loan THB	Non-interest THB	Total THB	Interest rates (%)
Financial assets									
Interbank and money market items	328,528,120	500,000,000	-	-	-	-	225,014,974	1,053,543,094	0.125 - 1.00
Financial instruments measured at fair value through profit or loss	-	-	-	-	-	-	1,692,789,090	1,692,789,090	
Investments	-	-	-	-	-	80,000,001	-	80,000,001	4.05
Loans to customers	485,644,406	1,420,360,889	2,377,829,799	207,900,193	-	35,625,888	-	4,527,361,175	1.83 - 21.00
	814,172,526	1,920,360,889	2,377,829,799	207,900,193	-	115,625,889	1,917,804,064	7,353,693,360	
Financial liabilities									
Deposits	62,091,099	49,750,000	51,060,384	7,000,000	-	-	-	169,901,483	0.50 - 3.40
Borrowing	6,000,000	-	-	-	-	-	-	6,000,000	1.75
Lease liabilities	-	3,632,657	11,005,690	49,037,695	140,610,108	-	-	204,286,150	3.50 - 5.10
	68,091,099	53,382,657	62,066,074	56,037,695	140,610,108	-	-	380,187,633	

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	31 December 2020								
	Outstanding balance of financial instruments								
	At call THB	0 - 3 months THB	3 - 12 months THB	1 - 5 years THB	Over 5 years THB	Non- Performing loan THB	Non-interest THB	Total THB	Interest rates (%)
Financial assets									
Interbank and money market items	181,886,110	4,350,000,000	-	-	-	-	242,701,183	4,774,587,293	0.25 - 1.73
Financial assets measured									
at fair value through profit or loss	-	-	-	-	-	-	54,128,349	54,128,349	
Investments	-	-	-	83,078,032	-	80,000,000	-	163,078,032	4.88 - 5.125
Loans to customers	899,030,055	4,129,497,984	5,768,976,005	1,088,497,066	18,252,957	35,656,638	-	11,939,910,705	0.01 - 36
	1,080,916,165	8,479,497,984	5,768,976,005	1,171,575,098	18,252,957	115,656,638	296,829,532	16,931,704,379	
Financial liabilities									
Deposits	199,190,022	1,921,186,615	2,762,901,091	350,817,889	-	-	-	5,234,095,617	0.50 - 3.50
Borrowing	6,000,000	-	-	-	-	-	-	6,000,000	1.75
Lease liabilities	-	5,293,868	16,004,078	84,458,260	246,142,340	-	-	351,898,546	3.50 - 4.12
	205,190,022	1,926,480,483	2,778,905,169	435,276,149	246,142,340	-	-	5,591,994,163	

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6.3 Liquidity risk

Liquidity risk is the risk that the Company is unable to pay its debts and obligations when they are due, unable to convert its assets into cash timely, or fail to seek for sufficient sources of funding when it is in need of them.

The Company can manage cash sufficiently and invests in marketable securities. The execution of sources of funding can be evidenced from adequate credit facilities from agreed upon borrowing arrangements and ability to avoid market exposure.

Management is responsible for liquidity management, including procurement of both short-term and long-term sources of funding.

The table below represents financial assets and liabilities classified by the contractual maturities by disclosing at the contractual undiscounted cash flows. Besides, the balances that are due within 12 months will be equal to their carrying balances as the impact of discounting is not significant.

31 December 2021						
	At call THB	Less than or equal to 1 year THB	1 - 5 years THB	Over 5 years THB	No Maturity THB	Total THB
Financial assets						
Interbank and money market items, net	553,543,094	500,019,726	-	-	-	1,053,562,820
Financial assets measured at fair value through profit or loss	-	-	-	-	1,692,789,090	1,692,789,090
Investments - net	-	-	-	80,000,001	-	80,000,001
Loans to customers and accrued interest receivables - net	35,625,888	4,284,435,619	207,900,193	-	-	4,527,961,700
	589,168,982	4,784,455,345	207,900,193	80,000,001	1,692,789,090	7,354,313,611
Financial liabilities						
Deposits	62,091,099	100,810,384	7,000,000	-	-	169,901,483
Borrowing	6,000,000	-	-	-	-	6,000,000
Other liabilities	5,768,463	283,676	5,336	-	-	6,057,475
Lease liabilities	-	24,444,119	82,027,080	178,458,481	-	284,929,680
	73,859,562	125,538,179	89,032,416	178,458,481	-	466,888,638
31 December 2020						
	At call THB	Less than or equal to 1 year THB	1 - 5 years THB	Over 5 years THB	No Maturity THB	Total THB
Financial assets						
Interbank and money market items, net	424,587,293	4,350,395,781	-	-	-	4,774,983,074
Financial assets measured at fair value through profit or loss	-	-	-	-	54,128,349	54,128,349
Investments - net	80,000,000	-	83,078,032	-	-	163,078,032
Loans to customers and accrued interest receivables - net	934,687,076	9,899,350,571	1,088,497,066	18,252,957	-	11,940,787,670
	1,439,274,369	14,249,746,352	1,171,575,098	18,252,957	54,128,349	16,932,977,125
Financial liabilities						
Deposits	199,190,022	4,684,087,706	350,817,889	-	-	5,234,095,617
Borrowing	6,000,000	-	-	-	-	6,000,000
Other liabilities	3,183,382	14,648,023	2,026,980	-	-	19,858,385
Lease liabilities	-	35,193,000	131,387,700	302,250,000	-	468,830,700
	208,373,404	4,733,928,729	484,232,569	302,250,000	-	5,728,784,702

6.4 Fair value estimation

The estimated fair values of financial assets and liabilities for disclosure purposes are approximately valued by discounting the future cash flows of similar financial instruments regarding current market interest rate which are disclosed in Note 10.

7 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

7.1 Impairment

The Company assesses expected credit loss on a forward-looking basis for its financial assets classified as debt instrument carried at FVOCI and financial assets at amortised cost.

Expected credit losses are a probability-weighted estimate of credit losses over the expected life of the financial instrument such as a present value of total cash flow expected not to receive. A cash shortfall is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive discounted at the original effective interest rate for the financial assets that are not purchased or originated credit-impaired financial assets or credit adjusted effective interest rate for purchased or originated credit-impaired financial assets. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

The cash flows that are considered shall include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. There is a presumption that the expected life of a financial instrument can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the expected life of a financial instrument, the Company uses the remaining contractual term of the financial instrument.

For a financial asset that is credit-impaired at the reporting date, but that is not a purchased or originated credit impaired financial asset, the Company measures the expected credit losses as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

The Company measures expected credit losses of a financial instrument in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

7.2 Valuation of properties for sale

The Company assesses allowance for impairment of properties for sale by taking into consideration the type and nature of assets based on historical losses on sale of properties foreclosed. When net realised value falls below the book value, the management uses judgement to estimate top up allowance for impairment of properties for sale.

Fair value of properties for sale-immovable assets is calculated from the appraisal value, appraised by an external independent appraiser or internal appraiser annually, less estimated selling expenses, and the appraisal value is discounted according to the holding year.

7.3 Post-employment benefits under defined benefit plans

The present value of the retirement benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for retirement benefits include the discount rate. Any changes in these assumptions will have an impact on the carrying amount of retirement benefits obligation.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement benefits obligations. In determining the appropriate discount rate, the Company considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related retirement benefits liability.

Key financial assumptions for post-employment benefit were disclosed in Note 25.

7.4 Deferred tax assets

Deferred tax assets are to the extent that it is probable that taxable profit will be available against which the deferred tax assets can be utilised. Management needs to determine the amount of deferred tax assets that the Company can be recognised, based upon the likely timing and level of estimate future taxable profits.

7.5 Determination of lease terms

Critical judgement in determining the lease term, the Company considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options or periods after termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated.

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

Most extension options on offices and vehicles leases have not been included in the lease liability, because the Company considers i) the underlying asset condition and ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Company.

7.6 Determination of discount rate applied to lease liabilities

The Company determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g. term, currency and security.

8 Capital risk management

The objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Moreover, the Company is required to manage its capital funds in accordance with the Act on Undertaking of Financial Institution B.E. 2551. The Company's capital funds is presented in Note 30.

9 Segment and revenue information

The Company operates only one segment which is a finance company and only in Thailand. Income and expenses from this segment are the same amount with the statement of comprehensive income. Therefore, the Company did not separately present segment information as the information presented in the financial statements in accordance with the internal report that the chief operating decision maker regularly receives and reviews.

10 Fair value

10.1 Fair value estimation

The following table presents financial assets and liabilities that are measured at the levels of fair value, excluding the fair values that are approximately similar to the carrying amounts.

	Level 1		Level 2		Level 3		Total	
	31 December 2021 THB	31 December 2020 THB	31 December 2021 THB	31 December 2020 THB	31 December 2021 THB	31 December 2020 THB	31 December 2021 THB	31 December 2020 THB
Assets								
Financial assets measured at fair value through profit or loss	-	-	1,650,716,537	150,085	42,072,553	53,978,264	1,692,789,090	54,128,349
Investments - net	-	-	37,130,714	120,208,745	-	-	37,130,714	120,208,745
	-	-	1,687,847,251	120,358,830	42,072,553	53,978,264	1,729,919,804	174,337,094

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as market prices) or indirectly (that is, derived from market prices)
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

10.2 Transfer between fair value hierarchy

There were no transfers between Level 1 and 2 during the period/year and no changes in valuation techniques during the year.

10.3 Valuation techniques used to measure fair value level 2

Level 2 investment in debt instruments are fair valued using a discounted cash flow approach, which discounts the contractual cash flows using discount rates derived from observable market prices of other quoted debt instruments of the counterparties.

10.4 Valuation techniques used to measure fair value level 3

Changes in level 3 financial instruments are as follows:

	31 December 2021
	Unquoted equity investments
	THB
Beginning balance as at 1 January 2021	53,978,264
Disposal	(51,598,659)
Gains recognised in profit or loss	39,692,948
Ending balance as at 31 December 2021	42,072,553
	31 December 2020
	Unquoted equity investments
	THB
Beginning balance as at 1 January 2020	16,781,114
Disposal	(23,047,260)
Gains recognised in profit or loss	60,244,410
Ending balance as at 31 December 2020	53,978,264

The Company's valuation processes

Chief Financial Officer (CFO) and valuation teams make a discussion of the valuation processes and performance every quarter.

Level 3 investment in equity securities are fair valued using pricing from public companies that, are in opinion of the Company, in a comparable financial position with the counterparty in the contracts, discounted at 50% by considering the liquidity and the companies' growth.

The changes in discount rate increased by 5% or decreased by 5% can effect on profit or loss in the financial statements as follows:

	Impact on profit or loss Increase (Decrease) THB
31 December 2021	
Rate increased 5%	(4,207,255)
Rate decreased 5%	4,207,255
31 December 2020	
Rate increased 5%	(5,397,826)
Rate decreased 5%	5,397,826

11 Financial assets and liabilities classification

Financial assets and liabilities are classified by the characteristics of measurement as follows:

31 December 2021				
	Financial instruments measured at fair value through profit or loss THB	Financial instruments measured at fair value through other comprehensive income THB	Financial instruments measured at amortised cost THB	Total THB
Financial assets				
Cash	-	-	19,754	19,754
Interbank and money market items - net	-	-	1,053,562,820	1,053,562,820
Financial assets measured at fair value through profit or loss	1,692,789,090	-	-	1,692,789,090
Investment - net	-	37,130,714	-	37,130,714
Loans to customers and accrued interest receivables - net	-	-	4,314,320,084	4,314,320,084
Total	1,692,789,090	37,130,714	5,367,902,658	7,097,822,462
Financial liabilities				
Deposits	-	-	169,901,483	169,901,483
Borrowing	-	-	6,000,000	6,000,000
Lease liabilities	-	-	204,286,150	204,286,150
Total	-	-	380,187,633	380,187,633
31 December 2020				
	Financial instruments measured at fair value through profit or loss THB	Financial instruments measured at fair value through other comprehensive income THB	Financial instruments measured at amortised cost THB	Total THB
Financial assets				
Cash	-	-	20,000	20,000
Interbank and money market items - net	-	-	4,774,983,074	4,774,983,074
Financial assets measured at fair value through profit or loss	54,128,349	-	-	54,128,349
Investment - net	-	120,208,745	-	120,208,745
Loans to customers and accrued interest receivables - net	-	-	11,484,557,800	11,484,557,800
Total	54,128,349	120,208,745	16,259,560,874	16,433,897,968
Financial liabilities				
Deposits	-	-	5,234,095,617	5,234,095,617
Borrowing	-	-	6,000,000	6,000,000
Lease liabilities	-	-	351,898,546	351,898,546
Total	-	-	5,591,994,163	5,591,994,163

12 Interbank and money market items - net

	31 December 2021 THB	31 December 2020 THB
Domestic		
The Bank of Thailand and Financial Institutions Development Fund	19,346,089	51,008,474
Commercial Banks	504,451,499	333,554,651
Special purpose financial institutions	529,745,506	4,390,024,168
Total	1,053,543,094	4,774,587,293
Add: Accrued interest receivables	19,726	395,781
Total interbank and money market items - net	1,053,562,820	4,774,983,074

As at 31 December 2021, bank deposits carry the interest rate of 0.125% per year (2020: 0.13 - 0.25% per year).

13 Financial assets measured at fair value through profit or loss

	31 December 2021 Fair value THB	31 December 2020 Fair value THB
Domestic marketable equity securities and unit trusts	1,650,716,537	150,085
Domestic non-marketable equity securities	42,072,553	53,978,264
Total	1,692,789,090	54,128,349

14 Investments - net

Investment in debt instruments measured at fair value through other comprehensive income

	31 December 2021 Fair value THB	31 December 2020 Fair value THB
Government and state enterprise securities	80,000,000	80,000,000
Private sector debt securities	1	83,078,032
Total	80,000,001	163,078,032
<u>Less:</u> Allowance for expected credit loss	(42,869,287)	(42,869,287)
Total	37,130,714	120,208,745

15 Loans to customers and accrued interest receivables - net

15.1 Classified by product

The Company's loans to customers, classified by product, as at 31 December 2021 and 2020

	31 December 2021 THB	31 December 2020 THB
Loan receivables	4,957,434,724	13,707,527,499
Less: Unearned interest income	(430,073,549)	(1,767,616,794)
Total loans to customers net of deferred revenues	4,527,361,175	11,939,910,705
Add: Accrued interest receivables	600,525	876,965
Total loans to customers and accrued interest receivables	4,527,961,700	11,940,787,670
Less: Allowance for expected credit loss (Note 16)	(213,641,616)	(456,229,870)
Total loans to customers and accrued interest receivables - net	4,314,320,084	11,484,557,800

15.2 Classified by residence of customers

The Company's loans to customers, classified by residence, as at 31 December 2021 and 2020

	31 December 2021 THB	31 December 2020 THB
Domestic	4,527,361,175	11,939,910,705
Total loans to customers net of deferred revenues	4,527,361,175	11,939,910,705

15.3 Classified by staging

The Company's loans to customers, classified by staging, as at 31 December 2021 and 2020

	31 December 2021 Loans to customers and accrued interest receivables THB	31 December 2020 Loans to customers and accrued interest receivables THB
Performing financial assets	2,973,003,714	5,216,376,596
Under-performing financial assets	978,302,494	5,861,047,838
Non-performing financial assets	576,655,492	863,363,236
Total loans to customers and accrued interest receivables	4,527,961,700	11,940,787,670

For the year ended 31 December 2021, management has decided to record additional expected credit losses that result from the special considerations of management (management overlay). They considered various factors and the effect from the outbreak of COVID-19 that could affect the credit quality in the following period, as well as the temporary measures to relieve loan repayments that result in debt restructuring that may not fully reflect the credit quality and ECL.

15.4 Non-performing loans

The Company has non-performing loans defined according to the BOT's Notification that are loans classified as credit-impaired, including interbank and money market items, but excluding accrued interest receivables as follows:

	31 December 2021 THB	31 December 2020 THB
Non-performing loans (excluding accrued interest receivables)	576,655,492	863,363,236
Percentage of non-performing loans to total loans (including loans to financial institutions)	11.47	5.30

16 Allowance for expected credit loss

31 December 2021					
Allowance for expected credit loss					
	12-month ECL THB	Lifetime ECL - not credit impaired THB	Lifetime ECL - credit impaired THB	Allowance established in excess THB	Total THB
Loans to customers and accrued interest receivables - net					
As at 1 January 2021	60,463,341	209,275,345	113,018,603	73,472,581	456,229,870
Reclassification	4,251,268	(17,091,987)	12,840,719	-	-
Change in value of allowance for expected credit loss/ remeasurement	(10,402,462)	(6,814,299)	(3,392,244)	-	(20,609,005)
Purchase or origination of financial assets	10,816,673	1,730,828	2,279,539	-	14,827,040
Derecognition of financial assets (Collection, closed accounts, and closed accounts at maturity)	(43,167,819)	(151,515,822)	(42,122,648)	-	(236,806,289)
As at 31 December 2021	21,961,001	35,584,065	82,623,969	73,472,581	213,641,616
31 December 2020					
Allowance for expected credit loss					
	12-month ECL THB	Lifetime ECL - not credit impaired THB	Lifetime ECL - credit impaired THB	Allowance established in excess THB	Total THB
Loans to customers and accrued interest receivables - net					
As at 1 January 2020	90,393,405	265,038,081	261,319,015	91,840,727	708,591,228
Reclassification	12,549,352	(16,657,590)	4,108,238	-	-
Change in value of allowance for expected credit loss/ remeasurement	321,445	11,579,262	48,291,242	-	60,191,949
Purchase or origination of financial assets	31,997,765	143,359,111	35,554,950	-	210,911,826
Derecognition of financial assets (Collection, closed accounts, and closed accounts at maturity)	(74,798,626)	(194,043,519)	(37,756,650)	-	(306,598,795)
Write-off of financial assets	-	-	(198,498,192)	-	(198,498,192)
Others	-	-	-	(18,368,146)	(18,368,146)
As at 31 December 2020	60,463,341	209,275,345	113,018,603	73,472,581	456,229,870

17 Properties for sale - net

31 December 2021					
	Beginning balance THB	Addition THB	Disposal THB	Transfer to premises and equipment THB	Ending balance THB
Type of properties for sale					
Properties for repayment of debt					
Non-movable properties	11,449,250	-	-	-	11,449,250
Movable properties	49,272,984	189,626,921	(174,203,821)	(3,962,825)	60,733,259
Total properties for sale	60,722,234	189,626,921	(174,203,821)	(3,962,825)	72,182,509
Less: Allowance for impairment	(17,316,733)				(18,989,536)
Total properties for sale - net	43,405,501				53,192,973
31 December 2020					
	Beginning balance THB	Addition THB	Disposal THB		Ending balance THB
Type of properties for sale					
Properties for repayment of debt					
Non-movable properties	11,449,250	-	-		11,449,250
Movable properties	173,280,674	145,199,465	(269,207,155)		49,272,984
Total properties for sale	184,729,924	145,199,465	(269,207,155)		60,722,234
Less: Allowance for impairment	(22,583,037)				(17,316,733)
Total properties for sale - net	162,146,887				43,405,501

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18 Property, premises and equipment - net

	Land improvements THB	Building and building improvements THB	Office equipment THB	Vehicles THB	Right-of-use assets THB	Total THB
As at 1 January 2020						
Cost	1,548,000	120,703,129	38,367,902	17,281,400	-	177,900,431
Less: Accumulated depreciation	-	(9,294,657)	(19,488,116)	(3,279,915)	-	(32,062,688)
Closing net book value	1,548,000	111,408,472	18,879,786	14,001,485	-	145,837,743
For the year ended 31 December 2020						
Opening net book value	1,548,000	111,408,472	18,879,786	14,001,485	-	145,837,743
Adjustment for adoption of TFRS 16 on 1 January 2020	-	(3,697,450)	-	-	344,650,556	340,953,106
Additions	-	222,027	7,045,010	6,500,000	23,060,040	36,827,077
Depreciation charge	-	(6,635,506)	(6,907,392)	(1,830,257)	(27,933,496)	(43,306,651)
Closing net book value	1,548,000	101,297,543	19,017,404	18,671,228	339,777,100	480,311,275
As at 31 December 2020						
Cost	1,548,000	116,871,098	45,412,912	23,781,400	363,772,115	551,385,525
Less: Accumulated depreciation	-	(15,573,555)	(26,395,508)	(5,110,172)	(23,995,015)	(71,074,250)
Closing net book value	1,548,000	101,297,543	19,017,404	18,671,228	339,777,100	480,311,275
For the year ended 31 December 2021						
Opening net book value	1,548,000	101,297,543	19,017,404	18,671,228	339,777,100	480,311,275
Additions	-	1,977,334	15,821,632	9,100,000	442,911	27,341,877
Transfer in	-	-	-	3,962,825	-	3,962,825
Sold / Written-off	-	-	(400)	(6,359,257)	-	(6,359,657)
Depreciation charge	-	(6,723,626)	(9,627,968)	(2,033,022)	(25,000,864)	(43,385,480)
Reassessment	-	-	-	-	(130,038,593)	(130,038,593)
Closing net book value	1,548,000	96,551,251	25,210,668	23,341,774	185,180,554	331,832,247
As at 31 December 2021						
Cost	1,548,000	118,848,432	61,211,088	27,344,225	234,176,434	443,128,179
Less: Accumulated depreciation	-	(22,297,181)	(36,000,420)	(4,002,451)	(48,995,880)	(111,295,932)
Closing net book value	1,548,000	96,551,251	25,210,668	23,341,774	185,180,554	331,832,247

As at 31 December 2021, right-of-use asset balance are as follows:

	31 December 2021 THB	31 December 2020 THB
Properties	170,680,276	319,914,776
Vehicles	14,500,278	19,862,324
Total right-of-use assets	185,180,554	339,777,100

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The amounts charged to profit or loss and cash flows relating to leases are as follows:

	31 December 2021 THB	31 December 2020 THB
Depreciation charge of right-of-use assets:		
Properties	19,195,907	20,797,299
Vehicles	5,804,957	7,136,197
Total	25,000,864	27,933,496
Total cash outflow for leases	33,451,020	36,794,902
Expenses relating to leases of low-value assets	308,950	74,825

19 Intangible assets - net

	Computer software THB	Work in process THB	Total THB
As at 1 January 2020			
Cost	6,519,309	2,996,000	9,515,309
Less: Accumulated amortisation	(3,829,863)	-	(3,829,863)
Net book value	2,689,446	2,996,000	5,685,446
For the year ended 31 December 2020			
Opening net book value	2,689,446	2,996,000	5,685,446
Additions	9,412,640	-	9,412,640
Transfer in (out)	2,996,000	(2,996,000)	-
Amortisation charge	(1,421,091)	-	(1,421,091)
Closing net book value	13,676,995	-	13,676,995
As at 31 December 2020			
Cost	18,927,949	-	18,927,949
Less: Accumulated amortisation	(5,250,954)	-	(5,250,954)
Net book value	13,676,995	-	13,676,995
For the year ended 31 December 2021			
Opening net book value	13,676,995	-	13,676,995
Additions	2,696,828	-	2,696,828
Amortisation charge	(3,214,836)	-	(3,214,836)
Closing net book value	13,158,987	-	13,158,987
As at 31 December 2021			
Cost	21,624,777	-	21,624,777
Less: Accumulated amortisation	(8,465,790)	-	(8,465,790)
Net book value	13,158,987	-	13,158,987

20 Receivable from related parties

	31 December 2021 THB	31 December 2020 THB
Deposits to related parties (Note 42 c))	2,493,516	2,493,516
Receivables from related parties (Note 42 c))	6,708,298,542	2,566,915,440
Total receivable from related parties	6,710,792,058	2,569,408,956

21 Other assets - net

	31 December 2021 THB	31 December 2020 THB
Accrued interest income from investments	1,968,044	2,440,106
Prepaid expenses	5,649,672	10,884,591
Other receivables	20,418,564	37,932,563
Less Allowance for expected credit loss	(20,418,564)	(37,932,563)
Others	19,811,043	20,315,349
Total other assets - net	27,428,759	33,640,046

22 Deposits

22.1 Classified by type of deposits

	31 December 2021 THB	31 December 2020 THB
At call	62,091,099	199,190,022
At maturity	107,810,384	5,034,905,595
Total	169,901,483	5,234,095,617

22.2 Classified by currency and residence of customers

	31 December 2021 THB	31 December 2020 THB
Domestic THB	169,844,135	5,234,038,390
Foreign THB	57,348	57,227
Total deposits	169,901,483	5,234,095,617

23 Borrowing

	31 December 2021 THB	31 December 2020 THB
Domestic		
Promissory note		
Promissory note of Baht 6 million, due in 2018 interest rate at 1.75% per annum	6,000,000	6,000,000
Total borrowings	6,000,000	6,000,000

The Company has the undrawn committed borrowing facilities from the financial institution amount of Baht 100 million (31 December 2020: Baht 100 million).

24 Lease liabilities

	31 December 2021 THB	31 December 2020 THB
Lease liabilities		
Within 1 year	14,638,347	21,297,946
1-5 years	49,037,695	84,458,260
Over 5 years	140,610,108	246,142,340
Total discounted lease liabilities	204,286,150	351,898,546

Interest expense from lease liabilities for the years ended 31 December 2021 and 2020 are as follows:

	2021 THB	2020 THB
Interest expense from lease liabilities	13,314,085	14,420,935

25 Provisions

	31 December 2021 THB	31 December 2020 THB
Provisions for employee benefit obligations	18,174,254	40,949,110
Provisions for decommissioning costs	2,828,057	4,758,557
Total	21,002,311	45,707,667

Provisions for employee benefit obligations

The Company has post-employment benefit plans under the Thai Labor Protection Act, which is considered as unfunded defined benefit plans.

Amounts recognised in the statement of comprehensive income in respect of the defined benefit plans for the year are as follows:

	31 December 2021 THB	31 December 2020 THB
Current service cost	6,027,078	8,638,907
Past service cost	(870,482)	6,784,011
Interest cost	320,899	627,360
Total	5,477,495	16,050,278

Movements of the defined benefit obligations are as follows:

	31 December 2021 THB	31 December 2020 THB
Beginning defined benefit obligation	40,949,110	20,034,085
Current service cost	6,027,078	8,638,907
Past service cost	(870,482)	6,784,011
Interest cost	320,899	627,360
Remeasurement of defined benefit obligation	(8,077,638)	4,864,747
Defined benefit obligation transferred to related party	(19,836,530)	-
Benefits payment	(338,183)	-
Ending defined benefit obligation	18,174,254	40,949,110

The principal actuarial assumptions used to calculate the obligation under the defined benefit plans as at 31 December 2021 and 2020 are as follows:

	31 December 2021	31 December 2020
Financial assumptions		
Discount rate	2.76%	1.81%
Expected rate of salary increase	3.80%	4.00%
Turnover rate	3.20% - 16.00%	4.00% - 13.00%
Retirement age	60 years	60 years

Sensitivity analysis on key assumption changes are as follows:

	31 December 2021	31 December 2020
	Increase/ (Decrease) Percentage	Increase/ (Decrease) Percentage
Discount rate -1.0%	13.24	16.34
Discount rate +1.0%	(11.10)	(13.41)
Expected rate of salary -1.0%	(10.79)	(12.87)
Expected rate of salary +1.0%	12.56	15.27
Mortality rate -1.0%	0.44	0.51
Mortality rate +1.0%	(0.48)	(0.57)
Turnover rate -10.0%	7.98	9.31
Turnover rate +10.0%	(7.04)	(8.22)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to significant actuarial assumptions the same method (present value of the defined benefit obligations calculated with the projected unit credit method at the end of the reporting year) has been applied as when calculating the post-employment benefits liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis do not change compared to the previous year.

Maturity profile of undiscounted weighted defined benefit obligation

	31 December 2021	31 December 2020
Maturity duration of the post-employment benefits (years)	16	18
Maturity analysis of benefits expected to be paid (Baht)		
Benefits expected to be paid within 12 months	-	1,719,321
Benefits expected to be paid between 1 and 3 years	1,592,710	3,188,590
Benefits expected to be paid between 3 and 5 years	408,007	660,000
Benefits expected to be paid between 5 and 10 years	15,623,267	18,580,179
Benefits expected to be paid in more than 10 years	68,169,331	147,989,550

26 Deferred tax asset - net

Deferred tax assets and deferred tax liabilities as at 31 December 2021 and 2020 are as follows:

	31 December 2021 THB	31 December 2020 THB
Deferred tax assets	22,070,802	16,378,446
Deferred tax liabilities	(6,490,236)	(8,675,751)
Deferred income tax - net	15,580,566	7,702,695

The movements in deferred tax assets and liabilities are as follows:

	Allowance for expected credit loss THB	Provisions for impairment in value of properties for sale THB	Lease liabilities THB	Provisions for employee benefit obligations THB	Provisions for decommissionin g cost THB	Total THB
Deferred tax assets						
At 1 January 2020	-	2,226,758	2,225,580	4,006,817	122,485	8,581,640
Charged/(credited) to profit or loss	3,639,126	(1,053,261)	1,150,421	3,210,056	(122,485)	6,823,857
Charged to other comprehensive income	-	-	-	972,949	-	972,949
At 31 December 2020	3,639,126	1,173,497	3,376,001	8,189,822	-	16,378,446
At 1 January 2021	3,639,126	1,173,497	3,376,001	8,189,822	-	16,378,446
Charged to profit or loss	4,934,731	334,561	1,010,730	1,027,862	-	7,307,884
Credited to other comprehensive income	-	-	-	(1,615,528)	-	(1,615,528)
At 31 December 2021	8,573,857	1,508,058	4,386,731	7,602,156	-	22,070,802

	Allowance for revaluation of investments THB	Financial instruments measured at fair value through profit or loss THB	Allowance for expected credit loss THB	Total THB
Deferred tax liabilities				
As at 1 January 2020	(299,945)	66,663	(5,461,709)	(5,694,991)
Charged/(credited) to profit or loss	-	(8,524,751)	5,461,709	(3,063,042)
Charged to other comprehensive income	82,282	-	-	82,282
As at 31 December 2020	(217,663)	(8,458,088)	-	(8,675,751)
As at 1 January 2021	(217,663)	(8,458,088)	-	(8,675,751)
Charged to profit or loss	-	1,967,852	-	1,967,852
Charged to other comprehensive income	217,663	-	-	217,663
As at 31 December 2021	-	(6,490,236)	-	(6,490,236)

27 Other liabilities

	31 December 2021 THB	31 December 2020 THB
Accrued interest expenses on deposits	6,057,475	19,858,385
Withholding tax payable	1,041,459	1,994,658
Corporate income tax payable	92,513,639	171,305,844
Related party payables (Note 42 c))	3,867,557,374	4,051,801,623
Others	137,774,231	102,734,869
Total other liabilities	4,104,944,178	4,347,695,379

28 Legal reserve

	31 December 2021 THB	31 December 2020 THB
Beginning balance for the period/year	241,902,628	163,542,963
Appropriation during the period/year	33,720,994	78,359,665
Ending balance for the period/year	275,623,622	241,902,628

Under the Public Limited Company Act., 1992, the Company must set aside at least 5% of its net profit after accumulated deficit brought forward (if any), as a legal reserve, until the reserve is more than 10% of the registered capital. The legal reserve is non-distributable.

29 Dividend paid

At the meeting of the Company's Annual General Meeting of the Shareholders for fiscal year 2021, held on 23 April 2021, the shareholders approved a THB771.75m dividend payment to shareholders from retained earnings and performance for the year 2020. The dividend payment was made at the rate of THB1.40 per share on 17 May 2021.

At the meeting of the Company's Board of Directors' Meeting no. 3/2020, held on 24 March 2020, the Board approved a THB1,240.31m interim dividend payment to shareholders from retained earnings and performance for the year 2019. The dividend payment was made at the rate of THB2.25 per share on 23 April 2020. The Board did not re-propose another dividend payment for the 2019 year.

30 Capital funds

The Company has maintained the capital funds in accordance with Section 30 of the Financial Institution Business Act as follows:

	31 December 2021 THB	31 December 2020 THB
<u>Tier 1 capital</u>		
Issued and paid-up share capital	2,756,236,205	2,756,236,205
Premium on ordinary shares	4,299,728,472	4,299,728,472
Legal reserve	275,623,622	241,902,628
Retained earnings - unappropriated	1,526,162,134	821,522,982
Other components of equity	-	870,651
Less: Deduction items from common equity Tier 1 capital	(28,739,553)	(21,379,690)
Common equity Tier 1 capital	8,829,010,880	8,098,881,248
Total Tier 1 capital	8,829,010,880	8,098,881,248
<u>Tier 2 capital</u>		
Reserve for assets classified as normal	57,545,065	157,249,184
Less: Deduction items from Tier 2 capital	-	(66,678,031)
Total Tier 2 capital	57,545,065	90,571,153
Total capital fund	8,886,555,945	8,189,452,401
Tier 1 capital ratio (%)	54.67	45.34
Common equity Tier 1 capital ratio (%)	54.67	45.34
Total capital ratio (%)	55.03	45.84
Minimum Tier 1 capital ratio requirement (%)	6.00	6.00
Minimum common equity Tier 1 capital ratio requirement (%)	4.50	4.50
Minimum total capital ratio requirement (%)	8.50	8.50

31 Interest income - net

Net interest income for the year are as follows:

	2021 THB	2020 THB
Interbank and money market items	13,686,952	9,962,731
Investment in debt securities	1,622,201	6,371,256
Loans to customers	1,402,075,600	3,406,115,012
Total net interest income	1,417,384,753	3,422,448,999

32 Interest expenses

Interest expenses for the year are as follows:

	2021 THB	2020 THB
Deposits	43,697,690	128,075,664
Contributions to Financial Institution Development Fund and Deposit Protection Agency	5,018,239	17,652,524
Debt issued	105,000	105,287
Short-term and long-term borrowings from parent company (Note 42 b))	-	60,600,000
Lease liabilities and decommissioning costs	13,503,805	14,613,509
Total interest expenses	62,324,734	221,046,984

33 Fees and services income - net

Net fees and services income for the year are as follows:

	2021 THB	2020 THB
Collection fee and penalty charge - net	135,498,730	117,938,019
Others	3,056,566	20,287,436
Total net fees and services income	138,555,296	138,225,455

34 Gain on financial instruments measured at fair value through profit or loss - net

Net gain on financial instruments measured at fair value through profit or loss for the year are as follows:

	2021 THB	2020 THB
Domestic marketable equity securities and unit trusts		
Gain on changes in fair value - net	566,452	(16,600)
	566,452	(16,600)
Domestic non-marketable equity securities		
Gain on disposal of financial instruments	31,077,807	-
Gain on changes in fair value - net	39,692,949	114,977,153
	70,770,756	114,977,153
Total	71,337,208	114,960,553

35 Other operating income

Other operating income for the year are as follows:

	2021 THB	2020 THB
Dividend income	566,790	2,046,890
Bad debt recovery	49,536,831	132,996,691
Gain on sale of non-performing loan (Note 42 b))	-	4,977,092
Others	(1,224,535)	389,615
Total other operating income	48,879,086	140,410,288

36 Other expenses

Other expenses for the year are as follows:

	2021 THB	2020 THB
Fee expenses	3,673,002	6,351,361
Collection expenses	13,942,105	2,310,008
Loss on sale of properties for sale	30,910,655	58,046,320
Impairment loss on properties for sale	1,672,803	(5,266,304)
Others	52,600,239	45,031,818
Total other expenses	102,798,804	106,473,203

37 Expected credit loss (Reversal)

Expected credit loss for the year are as follows:

	2021 THB	2020 THB
Loans to customers and accrued interest receivables (reversal)	(255,104,406)	39,648,137
Investments in debt instruments measured at fair value through other comprehensive income	-	42,869,287
Total	(255,104,406)	82,517,424

38 Income tax

Income tax expenses for the year are as follows:

	2021 THB	2020 THB
Current tax:		
Current tax on profit for the year	239,062,752	395,069,424
Adjustments in respect of prior year	-	104,000
Total current tax	239,062,752	395,173,424
Deferred tax:		
Increase in deferred tax assets (Note 26)	(7,307,884)	(6,823,857)
Increase (decrease) in deferred tax liabilities (Note 26)	(1,967,852)	3,063,042
Total deferred tax	(9,275,736)	(3,760,815)
Total income tax expense	229,787,016	391,412,609

The Company's profit before tax differs from the theoretical amount using the basic tax rate of the Company's home country.

	2021 THB	2020 THB
Profit before income tax	1,142,969,396	1,958,605,907
Tax calculated at a tax rate of 20% (2020: 20%)	228,593,879	391,721,181
Tax effect of:		
Income not subject to tax	(113,358)	(409,378)
Expenses not deductible for tax purpose	(202,000)	-
Additional expenses eligible to be deducted	1,508,495	204,806
Adjustment in respect of prior year	-	(104,000)
Total income tax expense	229,787,016	391,412,609

The weighted average income tax rate in the financial statements for the year ended 31 December 2021 was 20.10% (2020: 19.98%).

39 Earnings per share

Earning per share in the financial statement for the years ended 31 December 2021 and 2020 are calculated as follows:

	2021	2020
Net profit for the year to ordinary shareholders of the Company (Baht)	913,182,381	1,567,193,298
Weighted average number of ordinary shares outstanding (shares)	551,247,241	551,247,241
Basic earnings per share (Baht per share)	1.66	2.84

There are no dilutive ordinary shares in issue for the years ended 31 December 2021 and 2020.

40 Information on quality of assets

The quality of assets is classified in accordance with the guidelines of the Securities Exchange Commission as at 31 December 2021 and 2020 as follows:

40.1 Investments in securities

The Company holds investment in debt security issued by private sector that had faced the financial operational difficulties. The security is a named senior unsecured bond, without any investment custodian. The cost of investment is Baht 80.00 million, the book value is Baht 37.13 million and related allowance for expected credit loss is booked at Baht 42.87 million (Note 14).

40.2 Loans to customers and accrued interest receivables

The Company had granted loans to customers and accrued interest receivables to the company that had faced the financial operational difficulties and provided related allowance for expected credit loss as follows:

31 December 2021				
	Numbers	Total debts THB	Collateral THB	Allowance for expected credit loss THB
Companies having problems in debt settlement or have defaulted on debt settlement	1	35,000,000	-	35,000,000
Total	1	35,000,000	-	35,000,000
31 December 2020				
	Numbers	Total debts THB	Collateral THB	Allowance for expected credit loss THB
Companies having problems in debt settlement or have defaulted on debt settlement	1	35,000,000	-	35,000,000
Total	1	35,000,000	-	35,000,000

41 Offsetting of financial assets and liabilities

The following table illustrates financial assets that are i) offset and presented at net amount in the statement of financial position or ii) subject to an enforceable master netting arrangements and other similar agreements - not currently being presented at net amount - but that net amount will be shown in the statement of financial position as all set-off rights are exercised.

31 December 2021						
Effects of offsetting on the financial position			Related amounts not offset			
Gross amount Million THB	Gross amount set off in the financial position Million THB	Net amount presented in the financial position Million THB	Cash collateral Million THB	Non-cash collateral* Million THB	Net amount Million THB	
Financial assets						
Reverse repurchases agreements	500	-	500	-	(500)	-
Total financial assets	500	-	500	-	(500)	-
31 December 2020						
Effects of offsetting on the financial position			Related amounts not offset			
Gross amount Million THB	Gross amount set off in the financial position Million THB	Net amount presented in the financial position Million THB	Cash collateral Million THB	Non-cash collateral* Million THB	Net amount Million THB	
Financial assets						
Reverse repurchase agreements	4,350	-	4,350	-	(4,350)	-
Total financial assets	4,350	-	4,350	-	(4,350)	-

* Amount of financial instrument collateral is presented at less than or equal to net amount presenting in the statement of financial position, deducting by the amount subject to any master netting arrangements.

42 Related-party transactions

a) Related parties

Related parties comprise of enterprises and individuals that directly or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and entities associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship rather than the legal form.

During the year, the Company had significant business transactions with related parties, which have been concluded on commercial terms and bases agreed upon in the ordinary course of business between the Company and those companies are as follows:

Related parties	Relationship
Srisawad Corporation PCL.	Parent Company
Srisawad Power 2014 Co., Ltd.	Related party (Common parent company)
Fast Money Co., Ltd.	Common director
Srisawad Power Co., Ltd.	Common director
Srisawad-Samarn Kaewbootta Foundation	Common director
Sahasamakkee Service Co., Ltd.	Common director
PPGR Co., Ltd.	Common director
I.D. 2007 Co., Ltd.	Common director
Charoenporn Energy Co., Ltd.	A close relative of a director is a director in this company and a common director
Rakthai Technology and Business Administration Co., Ltd.	A close relative of a director is a director in this company and a common director
Boon Anek Co., Ltd.	A close relative of a director is a director in this company and a common director
I Tower Co., Ltd.	A close relative of a director is a director in this company and a common director
Rakvaree Co., Ltd.	A close relative of a director is a director and a shareholder in this company
Dharmavong Co., Ltd.	A close relative of a director is a director and a shareholder in this company
Hi-Tech Network Co., Ltd.	A close relative of a director is a director and a shareholder in this company and a common director
Cassava Land Co., Ltd.	A close relative of a director is a director and a shareholder in this company and a common director
Com-Link Co., Ltd.	A close relative of a director is a director and a shareholder in this company and a common director
Prasert Dee Tae Co., Ltd.	A close relative of director is a director in this company
Pridapramote Co., Ltd.	A close relative of director is a director in this company
S.A.V. (Thailand) Co., Ltd.	A close relative of director is a director in this company
Excel - Link Co., Ltd.	A close relative of director is a director in this company
Active Communication Co., Ltd.	A close relative of director is a director in this company
XET Co., Ltd.	A close relative of director is a director in this company
Telserv Co., Ltd.	A close relative of director is a director in this company

b) Transactions with related parties

Transactions with related parties for the year are as follows:

	Unaudited		
	2021 THB	2020 THB	Pricing Policy
Other operating income			
Related companies (Common parent company) (Note 35)	-	4,190,425	Agreed rates
Total	-	4,190,425	
Interest expenses			
Parent company (Note 32)	-	60,600,000	Agreed rates
Related companies (Common director and/or shareholders)	15,692,555	41,657,310	Agreed rates
Directors and management at the position of department head and above including their related persons	2,020,725	4,612,633	Agreed rates
Total	17,713,280	106,869,943	
Loan management fee			
Related companies (Common parent company)	267,428,237	845,341,669	Agreed rates
Total	267,428,237	845,341,669	
Other expenses			
Related companies (Common director and/or shareholders)	30,287,282	31,191,474	Agreed rates
Total	30,287,282	31,191,474	
Interim dividends			
Parent company	630,949,770	1,017,536,416	Agreed rates
Total	630,949,770	1,017,536,416	

c) Outstanding balances

The outstanding balances in relation to transactions with related parties are as follows:

	31 December 2021 THB	31 December 2020 THB
Receivable from related parties		
Related companies (Common parent company) (Note 20) *	6,708,070,649	2,566,915,440
Related companies (Common director and/or shareholders) (Note 20)	2,721,409	2,493,516
Total	6,710,792,058	2,569,408,956

* Accounts receivable from related party represents the repayments of loan to customers collected through the branch network of affiliates on behalf of the Company. The collection will be repaid to the Company within an agreed timeline.

Deposits		
Related companies (Common director and/or shareholders)	-	2,668,776,530
Directors and management at the position of department head and above including their related persons	-	115,300,000
Total	-	2,784,076,530

Lease liabilities		
Related companies (Common director)	189,206,302	331,628,378
Total	189,206,302	331,628,378

Accrued interest expenses		
Related companies (Common director and/or shareholders)	-	8,581,259
Directors and management at the position of department head and above including their related persons	-	108,466
Total	-	8,689,725

Other liabilities (Note 27)		
Related companies (Common parent company)	3,847,184,745	4,051,801,623
Related companies (Common director and/or shareholders)	20,372,629	-
Total	3,867,557,374	4,051,801,623

The movements of borrowings from related parties for the year ended 31 December 2021 and year ended 31 December 2020 are as follows:

	31 December 2021 THB	31 December 2020 THB
Beginning balance for the year	-	2,007,215,754
Add: Borrowings received during year	-	-
Interest expense during the year	-	60,600,000
Less: Borrowings repaid during the year	-	(2,000,000,000)
Interest paid during the year	-	(67,815,754)
Ending balance for the year	-	-

d) Key management compensation

Key management includes directors and members of the executive committee. The compensation paid or payable to key management for the years ended 31 December 2021 and 2020 are as follows:

	2021 THB	2020 THB
Salaries and other short-term employee benefits	30,880,000	33,231,131
Post-employment benefits	3,414,534	435,643
Total	34,294,534	33,666,774

The Company has no special benefits given to the directors and executives beyond the general benefits provided such as directors' remuneration, executives' salary and bonus (if any).

43 Subsequent events

On 28 February 2022, the Board of Directors Meeting of the Company approved the resolution regarding the payment of dividend for the year of 2021 at the rate of Baht 0.82 per share which have total amount of Baht 452.02 million. However, it will be further proposed for the shareholders' approval in the Annual General Meeting of the shareholders for fiscal year 2021.

Attachment 1.

Profiles of Directors, Management and Controlling Persons

1. Mr. Suchart Luengsurawat

Age	73 years
Title	Vice Chairman, Chairman of Audit Committee, Independent Director
Date of being the Director	Year 2017
No. of years on the Board	4 years 7 months
Shareholding	0.00%
Relationship with directors and management	None
Highest level of education	Master of Accounting, Chulalongkorn University Bachelor of Accounting, Chulalongkorn University
Governance training from IOD	DCP Director Certification Program 2007 ACP Audit Committee Program 2010
Experience	2017-Present Vice Chairman, Independent Director, Chairman of Audit Committee Srisawad Finance Plc. 1971-2009 Partner Pricewaterhousecoopers ABAS Ltd.
Holding a position in other listed company	None
Holding a position in other non-listed company	None

2. Mr. Prawat Phatprasit

Age	72 years
Title	Member of Nomination and Remuneration Committee, member of Audit Committee, Independent Director
Date of being the Director	Year 2017
No. of years on the Board	4 years 9 months
Shareholding	0.00%
Relationship with directors and management	None

Highest level of education	Bachelor of Business Administration (Marketing), Northfield University, UK.
Governance training from IOD	-
Experience	2017-Present member of Nomination and Remuneration Committee Srisawad Finance Plc. 1989-Present Director Pongravee Co., Ltd. 2008-Present Advisor Pirom Surang Co., Ltd.
Holding a position in other listed company	None
Holding a position in other non-listed company	1989-Present Director Pongravee Co., Ltd. 2001-Present Director Green Road Co., Ltd. 2012-Present Director Wheel on Wheel Co., Ltd. 2008-Present Director V.P. Garden Home Co., Ltd. 2012-Present Director V.P. Ruamtun Co., Ltd. 1994-Present Director Phatrachokchai Co., Ltd.

3. Mr. Thititham Rojanapruk

Age	38 years
Title	Managing Director, Authorized Director
Date of being the Director	Year 2012
No. of years on the Board	9 years
Shareholding	0.00%
Relationship with directors and management	None

Highest level of education	Master, Finance, Sasin School of Management	
	Bachelor of Business Administration, Holmes Institute, Australia	
Governance training from IOD	Directors Certification Program (DCP)	
Experience	2012-Present	Director Srisawad Finance Plc.
Holding a position in other listed company	None	
Holding a position in other non-listed company	2012-Present	Director Palung Rung Ruang Co., Ltd.
	2006-Present	Director Boon Anek Anan Co., Ltd.
	2006-Present	Director Natural Asset Co., Ltd.
	2006-Present	Director PPGR Co., Ltd.

4. Miss Doungchai Kaewbootta

Age	42 years	
Title	Director, Authorized Director, Company Secretary	
Date of being the Director	year 2017	
No. of years on the Board	4 years 9 months	
Shareholding	0.00%	
Relationship with directors and management	None	
Highest level of education	Master of Computer Science, De Paul University, USA.	
	Bachelor of Politics, Kasetsart University	
Governance training from IOD	DCP Director Certification Program 2010	
Experience	2012-Present	Director, Executive Director Srisawad Corporation Plc.
	2017-2019	Managing Director Srisawad Finance Plc.

Holding a position in other listed company	2012-Present	Director Srisawad Corporation Plc.
Holding a position in other non- listed company	2011-Present	Director Fast Money Co., Ltd.
	2014-Present	Director SWP Asset Management Co., Ltd.
	2015-Present	Director Srisawad International Holding Co., Ltd
	2016-Present	Director Srisawad Power 2014 Co., Ltd.
	2016-Present	Director SWP Services Co., Ltd.
	2018-Present	Director P Lending Co., Ltd.
	2017-Present	Director Srisawad Leasing (Laos) Co., Ltd.
	2010-Present	Director I.D. Service 2007 Co., Ltd.
	2010-Present	Director Anuchalee Co., Ltd.
	2007-Present	Director Srisawad International 2014 Co., Ltd
	2011-Present	Director Mee Baan Mee Rod Ngernsod Tanjai Co., Ltd.
	2007-Present	Director Rojana Housing Co., Ltd.
	2007-Present	Director Srisamarn Condotel Co., Ltd.
	2010-Present	Director Srisawad Power Co., Ltd.
	2012-Present	Director Srisawad Group Co., Ltd.
	2010-Present	Director Big Minh 2014 Co., Ltd.
	2012-Present	Director

		KBB Service Co., Ltd.
2007-Present	Director	
		Big Minh 2015 Co., Ltd.
2007-Present	Director	
		Srisamarn Petchaboon Co., Ltd.
2009-Present	Director	
		I.D. 2007 Co., Ltd.
2018-Present	Director	
		LKK Collection Co., Ltd.
2020-Present	Director	
		Srisawad Digital Co., Ltd.
2020-Present	Director	
		Srisawad Capital Co., Ltd
2020-Present	Director	
		Srisawad Pico Pattani Co., Ltd.
2020-Present	Director	
		Srisawad Pico Yala Co., Ltd.
2020-Present	Director	
		Srisawad Pico Narathivas Co., Ltd.
2020-Present	Director	
		S Leasing Co., Ltd.

5. Miss Nanthida Pattanasakpinyo

Age	37 years
Title	Member of Nomination and Remuneration, member of Audit Committee, Independent Director
Date of being the Director	Year 2019
No. of years on the Board	2 years 2 months
Shareholding	0.00%
Relationship with directors and management	None
Highest level of education	Bachelor of Accounting, Thammasart University
Governance training from IOD	-
Experience	2012-Present Independent Auditor

Holding a position in other listed company	None
Holding a position in other non-listed company	None

6. Mr. Kom Vachiravarakarn

Age	41 years
Title	Independent Director
Date of being the Director	May 2021
No. of years on the Board	7 months
Shareholding	0.00%
Relationship with directors and management	None
Highest level of education	Master of Laws, Georgetown University, USA. Master of Laws, Monash University, Australia Bachelor of Laws, Chulalongkorn University
Governance training from IOD	-
Experience	2015-Present Partner Kudun and Partner Co., Ltd.
Holding a position in other listed company	None
Holding a position in other non-listed company	2015-Present Partner Kudun and Partner Co., Ltd.

7. Miss Kanoknuj Cholvaniit

Age	52 years
Title	Authorized Director, Head of Treasury and Investment Dept.
Date of being the Director	May 2021
No. of years on the Board	7 months
Shareholding	0.00%
Relationship with directors and management	None
Highest level of education	Master of Business Administration, Sripatum University

Governance training from IOD	Bachelor of Finance and Banking, Assumption University
Experience	DAP Director Accreditation Program 2004 2017-Present Head of Treasury and Investment Dept. Srisawad Finance Plc.
Holding a position in other listed company	None
Holding a position in other non-listed company	2013-Present Director Boonyasing Ltd. 2019-Present Director Unique Business Service Co., Ltd. 2020-Present Director Rakvaree Co., Ltd.

8. Mr. Montree Chansongnoen

Age	58 years
Title	Authorized Director
Date of being the Director	February 2021
No. of years on the Board	11 months
Shareholding	0.00%
Relationship with directors and management	None
Highest level of education	Master of Journalism, Thammasart University Bachelor of Business Administration, Ramkhamhaeng University
Governance training from IOD	-
Experience	2016-Present Executive Committee Srisawad Finance Plc. 2010-2014 Deputy Vice President- Business Development Srisawad Corporation Plc.
Holding a position in other listed company	None
Holding a position in other non-listed company	None

9. Mr. Vasit Kanjanahuttakit

Age	43 years
Title	Deputy Managing Director, the person taking the highest responsibility in finance and accounting
Date of being the Director	year 2018
No. of years on the Board	3 years
Shareholding	0.00%
Relationship with directors and management	None
Highest level of education	Master of Accounting, University of Virginia Bachelor of Accounting, University of Virginia
Governance training from IOD	DAP Director Accreditation Program 2020
Experience	2015-2017 Deputy Managing Director Srisawad Corporation Plc.
Holding a position in other listed company	2020-Present Independent Director, Chairman of Audit Committee Bluebik Group Plc.
Holding a position in other non-listed company	2018-Present Director Srisawad Power 2014 Co., Ltd. 2016-Present Director Srisawad International Holding Co., Ltd. 2015-Present Director Srisawad Vietnam LLC

10. Mrs. Sirinthip Rabinwong

Age	60 years
Title	Assistant Managing Director
Date of being the Director	year 2020
No. of years on the Board	2 years
Shareholding	0.00%
Relationship with directors and management	None
Highest level of education	Master of Business Administration, Dhurakij Pundit University Bachelor of Business Administration, Dhurakij Pundit University
Governance training from IOD	-

Experience	2013-2020	General Manager Ascend Nano Co., Ltd.
Holding a position in other listed company	None	
Holding a position in other non-listed company	None	

11. Miss Ticha Suwansaeng

Age	41 years	
Title	Vice President, Head of Internal Control and Compliance Unit	
Date of being the Director	year 2017	
No. of years on the Board	4 years	
Shareholding	0.00%	
Relationship with directors and management	None	
Highest level of education	Master of Management Information Technology, University of Nottingham, UK. Bachelor of Commerce and Accountancy, Chulalongkorn University	
Governance training from IOD	-	
Experience	2013-2017	Senior Manager Deloitte Touche Tohmatsu Jaiyos Advisory Co.,Ltd.
Holding a position in other listed company	None	
Holding a position in other non-listed company	None	

12. Mr. Adisorn Wichaidith

Age	53 years	
Title	Assistant Vice President	
Date of being the Director	year 1998	
No. of years on the Board	23 years	
Shareholding	0.00%	
Relationship with directors and management	None	
Highest level of education	Bachelor of Social Studies, Srinakarinwirot University	

Governance training from IOD	-	
Experience	1998-Present	Assistant Vice President-Human Resources Srisawad Finance Plc.
Holding a position in other listed company	None	
Holding a position in other non-listed company	None	

13. Miss Chonlada Thaweephanyopha

Age	32 years	
Title	Assistant Vice President	
Date of being the Director	year 2017	
No. of years on the Board	4 years	
Shareholding	0.00%	
Relationship with directors and management	None	
Highest level of education	Master of Business Administration, Chulalongkorn University Bachelor of Accounting, Thammasart University	
Governance training from IOD	-	
Experience	2017-Present	Assistant Vice President Srisawad Finance Plc.
	2014-2017	Assistant Vice President-Account Srisawad Corporation Plc.
Holding a position in other listed company	None	
Holding a position in other non-listed company	None	

Attachment 2.

Profile of Head of Internal Control and Compliance Unit

Miss Ticha Suwansaeng

Age	41 years
Title	Vice President, Head of Internal Control and Compliance Unit
Date of being the Director	year 2017
No. of years on the Board	4 years
Shareholding	0.00%
Relationship with directors and management	None
Highest level of education	Master of Management Information Technology, University of Nottingham, UK. Bachelor of Commerce and Accountancy, Chulalongkorn University
Governance training from IOD	-
Experience	2013-2017 Senior Manager Deloitte Touche Tohmatsu Jaiyos Advisory Co.,Ltd.
Holding a position in other listed company	None
Holding a position in other non- listed company	None

Attachment 3.

Assets used for Business Operation

3.1 Fixed Assets

Premises and Equipment – Net

As of 31 December 2021, the Company owned premises and equipment at a net value of Baht 331.83 million as the following details:

Types of Assets	Nature of ownership	Net value (Baht)	Obligation
Land	own	1,548,000	No
Building and building improvement	own	96,551,251	No
Office equipment	own	25,210,668	No
Vehicles	own	23,341,774	Yes
Right-of-use asset	Own	185,108,554	No
Total		331,832,247	

3.2 Intangible assets

As of 31 December 2021, the Company had intangible assets valued at Baht 13.16 million as the following details:

Type of assets	Nature of ownership	Value (Baht)	Obligations
Computer Program	own	13,158,987	No

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