

# ANNUAL REPORT | 2022



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Remark: Investors can study further information from the Company's 56-1 One Report Form which is available on [www.set.or.th](http://www.set.or.th) or the Company website, [www.srisawadcapital.co.th](http://www.srisawadcapital.co.th)

## Financial Information

Unit: Thousand Baht	2022	2021	2020
Financial position			
Investments – net	64,377	37,131	120,209
Net loans to customers and accrued interest receivables	20,818,960	4,314,320	11,484,557
Deposits and borrowings		175,901	5,240,096
Total assets	25,042,277	14,249,808	19,582,043
Total liabilities	14,009,638	4,506,134	9,985,397
Shareholders' equity	11,032,639	9,743,674	9,596,646
Paid-up capital	6,506,236	2,756,236	2,756,236
Number of shares (shares)	1,301,247,241	551,247,241	551,247,241
Performance			
Interest income	3,073,456	1,417,385	3,422,449
Dividend income			2,047
Fee and service income	602,187	138,555	138,225
Other income	103,460	120,216	138,363
Total income	3,779,103	1,676,156	3,816,045
Net profit	1,136,995	913,182	1,567,193
Financial ratio			
Net profit margin (%)	30.09	54.48	41.07
Return on equity (%)	11.00	9.44	16.60
Return on assets (%)	5.79	5.45	7.78
Par value (Baht per share)	5.00	5.00	5.00
Earnings (Baht per share)	0.84	1.66	2.84
Dividend (Baht per share)	1.60	0.82	1.40
Book value (Baht per share)	8.48	17.68	17.41
BIS ratio (%)	N/A	55.03	45.84

## Message from Chairman

The year 2022 saw a great deal of changes as the Company underwent a big management restructuring after having studied the business structure for some time. Having changed the business structure, the Company separated the businesses under the group more clearly to facilitate easier management and operation. While the parent company, Srisawad Corporation Public Company Limited (SAWAD) focuses on title loans as well as home and land- title loans, Srisawad Capital 1969 (SCAP) mainly pursues other retail loans. Therefore, the Company merged Srisawad Capital and other subsidiaries, i.e., S Leasing Company Limited, and Cathay Leasing Company Limited, to absolutely separate the businesses of Srisawad Capital 1969 Company Limited from the parent company. Hence, each company would apparently be able to enhance their competitiveness and drive growth for their own businesses.

### *A summary of the financial position and earnings performance*

The Company is currently a leader in the new motorcycle hire purchase loan business, with the market share in terms of numbers of customers being among the top of the country. The Company has seen a market share of almost 20 % of the total new motorcycle registrations with the Department of Land Transport. Certainly, such a huge market share would enable the Company to manage operating cost effectively and optimize complete operation process thanks to economies of scale. The success in this business segment would pave the way for other segments of hire purchase loans. Given that this new motorcycle hire purchase loan business entails the higher risks compared to other retail loan segments, once the Company successfully acquires in-depth expertise in this high-risk business segment, pursuing other loan business segments will become a piece of cake because the Company will be highly experienced and thus able to proceed with related high technologies, risk management, systematic debt collection, and human resources effectively.

***2023 business outlook***

Going forward, the Company will pursue and expand to other retail business segments. At present, the Company is very well-equipped to expand our business coverages. We are currently focusing on the upper-to-mid market segments of personal loans, with a target on potential customers who earn high regular income, and the low-end retail loan market for the new motorcycle hire purchase loan business. Therefore, we will potentially expand both horizontal and vertical business coverages to drive for better earnings performance by optimizing the Company's existing business structure fundamentals.

On behalf of the Board of Directors, I would like to express my deepest gratitude to shareholders, customers, and all related parties for your consistent confidence and support.

**Mr. Suchart Leungsuraswas**

Vice Chairman of the Board of Directors

## Part I : Business Operation and Performance

### Policies and Overall Business Operations

Srisawad Capital 1969 Public Company Limited, formerly known as Srisawad Finance Public Company Limited, was founded in 1969 as a finance company listed on the Stock Exchange of Thailand. The Company provides financial services under the scope permitted by the Bank of Thailand, the 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 damages from the invested assets, as well as having a stable capital position.

On June 23, 2022, the Extraordinary Meeting of Shareholders No. 1/2022 resolved to return the finance business license, rename the Company, change the objectives and Articles of Association, acquire the common shares of Srisawad Capital Company Limited, and receive the entire share transfer of Srisawad Capital Company Limited. On September 9, 2022, the Company returned the finance business license and changed the business operation policies from the finance business to retail and hire purchase loan businesses.

### Business Operation

The principal business operation is a finance company, which has been approved by the Ministry of Finance, in accordance with the license no 8/2516 (B.E.), to operate four types of finance businesses as below:

1. Finance for commerce
2. Finance for development
3. Finance for disposition and consumption
4. Finance for housing

Moreover, the Company is licensed to operate as a debenture holders' representative and/or trustee. The Company had been providing service as a debenture holders' representative since April 2018. However, the finance business operation ended on September 9, 2022 after the Company returned the finance business license to the Ministry of Finance. Hence, the Company changed the business operation policies to focus on personal loan under supervision and hire purchase loans as follows:

1. Personal loans under supervision
2. Hire purchase loan

## Business Goals

The Company is committed to business operation with the goals to generate sustainable profits or returns to shareholders, investors, and employees, as well as making good offers to all groups of customer targets and business partners. The Company recognizes well the systematic work operation that will maximize satisfaction of all key stakeholders.

To sustainably succeed, the Company would have to satisfy all key stakeholders. To elaborate, the Company's inability to offer good things to any groups of stakeholders would lead to a lack of flexibility in the business operation; and this would impede the Company's sustainable growth potential.

The Company aims to provide integrated financial services; and we are particularly targeting to become the leader in retail loans for the grass-root sector and the middle-end market, which are the country's key customer base. This business objective would enable the Company to grow unlimitedly and potentially pursue growth alongside the country's economic expansion.

## Significant changes and developments over the past years

### In 2016

- Professor Sakorn Suksriwong, DBA, resigned from the chairman, the director and the Chief Executive Officer of the Company.
- The Board of Directors appointed Mr.Auychai Somklin as an authorized director and the Deputy Managing Director of the Company.
- The Board of Directors appointed Mr. Thititham Rojanapruk, the director, as an authorized director and the Deputy Managing Director of the Company.
- Mr.Thanapol Sirithanachai resigned from the director, the independent director and the member of the Audit Committee of the Company.
- The Company was informed of the Voluntary Tender Offer from Srisawad Power 1979 Public Company Limited (SAWAD), the 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 10.50 baht per share. For the remaining amount of 127,309,000 shares or 63.65 % of the total issued shares of the Company would be tendered at the price of not exceeding 11.42 baht per share. However, the tender offer for all shares required approval from the SAWAD's shareholders meeting prior to further proceeding.
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In 2017

- The Board of Directors appointed Mr.Kudun Sukhumananda as a director, an independent director and a 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 a director and the Managing Director of the Company.
- The shareholder structure was changed; Srisawad Corporation Public Company Limited became the major shareholder holding 36.35 % of the paid-up share capital of the Company.
- The Annual General Meeting (AGM) 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 to comply with the changed name of the Company.
- Mr.Thira Wipuchanin resigned from the independent director, the 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 Chonlavon resigned from the director of the Company.
- The Board of Directors appointed Mr.Sukont Kanjana-Huttakit as a director and the Chairman of Board of Directors of the Company.
- The Board of Directors appointed Mr. Suchart Leungsuraswat as an independent director, a member of the Audit Committee and the Chairman of the Audit Committee of the Company.
- The Board of Directors appointed Mr.Pinit Puapan as a director of the Company.
- The Board of Directors appointed Mr.Prayong Saennual as a director of the Company.
- Mr.Auychai Somklin resigned from the director and Deputy Managing Director of the Company.
- The Company launched new credit products, i.e., Car for Cash and Home for Cash.

In 2018

- The office was 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 resigned from the independent director and the member of Audit Committee.
- The Board of Director appointed Mr. Anantroj Thangsupanich to be an independent director, and a member of Audit Committee.
- The 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 to 330,748,344 shares.
- Srisawad Corporation Plc., the 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 remaining 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 18.00 baht per share. After the tender offer period, the major shareholder had raised its proportion to 82.04 %.
- Mr. Weidt Nuchjalearn resigned from the director.
- Miss DOUNGCHAI Kaewbootta resigned from the position of Managing Director but still remained the director.
- The Board of Directors appointed Mr. Thititham Rojanapruk to be the Managing Director.

### In 2020

- The Board of Directors appointed Miss Nanthida Pattanasakpinyo to be an independent director, and a member of Audit Committee.
- Mr. Anantroj Thangsupanich resigned from the Company's director.
- Mr. Kudun Sumkhumananda resigned from the Company's director.
- The Board of Directors appointed Mr. Prawat Phatraprasit, the independent director, to be a member of Audit Committee.
- Mr. Sukont Kanjanahuttakit and Mr. Pinit Puapanresigned from the Company's directors.
- The Board of Director appointed Mr. Suchart Luengsuraswat to be Vice Chairman of the Board.
- Mr. Prayong Saennual resigned from the Company's director.

In 2021

- The Board of Director appointed Mr. Montree Chansongnoen to be a director, and the authorized director.
- The Board of Directors appointed Mr. Kom Vachiravarakarnto be an independent director and appointed Miss Kanoknuj Cholvani to be a director and the authorized director.
- The deposit policy was changed to the minimum 10 million baht and the interest rate was adjusted to match the money market situations.
- The Company address was changed from floor 1,3,5,6 Srisawad Bldg. to floor 1,3,6 Srisawad Bldg.

In 2022

- The Extraordinary Meeting of Shareholders No. 1/2022 resolved to return the finance business license and have the new business plan for personal loan under supervision and motorcycle hire purchase loan.
- The Extraordinary Meeting of Shareholders No. 1/2022 resolved to change the Company's name from "Srisawad Capital Public Company Limited" to "Srisawad Capital 1969 Public Company Limited", the Company's seal, and the securities' symbol from "BFIT" to "SCAP". The Meeting also resolved to change the objectives, the Article of Association, and the Memorandum of Association to match the changed name and objectives.
- The Extraordinary Shareholder Meeting No. 1/2022 resolved to approve the acquisition of the entire shares in Srisawad Capital Company Limited and receive the entire business transfer of Srisawad Capital Company Limited. In returns for the business transfer, the Company allocated 750 million newly-issued ordinary shares to the shareholders of Srisawad Capital Company Limited.
- The Extraordinary Shareholder Meeting No. 1/2022 resolved to reduce the registered capital and increased the registered capital to 6,506,236,205 baht, by issuing 750,000,000 ordinary shares at a par value of 5 baht a piece for a private placement to support the acquisition of Srisawad Capital Company Limited.
- The Company returned the finance business license to Ministry of Finance on September 9, 2022. The Company also proceeded with the change of the Company's name, increase the paid-up capital, and allocation of newly-issues shares to support the acquisition of Srisawad Capital Company Limited. Subsequently, the Company received the entire business transfer of Srisawad Capital Company Limited in December 2022.

## **The development of business applications and platforms**

### **1. Personal Loan System (PLS)**

The personal loan system (PLS) is the system designed to facilitate personal loan management, starting from loan applications, loan approval, and debt collection. The system was particularly developed to support the Company's businesses to optimize the business operation efficiency and flexibility. The system was designed as a one-integration system, which means the one-platform system that features all functions. In developing this system, the Company emphasizes the significance of the personal loan system, in terms of accuracy in processing and speed in responding to customers' demand. For a brief processing procedure, once the details of a potential customer from the loan application form are input to the system, the system will proceed with information verification and then link to the Credit Bureau for credit check. After that, the system will proceed with interface and decision engine systems to analyze credit scoring of the loan applicant. All these steps do not require any manual processes; hence, the chances of errors can be minimized and possible frauds or corruption can be effectively prevented.

Once the loan application is approved, the system will subsequently create a contract for a preliminary credit approval and present interest rate details and payment timetable, which will be used for further credit management for the customer. Furthermore, the system also manages the debt collection procedure in case of defaults and this also covers the case on customers under legal prosecution.

### **2. Hire Purchase System (HPS)**

The hire purchase system (HPS) is the system designed for new motorcycle hire purchase loan management. The system entails the entire process, starting from loan application, loan approval, contract completion, installment, and debt collection. The HPS differs from the PLS as the former's work system is divided into modules, which can be explained below.

- **SFast System**

SFast is a mobile application, working on preliminary management of loan requests. Checkers use the SFast in data record and necessary photo shoots to support loan approval process. As SFast is a native mobile application, so it has high flexibility and can facilitate checkers' operation nationwide, by using google map for check of housing and workplace locations of potential customers. In addition, the SFast also links to the data system of Department of Provincial Administration (DOPA); therefore, ID verification can be accurately

proceeded. Furthermore, the SFast also include an e-consent function, to easily seek consent of the loan applications for online check with Credit Bureau.

- Loan Origination System (HPS – LOS)

HPS – LOS is the credit analysis for approval. The system processes data from the SFast and proceeds with the interface with the risk management (RM) system to analyze the data obtained from the host-to-host interface with the Credit Bureau's system. The RM contains functions about creating rules and policies to screen possible risks. The system requires online interface, so a manual process is not necessary. The HPS – LOS also links to the SMS Gateway, which enables the system to send message to update the loan applicants on application status and notify payment alerts.

- Loan Management System HPS (LMS)

HPS – LMS is the management process system post loan approval, so its key function is to manage repayment throughout the contract life. The system processes data about loan repayment for loan classification, extension of registration, and debt collection. The HPS – LMS entails the interface to obtain the data from the HPS – LOS system and process it both on the online and batch forms for end-of-day process.

In designing the HPS, the IT team considered potential business operation and developed the design that could potentially support growing demand and business growth. The platform of HPS applies flexibilities and can be installed rapidly. The designs for separated modules can reduce single points of failure of the system and appropriately increase the control in each point because separated modules work independently, resulting in flexibility in changing of management to support strategies in certain areas and potentially increasing business entities.

## Nature of Business

### 1. Income Structure

Income Structure	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Interest income</b>						
Interbank and money market items	3.73	-	13.69	0.82	9.96	0.26
Investments in debt securities	-	-	1.62	0.10	6.37	0.17
Loans to customers	3,069.73	81.33	1,402.07	83.55	3,406.12	89.26
Total Interest income (1)	3,073.46	81.33	1,417.38	84.46	3,422.45	89.69
<b>Fees and services income</b>						
Acceptances, aval and guarantees			-	-	-	-
Others	602.19	15.93	138.55	8.26	138.23	3.62
Total fee and service income (2)	602.19	15.93	138.55	8.26	138.23	3.62
<b>Net gains (losses) on investments</b>						
Gains (losses) on divestments	-	-	31.08	1.85	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
Net gains (losses) on investments (3)	-	-	71.34	4.25	114.96	3.01
<b>Other operating income</b>						
Dividend income	-	-	0.57	0.03	2.05	0.05
Other income	103.46	2.74	48.31	2.88	138.36	3.63
Total other operating income (4)	103.46	2.74	48.88	2.91	140.41	3.68
<b>Total income (1) + (2) + (3) + (4)</b>	<b>3,779.10</b>	<b>100.00</b>	<b>1,678.15</b>	<b>100.00</b>	<b>3,816.05</b>	<b>100.00</b>

### 2. Products and Services

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

- Finance
- Other financial services for which company is authorized.

Both aforementioned business types can be divided into various services as follows:

- Deposits
- Lending
- Debenture Holders' Representatives
- Investment in securities

After the Company returned the finance business license on September 9, 2022, the business types have been changed as follows:

- Personal loans under Bank of Thailand's supervision
- New motorcycle hire purchase loan

### Details of the products or services

#### Deposits

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 rates according to the country's economic situation, the Company's liquidity, yields and interest rate in the money market.

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 three years as stated in the Company's financial statements are as follows:

Remaining period	As of December 31, 2022		As of December 31, 2021		As of December 31, 2020	
	Million Baht	%	Million Baht	%	Million Baht	%
At call	-	-	62.09	36.55	199.19	3.81
Less than 1 year	-	-	100.81	59.33	4,684.09	89.49
More than 1 year	-	-	7.00	4.12	350.82	6.70
Total	-	-	169.90	100.00	5,234.10	100.00

Given the decision to return of finance business license on September 9, 2022, the Company had to receive the repayment of the deposits from the customers before returning the license.

### **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 make payment for the ordered products, 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 loans are available to comply with project requirements, including the SME business, to meet the government's policy to support such businesses.
3. **Consumer lending** consists of both secured and unsecured loans to individuals for consumption purposes. Short-term loans, medium-term loans or long-term loans are available.

After the Company returned the finance business license on September 9, 2022, the business types have been changed as follows:

#### **1. Personal loan or cash loan**

Personal loan under supervision of Bank of Thailand targets mid-to-high end market segments, including permanent employees with monthly income from 30,000 baht upwards for systematic risk control. The interest rates range 20 % - 25 % per annum and the maximum loan term of 60 months.

#### **2. New motorcycle hire purchase loan**

The Company also offers hire purchase loan for new motorcycles through dealers across the nation. The business is run by two subsidiaries, i.e., S Leasing Co., Ltd. and Cathey Leasing Co., Ltd. The interest rates vary depending on the sizes of motorcycles and contract lives, which last from 12 months to a maximum of 60 months.

## **Service channels**

### **1. Independent sale teams**

The Company provides personal loan under supervision of the Bank of Thailand through independent sale teams consisting of 228 sales members, who offer personal loan to potential customers who earn stable income.

### **2. Telesales or Call Center**

The Company also engages in the telesales channel for the customers who send in enquiries , which allows the Company's staff to contact customers, reconfirm transactions the customers have done with the Company, listen to customers' suggestions, opinions, and complains, and offer the Company's various financial services.

### **3. Company's partners**

The Company's partners include motorcycle dealers. The Company assigns some staff who examine hire purchase loans for new motorcycles at partner motorcycle dealers. As of December 31, 2022, the Company's staff were based at 3,041 motorcycle dealers' shop in all regions across the country.

Regions	Number
Bangkok and vicinities	701
The Central	196
The North	418
The East	529
The Northeast	697
The West	156
The South	344

## **Markets and Competition**

### **Personal loan business**

Regarding the personal loan business, the Company focuses on the middle-to-high-end markets; therefore, the key competitors include commercial banks that provide lending products to these markets. The Company's advantages over competitors include our familiarity with the services and fast approval process, so

the lending procedure is not complicated. This is a key advantage of the Company given that complicated application and approval process can be considered as the major pain point for those seeking loans.

The market size of the personal loan business in Thailand is large, with the reported amount of personal loans at Bank of Thailand over 300,000 Million baht. This can imply huge room for opportunities for the Company; any firm that can access potential customers at an appropriate time and offer them good deals, that firm is likely to gain better market shares.

#### **New motorcycle hire purchase loan business**

In regard to the new motorcycle hire purchase loan business segment, the competition is seen both at national and regional levels. There are fewer than 10 hire purchase loan operators in the national levels. The reason behind this small number of players is that this lending business segment requires high expertise in risk management given high risks. Therefore, not many companies can succeed. However, on a brighter side, this point can be regarded as a positive factor: because it is difficult to enter, the competitors in the market are only those long-term players.

In terms of regional competitors, the coverage is just limited within the provinces or the regions where the operators reside. It is difficult for regional players to complete in the national level.

#### **Business Outlook**

##### **Personal loan business**

Cash loans or personal loan business is likely to continue growing alongside the country's economic growth. When the country's economy grows well, people need to spend money. In addition, even when the economy does not perform well, demand for spending remains. Therefore, the Company views that the personal loan business would grow well in line with the country's economic growth.

##### **New motorcycle hire purchase loan**

The growth in new motorcycle hire purchase loans is variable to the sales of new motorcycles each year. The new motorcycle output stands at an average of 1.6 million units per year, depending on several factors. In 2022, the number of new motorcycle registrations reached 1.8 million units, marking another year of such a high figure. Meanwhile, the unit prices have apparently increased on an annual basis. This trend is positive to the Company because when the unit prices increase, against consumers' slower pace of income growth, demand for motorcycle hire purchase will accordingly accelerate. Moreover, the number of local operators may become smaller especially after the Consumer Protection Office released an announcement, effective on January 10,

2023, to limit the interest rate at a maximum of 23 % per annum and impose a number of other restrictions and requirements. Given these new regulatory restrictions, small operators will unlikely survive. Therefore, this is an opportunity for the Company to pursue further growth. With the already huge business size and economies of scales, the Company will be able to even grow further or see greater growth opportunities following a reduction in number of competitors. Apparently, there is a big chance for the Company to expand our loan portfolio growth annually.

### Sources of funds

Regarding procurement of the Company's funding, in addition to the Company's own funds, most sources of funds are in the form of: i) deposit mobilization by issuing deposit receipts to receive deposits from the public, which are available both in the forms of non-fixed demand deposit accounts and fixed deposit accounts - the deposit accounts contain interest rates that vary according to the tenor of the deposit receipts (note: The Company started issuing deposit receipts to the public in August 2008) and; ii) borrowing from the parent company.

After the Company returned the finance business license, the Company became unable to issue deposit receipts. So, the funds have come from the Company's own funds and borrowings from the parent company. The Company has a plan to raise funds to expand the business and bolter jumping growth through issuance of the Company's own debentures, borrowings from commercial banks, and other debts.

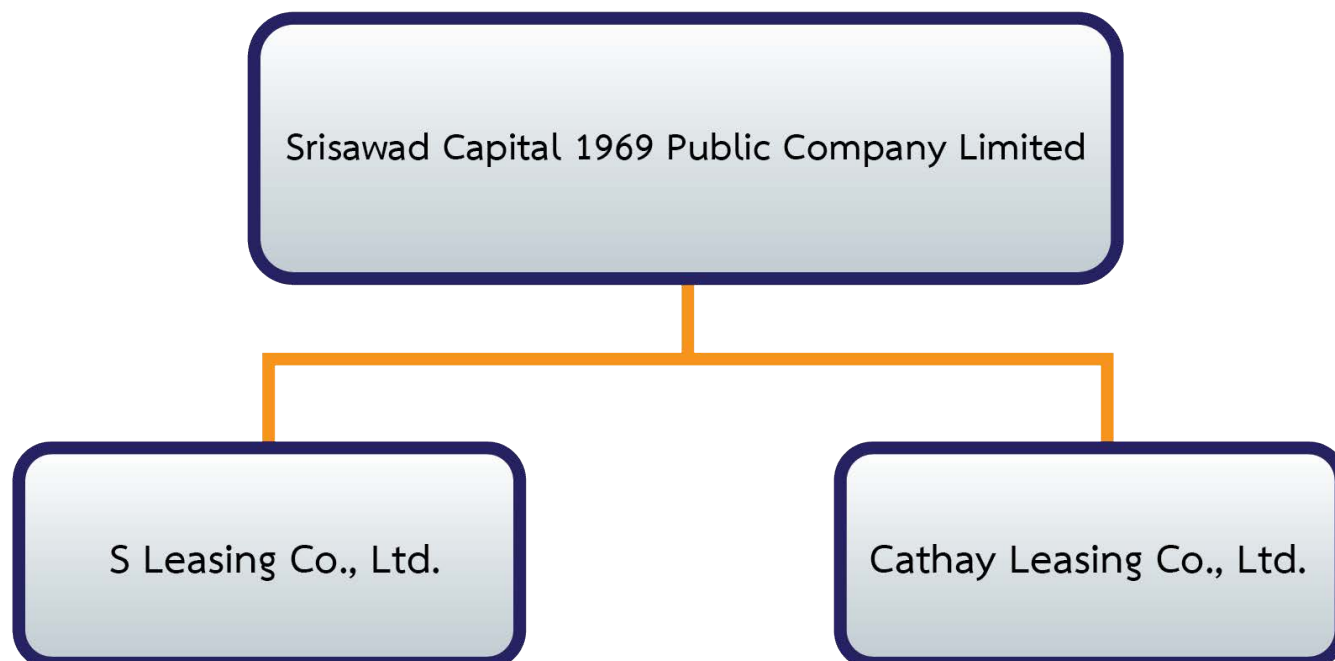
### Sources of funds

(Unit: Million Baht)

Sources of funds	2022	2021	2020
<i>Deposits and debt securities issued from individuals</i>	-0-	175.84	5,240.04
From financial institutions	-0-	-0-	-0-
From overseas	-0-	0.06	0.06
<b>Total deposits and debt securities issued</b>	<b>-0-</b>	<b>175.90</b>	<b>5,240.10</b>
<i>Borrowings from relating businesses</i>	9,262.20	-0-	-0-
<i>Other liabilities</i>	4,788.18	4,330.23	4,745.30
<b>Total funds from liabilities</b>	<b>14,050.38</b>	<b>4,506.13</b>	<b>9,985.40</b>
Funds - Shareholders' equity	10,931.51	9,743.67	9,596.65
<b>Total funds from equity</b>	<b>24,981.89</b>	<b>14,249.81</b>	<b>19,582.05</b>

### The Company's holding structure

As of 31 December 2022, the Company had two subsidiaries, with the following holding structure.



The Company has invested in corporations directly and holds share in such corporations at least 10.00% of the total issued and paid-up capital.

Company	Business	Paid-up capital (Million Baht)	% of investment	Investment value
Direct Investment				
S Leasing Co., Ltd.	Hire Purchase loans for new motorcycle	50.00	90.00	45.00
Cathay Leasing Co., Ltd.	Hire Purchase loans for new motorcycle	50.00	100.00	39.77

## 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 February 10, 2023 is as follows:

No.	Name	Number of shares	% of Holding
1.	Srisawad Corporation Public Company	937,546,907	72.05
2.	Mr. Wichit Phayuhanaveechai	75,000,000	5.76
3.	Mr. Wuttichai Punyanok	45,000,000	3.46
4.	Mr. Woraphat Sethasompop	37,650,000	2.89
5.	Mr. Narongrit Nanthayapirom	37,500,700	2.88
6.	Ms. Petchlada Chiewhatphong	37,500,000	2.88
7.	Mrs. Jaruwan Jiampittayanuwat	9,631,605	0.74
8.	Mr. Luchai Phukhan-anan	8,480,070	0.65
9.	Miss Supaporn Ahunai	7,717,500	0.59
10.	Ms. Natwadee Sae Ngow	7,500,000	0.58
11.	General investors	97,720,459	7.51
	Total	1,301,247,241	100.00

## Registered and paid up capital

### Ordinary shares

The Company had the registered capital of 6,506,236,205 baht, consisting of 1,301,247,241 ordinary shares at a par value of 5 baht per share, and the paid-up capital of 6,506,236,205 baht, consisting of 1,301,247,241 ordinary shares at a par value of 5 baht.

### Other shares with different rights and condition from ordinary shares

- None -

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

- None -

### Other securities

- None -

### Dividend Payment Policy

The Company has the policy of paying dividend not lower than 40 % of the Company's net profit, taking into consideration the adequacy of capital funds for the Company's business operations, as well as economic necessity and the Company's financial position. For the year 2021 and 2022, the Bank of Thailand had announced the requirement that financial institutions would be allowed to pay dividends to shareholders at not more than 50 % of net profit.

### Dividend payment history

Year	2022	2021	2020
Earnings per share	0.84	1.66	2.84
Dividend per share	1.60	0.82	1.40
Dividend payout ratio (%)	190.48%	49.40%	49.30%

## 2. Risk Management

### 2.1 Risk Policy and Risk Management Plan

Risk management is an 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, the risk management unit, a risk management committee, and a working panel on risk management have been established. In addition, the Company has determined risk management policies as part of the risk management guidelines, which are regularly updated to ensure consistency and effective responses 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 guideline for the management and employees to manage risks in a consistent manner throughout the organization. The Company's risk management process consists of eight main components:

- *Internal Environment*

The internal environment is an important basis for a 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. These include the areas about ethics, how executives and personnel work, management's approach to running business, authority's assignments on duties and responsibilities. All these aspects should be jointly defined by the management and employees in the organization, which would help to foster an awareness of risks and controls among employees across 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 strategies, finances, personnel, operations, laws, taxation, systems, and environment. The process should also consider the relationship between potential events, sources of risk from the internal environment, e.g., corporate capacity, company's information systems, or management structures, as well as risk sources from external environments, e.g., culture, technology, or politics.

### ■ *Risk Assessment*

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

#### **1. Risk Analysis**

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. Risk Assessment**

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 risk 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 policies 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, who will 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 Responses*

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 or keep the potential for losses at an acceptable level.

### ■ *Control Activities*

Control activities are policies and procedures to ensure that risks are managed to an acceptable level to prevent impacts on the goals of the organization. The control activities can be divided into four 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.

It should be noted that 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 show event trends and help 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 owners monitor, assess the current situation, analyze, and manage 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 Factors**

### **2.2.1 Strategic Risks**

The Company realizes the significance of systematic and effective risk management and control, so it clearly defines the risk management structure mainly for preventing and managing risks. In addition, the Company has determined the compliance operation guidelines under the supervision of the Bank of Thailand, which conform to good corporate governance, transparency, and justice. Meanwhile, the Company has also evaluated, controlled, monitored and reported the risk to create the methodical process of risk management, which is controlled, monitored and managed by the Board of Directors, Audit Committee, and Risk Oversight Committee.

### **Credit Risks**

Credit risks are risks that may be caused by debtors being unable to fulfill their contracts, or that they are at increasing 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 provision for expected credit losses. This would be negative to the Company's income and economic capital, and it would eventually lead the Company to see distressed assets.

Lending business always entails credit risks and credit losses are crucial expenses in the financial statements. Therefore, the Company has emphasized controlling, monitoring, and adjusting relevant measures to keep the loan quality at a specified level.

**Risk associated with the greater possibility of non-performing loans**

The emergence of COVID-19 pandemic since 2020 has resulted in a steady contraction in economic activities. Several workers have suffered lower income or unemployment. This has led to lower consumption and a reduction in repayment capacity. This circumstance 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 examining customers' information. An evaluation report is used to determine the customer's ability to repay debt.

**Risks associated with possible impairment of collateral**

Currently, the Company has collateral, both in the forms of movable and immovable assets of which collateral value may change depending on the economic situations, laws, and related requirements. 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. After the Company has changed the business structure, the amount of non-performing assets has fallen to an insignificant level.

As for new motorcycle hire purchase loans, the Company manages risk associated mainly with certain motorcycles that contain a greater chance of impairment than motorcycles from major brands. The prices of these particular motorcycles may be more volatile when they are repossessed by the Company. As a way to manage risk, the Company requests that motorcycle makers guarantee the buy-back prices. This strategy can somewhat help minimize risk associated with impairment of motorcycles.

Furthermore, the Company ensures concise and cautious working procedure to minimize fluctuation of the prices of repossessed motorcycles. Therefore, the Company takes very good care of assets and sell them at auction rapidly and the most effectively to minimize the possibility of collateral value contraction.

**Risks associated with inability to locate collateral**

With most of the Company's loan collateral being movable properties, such as cars and motorcycles, it can be difficult to locate certain collateral in the event that a 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 loans, the Company's business, financial position, and earnings performance will directly be impacted.

To mitigate the risk in this area, the Company has a policy to offer loans with great caution and design comprehensive and systematic working process, especially for the loan consideration process. The process begins with highly experienced credit analyzing staff reviewing the documents; this staff is a local, so he/she can understand the nature of customers, their income, and customer groups well. Then, the Company has also invested in technology and a risk assessment system, which can assess risks of certain customer groups effectively by means of the credit scoring. Furthermore, there is a fraud detection system, which can initially identify which customer groups are at high risk of being swindlers or which groups are likely to be unable to repay debts. All loan applications must pass the fraud detection system, and then the staff will assess the extent of possibilities of fraud.

Moreover, the Company has also designed a system that ensures transparency of onsite staff's works on data examination and analysis. This is to ensure that the information provided is accurate, preventing fraud and corruption. It also encourages the onsite staff to analyze works with transparency.

In addition to the tailor-made credit analysis process designed particularly for hire purchase loan business, the Company also has linked the loan collection procedure closely to the loan consideration process. This is to ensure that the Company closely follows up all customers, especially during the first 6-9 months after they take out loans. Moreover, the Company has put in place the MIS system to closely monitor each group of customers in each area. This system helps to thoroughly anticipate the installment payment behaviors of each customer group. This would eventually lead to further enhancement of the lending system, and the enhancement process will continue to be developed further and systematically.

#### **Risks associated with inability to sell foreclosed assets**

After the Company restructured the business, repossessed motorcycles have become the only assets. Generally, the average age of these repossessed assets is not more than one year and they see high liquidity and high demand from the market. Therefore, the risk that the Company would be unable to sell such repossessed assets is rather low. In addition, the Company can manage the selling of such assets effectively by selling them through auction companies, such as Union Auction Public Company Limited, Sahacrane Auction, Co., Ltd., or

other auction firms. Historical data suggest that the Company saw the success rate of selling repossessed assets at over 95 %. The ones unable to be sold can be resold in the next auction or at other areas where preferences on certain types of motorcycles are different and purposes of usages are also different. The demand for motorcycles is always high and the motorcycles for which the Company offers loans are in high demand in the market. Therefore, the risk that the Company may fail to sell the repossessed assets is very low.

#### **Risk of high dependence on the major shareholder**

At present, the Company is financed by the group of companies, which is the major shareholder with 72.05 % of the paid-up capital as of February 6, 2023. The huge financing from the parent company has created the risk of high dependence on the major shareholder. In case the major shareholder is unable to provide financing, this will cause a hiccup in the Company's business operation. However, the Company has also sought external sources of funds, such as borrowings from commercial banks and borrowings from issuance and offer of short-term and long-term debt securities.

#### **2.2.2 Market Risks**

Risks from the government imposing additional controls over the consumer lending industry are possible given that the government intends to ensure fairness for all stakeholders, both lenders and customers, and also make sure that the sources and the use of money can be monitored in order to effectively prevent money laundering. The government also needs to ensure that regulations pertinent to the finance industries are in line with dynamic financial innovations. Hence, the regulatory changes impact the Company's operation performances.

The risks posed by changes in interest rate and the prices of instruments in the capital markets are another risk factor that has a negative impact on the Company's earnings and 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 of 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. The outcome of the impact from such assessment is then compared to the risk limit. If the impact is greater than the risk limit, the issues will be

brought to the attention of the Risk Oversight Committee and the Board of Directors, respectively, for their consideration.

### **2.2.3 Liquidity Risks**

Liquidity risks occur when the company is unable to settle debts and obligations at maturity because it can neither timely convert assets into cash nor provide sufficient financing within a specified period of time or at a proper cost of funds, which may cause damages 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 in 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 Risks**

The Company precisely formulates the policy scope of operational risk management with the strong internal control system and the operation manual with the effective training. The Company complies loss data and near-missed data, both monetary and non-monetary, as well as preventable losses and other suspicions matters. The Company also enhances the operation process and determines controls to reduce risks of possible losses. Moreover, the Company formulates the outsourcing policy and the new product policy by studying, analyzing, and assessing risks. The Risk Management department helps review and provide comments before using outsourcing services or launching new products.

The Company also has an independent internal auditor that directly reports to the Audit Committee for formulating the risk-based audit plan and providing consultancy for internal control improvement. The Company also has formulated the business continuity plan to prevent disruption in business operation in some unfortunate events, such as emergencies, casualties, and disasters. In addition, the computer system has always been well restored. Meanwhile, there are technicians who maintain cars and ensure they are always available to be used. These are aimed at maintaining the Company's reputation and creditability. Furthermore, the

Company has also promoted personnel for better work effectiveness. Both public and in-house trainings and seminars are carried out to enhance personnel's skills in operation and they are also encouraged to learn risk management by themselves through online media. The Company has always been well aware of operation risks.

#### **2.2.5 Risks associated with securities holders**

Shareholders who have invested in the securities of the Company may face a risk that the returns from the investment may not meet expectations due to volatility in the market price, which is variable to the economic conditions at the time. In addition, dividend payment is dependent upon the earnings results, and it could not be guaranteed by the Company that the results would 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 the 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 in regard to non-compliance with the Personal Data Protection Act**

The Personal Data Protection Act (PDPA) 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 Risks associated with environment, society, and governance (ESG)**

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 corporate 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 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 services through digital channels. This has resulted in more flexibility in terms of service differentiation. For example, small business owners who used to have difficulty accessing funding sources due to the lack of evidence of the sources of their income are now 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. This has allowed all consumers to quickly access funding, and make transactions 24 hours, reducing restrictions on business hours or commute to a physical office of the service provider. In addition, consumers can compare funding options instantly. Therefore, if the Company does not adapt to the technological changes, it may lose market shares to new competitors that are able to reach customers more quickly.

### **Risks associated with pandemics or natural disasters due to climate change**

The COVID-19 infections have significantly impacted social and economic conditions around the world. It remains uncertain when this pandemic is about to end. The Company has been impacted both in terms of operation and customer services, and the Company also saw the impact from provision of assistance to the customers in accordance with the government's assistance 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 debts, 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 the business operation 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 among stakeholders.

The Company has established a framework and sustainability management policies 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 promotion of quality-living for society***

The Company focuses on creating opportunities for employees and people in society, supporting community businesses by providing access to 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 the employees by striving to improve their competency.

##### ***3. Sustainable environment through business operation based on responsibility to environment***

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 optimization.

##### ***4. Ethical business practice through strategic management of human resources, corporate governance, risk management, and compliance***

The Company is committed to complying with good corporate 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 for human rights; maintaining strict compliance with government laws and regulations; managing risks; and taking into account possible impacts on economy, society and environment, which directly relate to the Company's business and partners in the Company's value chain. These aim to promote understanding and compliance with the Company's sustainability management policies. 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., vendors/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**

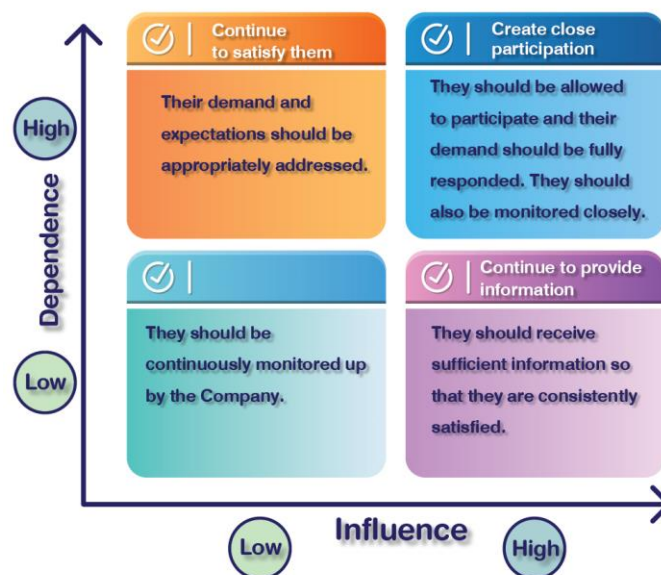
1. The Company identifies related stakeholders by examining the extent of their participation and the characteristics of individual stakeholders, who may impact the Company or may be impacted by the Company's business operation and activities, both directly and indirectly.
2. Initially, the Company classifies 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 dependent stakeholders should be engaged, fully attended to, and closely monitored.

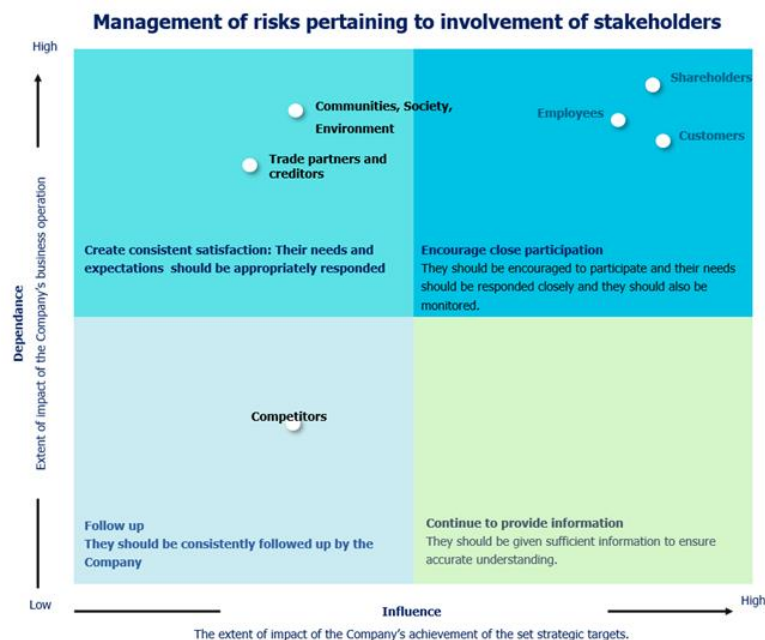
- Stakeholders with high influence but low dependent in the company should be informed sufficiently to ensure continuous satisfaction.
- Low-influential but high-dependent stakeholders should be properly attended to based on their needs and expectations.
- Low-influential and low-dependent stakeholders 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:

- Conflicts during stakeholder engagements
- Disturbance by stakeholders, their unwillingness to engage.
- Unfulfilled expectations of stakeholders on the Company
- Stakeholders without authority and information

### Management of risks pertaining to involvement of stakeholders



### 1.3 Sustainability management in the dimension of environment

The Company is aware of the importance of environmental preservation, which is becoming more intense. The Company is determined to promote environmental preservation by setting environmental policies that are consistent with the goals in accordance with business operations and employees shall be able to practice. The Company encourages the employees to cooperate to preserve the environment in various aspects, such as water, electricity, waste separation, carrying a cloth bag to reduce the use of plastic. The Company has emphasized that employees are aware of the effective use of resources and environmental policies are publicized through various channels so that employees be aware and cooperate in practice. For example, signs are affixed at various points, and various information or news is notified through the Company's email or intranet, and etc.

Management guidelines

- Management of risks associated with climate change
- Mitigation of impacts

The Company believes that to drive its business operation growth sustainably, it must also pursue sustainable development of society and environment. Therefore, the Company encourages employees to be mindful of value creation for society and the environment when offering services. In addition, the Company also urges employees to participate in management of impacts on society and environment by offering sustainable financial options; offering loans and suggesting investment choices with responsibility; promoting accesses to financial services and knowledge; and supporting business opportunities among customers who support solutions to climate change by promoting low-carbon economy and society.

#### 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
<b>Greenhouse gas emission</b>	
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
<b>Water use within the organization</b>	
Purchased tap water for use (MCM)	Reduction by 5 % from the water use level in 2021
<b>Waste management within the organization</b>	
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

Performance in 2022, the amount of energy consumption, Electricity and water consumption were a higher volume than in 2021, as a result of 2021, the proportion of employees working from home was higher than in 2022, which the government declared COVID-19 an endemic disease. This caused the performance not meet the set goals.

However, the Company will continue to set a goal to reduce energy consumption within the organization at the same rate.

### 3.4 Sustainability management in the dimension of society

#### Human right policies

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 human right policies 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 guidelines related to the human rights to all stakeholders to encourage them to take part in operation under the Company's human right policies.

In addition, the Company does not accept any acts that violate the rights and freedom of any persons directly or indirectly, such as physical abuse, verbal abuse, persecution, intimidation, humiliation, sexual harassment, contempt etc. In addition, the Company does not support or hire illegal labor. The Company had established the channel for causes relating to human right violation, complaints and whistleblowing through the Company's website under "Contact Us". In 2022, no complaints about human right violation were reported.

## Management Discussion and Analysis

### Summary of Operating Performance

(Unit: Thousand Baht)

	For the year		Change	%
	2022	2021	Increase (Decrease)	
Interest income	3,073,456	1,417,385	1,656,071	116.84
Interest expenses	(394,674)	(62,325)	332,349	533.25
Net interest income	2,678,782	1,355,060	1,323,722	97.69
Fee and service income	602,187	138,555	463,632	334.62
Net gain on financial instruments measured at fair value through profit or loss	-	71,337	(71,337)	(100.00)
Other operating income	103,460	48,879	54,581	111.67
Other operating expenses	(1,923,925)	(725,967)	1,197,958	165.01
Bad debts and doubtful debts	(89,874)	255,104	344,978	135.23
Profit from operating before income tax expenses	1,370,630	1,142,969	227,661	19.92
Income tax expenses	(233,635)	(229,787)	3,848	1.67
Net profit for the year	<b>1,136,995</b>	<b>913,182</b>	<b>223,813</b>	<b>24.51</b>

The operating results of the Company for the year ended December 31, 2022 showed a net profit of 1,137 million baht, representing an increase of 223.81 million baht or 24.51 % compared with the net profit of 913.18 million baht obtained in the year 2021. The details are discussed below:

1. **The net interest income** increased by 1,323.72 million baht due to the increase in interest income by 1,656.07 million baht and the increase in interest expenses by 332.35 million baht. The details are described below:

(Unit: Thousand Baht)				
	For the year		Change	
	2022	2021	Increase (Decrease)	%
Interest income				
Interbank and money market items	3,730	13,687	(9,957)	(72.75)
Investment in debt securities	-	1,622	(1,622)	(100.00)
Loans to customers	3,069,726	1,402,076	1,667,650	118.94
Total interest income	3,073,456	1,417,385	1,656,071	116.84
Interest expenses				
Deposits	0	43,698	(43,698)	(100.00)
Contribution fees to FIDF and the Deposit Protection Agency	0	5,018	(5,018)	(100.00)
Debt securities issued and borrowings	384,611	105	384,506	(366,196)
Lease liabilities and decommissioning costs	10,063	13,504	(3,441)	(25.48)
Total interest expenses	394,674	62,325	332,349	533.25
<b>Net interest income</b>	<b>2,678,782</b>	<b>1,355,060</b>	<b>1,323,722</b>	<b>97.69</b>

**The increase in interest income** amounting to 1,656.07 million baht was due to the following factors.

- The interest income from loans to customers increased by 1,667.65 million baht due to the change in business and company merging.
- The interest income from interbank and money items (Repo) declined by 9.96 million baht as a result of the change in business from the capital business to personal loan and hire purchase loans that yielded higher returns.
- The interest income from investment in debt securities dropped by 1.62 million baht owing to a smaller size of investment in debt securities.

**The interest expenses increased** by 384.51 million baht due to the following:

- The interest expenses from deposits declined by 43.7 million baht due to the return of the license to operation capital business, which required that the Company completely returned the deposits before proceeding to the return of the license.

- The interest expenses from contribution fees to FIDF and the Deposit Protection Agency declined by 5.02 million baht, which was in line with the reduction in the deposits and loans as a result of the return of the license to operate capital business.
- The interest expenses from debt securities issued and borrowings increased by 384.51 million baht as a result of the expansion to personal loan and hire purchase businesses.
- The interest expenses from lease liabilities dropped by 3.44 million baht in accordance with the TFRS 16: Financial Leases.

2. **The non-interest income** increased by 446.88 million baht. The details are described as below:

(Unit: Thousand Baht)				
	For the year		Change	
	2022	2023	Increase (Decrease)	%
Non-interest income				
Fees and service income	602,187	138,555	463,632	334.62
Net gains on financial instruments measured at fair value through profit or loss				
Gains on change in fair value	0	40,259	(40,259)	(100.00)
Gains on disposal of financial instruments	0	31,078	(31,078)	(100.00)
Total net gains on financial instruments measured at fair value through profit or loss	0	71,337	(71,337)	(100.00)
Other operating income				
Dividend income	0	567	(567)	(100.00)
Other income	103,460	48,312	55,148	114.15
Total other operating income	103,460	48,879	54,581	111.67
<b>Total non-interest income</b>	<b>705,647</b>	<b>258,771</b>	<b>446,876</b>	<b>172.69</b>

- The fee income relating to loans to customers increased by 463.63 million baht mainly due to the change in business from the capital business to personal loan and hire purchase loan businesses.

- The net gains on financial instruments measured at fair value through profit or loss declined by 31.08 million baht as result of the decrease in gains on changes in fair value from fair value measurement in accordance with TFRS9 by 40.26 million baht.
- The other operating income increased by 55.15 million baht due mainly to the increase in other income.

3. **The other operating expenses** increased by 1,197.96 million baht, with the details being discussed below.

(Unit: Thousand Baht))				
	For the year		Change	
	2022	2021	Increase (Decrease)	%
Other operating expenses				
Marketing fee expenses	396,388	0	396,388	100.00
Personnel expenses	854,199	240,047	614,152	255.85
Directors' remuneration	3,600	3,374	226	6.70
Premises and equipment expenses	60,043	52,114	7,929	15.21
Taxes and duties	38,442	60,204	(21,762)	(36.15)
Loan management fee	0	267,428	(267,428)	(100.00)
Other expenses	571,253	102,800	468,453	455.69
<b>Total other operating expenses</b>	<b>1,923,925</b>	<b>725,967</b>	<b>1,197,958</b>	<b>165.02</b>

- The loan management fee dropped by baht 267.43 million baht due to the reduction in loan portfolio and the change in business.
- The taxes and duties dropped by 21.76 million baht due chiefly to the decrease in special business tax, which was in line with the decrease in interest income. Another reason was the business change from the capital business to hire purchase loan business, which was not subject to special business tax.
- The personnel expenses rose by 614.15 million baht as a result of the is in line with the business change from the capital business to personal loan and hire purchase businesses, which required more credit staff at motorcycle dealers.
- The other expenses rose mainly on the back of losses from sales and losses of impairment of foreclosed assets.

4. **The expected credit losses** increased by 183.13 million as a consequence of the provision set aside in accordance with the TFRS9 due the growth in receivable portfolio from 4,314.32 million baht reported in 2021 to 20,818.96 million in 2022.

5. **The income tax expenses** moved up by 3.85 million baht, which was variable to the increase in operating profit before income tax.

## Financial Position

### Assets

The Company's total assets as of December 31, 2022 amounted to 25,042.28 million baht, which increased by 10,792.47 million baht or 75.74 %, compared with the total assets of 14,249.81 million baht at the end of 2021.

(Unit: Thousand Baht)

	December 31, 2022		December 31, 2021		Change	
	Amount	%	Amount	%	Increase (Decrease)	%
Cash and cash equivalent	494,371	1.97	20	0.00	494,351	2,471,755
Interbank and money market items, net	0	0.00	1,053,563	7.39	(1,053,563)	(100.00)
Financial instruments measured at fair value.						
through profit or loss	27,902	0.11	1,692,789	11.88	(1,664,887)	(98.35)
Investments, net	36,475	0.15	37,131	0.26	(656)	(1.77)
Net loans to customer and accrued interest receivables, net	20,818,960	83.14	4,314,320	30.28	16,504,640	382.55
Foreclosed assets, net	94,744	0.38	53,193	0.37	41,551	78.11
Land, premises and equipment, net	349,689	1.40	331,832	2.33	17,857	5.38
Other intangible assets, net	54,672	0.22	13,159	0.09	41,513	315.47
Deferred tax assets, net	25,870	0.10	15,580	0.11	10,290	66.05
Receivable from related parties	1,566,404	6.26	6,710,792	47.10	(5,144,388)	(76.66)
Other assets, net	1,573,190	6.28	27,429	0.19	1,545,761	5,635.50
<b>Total assets</b>	<b>25,042,277</b>	<b>100.00</b>	<b>14,249,808</b>	<b>100.00</b>	<b>10,792,468</b>	<b>75.74</b>

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

**Financial instruments measured at fair value through profit or loss**

Financial instruments measured at fair value through profit or loss marked at 27.90 million baht at the end of 2022, decreasing from 1,692.79 million baht at the end of 2021 or a drop of 1,664.89 million baht. The details of fair value are as follows:

(Unit: Thousand Baht)						
	December 31, 2022		December 31, 2021		Change	
	Amount	%	Amount	%	Increase (Decrease)	%
<b><u>Financial instruments measured at fair value through profit or loss</u></b>						
Domestic marketable equity securities and unit trusts	122	0.44	1,650,716	97.51	(1,650,594)	(99.99)
Domestic non-marketable equity securities	27,780	99.56	42,073	2.49	(14,293)	(33.97)
<b>Total financial instruments measured at fair value through profit or loss</b>	<b>27,902</b>	<b>100.00</b>	<b>1,692,789</b>	<b>100.00</b>	<b>(1,664,887)</b>	<b>(98.35)</b>

Overall, the Company reported the total financial instruments measured at fair value through profit or loss at 27.90 million baht, marking a decrease of 1,664.89 million baht or a fall by 99.99 %, due mainly to the disposal in preparation for liquidity to support the Company's new business expansions.

### Investments, net

As of the end of 2022, the net investment marked at 36.47 million baht, down from 37.13 million baht at the end of 2021 or equivalent to a decline by 0.66 million baht. The details of the fair value are as follows:

(Unit: Thousand Baht)						
	December 31, 2022		December 31, 2021		Change	
	Amount	%	Amount	%	Increase (Decrease)	%
<b><u>Investments in debt instruments measured at fair value through other comprehensive income</u></b>						
Government and state enterprise securities	80,000	219.33	80,000	215.45	0	0.00
<u>Less</u> Allowance for expected credit loss	(43,525)	(119.33)	(42,869)	(115.45)	656	1.53
Total investments in debt instruments measured at fair value through other comprehensive income	36,475	100.00	37,131	100.00	(656)	(1.77)
<b>Total investments, net</b>	<b>36,475</b>	<b>100.00</b>	<b>37,131</b>	<b>100.00</b>	<b>(656)</b>	<b>(1.77)</b>

Overall, the Company had total net investments of 36.47 million baht, representing a decrease of 0.66 million baht or a decreased by 1.77 % due chiefly to the impairment of investments in credit.

### Loans to customers and accrued interest receivables, net

As of the end of 2022, the net loans to customers and accrued interest receivables stood at 20,818.96 million baht, increasing from 4,314.32 million baht as of the end of 2021 or an increase of 16,504.64 million baht. The details are as follows:

(Unit: Thousand Baht)				
	December 31, 2022	December 31, 2021	Change	
			Increase (Decrease)	%
Loans to customers and accrued interest receivables, net				
Loans to customers	26,546,380	4,957,435	21,588,945	435.49
Accrued interest receivables	122,217	601	121,616	20,235.61
Loans to customers and accrued interest receivables	26,668,597	4,958,036	21,710,561	437.89
<u>Less:</u> Deferred income	(5,595,010)	(430,074)	5,164,936	1,200.94
<u>Less:</u> Allowance for expected credit losses	(254,627)	(213,642)	40,985	19.18
Total loans to customers and accrued interest receivables, net	20,818,960	4,314,320	16,504,640	382.55

The net loans to customers and accrued interest receivables increased by 16,504.64 million baht or an increase of 382.55 %, with key reasons being described below.

- The loans to customers from deferred income increased by 16,545.63 million baht on the back of the business change and the extension to personal loan and hire purchase loan business segments. The Company ceased operation of vehicle- backed loans as well as land and house- backed loans, and then switched to the personal loan and hire purchase loan business segments.
- The allowance for expected credit losses increased by 40.85 million baht, which was in accordance to the provision set aside is in accordance with TFRS9.

### Liabilities

(Unit: Thousand Baht)						
	December 31, 2022		December 31, 2021		Change	
	Amount	%	Amount	%	Increase (Decrease)	%
Deposits						
From public	0	0.00	169,901	1.19	(169,901)	(100.00)
Total deposits	0	0.00	169,901	1.19	(169,901)	(100.00)
Debt securities issued and borrowings	0	0.00	6,000	0.04	(6,000)	(100.00)
Borrowings from related parties	9,262,200	36.99	0	0.00	9,262,200	100.00
Provisions	26,442	0.11	21,002	0.15	5,440	25.90
Lease liabilities	196,598	0.78	204,286	1.43	(7,688)	(3.76)
Interest payables	0	0.00	6,058	0.04	(6,058)	(100.00)
Withholding tax payables	0	0.00	1,041	0.01	(1,041)	(100.00)
Income tax payables	54,095	0.22	92,514	0.65	(38,419)	(41.53)
Deferred tax liabilities	143,405	0.57	0	0.00	143,405	100.00
Other liabilities	4,326,898	17.28	4,005,332	28.11	321,566	8.03
<b>Total liabilities</b>	<b>14,009,638</b>	<b>55.94</b>	<b>4,506,134</b>	<b>31.62</b>	<b>9,503,504</b>	<b>210.90</b>
<b>Total liabilities and equity</b>	<b>25,042,277</b>	<b>100.00</b>	<b>14,249,808</b>	<b>100.00</b>	<b>10,792,469</b>	<b>75.74</b>

According to the financial statements at the end of 2022, the Company had the total liabilities of 14,009.64 million baht, which increased from 4,506.13 million baht at the end of 2021 or an increased by 9,503.50 million baht or 210.90 %. Such change was mainly due to the decrease in deposits as well as the increase in borrowings from related parties. The significant changes are elaborated below:

- As of the end of 2022, deposits, debt securities issued and borrowings, interest payables, and withholding tax payables fell to zero because of the return of the finance business license, which required that the Company had to settle all these items before proceeding with the license return process. The license return effective from September 8, 2022; and related liabilities had fallen to 169.90 million baht, 6 million baht and 1.04 million baht, respectively.
- The borrowings from related parties, as of the end of 2022, marked at 9,262.20 million baht, on the back of expansion of personal loan and hire purchase loan portfolios, which prompted the Company to seek borrowings from related parties.

#### Shareholders' Equity

	(Unit: Thousand Baht)					
	December 31, 2022		December 31, 2021		Change	
	Amount	%	Amount	%	Increase (Decrease)	%
Share capital						
Authorized share capital	6,506,236	25.98	2,756,236	19.34	3,750,000	136.06
Issued and paid-up share capital	6,506,236	25.98	2,756,236	19.34	3,750,000	136.06
Premium on share capital	18,549,728	74.07	4,299,729	30.17	14,319,999	333.04
Deficit from business combination under common control	(17,030,067)	(68.00)	0	0.00	(17,030,067)	(100.00)
Retained earnings						
Appropriated-Legal reserve	295,363	1.18	275,623	1.93	19,740	7.16
Unappropriated	2,610,250	10.42	2,412,086	16.93	198,164	8.21
Non-controlling interests	101,129	0.40	0	0.00	101,129	100.00
<b>Total equity</b>	<b>11,032,639</b>	<b>68.38</b>	<b>9,743,674</b>	<b>68.38</b>	<b>1,288,965</b>	<b>13.23</b>
<b>Total liabilities and equity</b>	<b>25,042,277</b>	<b>100.00</b>	<b>14,249,808</b>	<b>100.00</b>	<b>10,792,469</b>	<b>75.74</b>

According to the Company's financial statements, the equity as of December 31, 2022 amounted to 11,032.64 million baht, increasing by 1,288.96 million baht or 13.23 % from the amount reported as of the December 31, 2021. The details are as follows:

- The registered share capital and the paid-up share capital increased from 2,756.24 million baht to 6,506.24 million baht, up by 3,750 million baht on the back of the increase in registered capital and the private placement in returns for the share transfer of Srisawad Capital Company Limited under share acquisition transactions and the business restructuring within SAWAD Group.
- The premium on share capital rose from 4,299.73 million baht in 2021 to 18,549.73 million baht in 2022, up by 14,320 million baht on the back of the increase in authorized capital and the private placement in returns for the share transfer of Srisawad Capital Company Limited under share acquisition transactions and the business restructuring within SAWAD Group. In light of this, new 750 million shares were issued, with a par value of 5 baht at a selling price of 24 baht per share. This led to a deficit from business combination under common control at the amount of 17,030.07 million baht.
- The unappropriated retained earnings as of the end of 2022 amounted to 2,610.25 million baht, which increased by 198.16 million baht as of the end of 2021. Such change related to the Company's net profit for the year 2022 at 669.93 million baht. In addition, the Company paid dividends at 452.02 million baht and saw the appropriated legal reserve increase by 19.74 million baht. Therefore, the unappropriated retained earnings at the end of 2022 increased by 198.16 million baht.

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

### Loans to customers

#### i) Component of loans to customers classified by type of business

	(Unit: Thousand Baht)					
	December 31, 2022		December 31, 2021		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	0	0.00	35,000	0.77	(35,000)	(100.00)
Others	0	0.00	902,538	19.94	(902,538)	(100.00)
Non-secured loans for retail	2,681,245	12.88	50,160	1.11	2,631,085	5,245.38
Secured loans for retail						
Vehicle-backed loans	0	0.00	3,275,505	72.35	(3,275,505)	(100.00)
Motorcycle-backed loans	0	0.00	10	0.00	(10)	(100.00)
Land and house-backed loans	0	0.00	264,148	5.83	(264,148)	(100.00)
Motorcycle hire purchase loans	18,137,715	87.12	0	0.00	18,137,715	100.00
<b>Total loans to customers net off unearned interest income</b>	<b>20,818,960</b>	<b>100.00</b>	<b>4,527,361</b>	<b>100.00</b>	<b>16,291,599</b>	<b>359.85</b>

The loans to customers net off unearned interest income as of December 31, 2022 marked at 20,818.96 million baht, up from 4,527.36 million baht at the end of 2021 or an increase of 16,291.60 million baht. Such change was due mainly to the decline in secured loan portfolios for retail. This can be seen from the fact that as of December 31, 2022, the vehicle -based loans and the land and house-backed loans dropped by 3,275.51 million baht and 264.15 million baht, respectively, due to the return of finance business license. However, the non-secured loans for retail increased by 1,752.19 million baht and the motorcycle hire purchase loans rose by 18,137.71 million baht due to the Company's business change.

Loans to customers and accrued interest receivables	December 31, 2022		December 31, 2021	
	Thousand Baht	%	Thousand Baht	%
Financial assets with no significant increase in credit risk	19,788,188	93.90	2,973,003	65.66
Financial assets with a significant increase in credit risk	894,923	4.25	978,303	21.60
Credit-impaired assets	390,478	1.85	576,656	12.74
<b>Total</b>	<b>21,073,587</b>	<b>100.00</b>	<b>4,527,962</b>	<b>100.00</b>
<b>Less Allowance for expected credit losses</b>	<b>(254,627)</b>	<b>(1.21)</b>	<b>(213,642)</b>	<b>(4.78)</b>
<b>Loans to customers and accrued interest receivables, net</b>	<b>20,818,960</b>	<b>98.79</b>	<b>4,314,320</b>	<b>95.28</b>

In regard to receivable quality, as of December 31, 2022, the Company saw loan receivables classified as financial assets with no significant increase in credit risk at 93.90 % and classified as financial assets with a significant increase in credit risk at 4.25 %. This can imply that 98.15 % of total receivables were performing loans, indicating that the quality of most receivables was good.

#### A) Classification of loans and allowance for expected credit losses

The Company classifies loans, based on three stages of changes in credit quality of financial assets. Each level entails different methods for recognizing allowance for expected credit losses, and the calculation of effective interest rate also varies in each stage. The details are as follows.

**Stage 1:** This stage is where credit risk of a financial instrument has not increased significantly since initial recognition; the allowance for losses from the financial instrument is valued by the amount equal to the expected credit losses within the next 12 months.

**Stage 2:** This stage is where credit risk has increased significantly since initial recognition: the allowance for losses from the financial instrument will be valued by the amount equal to the lifetime expected credit losses.

**Stage 3:** This stage is where a financial asset is credit impaired; the allowance for losses from the financial instrument will be valued by the amount equal to the lifetime expected credit losses.

In calculating the allowance based on the three stages, the allowance calculation will be based on the collective approach, taking account of projected data; this is except for the allowance for loans offered to significant receivables, for which the allowance for impairment will be based on the individual assessment.

The Company defines a financial asset as a credit-impaired asset when there is an indication of a deterioration of the receivable's financial position, which would significantly impact the ability to repay debts. An asset will be classified as a credit-impaired asset when the receivable fails to repay the outstanding balance of capital or the interest for longer than 90 days, starting from the due date. In addition, a financial asset may also be classified as a credit-impaired asset when there is any indication that the receivable is unable to repay debts. The definition of a credit-impaired asset is in accordance with the decision given in the principles of the Company's internal risk management.

Once an asset is classified as a credit-impaired asset, it will fall to the third stage mentioned above. However, if the receivable has good financial position and earnings performance, which do not fall to the credit impairment criteria, the asset can be reclassified to Stage 2 and even to Stage 1, provided that the credit risk from such asset has not increased significantly since initial recognition.

According to the Company's financial statements as at December 31, 2022, the classification of loans and allowance for expected credit losses are as follows:

(Unit: Thousand Baht)

	2022				
	Allowance for expected credit loss				
	Financial assets with				
	Financial assets with no	a significant		Allowance	
	significant increase in	increase in credit	Credit-impaired	established in	
	credit risk	risk	assets	excess	Total
<b>Loans to customers and accrued interest receivables - net</b>					
As of January 1, 2022	47,484	47,109	144,349	73,473	312,415
Change resulting from reclassification	(425)	5,580	(5,155)	0	0
Change resulting from remeasurement of allowance for expected credit losses	4,327	350	67,264	0	71,941
Purchase or origination of financial asset	83,655	17,380	11,555	0	112,590
Derecognition of financial assets	(23,886)	(36,229)	(108,731)	(73,473)	(242,319)
As of December 31, 2022	111,155	34,190	109,282	-	254,627

### Loans and non-performing loans

The Company marked non- performing loans at 390.48 million baht and 576.66 baht at the ends of 2022 and 2021, respectively. These figures represented the ratios of non-performing loans to total loans to customers (including loans to financial institutions) at 1.85 % and 11.47 % as of the ends of 2022 and 2021, respectively, which remained well under the Company's threshold.

### Investment in securities

As of the end of 2022, the Company's financial instruments measured at fair value through profit or loss amounted to 27.90 million baht, down from 1,664.89 million baht in 2021 or 98.35 %. This was for liquidity management and generation of better returns from investments. Meanwhile, the financial instruments measured at fair value through comprehensive income declined by 0.66 million baht on the back of the allowance for expected credit losses at 0.66 million baht.

### The Company's liquidity

The objectives for liquidity management are: i) to prepare capital for the Company to be able to run business in compliance with both existing and potential financial obligations; and ii) to seek benefits from appropriate marketing opportunities. The Company's financial obligations occur when debts are due or when the Company needs funding for working capital purposes.

### Relationship between the sources and the uses of funds

Originally, the sources of funds were from deposits from public and borrowings. However, after the return of the capital business license, the funds were mostly serviced by borrowings and the Company's own capital. Meanwhile, the funds were used mainly for offering loans to customers. The details of the sources and uses of funds classified by remaining periods of borrowings, investment in debt securities, and loans to customers, as of the end of 2022, are shown below.

(Unit: Thousand Baht)

Period	Sources of funds				Uses of funds				Difference
	Borrowing	Lease liabilities	Total	%	Loans and accrued interest	Investment s	Total	%	
Up to 1 year	1,700,00	17,895	1,717,895	18.16	7,396,638	0	7,396,638	35.47	(5,678,743)
Over 1 year	7,562,200	178,703	7,740,903	81.84	13,422,322	36,475	13,458,797	64.53	(5,717,894)
<b>รวม</b>	<b>9,262,200</b>	<b>196,598</b>	<b>9,458,798</b>	<b>100.00</b>	<b>20,818,960</b>	<b>36,475</b>	<b>20,855,435</b>	<b>100.00</b>	<b>(11,396,637)</b>

The long-term sources of fund were higher than shorter ones, with the ratio of funding sources up to one year: over one year at 18.16: 81.84. As for the uses of fund, the short-term uses of funds were greater than longer ones, with the breakdown of fund using up to one year and over one year at 35.47: 64.53.

- Short-term (up to one year): The Company had sufficient liquid assets to pay for all short-term debts.
- Long-term (over one year): The proportion of long-term liabilities (at 81.85 %) was greater than potential assets (at 17.31 %). However, the Company viewed that such proportion would not have any impact on the Company because such long-term liabilities partially arose from borrowings from related parties, which could be negotiated for a roll over. In addition, the long-term liabilities of 178.70 million baht occurred in the item of lease liabilities, which were recognized according to the TFRS16, and the Company viewed that this item would not have any impact on the Company's liquidity.

## **Financial Statements**

### **Summary of Audit Reports**

#### **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.

Financial statement ending December 31, 2022

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, 2022 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 of 31 December

(Unit: Thousand Baht)

Assets	2022		2021		2020	
	Amount	%	Amount	%	Amount	%
Cash			20	0.00	20	0.00
Cash and cash equivalent	494,371	1.97				
Interbank and money market items, net	0	0.00	1,053,563	7.39	4,774,983	24.38
Financial instruments measured at fair value through profit or loss	27,902	0.11	1,692,789	11.88	54,128	0.28
Investments, net	36,475	0.15	37,131	0.26	120,209	0.62
Loans to customers and accrued interest receivables, net						
Loans to customers	26,546,380	106.01	4,957,435	34.79	13,707,527	70.00
Accrued interest receivables	122,217	0.49	601	0.00	877	0.00
Total loans to customers and accrued interest receivables	26,668,597	106.49	4,958,036	34.79	13,708,404	70.00
Less Unearned interest income	(5,595,010)	(22.34)	(430,073)	(3.02)	(1,767,617)	(9.03)
Less Allowance for doubtful accounts/ expected credit losses	(254,627)	(1.02)	(213,642)	(1.50)	(456,230)	(2.32)
Total loans to customers and accrued interest receivables, net	20,818,960	83.13	4,314,320	30.28	11,484,557	58.65
Receivables from related parties	1,566,404	6.26				
Other receivables	1,009,589	4.03				
Foreclosed assets, net	94,744	0.38	53,193	0.37	43,406	0.22
Land, premises and equipment, net	349,689	1.40	331,832	2.33	480,311	2.45
Other intangible assets, net	54,672	0.22	13,159	0.09	13,677	0.07
Deferred tax assets, net	25,870	0.10	15,580	0.11	7,703	0.04
Other assets, net	563,601	2.25	6,738.22	47.29	2,603,049	13.29
<b>Total assets</b>	<b>25,042,277</b>	<b>100.00</b>	<b>14,249,808</b>	<b>100.00</b>	<b>19,582,043</b>	<b>100.00</b>

## Statement of Financial Position (Continued)

As of 31 December

(Unit : Thousand Baht)

Liabilities and equity	2022		2021		2020	
	Amount	%	Amount	%	Amount	%
Liabilities						
Deposits						
Domestic	0	0.00	169,844	1.19	5,234,039	26.73
Foreign	0	0.00	57	0.00	57	0.00
Total deposits	0	0.00	169,901	1.19	5,234,096	26.73
Debt securities issued and borrowings	0	0.00	6,000	0.04	6,000	0.03
Borrowings from related parties	9,262,200	36.99				
Provisions	26,442	0.11	21,002	0.15	45,708	0.23
Lease liabilities	196,598	0.79	204,286	1.43	351,899	1.80
Deferred tax liabilities, net	143,405	0.57	0	0.00	0	0.00
Interest payables	0	0.00	6,057	0.04	19,858	0.10
Withholding tax payables	0	0.00	1,041	0.01	1,995	0.01
Tax payables	54,095	0.22	92,514	0.65	171,306	0.87
Other liabilities	4,326,898	17.28	4,005,332	28.11	4,154,535	21.22
<b>Total liabilities</b>	<b>14,009,638</b>	<b>55.94</b>	<b>4,506,134</b>	<b>31.62</b>	<b>9,985,397</b>	<b>50.99</b>
Equity						
Share capital						
Authorized share capital	6,506,236	25.98	2,756,236	19.34	2,756,236	14.08
Issued and paid-up share capital	6,506,236	25.98	2,756,236	19.34	2,756,236	14.08
Premium on share capital	18,549,728	74.01	4,299,729	30.17	4,299,729	21.96
Deficit from business combination under common control	(17,700,000)	(68.01)				
Other components of equity	0	0.00	0	0.00	870	0.00
Retained earnings						
Appropriated-Legal reserve	295,363	1.18	275,624	1.93	241,903	1.24
Unappropriated	2,610,250	10.42	2,412,086	16.93	2,297,908	11.73
Non-controlling interests	101,129	0.40				
<b>Total equity</b>	<b>11,032,639</b>	<b>44.06</b>	<b>9,743,674</b>	<b>68.38</b>	<b>9,596,646</b>	<b>49.01</b>
<b>Total liabilities and equity</b>	<b>25,042,277</b>	<b>100.00</b>	<b>14,249,808</b>	<b>100.00</b>	<b>19,582,043</b>	<b>100.00</b>

Statement of Comprehensive Income  
As of 31 December

(Unit : Thousand Baht)

	2022		2021		2020	
	Amount	%	Amount	%	Amount	%
Interest income						
Interbank and money market items	3,730	0.10	13,687	0.82	9,963	0.26
Investments in debt securities	0	0.00	1,622	0.10	6,371	0.17
Loans to customer	3,069,726	81.23	1,402,076	83.65	3,406,115	89.26
Total interest income (1)	3,073,456	81.33	1,417,385	84.56	3,422,449	89.69
Interest expenses						
Deposits	0	0.00	43,698	2.61	128,076	3.36
Contributions to Financial Institution Development Fund and Deposit Protection Agency	0	0.00	5,018	0.30	17,653	0.46
Debt securities issued and borrowings	384,611	10.18	105	0.01	60,705	1.59
Lease liabilities and decommissioning costs	10,063	0.27	13,504	0.81	14,613	0.38
Total interest expenses	394,674	10.44	62,325	3.72	221,047	5.79
Interest income, net	2,678,782	70.88	1,355,060	80.84	3,201,402	83.90
Fee and service income						
Acceptances, aval and guarantees	0	0.00	0	0.00	0	0.00
Others	602,187	15.93	138,555	8.27	138,225	3.62
Total fee and service income (2)	602,187	15.93	138,555	8.27	138,225	3.62
Gains (losses) on financial instruments measured at fair value through profit or loss						
Gains (losses) on changes in fair value	0	0.00	71,337	4.26	114,961	3.37
Total gains (losses) on financial instruments measured at fair value through profit or loss, net (3)	0	0.00	71,337	4.26	114,961	3.37
<b>Net gains (losses) on investments</b>						
Gains (losses) on divestment	0	0.00	0	0.00	0	0.00
Reversal (losses) on impairment of investments	0	0.00	0	0.00	0	0.00
Net gains (losses) on investments (4)	0	0.00	0	0.00	0	0.00
Other operating income						
Dividend income	0	0.00	567	0.03	2,047	0.05
Others	103,460	2.74	48,312	2.88	138,363	3.63

Total other operating income (5)	103,460	2.74	48,879	2.91	140,410	3.68
Other operating expenses						
Marketing fee expenses	396,388	10.49				
Personnel expenses	854,199	22.60	240,047	14.32	409,542	10.73
Directors' remuneration	3,600	0.10	3,374	0.20	5,732	0.15
Premises and equipment expenses	60,043	1.59	52,114	3.11	50,185	1.32
Taxes and duties	38,442	1.02	60,204	3.59	136,601	3.58
Loan management fee	0	0.00	267,428	15.95	845,342	22.15
Other expenses	571,253	15.12	102,799	6.13	106,473	2.79
Total other operating expenses	1,923,925	50.91	725,967	43.31	1,553,875	40.72
Bad debts, doubtful debts /impairment losses (Reversal)	89,874	2.38	255,104	15.22	(82,517)	(2.16)
Profit from operating before income tax	1,370,630	36.27	1,142,969	68.19	1,958,606	51.33
Income tax	(233,635)	(6.18)	(229,787)	(13.71)	(391,413)	(10.26)
Net profit for the year	<b>1,136,995</b>	<b>30.09</b>	<b>913,182</b>	<b>54.48</b>	<b>1,567,193</b>	<b>41.07</b>

<b>Total revenue (1)+(2)+(3)+(4)+(5)</b>	<b>3,779,103</b>	<b>100.00</b>	<b>1,676,156</b>	<b>100.00</b>	<b>3,410,871</b>	<b>100.00</b>
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(Unit: Thousand Baht)

	2022		2021		2020	
	Amount	%	Amount	%	Amount	%
Other comprehensive income (expenses)						
Items that will be reclassified subsequently to profit or loss						
Gains (losses) on investments in debt instruments at fair value through other comprehensive income	0	-	(1,088)	-	(411)	-
Income tax relating to gains (losses) on investments in debt instruments at fair value through other comprehensive income	0	-	218	-	82	-
Items that will not be reclassified subsequently to profit or loss						
Remeasurements of post-employment benefit obligations	11,648	-	8,078	-	(4,865)	-
Income tax on remeasurements of post-employment benefit obligations	(2,329)	-	(1,616)	-	973	-
Items that will not be reclassified subsequently to profit or loss	9,319					
Other comprehensive income (expenses) for the year, net off tax		-	5,591	-	(4,221)	-
Total comprehensive income for the year	<b>1,146,314</b>	<b>-</b>	<b>918,774</b>	<b>-</b>	<b>1,562,972</b>	<b>-</b>

## Statement of Cash Flows

As at 31 December

(Unit: Thousand Baht)

	2022	2021	2020
Cash flows from operating activities			
Profit from operating before income tax expenses	1,370,630	1,142,969	1,958,606
Adjustments to reconcile profit from operating before income tax expense to net cash provided by (used in) operating activities:			
Depreciation and amortization	60,043	46,600	44,728
Losses from sale of foreclosed assets	174,752		
Gains from lease termination	(759)		
Gains from lease termination	(65,000)		
Amortisation of premium on investments in debt instruments measured at fair value through other comprehensive income	0	(10)	431
Losses (gains) on financial instruments measured at fair value through profit or loss	15,923	(71,337)	(114,960)
Expected credit losses	89,874	(255,104)	82,517
(Gains) Losses on disposal of assets	78	1,406	0
Diminution in value of foreclosed assets (reversal)	24,888	1,673	(5,266)
Provision	4,970	5,477	16,050
Interest income, net	(3,074,138)	(1,355,060)	(3,201,402)
Dividend income	(20)	(567)	(2,047)
Cash received from interest income	3,202,598	1,752,376	3,842,145
Cash paid for interest expenses	(388,090)	(75,936)	(245,243)
Finance cost	394,674	0	0
Cash paid for corporate income tax	(202,848)	(317,855)	(408,315)
Profit from operating activities before changes in operating assets and liabilities	1,607,575	875,200	1,967,244
<b>(Increase) decrease in operating assets</b>			
Interbank and money market items	500,000	3,850,000	(3,680,000)
Loans to customers	(11,083,022)	7,252,799	6,820,105
Foreclosed assets	(213,917)	(15,423)	124,008
Receivable from related parties	5,152,689		
Other assets	(474,567)	(4,135,644)	(2,243,834)
Other receivables	(748,406)		
Increase (decrease) in operating liabilities			
Deposits	0	(5,064,194)	(1,114,237)

Provisions	0	(338)	0
Other liabilities	(70,339)	(333,715)	877,623
<b>Net cash flows provided by (used in) operating activities</b>	<b>(5,329,987)</b>	<b>2,428,684</b>	<b>2,750,909</b>
Cash flows from investing activities			
Cash (paid) received for purchase of investment in subsidiaries	(26,427)		
Cash paid for purchase of equipment	(18,981)	(26,899)	(13,767)
Cash paid for purchase of intangible assets	(10,610)	(2,697)	(9,413)
Cash from disposal and redemptions of investments	1,648,964	164,676	77,780
Cash paid for purchase of investments		(1,650,000)	
Cash from disposal of assets	717	4,953	0
Cash from dividend income	20	567	2,047
<b>Net cash flows provided by investing activities</b>	<b>1,593,683</b>	<b>(1,509,966)</b>	<b>56,647</b>
Cash flows from financing activities			
Cash from short-term and long-term borrowings from related parties	10,635,000		0
Cash paid in short-term and long-term borrowings from related parties	(6,550,000)		(2,000,000)
Cash received from issue of ordinary shares			0
Cash paid for principal elements of lease liabilities	(17,456)	(18,017)	(22,374)
Dividend paid	(452,022)	(771,746)	(1,240,306)
<b>Net cash flows provided by (used in) financing activities</b>	<b>3,615,522</b>	<b>(789,763)</b>	<b>(3,262,680)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(120,782)</b>	<b>128,956</b>	<b>(455,124)</b>
Cash and cash equivalents as at 1 January	615,153	424,607	879,731
Cash and cash equivalents as at 31 December	494,371	553,563	424,607

## Financial ratio

Financial ratios	2022	2021	2020
<u>Profitability ratio</u>			
Net profit margin (%)	30.09	54.48	41.07
Return on equity (%)	10.64	9.44	16.60
Interest income ratio (%)	24.43	12.97	18.73
Interest expense ratio (%)	8.02	2.30	3.25
NIM (%)	16.41	10.67	15.48
Return on investment (%)	0	7.72	45.33
Operational efficiency ratio			
Return on asset (%)	5.02	5.40	7.78
Asset turnover (times)	0.10	0.10	0.19
<u>Leverage ratios</u>			
Debt to equity ratio (times)	1.27	0.46	1.04
Loan to deposit and borrowing (times)	N/A	25.74	2.28
Deposit to total liabilities (%)	N/A	3.77	52.42
Dividend payout ratio (%)	340.43	49.40	49.24
Capital adequacy ratio	N/A	55.03	45.84
<u>Quality of assets</u>			
Allowance for expected credit losses to total loan receivables (%)*	1.21	4.72	3.82
NPL Ratio (%)*	N/A	11.47	5.30
Interest receivable to total loan receivables (%)*	N/A	0.01	0.01

**General information**

**Srisawad Capital 1969 Public Company Limited (“SCAP”)** is a company that provided lending services. The head office is located at 99/392, Srisawad Building, Floor 1, 3, 6, Chaeng Watthana 10 Alley, Lane 3, Chaeng Wattana Road, Thung Song Hong Subdistrict, Lak Si District, Bangkok 10210. The Company has registered capital amounting to 6,506,236,205 baht and has paid-up capital amounting to 6,506,236,205 baht, divided into 1,301,247,241 ordinary shares at par value of 5 baht apiece. The Company does not have any branches.

Registration No : 0107536000722  
Telephone : 0-2073-0677  
Fax : 0-2073-0670  
Home Page : [www.srisawadcapital.co.th](http://www.srisawadcapital.co.th)

**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 2022

Mr.Paiboon Tunkoon	Certified Public Accountant (Thailand) No. 4298 and/or
Mr. Boonrueng Lerdwiseswit	Certified Public Accountant (Thailand) No. 6552 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, 2022, 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.

Regularly contacted financial institutions

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

## Part II: Corporate Governance

### 6. Corporate Governance Policy

#### Policies and guidelines related to the Board of Directors

#### Nomination and Appointment of Directors and Management

##### (1) Independent Directors

##### *Qualifications of independent directors*

To ensure that the Company's independent directors are really independent, the Company has defined "an independent director" as a director who has neither involved in business executions nor engaged in related interests with the Company, its parent company, subsidiaries, affiliates, major shareholders or controlling persons of the Company that would bring about conflicts of interest which may affect independent decisions. The requirement on the qualifications of independent directors set forth by Company is more stringent than the requirements specified by the Capital Market Supervisory Board: Application for and Approval of Offering for Sale of Newly Issued Shares. The details are as follows.

1) Holding shares of not more than 0.5 % of the total shares with voting rights of the Company, its parent company, subsidiaries, affiliates, major shareholders or controlling persons; such shareholding shall include the shares held by related persons of such independent director.

2) Not being or having been an executive director, an employee, a staff, or an advisor who receives regular salary; or a controlling person of the Company, its parent company, subsidiaries, affiliates, subsidiaries of the same level, major shareholders or controlling persons of the Company, unless the foregoing status has ended not less than two 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 a spouse of a 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 subsidiaries.

4) Having no business relationship with the Company, its parent company, subsidiaries, affiliates, major shareholders, or controlling persons 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, subsidiaries, affiliated companies, major shareholders or controlling persons of the Company, unless the foregoing characteristic has ended for not less than two 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, borrowings or guarantees; 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 20 million baht 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, subsidiaries, affiliates, major shareholders or controlling persons; and not being a significant shareholder, controlling person or partner of an audit firm which employs auditors of the Company, its parent company, subsidiaries, affiliates, major shareholders or controlling persons, unless the foregoing relationship has ended not less than two years before taking up the position;

6) Not being a professional advisor of any kind, which includes a legal advisor or a financial advisor who receives an annual service fee exceeding two million baht from the Company, its parent company, subsidiaries, affiliates, major shareholders or controlling persons; and not being a significant shareholder, a controlling person, or a partner of the professional advisor, unless the foregoing relationship has ended not less than two years before taking up the position;

7) Not being a director appointed as a representative of the Company's directors, its major shareholder, or shareholders 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, an employee, a staff, or an advisor who receives regular salary 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 subsidiaries to a significant extent;

9) Not having any characteristics that make him/her incapable of expressing independent opinions with regard to the Company's business operation.

In case an independent director is nominated as a member of the Audit Committee, the following additional qualifications are required:

1) Not being a director who is assigned by the Board of Directors to make decision on business operation of the Company, its parent company, subsidiaries, affiliates, subsidiaries of the same level, major shareholders or controlling persons of the Company; and

2) Not being a director of the parent company, subsidiaries, and subsidiaries of the same level, which are SET-listed companies.

All current independent directors and members of the Audit Committee possess all qualifications as defined by the Company's aforementioned requirements.

## **(2) Nomination and Appointment of directors**

The Nomination and Remuneration Committee is in charge of selecting qualified individuals as the Company's directors and independent directors. The committee makes sure that all directors are really qualified, without any prohibited characteristics as stated by the laws relating to public limited companies and other relevant laws, and that they possess capability, knowledge and experiences in various fields. The committee also takes into account the size and components of the organization before selecting potential directors. Once The Nomination and Remuneration Committee have selected qualified individuals, these selected candidates will be subsequently nominated to the Board of Directors, who will consider appointment in the case that the a director position becomes vacant due to other reasons apart from service term completion, e. g. , death, resignation, or disqualification, or court orders. In the case that a director position is vacant due to normal term completion or there is an appointment of additional directors, the Board of Directors shall review the nominated candidates before proposing them to an annual general meeting of shareholders for appointment. According to the Company's Articles of Association, the Company shall have not fewer than five directors; and not fewer than half of the total number of directors shall reside in Thailand. In every annual general meeting of shareholders, at least one-third or the number nearest to one-third shall vacate the position; but a leaving director is eligible for being re-appointed.

The resolution of the Board of Directors for the new appointment in case a director position becomes vacant due to other reasons apart from service term completion requires not less than three-fourths of the votes from the remaining directors. The director who fills the vacancy shall retain his office only for the remaining term of the director whom he replaces.

In case an appointment of director(s) is carried out at an annual general meeting of shareholders, the vote criteria and requirements are as follows.

- 1) Each shareholder shall have one vote per share held by them.
- 2) Each shareholder shall cast all of his/her votes for one or more candidates but shall not divide his/her voting rights amongst the candidates.
- 3) The persons 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 on that particular agenda.
- 4) In a case there is a tie amongst candidates, the chairman of the meeting shall cast the deciding vote.

The Company also provides opportunities to minor shareholders to nominate qualified candidates for the position of the Company's directors to annual general meetings of shareholders, according to the requirements specified by the Company.

Potential independent directors of the Company are required to possess all 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. At the time of writing, the chairman position was vacant, so the vice chairman performed the duties as an acting chairman, and the vice chairman was not the same person as the chief of the management.

The Company clearly separates the roles, duties and responsibilities between the Board of 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 Officer, 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 the directors and executive to continuously and consistently acquire more knowledge that would benefit the Company's business in order that they hold strengths that could lead to sustainable growth amidst dynamic social conditions as well as changing market competitions. .

- The Company shall encourage the Company's directors to attend training courses from the Thai Institute of Directors to enhance their understanding of the roles, duties and responsibilities of the directors.
- The Company shall encourage the Company's directors, the Company Secretary and the executives to regularly participate in certain training courses that would benefit the Company's businesses.
- New directors and executives shall be given guidance about the Company's business characteristics and business directions as well as sufficient documents and useful information to support their performance.
- The Company shall encourage the management to prepare a management development plan and succession plan to ensure business continuity and efficacy.

**Self-appraisal of The Board of Directors**

The Company believes that a good mechanism to evaluate the performance of the Board of Directors and the sub-committees shall enable them to improve their performance and efficacy. Therefore, the Company requires that the Board of Directors and sub-committees conduct their self-appraisals, the details of which are followed:

- The Board of Directors and the sub-committees, i.e., the Audit Committee and the Nomination and Remuneration Committee, are required to conduct their self-appraisals at least once annually and their self-appraisal results shall be disclosed in the annual reports.
- The Nomination and Remuneration Committee shall regularly improve the self-appraisal form for the Board of Directors and the sub-committees in order to make it in line with changing time and circumstances.
- The Company Secretary shall deliver the self-appraisal forms to each director so that each of them could proceed with independent self-evaluation. The self-appraisal results shall subsequently be submitted to the Board of Directors' meetings.

## The policies and operation guidelines related to shareholders and stakeholders

### 1 The rights of shareholders

Shareholders have the right to the ownership of the Company and control of the Company by appointing the Board of Directors to act 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 transactions through the Company's website, i.e., [www.srisawadcapital.co.th](http://www.srisawadcapital.co.th) or through the website of the Stock Exchange of Thailand, i.e., [www.set.or.th](http://www.set.or.th) The Company has appointed Thailand Securities Depository Co., Ltd. as its registrar.

Fundamental rights of the shareholders are as follows:

- 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:
  - nominate, elect, or remove members of the Board;
  - authorized auditors;
  - make decision on dividend payment;
  - make decision on amendments to the Company's Articles of association and Memorandum of Association;
  - make decision on capital increases/decreases;
  - approve extra ordinary items; and
  - other matters that affect the Company conforming to laws

#### 1. Promotion and facilitation of shareholder meetings

1.1 An annual general meeting of shareholders (AGM) is set to be organized once a year within four months after the end of the Company's fiscal year. The Company may also call for extraordinary meetings, if necessary, which can be carried out in accordance with the Company's regulations.

1.2 The Company convenes an AGM on appropriate date, time and venue. A meeting invitation letter, accompanied by 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

- The Company's requirements regarding the AGMs;
- Information of the person(s) nominated as potential director(s);
- Required documents and evidences to be presented by the shareholders 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's website; and
- The map of the meeting venue

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

1.4 The Company publishes the invitation to the AGMs in the newspaper for three consecutive days and at least three days prior to the meeting date.

1.5 The Company has increased the channels for publishing the meeting invitation letter and meeting handouts through the Company's website, both in Thai and in English at least 30 days prior to the meeting so that the shareholders have sufficient time to consider important agendas.

1.6 The Company encourages the shareholders to nominate individuals as the directors, and propose meeting agendas through the Company's website. The shareholders shall be informed completely of their rights through the system of The Stock Exchange of Thailand.

1.7 The Company discloses the list of top 10 shareholders of the Company as of the book closing date before an AGM through the website of the Company.

## 2. Procedure on the AGM meeting date

2.1 The Company designates the procedure in the AGMs in compliance with the laws, taking into account mainly convenience, rights and equality of shareholders. As for meeting registration, the Company provides sufficient and appropriate equipment technology and personnel to facilitate the document check procedure not less than one hour prior to the meeting.

2.2 Before the start of an AGM, the Company Secretary shall introduce members of the Board of Directors, the authorized auditors and high ranking executives of the Company participating the meeting to the shareholders and inform them of their rights and how to cast a vote. 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, with a barcode system, for the

shareholders to vote on each agenda. The votes of all agendas i.e. for, against and abstention, shall be counted and disclosed transparently and fairly by the head of the 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. The 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 AGM, on the agenda about election of directors to replace directors who retire by rotation, the Company shall provide opportunities for the shareholders to elect individual director with balloting. The Company provides sufficient background information of each nominated director for the consideration of the shareholders.

2.6 In every AGM, the Company gives the shareholders the right to consider and approve remuneration for the directors. The Company provides sufficient details of the remuneration of the directors for their consideration.

2.7 In every AGM, there shall be an agenda on the appointment of the authorized auditors and remuneration for them, which are to be proposed to the shareholders for approval. The Company provides the information about the nominated auditors as well as sufficient details of the remuneration for the auditors for the shareholders' consideration.

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

2.9 The Company requests all directors and top executives attend the AGMs in order to listen to opinions and answer inquiries raised by the shareholders.

### 3. The preparation of the minutes and disclosure of meeting resolutions

3.1 The Company shall produce detailed, completed and factual meeting minutes after the meeting ends. 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 on the Company's website both in Thai and English.

3.2 The Company informs the shareholders of certain information, news updates, operation performance and administration policies with accuracy and in a timely manner. In addition to information disclosed through the Stock Exchange of Thailand's information system, the Company also reveals significant information and current news updates on the Company's website.

## 2 Equitable treatment of shareholders

All shareholders- including both those who are management and those who are not- major shareholders, minor shareholders, and foreign shareholders- shall be equally and fairly treated with their basic rights protected. The Company shall communicate with the shareholders and disclose information through various channels of the Stock Exchange of Thailand, the Company's website and other appropriate media to ensure that all the shareholders equally and properly receive all the Company's information and messages.

### 1. Releases of information before AGMs

1.1 The Company shall send out a meeting invitation letter, accompanied by with meeting handouts with sufficient and complete information explaining the details and comments of the Board of Directors in all agendas. The Company assigns Thailand Securities Depository Co., Ltd. as its registrar to deliver the meeting invitation letter both in Thai and English to the shareholders not less than 14 days prior to the meeting. Moreover, the Company also publishes the meeting invitation letter as well as meeting handouts through the Company's website, both in Thai and in English at least 30 days prior to the meeting so that the shareholders have sufficient time to consider important agendas.

1.2 The Company shall conduct an AGM according to the agenda stated in the meeting invitation and shall not add any agendas without informing the shareholders in advance, especially for certain agendas that the shareholders may need time to study information before making decision.

1.3 The shareholders who are unable to attend the meeting can exercise their rights through an appointed proxy.

### 2. Protection of the rights of minor shareholders

2.1 The Company determines the voting rights of the shareholders, in accordance with to the amount of shares held, with one share equal to one vote.

2.2 The Company allows minor shareholders to nominate persons as potential directors to the Board of Directors for consideration. The Board of Directors shall then proceed with consideration process in accordance with Company's guidelines and code of practice as announced through the Company's website. The Company also published their right exercising through the system of The Stock Exchange of Thailand.

2.3 The Company allows minor shareholders to propose agendas the AGMs, provided that the proposed agendas do not fall into the following categories:

- Matters beyond the authority of the Company.

- Matters against the laws, announcements, rules and regulations of governmental authority or regulating authority or against the Company's objectives, Articles of Association, the resolutions of the AGMs, and good corporate principles of the Company.

- Matters that may cause significant damages to the shareholders as a whole
- Matter having been already proceeded by the Company
- Matters specifically beneficial to a certain individual or a particular group of individuals
- Matters about the normal business operation of the Company; and the claims from the shareholder who proposes such matters do not indicate any unusual events or issues
- Matters viewed, with understandable reasons, by the Board of Directors that there is no necessity to put such matters on agenda

2.4 The Company assigns not fewer than one third of the independent directors – but not fewer than three directors - to protect the rights of all minor shareholders

### 3. Prevention of inside information misuse

3.1 The Company prohibits all directors, the management and employees involved in the inside information from disclosing such information to external parties or to persons 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 The Company requires that directors and executives report the changes of their ownership of the Company's shares to the Company Secretary, who will proceed with further reporting to the Stock Exchange Commission, as required by laws.

3.3 The Company requires that any changes of directors and management's ownership of the Company's shares be disclosed in the annual reports.

### 4. Conflicts of interest of directors and management

4.1 The Company requests particular directors and management who are involved in certain related party transactions on agenda to report their involvement or stakeholding to the meeting before considering such particular agenda. All details about stakeholding shall be disclosed in the meeting minutes. For certain related party transactions that may involve significant conflicts of interest that impede independent opinions of related directors or management, such directors or management shall be asked to refrain from participating on that certain agenda.

4.2 The Company assigns the Audit Committee to review connected transactions, or transactions that may lead to conflicts of interest, including stakeholding of certain director, to ensure that they are accurate and complete in compliance with the laws and requirements of the Stock Exchange of Thailand. In addition, all details about such transactions shall be completely disclosed in order to ensure that such transactions are justified and will bring maximum benefits to the Company.

### **3. Policies on the use of inside information**

The Company has set guidelines to store inside information and prevent it from being improperly used; hence, “Employee Operation Regulations” was established for all employees to follow and for supervisors to preliminarily monitor employees’ use of such inside information. In regard to the information system, the Company has established a separate set of guidelines called “Regulations for safe uses of computer networks”, designed to systematically monitor the use of the Company’s information. In light of this, there are standards for preventing personal use of the Company’s inside information. Accesses to the inside information are limited to certain bodies in order to prevent external accesses. Each employee is given a certain extent of rights to access the information according to his/her work levels and scopes of responsibilities. Furthermore, the details about scopes of information disclosure for directors and management to external parties are indicated in the Company’s code of ethical business or code of conduct. All directors and management are required to inform of the changes to their holding of the Company’s securities to Company Secretary, who will proceed with completion the report as required by the SEC within three working days from the transaction date.

### **4. Prevention of conflicts of interest**

As some companies under the same group of the Company operate similar businesses, this may cause some conflicts of interest. Therefore, the Company clearly divides lending business among the companies under the same group. The Company has separate policies, measures or criteria as well as operation guidelines for different types of lending businesses to ensure that operating persons can perform in the right directions. In addition, the Company also applies technologies to mitigate risks associated with conflicts of interest.

The Company has policies to control business operation to ensure that the management’s set operation guidelines are well responded and followed by the employees. The Company clearly identifies the appropriate scopes of authority for approval of transactions. Certain duties are separated to prevent any chances that may

lead to 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 it on Company's website, announcing at its the office building and uploading to the Company's intranet to communicate the set anti-corruption policies and guidelines to all stakeholders and employees. In addition, the Company has also determined the code of ethical business or the code of conduct, based on size and the characteristics of the Company, for all directors and employees.

The anti-corruption policies specify that Company's directors, executives, and employees in all levels are prohibited from doing anything or involving in any work operations that may lead to corruption. All employees shall strictly follow such anti-corruption policies; they shall operate their duties with integrity. They are strictly prohibited from any forms of corruption. The policies shall cover but not limit to certain cases or high-risk matters, as follows.

- Embezzle or misappropriate Company's properties to be his or his party's possession.
- Bribery in any forms, such as receiving or providing present or facilitation in forms of cash, objects or benefits in other forms.
- Donation to charity or contribution must be made under the Company's name only and under certain amount appropriate in each case.
- Political contribution refers to provision of financial contribution, property, or contribution in other forms both directly and indirectly to support political activities in a bid to improperly seek benefits to the Company's business operation. The Company has been adhering to political neutrality and supporting democracy, so it does not allow any persons in the Company to use its resources to contribute or support politicians or political parties or take action involving politics.
- Procurement is a type of transactions that may easily lead to corruption, so it is necessary that procurement operation be proceeded with prudence, transparency, ability to be scrutinized, and in line with Company's rules and regulations.

- Human resource management includes recruitment, training, performance evaluation, remuneration, promotion, or punishment, and etc. shall be done with transparency, neutrality, and without special favor to or bias against particular persons. Human resource management shall not involve in personal interest or party interest, and it must conform to the Company's anti-corruption and corruption prevention measures.
- A conflict of interest refers to an event where personal interest is in conflict with Company's interest, which impacts work operation and decision-making on various transactions. Such conflict may arise from an inappropriate separation of duties or repeated duties. For example, person who acts as a director determining disciplines for a department, and at the same time, he/she also works as an operation staff in that department. In addition, a conflict of interest may also occur when a person works in a particular unit where he/she can access to certain inside information, which is not disclosed to external parties, and he/she then uses such inside information to seek benefits of his/her own or arise from disclosing confidential information to outsiders which such information is used to benefit oneself or his parties.

Therefore, in order to handle problems related to conflicts of interest, in addition to clear separation of duties and responsibilities of certain positions in the Company, the Company should also see that a person who may involve in any transactions with potential conflicts of interest avoid using authorization in making decision on such transaction. If it is inevitable, the procedure on such transaction shall be proceeded with prudence, neutrality and transparency. The details of all transactions involving in a conflict of interest shall be disclosed to all stakeholders or relevant parties for their acknowledgement.

- An employee who refuses to involve in any actions relating to corruption, which concern Company's business operation, will not be found guilty. The Company reaffirms that employees who refuse corruption will not be subject to demotion or punishment, although the Company may lose business opportunities due to such refusal. In addition, such employees shall be praised and protected in the same way as the protection procedure for whistleblowers.

The Company has determined a set of guidelines to respond to whistleblowing or complaints. The matters or actions for whistleblowing or complaints must be suspicious actions that may indicate possible fraud or corruption, which will impact the Company's interest or reputation both directly and indirectly. Those matters or actions must contain fact caused by corruption and they must not be matters or actions intentionally initiated

by a whistleblower or a complainant who wants to slander others. The following persons can be potential whistleblowers or complainants:

- All employees: Whistleblowing is crucial to anti-corruption measure. Therefore, it is employees' duties to report any suspicious matters or actions they have witnessed to their supervisors immediately without hesitation or negligence.
- Non- employees: Other persons apart from the Company's employees, e. g. , shareholders, customers, general public and etc., can also blow the whistle.

The Company provides channels for the stakeholders to communicate with the Company through the Board of Directors and the management who act as a center receiving and handling complaints from retail customers and corporate customers. Moreover, the Company also provides channels for communication, suggestion and receipt of useful information, which benefit Company's business operation. Such channels were also designed to receive complaints about wrong actions, which will be reported directly to the Board of Directors in order to maintain transparency in work operation.

The Company has established the whistleblowing and complaining channels, as follows

- One can blow the whistle or lodge a complaint in person or by a letter to the 3<sup>rd</sup> floor, Srisawad Building, No. 99/392, Chaeng Watthana 10 Alley, Lane 3, Changwattana Road, Tungsonghong, Laksi, Bangkok, 10210
- Through Company's website: <http://www.srisawadcapital.co.th> (Under the item "CONTACT US FORM")
- Through the Company's e-mail addresses to the following persons:
  - The Chairman of Audit Committee through a secretary at [tichas@srisawadfinance.com](mailto:tichas@srisawadfinance.com)
  - The Managing Director at [thititham@srisawadfinance.com](mailto:thititham@srisawadfinance.com)
  - The acting head of the Audit Department at [tichas@srisawadfinance.com](mailto:tichas@srisawadfinance.com)
- Through Company's telephone numbers, as follows.
  - The Chairman of Audit Committee through a secretary: 0-20730677 extension 376
  - The Managing Director: 0-20730677
  - The acting head of the Audit Department: 0-20730677 extension 376
- Through the Company's fax number: 02-0730670

To protect the rights of informants, the Company has established a set of whistleblowing policies, which identifies the complaint receiving channels, the information or complaint management processes, the measures to protect the rights of informants, and protection of confidential information of informants, with limited authorized persons being able to access. The independent directors are assigned to give orders and report to the Board of Directors. Fair measures have been established for stakeholders to whom losses incur due to violation of their legal rights.

To protect the rights of informants or complainants, the Company keeps their names, addresses or any identification information confidential. The measures are as follows:

- An employee who receives information from performing duties related to anti-corruption whistleblowing or complaints shall keep such information and evidence of the informants and witnesses confidentially; such information must not be disclosed to irrelevant persons, except that the disclosure of such information is allowed by laws.
- An employee who reports suspicions or lodge a complaint with sincere intention is considered as performing normal duties lawfully and will receive appropriate protection from the Company; and such employee will not receive any demotion or unfair or negative treatment.

## **Code of Conduct**

### **Equitable business operation**

To achieve just and equitable business operations, the Company has determined the policies that emphasizes on the rights of all stakeholders, including both internal stakeholders, i.e., employees and management, and external stakeholders, i.e., customers, creditors, related organizations, communities, society, and environment. This just and equitable way of conducting businesses is not limited to what is required by laws but also includes actions that will not infringe upon or violate the basic rights of all the stakeholders.

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

#### **Key development of policies, operation guidelines and corporate governance system**

Taking into account corporate governance principles, the Company's Board of Directors in 2022 carried out the following corporate governance operations:

- Reviewed anti-money laundering and counter-terrorism financing policies and revised risk management guidelines for anti-money laundering and counter terrorism financing.
- Reviewed policies about provision of fair services for customers.

#### **Compliance with corporate governance principles**

In 2022, the Company followed the corporate governance policies in various aspects, as described in the following details:

##### **1. The rights of shareholders**

The Company facilitated the attendance and voting rights of the shareholders in the AGM.

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 2022, the AGM of shareholders was arranged on April 22, 2022, which fell to a working day. The Company facilitated the attendance of all shareholders. As 2022 AGM was held through electronic media and live broadcast from Auditorium Room on the third floor of Srisawad Building; the shareholders could conveniently attend the meeting.

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 independent director to be their representatives. One independent director was assigned to be a representative of the shareholders. A proxy form was also attached to the meeting invitation letter. Alternatively, the shareholders could download the proxy form provided by the Company. Three proxy forms were available and could 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 prepared 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 2022 AGM, the related meeting documents were published on March 31, 2022, i.e., 22 days ahead of the AGM date on April 22, 2022. 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 12, 2021 to December 30, 2021. However, no proposal or nomination had been made.

#### Attendance in the AGM of the directors and the management

In 2022, the Company arranged the 57<sup>th</sup> AGM through electronic media and live broadcast from the auditorium on the third floor of Srisawad Building. The directors and the management were allowed to attend either in person or online in order to minimize risks of COVID-19 infections. The attendance of the directors and the management both in person and online accounted for 100 %.

In addition, the Company also arranged the Extraordinary Meeting of Shareholders No. 1/2522 on June 23, 2022 also through electronic media and live broadcast from the auditorium on the third floor of Srisawad Building. The attendance of the directors and the management both in person and online also 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 arranged 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, 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. Roles of stakeholders

The Company emphasizes the importance and takes into account the rights and mutual benefits of all stakeholder groups i.e., shareholders, employees, customers, partners, creditors, competitors, independent auditor, as well as the communities, environment and society at large, including human rights and anti-corruption issues, with the belief that appropriate and fair protection of the rights and mutual benefits of the stakeholders shall lead to 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 corporations. Hence, the Company has completed operation guidelines for all directors, management, and employees to follow.

#### 4 Disclosure of information and transparency

Policies and operation guidelines concerning information disclosure.

The Company has determined policies and operation guidelines about disclosure of information to investors and stakeholders and included them in the Company's corporate governance policies. The investor relation unit has been assigned to be in charge of disclosure of the Company's information, in accordance with following key principles:

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

The Company has designated certain persons and the investor relations unit to be responsible for disclosure as well as determination of the disclosure schedule of the Company's operating results, as specified in the Company's corporate governance policies. The Company discloses audited financial statements for the six-month period and annual financial statements within 60 days from the end of period and the end of financial year. Meanwhile, the 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) so that investors can obtain information and understand the Company's operating results better.

In addition, the Company's corporate governance policies require the directors and management to disclose their holdings of the Company's shares. The details about changes in holdings of the Company's shares by the directors and management in 2022 included the number of shares at the beginning and ending of the year and increase/decrease during the year, which are 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 holds the authority to determine policies and ensure that the Company's business operation complies with related laws, rules, and regulations set forth by supervisory agencies, e.g., the Bank of Thailand, the Securities and Exchange Commission and the Stock Exchange of Thailand. In addition, the Board of Directors also makes sure that the Company's business is operated in accordance with the Company's objectives, Articles of Association, and the code of ethical business or the code of conduct, which

are reviewed regularly. The Board of Directors also sees that the Company's operation follows the resolutions of shareholders meetings. In addition, the Board of Directors also arranges both annual general meetings or extraordinary meetings of shareholders. Finally, the Board of Directors shall perform their duties with integrity, caution and carefulness, taking into account maximum benefits to the Company and fairness to all shareholders.

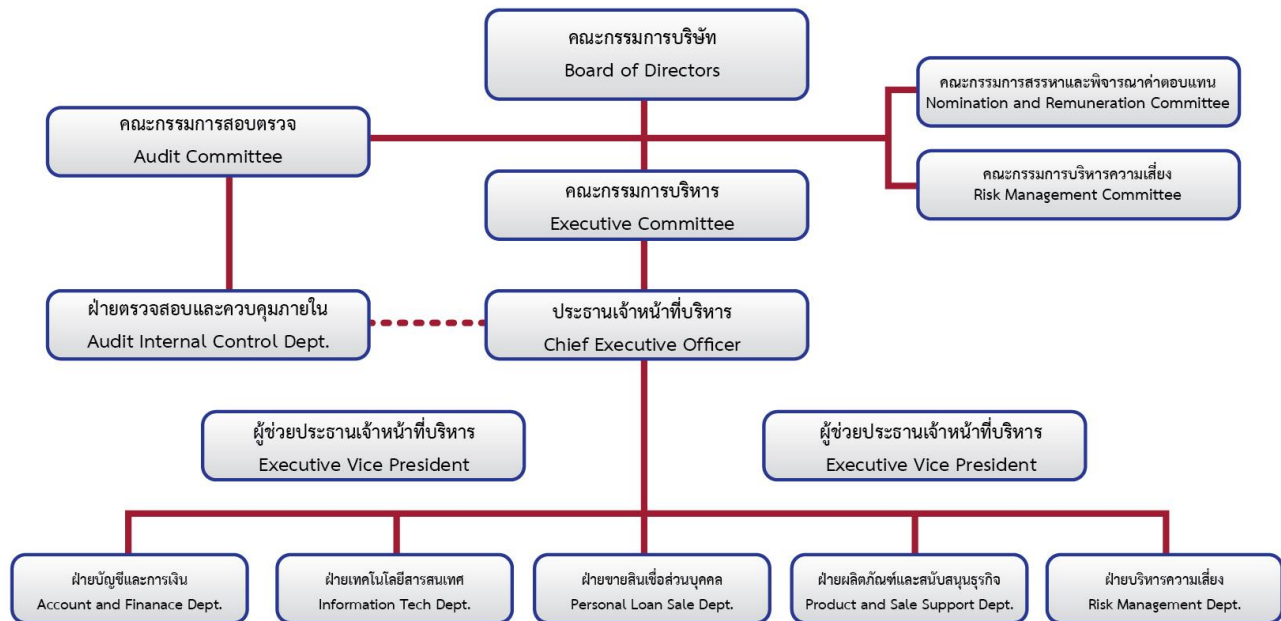
The Company requires that the Board of Directors consist of qualified individuals who possess knowledge, competency, and experiences that would benefit the Company's businesses. They are required to devote their time to performing duties and strengthening the Company's Board of Directors. The Board members shall have passed director training courses organized by the Thai Institute of Directors so that they would understand the key roles in directing, monitoring, and evaluating the operations of the Company.

## 7. Corporate Governance Structure

### 7.1 Management Structure



บริษัท ศรีสวัสดิ์ แคปปิตอล 1969 จำกัด (มหาชน)  
Srisawad Capital 1969 Public Company Limited



#### The Board of Directors

The Company's Board of Directors consists of eight directors; three directors are executive directors and five are non-executive directors. The executive directors account for 37.5 % of the total directors and the non-executive 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 range, there are two directors aged between 30 to 40 years old; two are around 41-50 years old; two are between 51-60 years old; and another two are over 70 years old. The Company's directors possess knowledge, skills and experience in different fields. The Board of Directors appoints a non-executive 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 Luengsurawat	Vice Chairman of the Board / Independent Director	Vice Chairman of the Board / Chairman of the Audit Committee/ Risk
2. Mr. Prawat Phatraprasit	Director /Independent Director	Member of the Nomination and Remuneration Committee/ Member of the Audit Committee/ Risk Management Director
3. Miss Nanthida Pattanasakpinyo	Director /Independent Director	Member of the Audit Committee / Member of the Nomination and Remuneration Committee
4. Mr. Kom Vachiravarakarn	Director /Independent Director	
5 Mr. Thititham Rojanapruk	Director/ Executive Director / Authorized Director	Managing Director, Member of Executive Committee
6. Miss Doungchai Kaewbootta	Director/ Director/ Non-executive Director / Authorized Director	Member of Executive Committee
7. Mr. Montree Chansungnoen	Director/ Executive Director / Authorized Director	Member of Executive Committee
8. Miss Kanoknuj Cholvanit	Director/ Executive Director / Authorized Director	

There are two directors authorized to bind the Company, with the following condition:

Among Miss Doungchai Kaewbootta, Mr.Thititham Rojanapruk, Mr. Montree Chansungnoen and Miss Kanoknuj Cholvanit, two out of these four directors are required to sign their names, with Company's seal affixed.

### Roles, Duties and Responsibilities of the Board of Directors

The Board of Directors has duties to carry out the Company's business in compliance with the laws and regulations of the Stock Exchange Commission and the Stock Exchange of Thailand, the objectives, the Articles of Association of the Company as well as the resolutions of shareholders' meetings. The duties shall be

performed with honesty and prudence, taking into account maximum benefits of the Company and fairness to shareholders. The roles, duties and responsibilities of the Board of Directors include the following:

- Consider and approve major matters relevant to the Company's business, such as vision, mission, strategies, business plans, financial objectives, budget, risk management, and etc.
- Monitor and ensure that the management has effectively operated the business in accordance with the set business direction and business plans.
- Monitor and ensure that the Company has sufficient and efficient internal control and risk management systems. The Board of Directors shall assign the Audit Committee to oversee the systems, review them and report these issues in the annual reports.
- Monitor and ensure that the Company has put in place the operation control systems in the areas of financial reporting and compliance with rules, regulations and policies. The Board of Director shall assign the Audit Committee to closely oversee these matters, assisted by the internal audit department, and report the related matters in the annual reports.
- Carefully review connected transactions, or transactions that may cause a conflict of interest. The related parties involved in connected transactions are not allowed in the decision making process and all connected transactions shall be disclosed properly, correctly and accurately.
- Monitor and see that the Company has completed a written form of the Company's corporate governance policies; and provide improvement to such policies.
- Monitor and see that the Company has established a code of ethical business or "Code of Conduct" for all directors, management, and employees can refer to as guidelines in operating the business
- Monitor and see that the Company has arranged a long-term business continuity plan, covering long-term continuity of management and employee development plans.
- The Board of Directors assigns the Company Secretary to collect useful comments or suggestions from the stakeholders and report them to the Board of Directors for consideration. In case the stakeholders see any illegal issues, inaccuracy of the financial reports, internal control deficiency or unethical business operation, they can blow the whistle, based on the details disclosed in Company's anti-corruption policies.

## Sub-committees

### Audit Committee

As of December 31, 2022, the Audit Committee was comprised of three 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 Phatraprasit       | Member of the Audit Committee   |

The Members of the Audit Committee who possess extensive and sufficient knowledge and experiences to review the reliability of the Company's financial statements are Mr.Suchart Luengsurawat, the chairman and a former partner of PricewaterhouseCoopers Ltd. , and Miss Nanthida Pattanasakpinyo, a current independent auditor.

The Audit Committee has duties and responsibilities as follows: -

1. Review and ensure that the Company's financial reporting is accurate and adequate.
2. Review and evaluate the Company's internal control system and internal audit system to ensure that they are suitable, efficient, and effective; determine the dependence of the internal audit unit; approve the appointments, transfers, and dismissal of the head of the internal audit unit.
3. Review and ensure that the Company operates business in compliance with the laws on securities and exchange, the requirements of the Stock Exchange of Thailand, and/or other laws relating to financial institution's businesses.
4. Consider, select and nominate an independent person to be the Company's authorized auditor; propose the audit fee to the Board of Directors before subsequently proposing the AGMs for approval; and attend a meeting with the authorized auditor(s) without presence of the management at least once a year.
5. Review connected transactions, or transactions that may lead to conflicts of interest, to ensure that they are in compliance with the laws and the requirements of the Stock Exchange of Thailand and that they are justified and bring maximum benefits to the Company.
6. Prepare the Audit Committee's report and disclose it in the Company's annual report; such report must be signed by the chairman of the Audit Committee and consist of at least the following information:

- an opinion on the accuracy, completeness and creditability of the Company's financial reports,
- an opinion on the adequacy of the Company's internal control system,
- an opinion on the compliance with the laws on securities and exchange, the requirements of the Stock Exchange of Thailand, and/or other laws relating to the Company's businesses,
- an opinion on the suitability of the authorized auditor(s),
- an opinion on certain connected transactions that may lead to conflicts of interests,
- the numbers of the Audit Committee's meetings, and the attendance of each member
- an opinion or overall observations the Audit Committee gained from the charter- based performance,
- other transactions which should be disclosed to the shareholders and general investors, under the scope of duties and responsibilities assigned by the Board of Directors,

7. Clearly specify duties of the Audit Committee, the change in the Committee's composition, and any changes which have a material impact on the operations of the Audit Committee in writing, upon approval of the Board of Directors; and disclose the aforementioned matters in the Company's annual reports for the shareholders' acknowledgement.

8. Report any suspicious matters or transactions found to the Board of Directors so that the Board can rectify the issues within the timeline specified by the Audit Committee, including the following matters and transactions:

- Connected transactions that may lead to conflicts of interest
- Fraud, possible fraud, or significant deficiency in the internal control
- Breaching of laws relating to financial institution businesses and securities and exchange businesses, the requirements of the Stock Exchange of Thailand, the requirements of the Bank of Thailand, and other related laws: In case where the Board of Directors or the management fail to rectify the issues within the specified timeline, the Audit Committee shall disclose such issues in the Company's annual reports and also report them to the Bank of Thailand, and Stock Exchange of Thailand.

9. Perform any duties as assigned by the Board of Directors, with the approval of the Audit Committee.

#### **Nomination and Remuneration Committee**

As of December 31, 2022, the Nomination and Remuneration Committee consisted of three independent directors as follows:

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

The Nomination and Remuneration Committee is appointed by the Board of Directors. Each member serves a three-year tenure and they can unlimitedly be re-elected once the tenure is completed. The chairman of the Committee must be an independent director. The Nomination and Remuneration Committee shall have independent judgment. Their duties and responsibilities are as follows:

1. Stipulate policies, guidelines and procedure to nominate directors and top executives from the position of Assistant Managing Director upward; and propose selected persons to the Board of Directors for approval.
2. Screen and propose the names of qualified persons for the following positions to the Board of Directors:
  - (1) Directors
  - (2) Top executives from the position of Assistant Managing Director upward
3. See that the size and composition of the Board of Directors are suitable to the organization and ensure some appropriate adjustments in line with changing environment; the Board of Directors shall comprise knowledgeable, capable and experienced persons in various fields.
4. Stipulate the policies of remuneration and other benefits, including the amount of remuneration and other benefits provided for the directors and top executives from the position of Assistant Managing Director upward; and propose them to Board of Directors for approval.

5. See that the Company's directors and top executives from the position of Assistant Managing Director upwards receive appropriate packages based on their duties and responsibilities to the Company.

6. Establish the appraisal guidance for the directors and top executives from the position of Assistant Managing Director upwards to determine annual readjustments to their remuneration, taking into consideration their responsibilities and relevant risks and emphasizing value addition to the shareholders' equity in the long run.

### **Executive Committee**

As of December 31, 2022, the Executive Committee consisted of three members, who were directors and senior management, as follows:

- |                              |                                  |
|------------------------------|----------------------------------|
| 1. Mr.Thititham Rojanapruk   | (Director and Managing Director) |
| 2. Miss Doungchai Kaewbootta | (Director)                       |
| 3. Mr.Montree Chansongnoen   | (Director)                       |

The Executive Committee has the scope of authority as follows:

1. Manage general business operation of the Company, except the matters specified in the Company's Articles of Association, which require approval from the Board of Directors, and the matters that the Board of Directors has specifically determined scope of authority, such as approval of credit and approval of investments, etc.

2. Consider changing the authorized persons and conditions of the signing of the authorized persons.

3. Consider appointing members of Credit Committee, Debt Restructuring Committee, Assets and Liabilities Committee, Collateral Evaluation Committee, and IT Committee as well as secretaries to the aforementioned Committees; then report to the Board of Directors for their acknowledgement.

4. Stipulate and review the ratio of the holding of liquid assets of the Company.

5. Consider an approving credit line of not more than 100 million baht per case

6. Approve investments in equities, warrants, derivatives and unit trust, which are traded or expected to be traded in secondary markets, with the amount of up to 100 million baht per transaction.

7. Approve investments in debt securities with Non-Investment Grade for the amount of up to 100 million baht per transaction. The aggregate investments in such debt securities shall not exceed 10 % of total value of the Company's debt securities investment portfolio.

8. Approve investments in private repo transactions worth over 200 million baht but not more than 500 million baht. These transactions must be approved by at least two members of the Executive Committee, and these transactions must be secured by the collateral, as per a permission of the Bank of Thailand, with the market value of not below the value of the debts.

In addition to the three aforementioned Committees, the Company has also established six other sub-committees, responsible for certain business line 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 Oversight Committee. These sub-committees hold the authorities stipulated by the Board of Directors. Each sub-committee is also joined by certain directors and/or executives whose functions relate to the work scopes of each sub-committee. These sub-committees and members work to ensure that each function of the Company's business operation is carried out properly and in compliance with the rules, regulations, relevant laws as well as the plans and policies, which have been approved by the Company's Board of Directors.

### Executives

As of December 31, 2022, the Company's executives consisted of six executive directors and executive officers as follows

1.	Mr.Thititham Rojanapruk	Managing Director	
2.	Mrs. Sirinthip Rabinwong	Assistant Managing	Debt Management Department
3.	Miss Kanoknui Cholvani	Vice President /	Head of Investment Advisory Dept
4.	Miss Ticha Suwannasang	Vice President /	Head of Compliance Dept.
5.	Mr.Adisorn Wichaidith	Assistant Vice President /	Head of Personnel & General Service Dept.
6.	Miss Chonlada	Assistant Vice President /	Head of Account & Finance Dept.

### Remuneration for Executives

In 2022, the remuneration consisted of salaries, bonuses, contribution to the Provident Fund, group life insurance premium, medical allowance, and others benefits (excluding remuneration for the directors), which were paid to six executives. The total remuneration amounted to 21,614,670 baht.

Other benefits:

- None -

### **Personnel**

As of December 31, 2022, the number of employees and executives totaled 2,362 persons, as the following details:

1. Executives	3	persons
2. Credit service and credit analyst	92	persons
3. Hire Purchase Product	1,745	persons
4. Legal	5	persons
5. Strategy and Risk Management	21	persons
6. Account and Finance	68	persons
7. Operation	107	persons
8. Information Technology	29	persons
9. Audit, Control, and Credit Quality Development	213	persons
10. Marketing	72	persons
11. Human Resources	7	persons
Total	<u>2,362</u>	persons

Details of the remuneration for employees for the year 2022 are as follow.

1. Salaries, bonuses, and other benefits	850,615,872.00	baht
2. Contribution to the Provident Fund	<u>3,186,900.00</u>	baht
Total	<u>853,802,772.00</u>	baht

### Human Resource Development Policies

The Company has established systematic human resource development process for employees at all levels. The process also includes enhancement programs of both potential and efficiency of the employees, such as training programs, staff coaching, work development, and mentoring. These programs can enable the employees to become part of the organization.

### Other information

The details of the persons assigned to take responsibilities in certain areas are as followings:

- |                              |                        |
|------------------------------|------------------------|
| 1. Mr. Thititham Rojanapruk  | Acting CFO             |
| 2. Miss Doungchai Kaewbootta | Company Secretary      |
| 3. Miss Ticha Suwansaeng     | Head of Internal Audit |

The details and background of the directors, the management and persons in charge of each area are disclosed in Attachment 1

### Auditors

Mr.Paiboon Tunkoon	Certified Public Accountant (Thailand) No. 4298 and/or
Mr. Boonrueng Lerdwiseswit	Certified Public Accountant (Thailand) No. 6552 and/or
Ms. Sinsiri Thangsombat	Certificated Public Accountant (Thailand) No. 7352
From PricewaterhouseCoopers ABAS Ltd.	

### Audit fee

The audit fee for the year 2022 marked at 4,355,000 baht.

Non-audit fee

-None-

## 8. Report of Key Corporate Governance Performance

### The performance of the Board of Directors in the past year

#### Nomination and appointment of the directors

The Nomination and Remuneration Committee selected qualified individuals, who possess abilities, experiences, and knowledge and propose the selected persons to replace the resigning directors to the 57<sup>th</sup> AGM. In the meeting, one third of the total eight directors would have to leave the position; in other words, three directors would have to leave upon term completion as follows:

- |                            |  |
|----------------------------|--|
| 1. Mr.Suchart Luengsurawat | Vice Chairman/ Chairman of the Audit Committee |
| 2. Mr.Thititham Rojanapruk | Director/Managing Director                     |
| 3. Mr. Kom Vachiravarakarn | Independent 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 57<sup>th</sup> AGM that the leaving directors shall be re-appointed as directors for another term.

#### Shareholders are allowed to nominate a person as a director

The Company realizes the rights and fair treatment to all shareholders, based on the corporate governance principles. Therefore, the Company opens 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, are as follows.

A shareholder who wishes to propose an agenda or nominate a 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 0.5 % of the total shares with the voting right. The aforementioned percentage as of November 12, 2021 was equal to 2,756,236 shares

The Nomination and Remuneration Committee shall review the nominated persons and the Board of Directors shall consider their qualifications and nominate them to an AGM. The decision of The Board of Directors is absolute and final. Those approved by the Board of Director shall 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 12, 2021 to December 30, 2021), no shareholders had nominated anyone as a new director.

### **Development of the Board of Director and Executives**

The Company has a policy to encourage the directors and executive to continuously and consistently acquire more knowledge that would benefit the Company's business in order that they hold strengths that could lead to sustainable growth amidst dynamic social conditions as well as changing market competitions.

- The Company shall encourage the Company's directors to attend training courses from the Thai Institute of Directors to enhance their understanding of the roles, duties and responsibilities of the directors.
- The Company shall encourage the Company's directors, the Company Secretary and the executives to regularly participate in certain training courses that would benefit the Company's businesses.
- New directors and executives shall be given guidance about the Company's business characteristics and business directions as well as sufficient documents and useful information to support their performance.
- The Company shall encourage the management to prepare a management development plan and succession plan to ensure business continuity and efficacy.

### **Self-appraisal of the Board of Directors**

The Company believes that a good mechanism to evaluate the performance of the Board of Directors and the sub-committees shall enable them to improve their performance and efficacy. Therefore, the Company requires that the Board of Directors and sub-committees conduct their self-appraisals, the details of which are followed:

- The Board of Directors and the sub-committees, i.e., the Audit Committee and the Nomination and Remuneration Committee, are required to conduct their self-appraisals at least once annually and their self-appraisal results shall be disclosed in the annual reports.

- The Nomination and Remuneration Committee shall regularly improve the self-appraisal form for the Board of Directors and the sub-committees in order to make it in line with changing time and circumstances.
- The Company Secretary shall deliver the self-appraisal forms to each director so that each of them could proceed with independent self-evaluation. The self-appraisal results shall subsequently be submitted to the Board of Directors' meetings.

The result of the self-appraisal of the Board of Directors in 2022, based on the average score from all components, stood at 93.84.

#### 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-committees. 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 2022, based on the average score from all components, are as follows: the score for the Audit Committee was at 94.35; the score for the Nomination and Remuneration Committee marked at 87.86

#### Self-appraisal for individual directors

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 top executives

The Nomination and Remuneration Committee appraises the performance of the Chief Executive Officers 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 meetings and meeting attendance of the Board of Directors and the sub-committees**

In 2022, there were 11 meetings of the Board of Directors, five meetings of the Audit Committee, two meetings of the Nomination and Remuneration Committee and 35 meetings of the Executive Committee. The meeting attendance records of the members of the Board of Directors and the sub-committees are as follows:

Name of Director	Attendance / Number of eligible meeting (times)			
	Board of Director	Audit Committee	Nomination and Remuneration Committee	Executive Committee
1. Mr.Suchart Luengsurawat	11/11	5/5	2/2	-
2. Miss.Doungchai Kaewbootta	11/11	-	-	35/35
3. Mr.Prawat Phatraprasit	11/11	5/5	2/2	-
4. Mr.Thititham Rojanapruk	11/11	-	-	35/35
5. Miss Nanthida Pattanasakpinyo	11/11	5/5	2/2	-
6. Mr. Montree Chansungnoen	11/11	-	-	35/35
7. Mr. Kom Vachiravarakarn	10/11	-	-	-
8. Miss Kanoknui Cholvani	11/11	-	-	-

## Remuneration for the directors

### (1) Cash Remuneration

#### (A) Remuneration for directors

The details of remuneration for the directors for the year 2022 approved by the AGM is as follows:

Board of Directors	Monthly Fee Attendance	Monthly Fee Attendance
Chairman	120,000	-
Vice Chairman	75,000	-
Non-executive directors	50,000	-
Executive directors	-	-
Sub-committees		
Chairman of Audit Committee	25,000	-
Chairman of Nomination and Remuneration	25,000	-
Chairman of Risk Oversight Committee	25,000	-

In 2022, the remuneration for eight directors amounted to 3,600,000 baht versus the amount for 2021 at 3,374,200 baht, as the following details:

#### Remuneration for the directors of the year 2022 (Baht)

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

**Remuneration for the directors of the year 2021 (Baht)**

<b>Name of Directors</b>	<b>Audit Board of Directors</b>	<b>Nomination Committee and Remuneration Committee</b>	<b>Total</b>
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 Kanoknuj Cholvaniit	-	-	- -
<b>Total</b>	<b>3,074,200</b>	<b>300,000</b>	<b>- 3,374,200</b>

## (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 among business groups and ensures that the directors and the management as well as the employees of the Company are aware of the measures to prevent conflicts of interest.

Connected transactions or related party 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 audited 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 related parties. The management is authorized to approve connected transactions between the Company and/or the subsidiaries and the directors, the management or related parties (either existing or potential transactions), without the approval from a meeting of the Board of Directors 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 related parties and report the transactions to the Audit Committee's meeting and the Board of Directors' meeting on a quarterly basis.

In 2022, there were no connected transactions that violated the Company's connected transaction measures. There was a connected transaction done with the major shareholder, i.e., the acquisition of shares of Srisawad Capital Company Limited. The acquisition was paid by newly issued common shares instead of cash. Considering the transaction size, the Company assigned an independent financial advisor to provide comments on this transaction. The Audit Committee reviewed the comments from the independent financial advisor and

provided the approval to such comments in the Extraordinary Meeting of Shareholders No. 1/2022 on June 23, 2022.

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

The Company requires that the directors and executives 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 directors, the executives and their spouses hold controlling power. The report of all these details is aimed at preventing potential conflicts of interest

## 2. Use of inside 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 inside 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 date, 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 2022 is as follows

**Shareholding in the Company of Board of Directors as of December 31, 2022.**

<u>Name</u>	<u>Number of shares held</u>	
	As of Dec. 31, 2022	Increase (Decrease) during the year
1. Mr.Suchart Luengsurawat	-	-
2. Miss.Doungchai Kaewbootta	-	-
3. Mr.Prawat Phatprasit	-	-
4. Mr.Thititham Rojanapruk	-	-
5. Miss Nanthida Pattanasakpinyo	-	-
6. Mr. Montree Chansungnoen	-	-
7. Mr. Kom Vachiravarakarn	-	-
8. Miss Kanoknuj Cholvani	-	-

**Shareholding in the Company of Executives as of December 31, 2022**

<u>Name</u>	<u>Number of shares held</u>	
	As of Dec. 31, 2022	Increase (Decrease) during the year
1. Mr.Thititham Rojanapruk	-	-
2. Mrs. Sirinthip Rabinwong	-	-
3. Miss Kanoknuj Cholvani	-	-
4. Miss Ticha Suwannasang	-	-
5. Mr.Adisorn Wichaidith	-	-
6. Miss Chonlada Thaweephanyopha	-	-

Once trading transactions occurred during the year, the directors and the executives 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 Officer, the Managing Director, the executives, and the employees. The directors, the management and the employees are required to strictly comply with the anti-corruption measures in preparation to declaration of the Company's intention to act against frauds and corruptions.

### 4. Complaining and whistleblowing

The Company has established the whistle-blowing and complaining channels, as follows

- One can blow the whistle or lodge a complaint in person or by a letter to the 3<sup>rd</sup> floor, Srisawad Building, No. 99/392, Chaeng Watthana 10 Alley, Lane 3, Changwattana Road, Tungsonghong, Laksi, Bangkok, 10210
- Through Company's website: <http://www.srisawadcapital.co.th> (Under the item "CONTACT US FORM")
- Through the Company's e-mail addresses to the following persons:
  - The Chairman of Audit Committee through a secretary at [tichas@srisawadfinance.com](mailto:tichas@srisawadfinance.com)
  - The Managing Director at [thititham@srisawadfinance.com](mailto:thititham@srisawadfinance.com)
  - The acting head of the Audit Department at [tichas@srisawadfinance.com](mailto:tichas@srisawadfinance.com)
- Through Company's telephone numbers, as follows.
  - The Chairman of Audit Committee through a secretary: 0-20730677 extension 376
  - The Managing Director: 0-20730677
  - The acting head of the Audit Department: 0-20730677 extension 376

Through the Company's fax number: 02-0730670

In 2022, neither complaints nor whistleblowing was made.

### **The Board of Directors' responsibilities for financial reports**

The Board of Directors is responsible as the directors of the listed company in the Stock Exchange of Thailand to oversee the preparation of the financial reports and statements for year 2022 and ensure that they

contained accurate and complete information and that the preparation of such financial reports and statement were carried out in compliance with generally accepted accounting standards.

The Board of Directors has appointed the Audit Committee which comprises three independent directors whose experience and competence are qualified in accordance with the regulations of the Stock Exchange of Thailand, to oversee and review the Company's financial reports and statements, ensuring that they are accurate. The Audit Committee was also assigned to see that the financial reports and statements disclose accurate and complete accounting details and related party transactions, which may lead to conflicts of interest. In addition, the Audit Committee oversees the adequacy and efficiency of the internal control system and makes sure that the Company has the appropriate internal control system and that Company's operation conforms to laws and regulations from the relate regulatory agencies.

The Board of Directors opines that the Company's financial reports and financial statement for year 2022, ending December 31, 2022 which were jointly audited and reviewed by the Audit Committee, the management, and the independent auditor, accurately and completely show the financial position and performance, in compliance with generally accepted accounting standards and related laws and regulations.

### Performance of the Audit Committee

In 2022, the Audit Committee arranged five meetings, with the details of attendance as follows.

Name	Position	2022	2021
1. . Mr. Suchart Luengsurawat	Chairman of the Audit Committee	5/5	4/4
2. Miss Nanthida Pattanasakpinyo	Member of the Audit Committee	5/5	4/4
3. Mr. Prawat Phatprasit	Member of the Audit Committee	5/5	4/4

**1. Review of financial reports:** The Audit Committee reviewed the Company's quarterly and annual financial reports, which were audited by the authorized auditor before proposing them the Board of Director for their consideration and approval. The Audit Committee inquired of the authorized auditor about problems observed during the review and the audit of the Company's financial statements and sought their comments about certain accounting adjustments as well as their suggestions. The Audit Committee also ensured that related information was well disclosed in accordance with the financial reporting standards. The Committee also examined the independence of the authorized director to ensure that the Company's reviewed and audited

financial statements were up to financial reporting standards and meeting the requirements by related laws. The Audit Committee also responded to the authorized auditor's suggestions about the Company's internal control system. The Audit Committee reckoned that the company's process of financial report followed its procedures properly and promptly for benefits of investors or persons who consider the Company's financial reports before making investment decisions.

**2. Review of the internal control and the internal audit:** The Audit Committee reviewed the internal control system carried out by the internal auditor and the authorized auditor quarterly to evaluate the appropriateness of the internal control system, which would support cautious operation and reduce possible errors. The Audit Committee would consider the internal audit results and the suggestions from the authorized auditor for the year 2022. Furthermore, the Audit Committee would also consider the scope of duties and responsibilities, the independence of audit functions, the audit operation, the organization, and the manpower of the internal audit unit as well as the authorized internal auditor. This also covered the Company's key operation systems. The Audit Committee also took into account the internal control system, based on the guidelines provided by the Securities and Exchange Commission of Thailand and the Bank of Thailand regarding the control of administration, finance and compliance. The Committee opined that the Company had put in place a proper, ample, and effective internal control system, which conformed to the set goals. In addition, the Company's internal audit quality was consistently enhanced, both in terms of personnel and audit operation.

**3. Review of compliance with relevant regulations:** The Audit Committee emphasized the transparent management policies with systematically good corporate governance in order to prevent any operations that violate the laws or the Company's regulations. The Audit Committee considered the audit reports and reviewed the adequacy of the internal control overseen by the management, the auditor, the Bank of Thailand and other supervisory bodies. The Audit Committee arranged the monitoring system to ensure that the Company managed to solve problems completely and promptly. In addition, the Audit Committee also reviewed the independence of the internal audit operation, reviewed the charter of the internal audit, approved the annual audit plan. The Audit Committee opined that the Company appropriately operated business in compliance with related laws and regulations.

**4. Selection and nomination of the authorized auditors and proposal of audit fee for 2022** The Audit Committee reviewed the independence, work scopes and directions, performance and the proposed annual audit plan. The Committee also considered the qualifications, experiences and productiveness of the auditors and the

assistants as well as their service quality in the previous year, and found that their performance was satisfying, and the quoted audit fee was appropriate. Therefore, the Committee proposed to the Board of Directors that they approve the appointment of Mr. Paiboon Tunkoon CPA. No. 4298 and/or Mr. Boonruang Lerdvisevit CPA. No. 6652 and/or Miss Sinsiri Thangsombat CPA. No. 7352 from PricewaterhouseCoopers ABAS Company Limited as the authorized auditors for the year 2022 and approved the audit fee for the same year. Upon the approval from the Board of Directors, the further proposal would be subsequently made to the AGM.

#### **5. Consideration of connected transactions or transactions that may lead to conflicts of interest**

The Audit Committee reviewed and provided suggestions concerning the disclosure of connected transactions or transactions that may lead to conflicts of interest to ensure that they were justified, complete, and proper, in accordance with the notices, the requirements and the guidance provided by the Stock Exchange of Thailand and the Bank of Thailand. Considering such transactions and taking into account the opinions provided by the independent financial advisor, the Audit Committee thus viewed that the management proceeded with such transactions with fairness and the transactions were chiefly beneficial to the Company. In addition, the pricing for such transactions was reasonable and comparable to that for transactions made with third parties in general. Finally, details of such transactions were adequately and completely disclosed.

In 2022, the Audit Committee reviewed the connected transaction done with the major shareholder, i.e., the acquisition of shares from Srisawad Capital Company Limited. The acquisition was paid by newly issued common shares instead of cash. Considering the transaction size, the Company assigned an independent financial advisor to provide comments on this transaction. The Audit Committee reviewed the comments from the independent financial advisor and provided the approval to such comments in the Extraordinary Meeting of Shareholders No. 1/2022 on June 23, 2022.

**6. Report of the performance of the Audit Committee:** The Audit Committee reported general performance results to the Board of Directors on quarterly basis, including the reviewed financial statements and the Company's performance, the internal control and internal audit results, and the result of operations in compliance with rules and regulations. In addition, the Audit Committee also wrapped up key matters that warrant immediate attentions or solutions to the management and the Board of Directors.

The Audit Committee carried out the self-appraisal on a collective basis and the appraisal results showed 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 2022, the Nomination and Remuneration Committee convened two meetings, with the details of attendance as follows.

Name	Position	2022	2021
1. Mr. Prawat Phatraprasit	Member of Nomination and Remuneratio Committee	2/2	2/2
2. Mr. Suchart Luengsurawat	Member of Nomination and Remuneratio Committee	2/2	2/2
3. Miss Nanthida Pattanasakpinyo	Member of Nomination and Remuneratio Committee	2/2	2/2

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 possessed knowledge and abilities to be directors, to replace the directors who had completed the terms; and proposed such individuals to the Board of Directors for opinions and to the AGM for further approval.

In 2022, 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 had 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 one member of the Nomination and Remuneration Committee was among the directors, who were about to leave

the position; therefore, for this agenda, such person did not participate in the meeting in order that other members of the Nomination and Remuneration Committee could consider making decision independently.

After considering such qualifications and abilities, the Nomination and Remuneration Committee proposed that the directors who had completed the term shall be re-appointed for another term. The details are as follows.

Mr. Suchart Luengsurawat	Vice Chairman /Chairman of the Audit Committee
Mr.Thititham Rojanapruk	Director/Managing Director
Mr. Kom Vachiravarakarn	Independent Director

2. Appraised the performance and considered remuneration of the Managing Director and the management in 2022. The Nomination and Remuneration Committee appraised their performance by considering the Company's 2021 operation performance, 2021 earnings performance relative to the Company's strategic plans and targets, risk management in various areas, 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.

3. 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 comments and to the AGM of shareholders' further approval.

4. Arranged the performance appraisal of the Board of Directors and the sub-committees and reported 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 places particular emphasis on an efficient internal control system and feels obliged to uphold the culture that recognizes the importance of risk management and the adequacy of the internal control system in every function of the Company. The Company requires all business units comply with the best practices for internal control. Such best practices shall be referred as a set of guidelines for internal control operation, the Company's overall operation, and employees' practice. In addition, 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 the performance of the internal auditor, with key elements including consideration of the appropriateness of the scope of work, roles and responsibilities, operation plans, adequacy and quality of the internal control system. Any suggestions or significant malfunctions observed, which warrant further improvement or solutions, shall be reported to the Board of Directors.

The Company focuses on corporate governance and the culture of control and completion of written policies and operation guidelines. The Company also provides employees' operation guidelines and disciplinary regulations, professional ethics and penalty in order to ensure that all employees operate works with efficiency, transparency and fairness to all stakeholders.

Moreover, the Company also sees that the operation and internal control activities engaged by operating personnel are audited regularly in order to ensure that such personnel in the operation level perform their duties with caution. The Company also puts in place control activities as part of operation and provides a control structure, which is appropriate for all sectors. There is an operation process that clearly defines and separates functions of operating persons, supervisors, and their performance evaluation in order to create appropriate balancing. As for activities that may lead to a conflict of interest, they shall be identified and proceeded with in accordance with the relevant roles and regulations.

The audit of the Company's operation is based on the risk criteria that cover compliance with laws and requirements of related governmental bodies, the Company's code of conduct or code of ethical business, the Company's performance. The adequacy of the internal control, and the appropriate risk management. The Company is always aware that the internal control is a crucial process that could lead to efficiency in the

Company's business operation. This would reasonably ensure that the Company's operation would achieve objectives and create benefits in the long term. Finally, it would also ensure that the Company's financial reporting and operation are reliable in compliance with related laws, regulations, and requirements, which would prevent any actions that may damage the Company's property and reputation.

#### Head of Internal Audit Unit

The Company assigned Miss Ticha Suwannasang, the vice president of the Internal Audit Department, to oversee the internal audit and compliance functions. The Internal Audit Department acts as the center to supervise and ensure the Company's business is conducted in compliance with the laws, regulations, policies and requirements of relevant governmental agencies, including the Bank of Thailand, the Anti- Money Laundering Office, the Deposit Protection Agency, the SEC and the SET. The Board of Directors has approved compliance policies, which were outlined to direct the Board of Directors, the Audit Committee, the top executives, all departments or units and employees to comply with the laws. In addition, the compliance policies were also designed to communicate with all employees, making them aware that they have duties and responsibilities on studying and understanding the laws as well as related regulations in the areas of their works under responsibilities. Hence, they should fully and strictly comply with such regulatory requirements. Finally, approvals, appoints, dismissal and transfer of the head of the Internal Audit Unit shall be approved by the Audit Committee. Details about the head of the Internal Audit Committee are disclosed in Attachment 3.

#### **Related Party Transactions**

In 2022, there were related party transactions or connected transactions, which were carried out to support the Company's business operation. The transactions entailed trade terms and condictions stated in the contracts, which were in line with general business conditions and comparable to the terms and conditions for transactions made with third parties.

In 2022, there was a connected transaction done with the major shareholder, i.e., the acquisition of shares of Srisawad Capital Company Limited. The acquisition was paid by newly issued common shares instead

of cash. Considering the transaction size, the Company assigned an independent financial advisor to provide comments on this transaction. The Audit Committee reviewed the comments from the independent financial advisor and provided the approval to such comments in the Extraordinary Meeting of Shareholders No. 1/2022 on June 23, 2022.

### **Policies on Related Party Transactions**

The Company puts strong emphasis on effective management under good corporate governance. The Company has issued operating guidelines relating connected transactions, which are in line with normal business operation. Pricing policies or conditions for connected transactions are set in line with general business transactions and similar to those for transactions done with third parties.

### **Procedures and Approval of Related Party Transactions**

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

1. Regarding the transactions of the Company or the subsidiaries with directors, executives or related parties that entail general and normal trade terms and conditions, such transactions shall be proceeded in the same manner and with similar trade agreements as general transactions done with general contract parties under the same situations. The transactions should entail certain bargaining power, without any influences as directors, executives or related parties. Such transactions include deposits and withdrawals, borrowing and lending, financial structuring, project loans, securities trading, investment advisory, financial advisory, securities disposal, and trading in Agricultural Futures Exchange of Thailand. The Board of Directors or the management are allowed to approve such transactions, based on their scopes of authority and the approval principles as approved by the Board of Directors. Finally, the details of abovementioned transactions shall be disclosed to the meetings of the Audit Committee or the Board of Directors, within the specified timeframe.

2. Regarding the transactions of the Company or the subsidiaries with directors, executives or related parties that do not entail general and normal trade terms and conditions – including other transactions apart from deposits and withdrawals, borrowing and lending, financial structuring, project loans, securities trading, investment advisory, financial advisory, securities disposal, and trading in Agricultural Futures Exchange of Thailand, it is required that certain details should be presented to the Audit Committee. Such details include nature of the transactions, relationship of related parties, appropriateness of the transactions, comments of the third person, who is an independent expert (e.g., an auditor/an appraiser/ an independent engineer/ a law office) (if any). The Audit Committee shall then consider such details before approving the transactions and proposing them to the Board of Directors for further approval. After that, such transactions shall be presented to the AGM for shareholders' approval. This procedure does not applicable to any transactions, which fall on Section 89/12 and/or the Notification of Capital Market Supervisory Board TorJor. 21/2551 on Requirements for Connected Transactions and/ or the Notification of Stock Exchange Board on Information Disclosure and Registered Company Operation on Connected Transactions B.E. 2546 (2003) and/or any of other potential regulatory requirements.
3. An executive is prohibited from approving any connected transactions he/she has involved. In this case, the superior of such executive shall be the person who can approve the transactions and reveal the manner of relationship or connections or any interests to the Company and to those who hold approval authority.
4. A director with interests in certain connected transaction is prohibited from participating in the approval procedure for such transactions and he/she is required to reveal the nature of relationship, connections or interests with the person who is proceeding with such transactions to the Company.
5. Any transactions done with the major shareholders or activities involving related interests must be proceeded in compliance with the guidelines for credit transaction procedure provided by the Bank of Thailand.

6. Any transactions done with the major shareholders or activities involving related interests must be approved by the Board of Directors with the unanimous resolution, except for the case that the Board of Directors can authorize the Credit Committee or the Executive Committee to approve the abovementioned credit cases. However, the entire credit approval procedure must be in compliance with the credit approval principles formulated by the Company. In addition, the amount of money granted to major shareholders or the activities involving related interests will be ratified by the Board of Directors in the next meeting; and the unanimous resolution is required for approval of such transactions.
7. Granting credits, investing, taking on commitments or conducting transactions in the same manner of granting credits to a governmental agency, the Financial Institutions Development Fund , or a company where a governmental agency or the Financial Institutions Development Fund has control power or holds over 10 % of the total shares sold.
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 Board of Directors, either the case of requesting for additional amount from the existing credit line or seeking new credit line.

Note that the in case the Board of Directors does not ratify or ratify with a split resolution, granting credits, investing, taking on commitments or conducting transactions in the same manner of granting credit shall be cancelled immediately.

### **Potential Related Party Transactions**

Related party transactions or connected transactions that the Company may enter with related parties, which may carry 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 lease of the building used for the Company's office are 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 carries out the appraisal to calculate the market-based rental rates used for public interest. In addition, the terms and conditions for the lease are in line with the general business operation.

- Borrowings

The Company has summarized all related party transactions and disclosed them in the 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 good corporate governance principles.

**Summary of significant business transactions with related parties in 2022**

Related party transactions between the Company and related parties, the Company applied the market price to the pricing of connected transactions, which is a normal condition of doing business or according to the agreed terms and conditions in the contracts, with the details as below:

Related Party	Relationship	Transaction (Million Baht)		
		Deposits / Borrowing (Interest)	Service fees	Service fees
1. Srisawad Corporation Public Company Limited	- The parent company	384.77		
2.Srisawad Power 2014 Company Limited	- Related corporation with the same parent company	-	-	-
3. I.D 2007 Company Limited	- The Company's director, i.e., Miss.Doungchai Kaewbootta, is also the director and the shareholder of I.D 2007 Company Limited.  - The close relative of the Company's director i.e., Miss.Doungchai Kaewbootta, is the director and the shareholder of I.D 2007 Company Limited.	-	-	26.12

## Report of the Board of Director's responsibilities

### Preparation of the 2022 financial statements

The Board of Directors is responsible as the directors of the listed company in the Stock Exchange of Thailand to oversee the preparation of the financial reports and statements for year 2022 and ensure that they contained accurate and complete information and that the preparation of such financial reports and statement were carried out in compliance with generally accepted accounting standards.

The Board of Directors has appointed the Audit Committee which comprises three independent directors whose experience and competence are qualified in accordance with the regulations of the Stock Exchange of Thailand, to oversee and review the Company's financial reports and statements, ensuring that they are accurate. The Audit Committee was also assigned to see that the financial reports and statements disclose accurate and complete accounting details and related party transactions, which may lead to conflicts of interest. In addition, the Audit Committee oversees the adequacy and efficiency of the internal control system and makes sure that the Company has the appropriate internal control system and that Company's operation conforms to laws and regulations from the relate regulatory agencies.

The Board of Directors opines that the Company's financial reports and financial statement for year 2022, ending December 31, 2022 which were jointly audited and reviewed by the Audit Committee, the management, and the independent auditor, accurately and completely show the financial position and performance, in compliance with generally accepted accounting standards and related laws and regulations.



(Mr.Thititham Rojanapruk)

Managing Director



(Miss.Doungchai Kaewboota)

Director

## Audit Committee Report

The Company has appointed three independent directors to be members of the Audit Committee, who possessed experiences in accounting, financing, and management. The Audit Committee was comprised of three independent directors as follows: i) Mr. Suchart Luengsurawat, as the chairman; and ii) Mr. Prawat Phatprasit, and iii) Miss Nanthida Pattanasakpinyo as the members of the Audit Committee.

The Audit Committee performed duties independently under the scope of authority, duties, and responsibilities as assigned by the Board of Directors. In 2022, the Audit Committee convened five meetings. The Committee met with the management, the internal audit, and the authorized auditor, who jointly presented information, discuss, exchange ideas. In addition, the Audit Committee also arranged a meeting with the authorized auditor without the presence of the management. Key performance can be summarized below.

**1. Review of financial reports:** The Audit Committee reviewed the Company's quarterly and annual financial reports, which were audited by the authorized auditor before proposing them to the Board of Directors for their consideration and approval. The Audit Committee inquired of the authorized auditor about problems observed during the review and the audit of the Company's financial statements and sought their comments about certain accounting adjustments as well as their suggestions. The Audit Committee also ensured that related information was well disclosed in accordance with the financial reporting standards. The Committee also examined the independence of the authorized director in order to ensure that the Company's reviewed and audited financial statements were up to financial reporting standards and meeting the requirements by related laws. The Audit Committee also responded to the authorized auditor's suggestions about the Company's internal control system. The Audit Committee reckoned that the company's process of financial report followed its procedures properly and promptly for benefits of investors or persons who consider the Company's financial reports before making investment decisions.

**2. Review of the internal control and the internal audit:** The Audit Committee reviewed the internal control system carried out by the internal auditor and the authorized auditor quarterly in order to evaluate the appropriateness of the internal control system, which would support cautious operation and reduce possible errors. The Audit Committee would consider the internal audit results and the suggestions from the authorized auditor for the year 2022. Furthermore, the Audit Committee would also consider the scope of duties and responsibilities, the independence of audit functions, the audit operation, the organization and the manpower of the internal audit

unit as well as the authorized internal auditor. This also covered the Company's key operation systems. The Audit Committee also took into account the internal control system, based on the guidelines provided by the Securities and Exchange Commission of Thailand and the Bank of Thailand regarding the control of administration, finance and compliance. The Committee opined that the Company had put in place a proper, ample and effective internal control system, which conformed to the set goals. In addition, the Company's internal audit quality was consistently enhanced, both in terms of personnel and audit operation.

**3. Review of compliance with relevant regulations:** The Audit Committee emphasized the transparent management policies with systematically good corporate governance in order to prevent any operations that violate the laws or the Company's regulations. The Audit Committee considered the audit reports and reviewed the adequacy of the internal control overseen by the management, the auditor, the Bank of Thailand and other supervisory bodies. The Audit Committee arranged the monitoring system to ensure that the Company managed to solve problems completely and promptly. In addition, the Audit Committee also reviewed the independence of the internal audit operation, reviewed the charter of the internal audit, approved the annual audit plan. The Audit Committee opined that the Company appropriately operated business in compliance with related laws and regulations.

**4. Selection and nomination of the authorized auditors and proposal of audit fee for 2022:** The Audit Committee reviewed the independence, work scopes and directions, performance and the proposed annual audit plan. The Committee also considered the qualifications, experiences and productiveness of the auditors and the assistants as well as their service quality in the previous year, and found that their performance was satisfying, and the quoted audit fee was appropriate. Therefore, the Committee proposed to the Board of Directors that they approve the appointment of 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 authorized auditors for the year 2022 and approved the audit fee for 2022. Upon the approval from the Board of Directors, the further proposal would be subsequently made to the AGM.

**5. Consideration of connected transactions or transactions that may lead to conflicts of interest:** The Audit Committee reviewed and provided suggestions concerning the disclosure of connected transactions or transactions that may lead to conflicts of interest to ensure that they were justified, complete, and proper, in accordance with to the notices, the requirements and the guidance provided by the Stock Exchange of Thailand and the Bank of Thailand. Considering such transactions and taking into account the opinions provided by the

independent financial advisor, the Audit Committee thus viewed that the management proceeded with such transactions with fairness and the transactions were chiefly beneficial to the Company. In addition, the pricing for such transactions was reasonable and comparable to that for transactions made with third parties in general. Finally, details of such transactions were adequately and completely disclosed.

**6. Reviewed the connected transaction done with the major shareholder**, i.e., the acquisition of shares from Srisawad Capital Company Limited. The acquisition was paid by newly issued common shares instead of cash. Considering the transaction size, the Company assigned an independent financial advisor to provide comments on this transaction. The Audit Committee reviewed the comments from the independent financial advisor and provided the approval to such comments in the Extraordinary Meeting of Shareholders No. 1/2022 on June 23, 2022.

In conclusion, The Audit Committee performed duties and responsibilities as assigned by the Board of Directors, by utilizing the knowledge, and carrying on their works cautiously and carefully. The Audit Committee performed duties independently and sufficiently. The Audit Committee provided comments and suggestions for equal benefits of all stakeholders. The Audit Committee opined that the Company's financial reports were appropriate and reliable, and they were carried out in compliance with the financial reporting standards. The Company operated business in compliance with laws relating to the Company's businesses and there were appropriate corporate governance system, risk management, internal control and internal audit system. Finally, the Company also continued to enhance the operation of such systems, going forward.

**Mr.Suchart Luengsurawat**

Chairman of the Audit Committee

**SRISAWAD CAPITAL 1969 PUBLIC COMPANY LIMITED  
(FORMER NAME “SRISAWAD FINANCE PUBLIC COMPANY LIMITED”)**

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS  
31 DECEMBER 2022**

## **Independent Auditor's Report**

To the shareholders of Srisawad Capital 1969 Public Company Limited  
(Former name "Srisawad Finance Public Company Limited")

### **My opinion**

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Srisawad Capital 1969 Public Company Limited (the Company) and its subsidiaries (the Group) and separate financial position of the Company as at 31 December 2022, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

### **What I have audited**

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2022;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate 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 consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (TFAC Code) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the TFAC Code. 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 consolidated and separate 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 consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
<p><b>Allowance for expected credit losses on loans to customers</b></p> <p>Refer to Notes to the financial statements which are Note 8 on Critical Accounting Estimates and Judgements, and Note 14 on Loans to Customers and Accrued Interest Receivables - net.</p> <p>Of the Group's total assets, loans to customers and accrued interest totaled 20,819 million and contributed 83.14% as at 31 December 2022. The Group estimated allowance for expected credit losses for loans to customers and accrued interest by applying both a quantitative approach and qualitative 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"> <li>• building collective assessment models to calculate the allowance for expected credit losses and applying judgement in determining the appropriate construction of the models.</li> </ul> <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 6.8 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"> <li>• the control over the completeness and accuracy of significant input data for the models calculation.</li> <li>• the control over recording the allowance for expected credit loss from models to general ledger</li> <li>• IT controls for loan data and aging.</li> </ul> <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 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 6 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 consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 consolidated and separate financial statements**

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

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and 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 intend to liquidate the Group and 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 Group's and the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the consolidated and separate financial statements**

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 Group's and 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 Group's and 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 consolidated and separate 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 Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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 consolidated and separate 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.

Srisawad Capital 1969 Public Company Limited

(Former name “ Srisawad Finance Public Company Limited”)

Statement of Financial Position

As at 31 December 2022

	Notes	Consolidated financial statements			Separate financial statements		
		31 December 2022	31 December 2021	1 January 2021	(Restated) 31 December 2022	(Restated) 31 December 2021	(Restated) 1 January 2021
		Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
<b>Assets</b>							
<b>Current assets</b>							
Cash and cash equivalents		494,371	615,153	443,248	224,109	577,936	443,248
Current portion of loans to customers and accrued interest, net	14	7,396,638	5,388,449	9,467,122	940,356	3,972,598	9,467,122
Short-term loans to related parties and accrued interest receivables	36 d)	-	-	-	5,375,360	-	-
Current portion of long-term loans to related parties and accrued interest receivables	36 e)	-	-	3,383	3,674,051	814,100	3,383
Amount due from related parties	36 f)	1,566,404	6,719,093	2,569,409	1,566,404	6,710,792	2,569,409
Short-term loans to financial institutions		-	500,000	4,350,000	-	500,000	4,350,000
Other receivables	19	1,009,589	208,479	34,611	372,690	33,889	38,930
Properties for sale, net	16	94,744	84,090	43,406	4,243	53,193	43,406
Other current assets	20	562,178	86,930	425	4,458	420	425
<b>Total current assets</b>		<b>11,123,924</b>	<b>13,602,194</b>	<b>16,911,604</b>	<b>12,161,671</b>	<b>12,662,928</b>	<b>16,915,923</b>
<b>Non-current assets</b>							
Financial assets measured at fair value through profit or loss	12.1	27,902	1,692,789	56,628	27,902	1,692,789	56,628
Financial assets measured at fair value through other comprehensive income	12.2	36,475	37,131	120,209	36,475	37,131	120,209
Investments in subsidiaries	13	-	-	-	84,768	45,000	-
Loans to customers and accrued interest, net	14	13,422,322	4,448,549	3,869,060	1,740,891	1,850,368	3,869,060
Long-term loans to related parties	36 e)	-	-	-	8,498,500	3,082,992	-
Property, plant and equipment, net	17	171,947	169,886	150,432	144,621	164,614	150,432
Right-of-use assets, net	17	177,742	189,991	343,008	165,371	189,991	343,008
Intangible assets, net	18	54,672	52,967	42,575	36,448	40,627	42,575
Deferred tax assets	23	25,870	39,707	11,817	25,870	22,667	11,817
Other non-current assets		1,423	650	722	639	620	722
<b>Total non-current assets</b>		<b>13,918,353</b>	<b>6,631,670</b>	<b>4,594,451</b>	<b>10,761,485</b>	<b>7,126,799</b>	<b>4,594,451</b>
<b>Total assets</b>		<b>25,042,277</b>	<b>20,233,864</b>	<b>21,506,055</b>	<b>22,923,156</b>	<b>19,789,727</b>	<b>21,510,374</b>

The accompanying notes are an integral part of these consolidated and separate financial statements.

**Srisawad Capital 1969 Public Company Limited**

(Former name “ Srisawad Finance Public Company Limited”)

**Statement of Financial Position (Cont'd)**

As at 31 December 2022

		Consolidated			Separate		
		financial statements			financial statements		
					(Restated)		(Restated)
		31 December	31 December	1 January	31 December	31 December	1 January
		2022	2021	2021	2022	2021	2021
Notes		Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
<b>Liabilities and equity</b>							
<b>Liabilities</b>							
<b>Current liabilities</b>							
Current portion of lease liabilities	21	17,895	16,987	22,683	12,282	16,987	22,683
Short-term borrowings from related party	36 g)	1,700,000	-	1,598,200	1,532,000	-	1,598,200
Other payables	24	4,309,035	4,298,924	9,429,677	3,567,923	4,223,309	9,433,996
Income tax payable		54,095	178,149	171,306	45,991	96,091	171,306
Other current liabilities		17,863	10,211	18,963	10,044	13,884	18,963
<b>Total current liabilities</b>		<b>6,098,888</b>	<b>4,504,271</b>	<b>11,240,829</b>	<b>5,168,240</b>	<b>4,350,271</b>	<b>11,245,148</b>
<b>Non-current liabilities</b>							
Long-term loans from related party	36 h)	7,562,200	5,177,200	-	7,562,200	5,177,200	-
Deferred tax liabilities	23	143,405	-	-	-	-	-
Lease liabilities	21	178,703	191,434	331,998	173,424	191,434	331,998
Employee benefit obligations	22	19,313	18,174	40,949	17,922	18,174	40,949
Provision for decommissioning costs	22	7,129	4,438	5,648	5,165	4,438	5,648
<b>Total non-current liabilities</b>		<b>7,910,750</b>	<b>5,391,246</b>	<b>378,595</b>	<b>7,758,711</b>	<b>5,391,246</b>	<b>378,595</b>
<b>Total liabilities</b>		<b>14,009,638</b>	<b>9,895,517</b>	<b>11,619,424</b>	<b>12,926,951</b>	<b>9,741,517</b>	<b>11,623,743</b>
<b>Equity</b>							
Share capital							
Authorised share capital							
1,301,247,241 ordinary shares							
at par value of Baht 5 each							
(2021: 551,247,243 ordinary shares)	25	6,506,236	2,756,236	2,756,236	6,506,236	2,756,236	2,756,236
Issued and paid-up share capital							
1,301,247,241 ordinary shares							
at par value of Baht 5 each							
(2021: 551,247,241 ordinary shares)	25	6,506,236	2,756,236	2,756,236	6,506,236	2,756,236	2,756,236
Share premium	25	18,549,728	4,299,728	4,299,728	18,549,728	4,299,728	4,299,728
Retained earnings							
Appropriated - Legal reserve	26	295,363	275,624	241,903	295,363	275,624	241,903
Unappropriated		2,610,250	2,412,085	2,297,909	2,321,301	2,412,085	2,297,909
Discount from business combination under							
common control							
		(17,030,067)	-	-	(17,676,423)	-	-
Other components of equity							
		-	-	870	-	-	870
<b>Equity attributable to owners of the parent</b>		<b>10,931,510</b>	<b>9,743,673</b>	<b>9,596,646</b>	<b>9,996,205</b>	<b>9,743,673</b>	<b>9,596,646</b>
Equity attributable to former shareholders before							
business combination under common control							
		-	-	-	-	304,537	289,985
Non-controlling interests		101,129	594,674	289,985	-	-	-
<b>Total equity</b>		<b>11,032,639</b>	<b>10,338,347</b>	<b>9,886,631</b>	<b>9,996,205</b>	<b>10,048,210</b>	<b>9,886,631</b>
<b>Total liabilities and equity</b>		<b>25,042,277</b>	<b>20,233,864</b>	<b>21,506,055</b>	<b>22,923,156</b>	<b>19,789,727</b>	<b>21,510,374</b>

The accompanying notes are an integral part of these consolidated and separate financial statements.

**Srisawad Capital 1969 Public Company Limited**  
**(Former name “ Srisawad Finance Public Company Limited”)**  
**Statement of Comprehensive Income**  
**For the year ended 31 December 2022**

	Notes	Consolidated financial statements		Separate financial statements (Restated)	
		2022	2021	2022	2021
		Baht'000	Baht'000	Baht'000	Baht'000
<b>Revenue</b>					
Interest income		3,073,456	2,235,770	608,652	1,570,538
Other income	28	705,647	388,692	574,165	418,105
<b>Total revenue</b>		<b>3,779,103</b>	<b>2,624,462</b>	<b>1,182,817</b>	<b>1,988,643</b>
<b>Expenses</b>					
Servicing expenses	29	396,388	115,569	6,515	4,976
Administrative expenses	29	1,527,537	890,492	387,443	799,008
Expected credit loss (Reversal)	30	89,874	(93,259)	(81,944)	(180,944)
<b>Total expenses</b>		<b>2,013,799</b>	<b>912,802</b>	<b>312,014</b>	<b>623,040</b>
<b>Profit before finance costs and income tax expense</b>		<b>1,765,304</b>	<b>1,711,660</b>	<b>870,803</b>	<b>1,365,603</b>
Finance costs		(394,674)	(204,416)	(393,558)	(204,416)
<b>Profit before income tax expense</b>		<b>1,370,630</b>	<b>1,507,244</b>	<b>477,245</b>	<b>1,161,187</b>
Income tax expense	31	(233,635)	(302,585)	(82,455)	(233,453)
<b>Net profit for the year</b>		<b>1,136,995</b>	<b>1,204,659</b>	<b>394,790</b>	<b>927,734</b>
<b>Other comprehensive income</b>					
<i>Item that will be reclassified subsequently to profit or loss</i>					
Change in fair value of investment in debt instruments at fair value through other comprehensive income		-	(1,088)	-	(1,088)
Income tax relating to item that will be reclassified subsequently to profit or loss		-	218	-	218
Total items that will be reclassified subsequently to profit or loss		-	(870)	-	(870)
<i>Item that will not be reclassified subsequently to profit or loss</i>					
Remeasurements of post-employment benefit obligations		11,648	8,078	11,648	8,078
Income tax relating to items that will not be reclassified subsequently to profit or loss		(2,329)	(1,616)	(2,329)	(1,616)
Total Items that will not be reclassified subsequently to profit or loss		9,319	6,462	9,319	6,462
<b>Total comprehensive income for the year</b>		<b>1,146,314</b>	<b>1,210,251</b>	<b>404,109</b>	<b>933,326</b>

The accompanying notes are an integral part of these consolidated and separate financial statements.

**Srisawad Capital 1969 Public Company Limited**  
**(Former name “ Srisawad Finance Public Company Limited”)**  
**Statement of Comprehensive Income (Cont'd)**  
**For the year ended 31 December 2022**

		Consolidated financial statements		Separate financial statements	
				(Restated)	
		2022	2021	2022	2021
	Notes	000'Baht	000'Baht	000'Baht	000'Baht
<b>Profit attributable to:</b>					
Owners of the parent		660,607	913,182	371,658	913,182
Interest before business combinations					
under common control		-	-	23,132	14,552
Non-controlling interests		476,388	291,477	-	-
		<u>1,136,995</u>	<u>1,204,659</u>	<u>394,790</u>	<u>927,734</u>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		669,926	918,774	380,977	918,774
Interest before business combinations					
under common control		-	-	23,132	14,552
Non-controlling interests		476,388	291,477	-	-
		<u>1,146,314</u>	<u>1,210,251</u>	<u>404,109</u>	<u>933,326</u>
<b>Earnings per share</b>					
Basic earnings per share (Baht per share)	32	0.84	1.66	0.47	1.66

The accompanying notes are an integral part of these consolidated and separate financial statements.

**Srisawad Capital 1969 Public Company Limited**  
**(Former name “ Srisawad Finance Public Company Limited”)**  
**Statement of Changes in Equity**  
**For the year ended 31 December 2022**

Consolidated financial statements											
Notes	Issued and paid-up share capital Baht'000	Share premium Baht'000	Retained	Retained earnings Unappropriated Baht'000	Discount from business combination under common control Baht'000	Other components of equity		Total owners of the parent Baht'000	Non-controlling interests Baht'000	Total equity Baht'000	
			Appropriated			Other comprehensive income (loss)					
			- Legal			Measurement of debt					
			reserve			instruments at	Total other				
			Baht'000			fair value through other	components				
Baht'000	comprehensive income	of equity									
Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	
Opening balance as at 1 January 2021	2,756,236	4,299,728	241,903	2,297,909	-	870	870	9,596,646	289,985	9,886,631	
Transactions with owners during the year											
Dividends	27	-	-	-	(771,747)	-	-	-	(771,747)	-	(771,747)
Changes in non-controlling interest from investment											
in subsidiaries		-	-	-	-	-	-	-	13,212	13,212	
Legal reserve	26	-	-	33,721	(33,721)	-	-	-	-	-	-
Total comprehensive income (loss) for the year		-	-	-	919,644	-	(870)	(870)	918,774	291,477	1,210,251
Closing balance as at 31 December 2021		2,756,236	4,299,728	275,624	2,412,085	-	-	-	9,743,673	594,674	10,338,347
Opening balance as at 1 January 2022		2,756,236	4,299,728	275,624	2,412,085	-	-	-	9,743,673	594,674	10,338,347
Transactions with owners during the year											
Proceeds from shares issued	25	3,750,000	14,250,000	-	-	-	-	-	18,000,000	-	18,000,000
Dividends	27	-	-	-	(452,022)	-	-	-	(452,022)	-	(452,022)
Business combination under common control	34	-	-	-	-	(17,030,067)	-	-	(17,030,067)	(969,933)	(18,000,000)
Legal reserve	26	-	-	19,739	(19,739)	-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	669,926	-	-	-	669,926	476,388	1,146,314
Closing balance as at 31 December 2022		6,506,236	18,549,728	295,363	2,610,250	(17,030,067)	-	-	10,931,510	101,129	11,032,639

The accompanying notes are an integral part of these consolidated and separate financial statements.

**Srisawad Capital 1969 Public Company Limited**  
**(Former name “ Srisawad Finance Public Company Limited”)**

**Statement of Changes in Equity (Cont'd)**

**For the year ended 31 December 2022**

Separate financial statements										
						Other components of equity				
						Other comprehensive income (loss)		Equity attributable to former shareholders		
						Measurement of debt instruments at fair value through other comprehensive income		Total other components of equity		Equity attributable to former shareholders before business combination under common control
						Discount from business combination under common control				
Notes	Issued and paid-up share capital Baht'000	Share premium Baht'000	Retained earnings Appropriated - Legal reserve Baht'000	Retained earnings Unappropriated Baht'000		Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Opening balance as at 1 January 2021										
- previously reported	2,756,236	4,299,728	241,903	2,297,909			870	870	9,596,646	-
Retrospective adjustments from business combination under common control	-	-	-	-	-	-	-	-	-	289,985
Balance as at 1 January 2021 - restated	2,756,236	4,299,728	241,903	2,297,909	-	870	870	9,596,646	289,985	9,886,631
Transactions with owners during the year										
Dividends	27	-	-	(771,747)	-	-	-	(771,747)	-	(771,747)
Legal reserve	26	-	-	33,721	-	-	-	-	-	-
Total comprehensive income (loss) for the year		-	-	919,644	-	(870)	(870)	918,774	14,552	933,326
Closing balance as at 31 December 2021 - restated	2,756,236	4,299,728	275,624	2,412,085	-	-	-	9,743,673	304,537	10,048,210
Opening balance as at 1 January 2022										
- previously reported	2,756,236	4,299,728	275,624	2,412,085	-	-	-	9,743,673	-	9,743,673
Retrospective adjustments from business combination under common control	-	-	-	-	-	-	-	-	304,537	304,537
Balance as at 1 January 2022 - restated	2,756,236	4,299,728	275,624	2,412,085	-	-	-	9,743,673	304,537	10,048,210
Transactions with owners during the year										
Proceeds from shares issued	25	3,750,000	14,250,000	-	-	-	-	18,000,000	-	18,000,000
Dividends	27	-	-	(452,022)	-	-	-	(452,022)	-	(452,022)
Business combination under common control	35	-	-	-	(17,676,423)	-	-	(17,676,423)	(327,669)	(18,004,092)
Legal reserve	26	-	-	19,739	-	-	-	-	-	-
Total comprehensive income for the year		-	-	380,977	-	-	-	380,977	23,132	404,109
Closing balance as at 31 December 2022	6,506,236	18,549,728	295,363	2,321,301	(17,676,423)	-	-	9,996,205	-	9,996,205

The accompanying notes are an integral part of these consolidated and separate financial statements.

**Srisawad Capital 1969 Public Company Limited**  
**(Former name “ Srisawad Finance Public Company Limited”)**  
**Statement of Cash Flows**  
**For the year ended 31 December 2022**

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2022	2021	2022	(Restated) 2021
		Baht'000	Baht'000	Baht'000	Baht'000
<b>Cash flows from operating activities</b>					
Profit from operating activities before income tax expense		1,370,630	1,507,244	477,245	1,161,187
<b>Adjustments:</b>					
Depreciation and amortisation	17, 18	60,043	56,482	49,060	54,840
Losses on disposal assets		78	1,406	78	1,406
Losses on sales of properties foreclosed		174,752	75,834	7,783	30,911
Gain on termination of lease		(759)	-	(759)	-
Gain on sale of receivables		(65,000)	-	(65,000)	-
Diminution in value of properties for sale (reversal)	16	24,888	22,599	(7,018)	1,673
Amortisation of discount on investments in debt instruments measured at fair value through other comprehensive income		-	(10)	-	-
Losses (gains) on financial instruments measured at fair value through profit or loss	12.1	15,923	(71,337)	15,923	(71,337)
Expected credit loss (Reversal)	30	89,874	(93,259)	(81,944)	(180,944)
Provision expenses	22	4,970	5,139	4,970	5,139
Interest income		(3,074,138)	(2,250,696)	(1,013,050)	(1,676,102)
Finance costs		394,674	204,416	393,558	204,416
Dividend income		(20)	(567)	(20)	(567)
<b>Changes in working capital</b>					
Short-term loans to financial institutions		500,000	3,850,000	500,000	3,850,000
Short-term loans to related parties		-	-	(5,360,000)	-
Long-term loans to related parties		-	-	(8,243,000)	(3,883,100)
Loans to customers		(11,083,022)	3,385,694	3,212,479	7,545,229
Other receivables		(748,406)	(86,192)	(336,710)	(4,284)
Properties for sale		(213,917)	(139,118)	44,562	(46,334)
Amount due from related parties		5,152,689	(4,144,684)	5,144,388	(4,141,382)
Other current assets		(474,131)	(49,949)	(6,168)	4,266
Other non-current assets		(436)	102	-	-
Other payables		(77,894)	(5,405,650)	(710,123)	(5,387,659)
Other current liabilities		7,555	(9,763)	(3,840)	(5,079)
Cash used in operating activities		(7,941,647)	(3,142,309)	(5,977,586)	(2,537,721)
Cash received from interest income		3,202,598	2,565,457	1,093,691	1,976,871
Cash paid for interest expenses		(388,090)	(220,616)	(387,888)	(204,327)
Cash paid for corporate income tax		(202,848)	(320,915)	(138,088)	(320,915)
Net cash used in operating activities		(5,329,987)	(1,118,383)	(5,409,871)	(1,086,092)

The accompanying notes are an integral part of these consolidated and separate financial statements.

**Srisawad Capital 1969 Public Company Limited**  
**(Former name “ Srisawad Finance Public Company Limited”)**  
**Statement of Cash Flows (Cont'd)**  
**For the year ended 31 December 2022**

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2022	2021	2022	(Restated) 2021
		Baht'000	Baht'000	Baht'000	Baht'000
<b>Cash flows from investing activities</b>					
Cash (paid) received for investment in subsidiaries		(26,427)	33,421	(39,768)	(42,500)
Cash received from disposal and redemptions of investments		1,648,964	164,676	1,648,964	164,666
Cash paid for purchase financial assets		-	(1,650,000)	-	(1,650,000)
Cash paid for purchase of equipment	17	(18,981)	(39,782)	(2,738)	(38,985)
Cash received from disposal assets		717	4,953	717	4,953
Cash paid for purchase of intangible assets	18	(10,610)	(8,537)	(795)	(2,911)
Cash received from dividend income		20	567	20	567
Net cash generated (used in) from investing activities		1,593,683	(1,494,702)	1,606,400	(1,564,210)
<b>Cash flows from financing activities</b>					
Cash received from long-term loans from related parties	36 h)	8,935,000	8,171,200	8,935,000	8,171,200
Cash received from short-term borrowings from related parties	36 g)	1,700,000	-	1,532,000	-
Cash paid for long-term loans from related parties	36 h)	(6,550,000)	(4,592,200)	(6,550,000)	(4,592,200)
Cash paid for principal elements of lease liabilities		(17,456)	(22,263)	(15,334)	(22,263)
Dividend paid	27	(452,022)	(771,747)	(452,022)	(771,747)
Net cash generated from financing activities		3,615,522	2,784,990	3,449,644	2,784,990
<b>Net (decrease) increase in cash and cash equivalents</b>		(120,782)	171,905	(353,827)	134,688
Cash and cash equivalents as at 1 January		615,153	443,248	577,936	443,248
<b>Cash and cash equivalents as at 31 December</b>		494,371	615,153	224,109	577,936
<b>Cash and cash equivalents consist of :</b>					
Cash		42	36	26	26
Bank deposits		494,329	615,117	224,083	577,910
<b>Total cash and cash equivalents</b>		494,371	615,153	224,109	577,936
<b>Non-cash items</b>					
Acquisition of right-of-use assets under lease contracts	17	19,400	4,597	4,456	4,597
Termination of lease		11,114	-	11,114	-
Transfer to assets-in-use		3,623	3,963	3,623	3,963

The accompanying notes are an integral part of these consolidated and separate financial statements.

## **1 General information**

Srisawad Capital 1969 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, 1<sup>st</sup>, 3<sup>rd</sup>, 6<sup>th</sup> Floor, 99/392, Chaeng Watthana 10 Alley, 3 Sub Alley, Chaeng Watthana Road, Thungsonghong, Laksi, Bangkok, 10210.

The principal business operations of the Company and its subsidiaries (“the Group”) are engaged in the financial services specifically hire-purchase and loan.

In September 2022, the Company cancelled the finance business licence, acquired ordinary shares of Srisawad Capital Co., Ltd. and its subsidiaries totalling 60,000,000 shares at Baht 18,000 million by issuing 750,000,000 ordinary shares and the Company’s name change registration was effective which the Company’s name changed to Srisawad Capital 1969 PCL.

In December 2022, the Company has received the entire business transfer from Srisawad Capital Co., Ltd. which are in the same group and are under common control.

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

The financial statements were authorised for issue by the Board of Directors on 27 February 2023.

## **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 Group’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 Group has continued to provide financial assistance to debtors impacted by COVID-19 following the Bank of Thailand’s measures until 31 December 2023 by allowing a loan payment holiday or extending repayment terms for at least two months or two installments.

### **3 Basis of preparation**

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except certain financial assets and liabilities, and employee benefit obligations.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’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 8.

An English version of the consolidated and separate financial statements has been prepared from the statutory 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 statutory 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 2022 that are relevant and impact to the Group**

##### **Accounting guidance on temporary relief measures for entities assisting debtors affected by the COVID-19 pandemic**

The Group which assists debtors affected by the COVID-19 pandemic can apply the accounting guidance announced by TFAC based on BOT circular For. Nor. Sor 2. Wor. 802/2564 to help debtors between 1 January 2022 and 31 December 2023. The key relief measures involve, for example, the consideration for debt staging for ECL calculation where there is debt restructuring, revising EIR for the restructured debt and ECL calculation regarding unused credit line.

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

#### 4.2 Amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2023 that are relevant and impact to the Group

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

- a) **Amendment to TAS 16 - Property, plant and equipment** clarified to prohibit entities from deducting from the cost of an item of PP&E any proceeds received from selling any items produced while the entity is preparing that asset for its intended use.
- b) **Amendment to TAS 37 - Provisions, contingent liabilities and contingent assets** clarified that, in considering whether a contract is onerous, the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling the contract. Before recognising a separate provision for an onerous contract, the entity must recognise any impairment losses that have occurred on the assets used in fulfilling the contract.
- c) **Amendment to TFRS 3 - Business combinations** clarified some minor amendments to update its references to the Conceptual Framework for Financial Reporting and added a consideration for the recognition of liabilities and contingent liabilities acquired from business combinations. The amendments also confirmed that contingent assets shouldn't be recognised at the acquisition date.
- d) **Amendment to TFRS 9 - Financial Instruments** clarified which fees should be included in the 10% test for the derecognition of financial liabilities. It should only include fees between the borrower and lender.

## 5 Restatements

From the result of an entire business transfer under common control as disclosed in Note 35, the Company restated prior year financial statements for comparison purpose in order to comply with the guidelines for transactions in respect of business combination under common control announced by the Federation of Accounting Professions.

The effects of a transaction to the statement of financial position are as follows;

**Srisawad Capital 1969 Public Company Limited**  
**(Former name “Srisawad Finance Public Company Limited”)**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2022**

	As at 31 December 2021			As at 1 January 2021		
	Previously presented <sup>(1)</sup> Baht'000	Adjustment Baht'000	Restated Baht'000	Previously presented <sup>(1)</sup> Baht'000	Adjustment Baht'000	Restated Baht'000
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	553,909	24,027	577,936	425,310	17,938	443,248
Current portion of loans to customers and accrued interest, net	3,617,327	355,271	3,972,598	8,429,880	1,037,242	9,467,122
Current portion of long-term loans to related parties and accrued interest receivables	-	814,100	814,100	-	3,383	3,383
Other receivables	26,685	7,204	33,889	34,051	4,879	38,930
Other current assets	416	4	420	424	1	425
<b>Non-current assets</b>						
Financial assets measured at fair value through profit or loss	1,692,789	-	1,692,789	54,128	2,500	56,628
Investments in subsidiaries	-	45,000	45,000	-	-	-
Loans to customers and accrued interest, net	696,993	1,153,375	1,850,368	3,054,677	814,383	3,869,060
Long-term loans to related parties	-	3,082,992	3,082,992	-	-	-
Property, plant and equipment, net	146,652	17,962	164,614	140,534	9,898	150,432
Right-of-use assets, net	185,180	4,811	189,991	339,777	3,231	343,008
Intangible assets, net	13,159	27,468	40,627	13,677	28,898	42,575
Deferred tax assets	15,581	7,086	22,667	7,703	4,114	11,817
Other non-current assets	-	620	620	-	722	722

**Srisawad Capital 1969 Public Company Limited**  
**(Former name “Srisawad Finance Public Company Limited”)**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2022**

	As at 31 December 2021			As at 1 January 2021		
	Previously presented (1) Baht'000	Adjustment Baht'000	Restated Baht'000	Previously presented (1) Baht'000	Adjustment Baht'000	Restated Baht'000
<b>Liabilities and equity</b>						
<b>Current liabilities</b>						
Current portion of lease liabilities	14,638	2,349	16,987	21,298	1,385	22,683
Short-term borrowings from related party	-	-	-	-	1,598,200	1,598,200
Other payables	4,174,785	48,524	4,223,309	9,398,899	35,097	9,433,996
Income tax payable	92,514	3,577	96,091	171,306	-	171,306
Other current liabilities	13,547	337	13,884	18,727	236	18,963
<b>Non-current liabilities</b>						
Long-term loans from related party	-	5,177,200	5,177,200	-	-	-
Lease liabilities	189,648	1,786	191,434	330,601	1,397	331,998
Provision for decommissioning costs	2,828	1,610	4,438	4,759	889	5,648
<b>Equity</b>						
Equity attributable to former shareholders before business combination under common control	-	304,537	304,537	-	289,985	289,985

**Srisawad Capital 1969 Public Company Limited**  
**(Former name “Srisawad Finance Public Company Limited”)**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2022**

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The effects to the statement of comprehensive income and cash flows for the year ended 31 December 2021 are as follows;

	<b>For the year ended 31 December 2021</b>		
	<b>Previously presented <sup>(1)</sup></b>	<b>Adjustment</b>	<b>Restated</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
<b>Revenue</b>			
Interest income	1,415,425	155,113	1,570,538
Other income	260,732	157,373	418,105
<b>Expense</b>			
Servicing expenses	4,207	769	4,976
Administrative expenses	721,760	77,248	799,008
Reversal of expected credit loss	(255,104)	74,160	(180,944)
Finance costs	62,325	142,091	204,416
Income tax expense	229,787	3,666	233,453
Cash flow from operating activities	2,429,882	(3,515,975)	(1,086,093)
Cash flow from investing activities	(1,509,400)	(54,809)	(1,564,209)
Cash flow from financing activities	(791,883)	3,576,873	2,784,990

<sup>(1)</sup> The previously presented financial statements have been reclassified in accordance with requirements relating to financial reports issued under the Securities and Exchange Act. The financial statements were previously prepared in the full format as required by 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.

## **6 Accounting policies**

### **6.1 Principles of consolidation accounting**

#### **a) Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost.

#### **b) Changes in ownership interests**

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

#### **c) Intercompany transactions on consolidation**

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

## **6.2 Business combination**

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises:

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree,
- equity interests issued by the Group

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

### *Acquisition-related cost*

Acquisition-related cost are recognised as expenses in consolidated financial statements.

### *Step-up acquisition*

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

### *Changes in fair value of contingent consideration paid/received*

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured

### *Business combination under common control*

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Group retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as “discount arising from business combination under common control” in equity and is derecognised when the investment is disposed of by transferred to retained earnings.

### **6.3 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 Group recognises fees and services income when services rendered.

#### **e) Recognition of expenses**

The Group recognises expenses on an accrual basis.

### **6.4 Cash**

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

### **6.5 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 loans to financial institutions or loans to customers depending on terms as agreed with related counterparties. These receivables are shown as collateralised by the underlying security.

## **6.6 Financial assets**

### **a) Classifications**

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

For investments in equity instruments, the Group 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 Group 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 Group has substantially transferred all the risks and rewards of ownership.

### **c) Measurement**

At initial recognition, the Group 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 Group's business model for managing assets and cash flow characteristics of the financial assets. There are three measurement categories into which the Group 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 Group measures all equity investments at fair value. Where the Group 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 Group 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.

**6.7 Loans to customers**

Secured personal loans and Hire purchase

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 6.8.

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 6.8.

## **6.8 Allowance for expected credit loss**

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

### **a) Simplified approach**

The Group 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 Group 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 Group 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 customers, the impairment will be assessed by using collective approach model with forward looking information adjustment.

### ***Definition of default and credit-impaired financial assets***

The Group 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.

For the reporting periods ending between 1 January 2022 and 31 December 2023, the Group has chosen to apply accounting guidance announced by TFAC based on BOT circular For. Nor. Sor 2. Wor. 802/2564 on temporary relief measures for entities assisting debtors affected by the COVID-19 pandemic (Sustainable Debt Relief Measures) dated 3 September 2021. In case the Group has debt restructuring for loans to customers which makes the original EIR no longer reflect the estimated cash flow which will be received from the loan, the Group will use the revised EIR to calculate the present value of the restructured loan. In addition, the Group also complies with the guidance for debt staging in accordance with the aforementioned accounting.

## **6.9 Properties for sale**

Properties for sale consist of movable and immovable assets, which the Group 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.

## **6.10 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 Group. 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	5-18 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.

### **6.11 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 Group can demonstrate all of the following:

- the expenditure attributable to its development can be measured reliably;
- the Group can demonstrate that it is technically, financially, commercially, and resourcefully feasible; and
- the Group 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.

### **6.12 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.

### **6.13 Leases - where the Group 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 Group. 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.

#### **6.14 Financial liabilities**

##### **a) Classification**

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

- Where the Group 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 Group's own equity instruments.
- Where the Group 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 Group 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.

### **6.15 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.

### **6.16 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 Group pays contributions to a separate fund on a mandatory basis. The Group 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.

## **6.17 Provisions**

Provisions are recognised when: the Group 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.

## **6.18 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

## **6.19 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.

# **7 Financial risk management**

The Group 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 Group's overall risk management programme focuses on the fluctuation of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the Central Treasury Department under policies approved by the Board of Directors. The Group's Treasury identifies, evaluates and hedges financial risks in close cooperation with the Group'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

## **7.1 Financial risk**

### **7.1.1 Credit risk**

#### **a) Loan risk**

The Group has no significant concentrations of credit risk. The Group 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 Group 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 Group 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..

**b) Securities**

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

The Group 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 Group are:

- Real estates
- Vehicles

The Group 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 Group since the prior period.

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

**c) Maximum exposure to credit risk**

The table below shows the maximum credit risk exposure of the Group 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 Group equals to the carrying amount in the statement of financial position as at the reporting date, except as follows:

	<b>Consolidated and separate financial statements</b>
	<b>Maximum exposure Baht'000</b>
<b>31 December 2022</b>	
<b>Credit risk exposures of on-statement of financial position assets:</b>	
Financial assets measured at fair value through other comprehensive income	80,000
	80,000
	<b>Consolidated and separate financial statements</b>
	<b>Maximum exposure Baht'000</b>
<b>31 December 2021 - restated</b>	
<b>Credit risk exposures of on-statement of financial position assets:</b>	
Financial assets measured at fair value through other comprehensive income	80,000
	80,000

### 7.1.2 Interest rate risk

The Group's majority of income and operating cash flows are independent of the changes in market interest rates. Most of the Group's financial assets and liabilities bear floating or fixed interest rates which are similar to the market rates. Besides, the Group will arrange an interest rate swap to manage interest risk in case of necessity. In addition, to reduce interest rate risk, the Group 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 Group's operating performance and its cash flows. However, hedging that risk by using derivatives is considered by the Group as unnecessary since the Management believes that the fluctuation of interest rates in the future market will not materially affect the Group's operating performance.

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

	Consolidated financial statements			
	Outstanding balance of financial instruments			
	Floating interest rate Baht'000	Fixed interest rate Baht'000	Non- interest Baht'000	Total Baht'000
<b>As at 31 December 2022</b>				
Financial assets				
Cash and cash equivalents	-	82,315	412,056	494,371
Financial assets measured at fair value through profit or loss	-	-	27,902	27,902
Financial assets measured at fair value through other comprehensive income	-	80,000	-	80,000
Loans to customers	35,000	20,916,370	-	20,951,370
Other financial assets	-	-	1,701,711	1,701,711
	35,000	21,078,685	2,141,669	23,255,354
Financial liabilities				
Short-term borrowings from related party	-	1,700,000	-	1,700,000
Long-term loans from related party	-	7,562,200	-	7,562,200
Lease liabilities	-	196,598	-	196,598
Other financial liabilities	-	-	3,831,451	3,831,451
	-	9,458,798	3,831,451	13,290,249

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<b>Consolidated financial statements</b>				
<b>Outstanding balance of financial instruments</b>				
	<b>Floating interest rate Baht'000</b>	<b>Fixed interest rate Baht'000</b>	<b>Non- interest Baht'000</b>	<b>Total Baht'000</b>
<b>As at 31 December 2021</b>				
Financial assets				
Cash and cash equivalents	-	322,157	292,996	615,153
Financial assets measured at fair value through profit or loss	-	-	1,692,789	1,692,789
Financial assets measured at fair value through other comprehensive income	-	80,000	-	80,000
Short-term loans to financial institutions	-	500,000	-	500,000
Loans to customers	142,913	9,911,746	-	10,054,659
Other financial assets	-	-	6,764,900	6,764,900
	142,913	10,813,903	8,750,685	19,707,501
Financial liabilities				
Long-term loans from related party	-	5,177,200	-	5,177,200
Lease liabilities	-	208,421	-	208,421
Other financial liabilities	-	175,901	4,015,615	4,191,516
	-	5,561,522	4,015,615	9,577,137
<b>Separate financial statements</b>				
<b>Outstanding balance of financial instruments</b>				
	<b>Floating interest rate Baht'000</b>	<b>Fixed interest rate Baht'000</b>	<b>Non- interest Baht'000</b>	<b>Total Baht'000</b>
<b>As at 31 December 2022</b>				
Financial assets				
Cash and cash equivalents	-	72,514	151,595	224,109
Financial assets measured at fair value through profit or loss	-	-	27,902	27,902
Financial assets measured at fair value through other comprehensive income	-	80,000	-	80,000
Short-term loans to related parties	-	5,360,000	-	5,360,000
Long-term loans to related parties	-	12,126,100	-	12,126,100
Loans to customers	35,000	2,634,056	-	2,669,056
Other financial assets	-	-	1,652,251	1,652,251
	35,000	20,272,670	1,831,748	22,139,418
Financial liabilities				
Short-term borrowings from related party	-	1,532,000	-	1,532,000
Long-term loans from related party	-	7,562,200	-	7,562,200
Lease liabilities	-	185,706	-	185,706
Other financial liabilities	-	-	3,228,872	3,228,872
	-	9,279,906	3,228,872	12,508,778

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	<b>Separate financial statements</b>			
	<b>Outstanding balance of financial instruments</b>			
	<b>Floating interest rate Baht'000</b>	<b>Fixed interest rate Baht'000</b>	<b>Non- interest Baht'000</b>	<b>Total Baht'000</b>
<b>As at 31 December 2021</b>				
<b>- restated</b>				
Financial assets				
Cash and cash equivalents	-	321,196	256,740	577,936
Financial assets measured at fair value through profit or loss	-	-	1,692,789	1,692,789
Financial assets measured at fair value through other comprehensive income	-	80,000	-	80,000
Short-term loans to financial institutions	-	500,000	-	500,000
Long-term loans to related parties	-	3,883,100	-	3,883,100
Loans to customers	142,913	5,833,440	-	5,976,353
Other financial assets	-	-	6,733,740	6,733,740
	142,913	10,617,736	8,683,269	19,443,918
Financial liabilities				
Long-term loans from related party	-	5,177,200	-	5,177,200
Lease liabilities	-	208,421	-	208,421
Other financial liabilities	-	175,901	3,944,694	4,120,595
	-	5,561,522	3,944,694	9,506,216

### 7.1.3 Liquidity risk

Liquidity risk is the risk that the Group 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 Group 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 of the Group, 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.

<b>Consolidated financial statements</b>						
<b>31 December 2022</b>						
	<b>At call Baht'000</b>	<b>Within 1 year Baht'000</b>	<b>1-5 years Baht'000</b>	<b>More than 5 years Baht'000</b>	<b>No maturity date Baht'000</b>	<b>Total Baht'000</b>
Financial assets						
Cash and cash equivalents	494,371	-	-	-	-	494,371
Financial instruments measured at fair value through profit or loss	-	-	-	-	27,902	27,902
Financial instruments measured at fair value through other comprehensive income	-	-	80,000	-	-	80,000
Loans to customers and accrued interest, net	507,978	7,018,346	13,500,628	46,636	-	21,073,588
Other financial assets	1,566,404	237,056	1,968	-	-	1,805,428
	<b>2,568,753</b>	<b>7,255,402</b>	<b>13,582,596</b>	<b>46,636</b>	<b>27,902</b>	<b>23,481,289</b>
Financial liabilities						
Short-term borrowings from related party	1,700,000	-	-	-	-	1,700,000
Long-term loans from related party	-	-	7,562,200	-	-	7,562,200
Lease liabilities	-	27,296	80,232	160,310	-	267,838
Other financial liabilities	3,068,192	804,772	-	-	-	3,872,964
	<b>4,768,192</b>	<b>832,068</b>	<b>7,642,432</b>	<b>160,310</b>	<b>-</b>	<b>13,403,002</b>

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<b>Consolidated financial statements</b>						
<b>31 December 2021</b>						
	<b>At call Baht'000</b>	<b>Within 1 year Baht'000</b>	<b>1-5 years Baht'000</b>	<b>More than 5 years Baht'000</b>	<b>No maturity date Baht'000</b>	<b>Total Baht'000</b>
Financial assets						
Cash and cash equivalents	615,153	-	-	-	-	615,153
Financial instruments measured at fair value through profit or loss	-	-	-	-	1,692,789	1,692,789
Financial instruments measured at fair value through other comprehensive income	-	-	80,000	-	-	80,000
Short-term loans to financial institutions	-	500,000	-	-	-	500,000
Loans to customers and accrued interest, net	166,965	5,980,345	3,953,178	48,925	-	10,149,413
Other financial assets	6,719,093	45,827	1,968	-	-	6,766,888
	7,501,211	6,526,172	4,035,146	48,925	1,692,789	19,804,243
Financial liabilities						
Long-term loans from related party	-	-	5,177,200	-	-	5,177,200
Lease liabilities	-	26,891	83,849	178,458	-	289,198
Other financial liabilities	3,935,649	254,920	7,005	-	-	4,197,574
	3,935,649	281,811	5,268,054	178,458	-	9,663,972
<b>Separate financial statements</b>						
<b>31 December 2022</b>						
	<b>At call Baht'000</b>	<b>Within 1 year Baht'000</b>	<b>1-5 years Baht'000</b>	<b>More than 5 years Baht'000</b>	<b>No maturity date Baht'000</b>	<b>Total Baht'000</b>
Financial assets						
Cash and cash equivalents	224,109	-	-	-	-	224,109
Financial instruments measured at fair value through profit or loss	-	-	-	-	27,902	27,902
Financial instruments measured at fair value through other comprehensive income	-	-	80,000	-	-	80,000
Short-term loans to related parties and accrued interest receivables	5,375,360	-	-	-	-	5,375,360
Long-term loans to related parties and accrued interest receivables	-	3,674,051	8,498,500	-	-	12,172,551
Loans to customers and accrued interest, net	131,084	870,953	1,742,600	46,636	-	2,791,273
Other financial assets	1,566,404	85,845	1,968	-	-	1,654,217
	7,296,957	4,630,849	10,323,068	46,636	27,902	22,325,412
Financial liabilities						
Short-term borrowings from related party	1,532,000	-	-	-	-	1,532,000
Long-term loans from related party	-	-	7,562,200	-	-	7,562,200
Lease liabilities	-	21,350	74,850	160,310	-	256,510
Other financial liabilities	3,069,583	159,289	-	-	-	3,228,872
	4,601,583	180,639	7,637,050	160,310	-	12,579,582

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	Separate financial statements					
	31 December 2021 (Restated)					
	At call Baht'000	Within 1 year Baht'000	1-5 years Baht'000	More than 5 years Baht'000	No maturity date Baht'000	Total Baht'000
Financial assets						
Cash and cash equivalents	577,936	-	-	-	-	577,936
Financial instruments measured at fair value through profit or loss	-	-	-	-	1,692,789	1,692,789
Financial instruments measured at fair value through other comprehensive income	-	-	80,000	-	-	80,000
Short-term loans to financial institutions	-	500,000	-	-	-	500,000
Long-term loans to related parties and accrued interest receivables	-	814,100	3,082,992	-	-	3,897,092
Loans to customers and accrued interest, net	94,423	4,581,413	1,345,006	50,265	-	6,071,107
Other financial assets	6,710,792	22,968	1,968	-	-	6,735,728
	7,383,151	5,918,481	4,509,966	50,265	1,692,789	19,554,652
Financial liabilities						
Long-term loans from related party	-	-	5,177,200	-	-	5,177,200
Lease liabilities	-	26,891	83,849	178,458	-	289,198
Other financial liabilities	3,935,649	183,999	7,005	-	-	4,126,653
	3,935,649	210,890	5,268,054	178,458	-	9,593,051

#### 7.1.4 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.

## 7.2 Capital management

### 7.2.1 Risk management

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

To maintain or adjust the capital structure, the Group may adjust the value of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital based on a gearing ratio which is determined by dividing net debt with equity.

## **8 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.

### **8.1 Impairment**

The Group 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 Group in accordance with the contract and all the cash flows that the Group 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 Group 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 Group 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 Group 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 Group 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.

### **8.2 Valuation of properties for sale**

The Group 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.

### **8.3 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 Group 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 Group 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 22.

### **8.4 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 Group can be recognised, based upon the likely timing and level of estimate future taxable profits.

### **8.5 Determination of lease terms**

Critical judgement in determining the lease term, the Group 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 Group 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 Group 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 Group.

### **8.6 Determination of discount rate applied to lease liabilities**

The Group 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.

## 9 Segment and revenue information

The consolidated financial statement by segment as at 31 December 2022 and 2021 are as follows;

	<b>2022</b>		
	<b>Hire-purchase segment Baht'000</b>	<b>Loan segment Baht'000</b>	<b>Total Baht'000</b>
Interest income	2,487,752	585,704	3,073,456
Other income			705,647
<b>Total revenue</b>			<b>3,779,103</b>
Servicing expenses			396,388
Administrative expenses			1,527,537
Expected credit loss (reversal)	171,818	(81,944)	89,874
<b>Profit before finance costs and income tax expense</b>			<b>1,765,304</b>
Finance costs			(394,674)
<b>Profit before income tax expense</b>			<b>1,370,630</b>
Income tax expense			(233,635)
<b>Net profit for the year</b>			<b>1,136,995</b>
<b>Timing of other income recognition under TFRS 15</b>			
At a point in time			478,510
<b>As at 31 December 2022</b>			
Loans to customers and accrued interest, net	18,137,715	2,681,245	20,818,960
Unallocated assets			4,223,317
<b>Total consolidated assets</b>			<b>25,042,277</b>
Borrowings from related parties			9,262,200
Other payables			4,309,035
Unallocated liabilities			438,403
<b>Total consolidated liabilities</b>			<b>14,009,638</b>

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	<b>2021</b>		
	<b>Hire-purchase segment Baht’000</b>	<b>Loan segment Baht’000</b>	<b>Total Baht’000</b>
Interest income	665,232	1,570,538	2,235,770
Other income			388,692
<b>Total revenue</b>			2,624,462
Servicing expenses			115,569
Administrative expenses			890,492
Expected credit loss (reversal)	87,685	(180,944)	(93,259)
<b>Profit before finance costs and income tax expense</b>			1,711,660
Finance costs			(204,416)
<b>Profit before income tax expense</b>			1,507,244
Income tax expense			(302,585)
<b>Net profit for the year</b>			1,204,659
<b>Timing of other income recognition under TFRS 15</b>			
At a point in time			150,267
<b>As at 31 December 2021</b>			
Loans to customers and accrued interest, net	4,014,031	5,822,967	9,836,998
Unallocated assets			10,396,866
<b>Total consolidated assets</b>			20,233,864
Borrowings from related parties			5,177,200
Other payables			4,298,924
Unallocated liabilities			419,393
<b>Total consolidated liabilities</b>			9,895,517

## 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.

	Consolidated financial statements							
	Level 1		Level 2		Level 3		Total	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
<b>Assets</b>								
Financial assets measured at fair value through profit or loss	-	-	122	1,650,717	27,780	42,072	27,902	1,692,789
Financial assets measured at fair value through other comprehensive income	-	-	36,475	37,131	-	-	36,475	37,131
	-	-	36,597	1,687,848	27,780	42,072	64,377	1,729,920
	Separate financial statements							
	Level 1		Level 2		Level 3		Total	
	31 December 2022	(Restated) 31 December 2021	31 December 2022	(Restated) 31 December 2021	31 December 2022	(Restated) 31 December 2021	31 December 2022	(Restated) 31 December 2021
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
<b>Assets</b>								
Financial assets measured at fair value through profit or loss	-	-	122	1,650,717	27,780	42,072	27,902	1,692,789
Financial assets measured at fair value through other comprehensive income	-	-	36,475	37,131	-	-	36,475	37,131
	-	-	36,597	1,687,848	27,780	42,072	64,377	1,729,920

- 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:

	<b>Consolidated and separate financial statements</b>
	<b>31 December 2022</b>
	<b>Baht'000</b>
<b>Unquoted equity investments</b>	
Beginning balance as at 1 January 2022	42,072
Losses recognised in profit or loss	(14,292)
Ending balance as at 31 December 2022	27,780
Beginning balance as at 1 January 2021 - restated	53,978
Disposal	(51,599)
Gains recognised in profit or loss	39,693
Ending balance as at 31 December 2021 - restated	42,072

### **The Group'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 Group and 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:

	<b>Consolidated and separate financial statements</b>
	<b>Baht'000</b>
<b>Increase (Decrease) impact on profit or loss</b>	
<b>31 December 2022</b>	
Rate increased 5%	(2,778)
Rate decreased 5%	2,778
<b>31 December 2021 - restated</b>	
Rate increased 5%	(4,207)
Rate decreased 5%	4,207

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**11 Financial assets and liabilities classification**

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

<b>Consolidated financial statements</b>				
<b>31 December 2022</b>				
	<b>Financial instruments measured at fair value through profit or loss Baht'000</b>	<b>Financial instruments measured at fair value through other comprehensive income Baht'000</b>	<b>Financial instruments measured at amortised cost Baht'000</b>	<b>Total Baht'000</b>
Financial assets				
Cash and cash equivalents	-	-	494,371	494,371
Financial assets measured at fair value through profit or loss	27,902	-	-	27,902
Financial assets measured at fair value other comprehensive income	-	36,475	-	36,475
Loans to customers and accrued interest, net	-	-	21,073,587	21,073,587
Other financial assets	-	-	1,703,679	1,703,679
<b>Total</b>	<b>27,902</b>	<b>36,475</b>	<b>23,271,637</b>	<b>23,336,014</b>
Financial liabilities				
Short-term borrowings from related party	-	-	1,700,000	1,700,000
Long-term loans from related party	-	-	7,562,200	7,562,200
Lease liabilities	-	-	196,598	196,598
Other financial liabilities	-	-	3,832,219	3,832,219
<b>Total</b>	<b>-</b>	<b>-</b>	<b>13,291,017</b>	<b>13,291,017</b>
<b>Consolidated financial statements</b>				
<b>31 December 2021</b>				
	<b>Financial instruments measured at fair value through profit or loss Baht'000</b>	<b>Financial instruments measured at fair value through other comprehensive income Baht'000</b>	<b>Financial instruments measured at amortised cost Baht'000</b>	<b>Total Baht'000</b>
Financial assets				
Cash and cash equivalents	-	-	615,153	615,153
Financial assets measured at fair value through profit or loss	1,692,789	-	-	1,692,789
Financial assets measured at fair value through other comprehensive income	-	37,131	-	37,131
Short-term loans to financial institutions	-	-	500,000	500,000
Loans to customers and accrued interest receivables - net	-	-	10,149,413	10,149,413
Other financial assets	-	-	6,766,888	6,766,888
<b>Total</b>	<b>1,692,789</b>	<b>37,131</b>	<b>18,031,454</b>	<b>19,761,374</b>
Financial liabilities				
Long-term loans from related party	-	-	5,177,200	5,177,200
Lease liabilities	-	-	208,421	208,421
Other financial liabilities	-	-	4,197,574	4,197,574
<b>Total</b>	<b>-</b>	<b>-</b>	<b>9,583,195</b>	<b>9,583,195</b>

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<b>Separate financial statements</b>				
<b>31 December 2022</b>				
	<b>Financial instruments measured at fair value through profit or loss Baht'000</b>	<b>Financial instruments measured at fair value through other comprehensive income Baht'000</b>	<b>Financial instruments measured at amortised cost Baht'000</b>	<b>Total Baht'000</b>
Financial assets				
Cash and cash equivalents	-	-	224,109	224,109
Financial assets measured at fair value through profit or loss	27,902	-	-	27,902
Financial assets measured at fair value through other comprehensive income	-	36,475	-	36,475
Investments in subsidiaries	-	-	84,768	84,768
Short-term loans to related parties and accrued interest receivables	-	-	5,375,360	5,375,360
Long-term loans to related parties and accrued interest receivables	-	-	12,172,551	12,172,551
Loans to customers and accrued interest receivables - net	-	-	2,791,273	2,791,273
Other financial assets	-	-	1,552,470	1,552,470
<b>Total</b>	<b>27,902</b>	<b>36,475</b>	<b>22,200,531</b>	<b>22,264,908</b>
Financial liabilities				
Short-term borrowings from related party	-	-	1,532,000	1,532,000
Long-term loans from related party	-	-	7,562,200	7,562,200
Lease liabilities	-	-	185,706	185,706
Other financial liabilities	-	-	3,228,872	3,228,872
<b>Total</b>	<b>-</b>	<b>-</b>	<b>12,508,778</b>	<b>12,508,778</b>
<b>Separate financial statements</b>				
<b>31 December 2021 (Restated)</b>				
	<b>Financial instruments measured at fair value through profit or loss Baht'000</b>	<b>Financial instruments measured at fair value through other comprehensive income Baht'000</b>	<b>Financial instruments measured at amortised cost Baht'000</b>	<b>Total Baht'000</b>
Financial assets				
Cash and cash equivalents	-	-	577,936	577,936
Financial assets measured at fair value through profit or loss	1,692,789	-	-	1,692,789
Financial assets measured at fair value through other comprehensive income	-	37,131	-	37,131
Investments in subsidiaries	-	-	45,000	45,000
Short-term loans to related parties and accrued interest receivables	-	-	824,992	824,992
Long-term loans to related parties and accrued interest receivables	-	-	3,072,100	3,072,100
Short-term loans to financial institutions	-	-	500,000	500,000
Loans to customers and accrued interest receivables - net	-	-	6,071,107	6,071,107
Other financial assets	-	-	6,735,728	6,735,728
<b>Total</b>	<b>1,692,789</b>	<b>37,131</b>	<b>17,826,863</b>	<b>19,556,783</b>
Financial liabilities				
Long-term loans from related party	-	-	5,177,000	5,177,000
Lease liabilities	-	-	208,420	208,420
Other financial liabilities	-	-	4,126,653	4,126,653
<b>Total</b>	<b>-</b>	<b>-</b>	<b>9,512,073</b>	<b>9,512,073</b>

## 12 Financial assets

### 12.1 Financial assets measured at fair value through profit or loss

- a) Classification of financial assets at fair value through profit or loss are as follows:

	Consolidated and separate financial statements	
	2022	(Restated) 2021
	Fair value Baht'000	Fair value Baht'000
Domestic marketable equity securities and unit trusts	122	1,650,716
Domestic non-marketable equity securities	27,780	42,073
Total	27,902	1,692,789

- b) Amounts recognised in profit or loss

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

	Consolidated and separate financial statements	
	2022	(Restated) 2021
	Fair value Baht'000	Fair value Baht'000
<b>Domestic marketable equity securities and unit trusts</b>		
(Loss) Gain on changes in fair value - net	(595)	566
Loss on disposal of financial instruments	(1,036)	-
	(1,631)	566
<b>Domestic non-marketable equity securities</b>		
Gain on changes in fair value - net	-	39,693
(Loss) Gain on disposal of financial instruments	(14,292)	31,078
	(14,292)	70,771
Total	(15,923)	71,337

### 12.2 Financial assets measured at fair value through other comprehensive income

	Consolidated and separate financial statements	
	2022	(Restated) 2021
	Fair value Baht'000	Fair value Baht'000
Government and state enterprise securities	80,000	80,000
<u>Less: Allowance for expected credit loss</u>	(43,525)	(42,869)
Total	36,475	37,131

### 12.3 Offsetting financial assets

There is no offsetting financial assets as at 31 December 2022 for consolidated and separate financial statements.

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 as at 31 December 2021.

	Consolidated financial statements					
	31 December 2021					
	Effects of offsetting on the financial position			Related amounts not offset		
	Gross amount set off in the financial position	Net amount presented in the financial position		Cash collateral	Non-cash collateral*	Net amount
	Gross amount Baht'000	Gross amount set off in the financial position Baht'000	Net amount presented in the financial position Baht'000	Cash collateral Baht'000	Non-cash collateral* Baht'000	Net amount Baht'000
Financial assets						
Reverse repurchases agreements	500	-	500	-	(500)	-
Total financial assets	500	-	500	-	(500)	-
	Separate financial statements					
	31 December 2021 (Restated)					
	Effects of offsetting on the financial position			Related amounts not offset		
	Gross amount set off in the financial position	Net amount presented in the financial position		Cash collateral	Non-cash collateral*	Net amount
	Gross amount Baht'000	Gross amount set off in the financial position Baht'000	Net amount presented in the financial position Baht'000	Cash collateral Baht'000	Non-cash collateral* Baht'000	Net amount Baht'000
Financial assets						
Reverse repurchase agreements	500	-	500	-	(500)	-
Total financial assets	500	-	500	-	(500)	-

\* 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.

### 13 Investments in subsidiaries

As at 31 December 2022, the subsidiaries included in consolidated financial statements are listed below. The subsidiaries have only ordinary shares in which the Group directly holds those shares. The proportion of ownership interests held by the Group is equal to voting rights in subsidiaries that the Group holds.

Investments in subsidiaries as at the date of the statement of financial position are as follows:

					Separate financial statements	
					Investment at cost method	
					(Restated)	
Company name	Country of incorporation	Nature of business	Percentage of holding		2022 Baht'000	2021 Baht'000
			2022 %	(Restated) 2021 %		
<b>Subsidiaries</b>						
S Leasing Co., Ltd.	Thailand	Hire-purchase	90.00	90.00	45,000	45,000
Cathay Leasing Co., Ltd.	Thailand	Hire-purchase	100.00	-	39,768	-
<b>Total</b>					84.768	45.000

Movements of the investments in subsidiaries for the years are as follows:

	Separate financial statements	
	2022 Baht'000	(Restated) 2021 Baht'000
Opening net book value	45,000	-
Addition of investment in subsidiary	39,768	45,000
Closing net book value	84,768	45,000

#### Transactions incurred during 2022

On 11 April 2022, the Extraordinary General Meeting of Srisawad Capital Co., Ltd. no. 2/2565 approved the acquisition of 499,998 ordinary shares of Cathay Leasing Co. Ltd. at Baht 39.77 million. As a result, the Company holds an investment proportion on Cathay Leasing Co., Ltd. at 100.00% of the total outstanding shares.

#### Transactions incurred during 2021

On 31 March 2021, Srisawad Capital Co., Ltd. acquired 425,000 additional shares of S Leasing Co. Ltd. at Baht 42.5 million. As a result, the Group's investment proportion increased from 3.25% to 58.50% of total outstanding shares and the Group gained control over S Leasing Co., Ltd.

## **14 Loans to customers and accrued interest receivables, net**

### **14.1 Classified by product**

The Group's loans to customers, classified by product, as at 31 December 2022 and 2021

	<b>Consolidated financial statements</b>	
	<b>2022 Baht'000</b>	<b>2021 Baht'000</b>
Loan receivables	26,546,380	12,060,775
Less: Unearned interest income	(5,595,010)	(2,006,116)
Total loans to customers net of deferred revenues	20,951,370	10,054,659
Add: Accrued interest receivables	122,217	94,754
Total loans to customers and accrued interest receivables	21,073,587	10,149,413
Less: Allowance for expected credit loss (Note 15)	(254,627)	(312,415)
Total Loans to customers and accrued interest receivables, net	20,818,960	9,836,998
	<b>Separate financial statements</b>	
	<b>2022 Baht'000</b>	<b>(Restated) 2021 Baht'000</b>
Loan receivables	2,669,056	6,406,427
Less: Unearned interest income	-	(430,074)
Total loans to customers net of deferred revenues	2,669,056	5,976,353
Add: Accrued interest receivables	122,217	94,754
Total loans to customers and accrued interest receivables	2,791,273	6,071,107
Less: Allowance for expected credit loss (Note 15)	(110,026)	(248,141)
Total Loans to customers and accrued interest receivables, net	2,681,247	5,822,966

#### 14.2 Classified by residence of customers

The Group's loans to customers, classified by residence, as at 31 December 2022 and 2021

	<b>Consolidated financial statements</b>	
	<b>2022 Baht'000</b>	<b>2021 Baht'000</b>
Domestic	21,073,587	10,149,413
Total loans to customers net of deferred revenues	21,073,587	10,149,413
	<b>Separate financial statements</b>	
	<b>2022 Baht'000</b>	<b>(Restated) 2021 Baht'000</b>
Domestic	2,791,273	6,071,107
Total loans to customers net of deferred revenues	2,791,273	6,071,107

#### 14.3 Classified by staging

The Group's loans to customers, classified by staging, as at 31 December 2022 and 2021

	<b>Consolidated financial statements</b>	
	<b>2022</b>	<b>2021</b>
	<b>Loans to customers and accrued interest receivables Baht'000</b>	<b>Loans to customers and accrued interest receivables Baht'000</b>
Performing financial assets	19,788,188	8,243,754
Under-performing financial assets	894,923	1,168,626
Non-performing financial assets	390,476	737,033
Total loans to customers and accrued interest receivables	21,073,587	10,149,413
	<b>Separate financial statements</b>	
	<b>2022</b>	<b>(Restated) 2021</b>
	<b>Loans to customers and accrued interest receivables Baht'000</b>	<b>Loans to customers and accrued interest receivables Baht'000</b>
Performing financial assets	2,683,024	4,475,156
Under-performing financial assets	38,930	999,852
Non-performing financial assets	69,319	596,099
Total loans to customers and accrued interest receivables	2,791,273	6,071,107

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. (For the year ended 31 December 2022: None)

#### 14.4 Non-performing loans

the Group and 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:

	<b>Consolidated financial statements</b>	
	<b>2022 Baht'000</b>	<b>2021 Baht'000</b>
Non-performing loans (excluding accrued interest receivables)	390,476	737,033
Percentage of non-performing loans to total loans (including loans to financial institutions)	1.86	6.98
	<b>Separate financial statements (Restated)</b>	
	<b>2022 Baht'000</b>	<b>2021 Baht'000</b>
Non-performing loans (excluding accrued interest receivables)	69,319	596,099
Percentage of non-performing loans to total loans (including loans to financial institutions)	2.60	9.20

#### 15 Allowance for expected credit loss

	<b>Consolidated financial statements</b>				
	<b>31 December 2022</b>				
	<b>Allowance for expected credit loss</b>				
	<b>12-month ECL Baht'000</b>	<b>Lifetime ECL - not credit impaired Baht'000</b>	<b>Lifetime ECL - credit impaired Baht'000</b>	<b>Allowance established in excess Baht'000</b>	<b>Total Baht'000</b>
Loans to customers and accrued interest receivables, net					
As at 1 January 2022	47,484	47,109	144,349	73,473	312,415
Reclassification	(425)	5,580	(5,155)	-	-
Change in value of allowance for expected credit loss/ remeasurement	4,327	350	67,264	-	71,941
Purchase or origination of financial assets	83,655	17,380	11,555	-	112,590
Derecognition of financial assets (Collection, closed accounts, and closed accounts at maturity)	(23,886)	(36,229)	(108,731)	(73,473)	(242,319)
As at 31 December 2022	111,155	34,190	109,282	-	254,627

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<b>Consolidated financial statements</b>					
<b>31 December 2021</b>					
<b>Allowance for expected credit loss</b>					
<b>12-month ECL</b>	<b>Lifetime</b>	<b>Lifetime</b>	<b>Allowance</b>		
<b>Baht'000</b>	<b>ECL - not credit</b>	<b>ECL - credit</b>	<b>established</b>		
	<b>impaired</b>	<b>impaired</b>	<b>in excess</b>		<b>Total</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>		<b>Baht'000</b>
Loans to customers and accrued interest receivables, net					
As at 1 January 2021	70,544	209,469	120,829	73,473	474,315
Reclassification	(8,847)	(16,829)	25,676	-	-
Change in value of allowance for expected credit loss/remeasurement	1,292	(6,819)	(3,392)	-	(8,919)
Purchase or origination of financial assets	31,782	12,988	51,169	-	95,939
Derecognition of financial assets (Collection, closed accounts, and closed accounts at maturity)	(47,287)	(151,700)	(49,933)	-	(248,920)
As at 31 December 2021	47,484	47,109	144,349	73,473	312,415
<b>Separate financial statements</b>					
<b>31 December 2022</b>					
<b>Allowance for expected credit loss</b>					
<b>12-month ECL</b>	<b>Lifetime</b>	<b>Lifetime</b>	<b>Allowance</b>		
<b>Baht'000</b>	<b>ECL - not credit</b>	<b>ECL - credit</b>	<b>established</b>		
	<b>impaired</b>	<b>impaired</b>	<b>in excess</b>		<b>Total</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>		<b>Baht'000</b>
Loans to customers and accrued interest receivables, net					
As at 1 January 2022	36,586	36,013	102,069	73,473	248,141
Reclassification	(263)	848	(585)	-	-
Change in value of allowance for expected credit loss/remeasurement	4,037	2,764	23,943	-	30,744
Purchase or origination of financial assets	26,306	1,486	1,085	-	28,877
Derecognition of financial assets (Collection, closed accounts, and closed accounts at maturity)	(22,514)	(35,965)	(65,784)	(73,473)	(197,736)
As at 31 December 2022	44,152	5,146	60,728	-	110,026
<b>Separate financial statements</b>					
<b>31 December 2021 (Restated)</b>					
<b>Allowance for expected credit loss</b>					
<b>12-month ECL</b>	<b>Lifetime</b>	<b>Lifetime</b>	<b>Allowance</b>		
<b>Baht'000</b>	<b>ECL - not credit</b>	<b>ECL - credit</b>	<b>established</b>		
	<b>impaired</b>	<b>impaired</b>	<b>in excess</b>		<b>Total</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>		<b>Baht'000</b>
Loans to customers and accrued interest receivables, net					
As at 1 January 2021	70,544	209,469	120,829	73,473	474,315
Reclassification	(8,847)	(16,829)	25,676	-	-
Change in value of allowance for expected credit loss/remeasurement	1,292	(6,819)	(3,392)	-	(8,919)
Purchase or origination of financial assets	20,884	1,892	8,889	-	31,665
Derecognition of financial assets (Collection, closed accounts, and closed accounts at maturity)	(47,287)	(151,700)	(49,933)	-	(248,920)
As at 31 December 2021	36,586	36,013	102,069	73,473	248,141

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**16 Properties for sale, net**

<b>Consolidated financial statements</b>					
<b>31 December 2022</b>					
	<b>Beginning balance Baht'000</b>	<b>Addition Baht'000</b>	<b>Disposal Baht'000</b>	<b>Transfer to premises and equipment Baht'000</b>	<b>Ending balance Baht'000</b>
<b>Type of properties for sale</b>					
Properties for repayment of debt					
Non-movable properties	11,449	-	(2,321)	-	9,128
Movable properties	112,557	561,262	(519,776)	(3,623)	150,420
Total properties for sale	124,006	561,262	(522,097)	(3,623)	159,548
Less: Allowance for impairment	(39,916)				(64,804)
Total properties for sale - net	84,090				94,744
<b>Consolidated financial statements</b>					
<b>31 December 2021</b>					
	<b>Beginning balance Baht'000</b>	<b>Addition Baht'000</b>	<b>Disposal Baht'000</b>	<b>Transfer to premises and equipment Baht'000</b>	<b>Ending balance Baht'000</b>
<b>Type of properties for sale</b>					
Properties for repayment of debt					
Non-movable properties	11,449	-			11,449
Movable properties	49,273	353,630	(286,383)	(3,963)	112,557
Total properties for sale	60,722	353,630	(286,383)	(3,963)	124,006
Less: Allowance for impairment	(17,316)				(39,916)
Total properties for sale - net	43,406				84,090
<b>Separate financial statements</b>					
<b>31 December 2022</b>					
	<b>Beginning balance Baht'000</b>	<b>Addition Baht'000</b>	<b>Disposal Baht'000</b>	<b>Transfer to premises and equipment Baht'000</b>	<b>Ending balance Baht'000</b>
<b>Type of properties for sale</b>					
Properties for repayment of debt					
Non-movable properties	11,449	-	(2,321)	-	9,128
Movable properties	60,734	16,797	(66,822)	(3,623)	7,086
Total properties for sale	72,183	16,797	(69,143)	(3,623)	16,214
Less: Allowance for impairment	(18,990)				(11,971)
Total properties for sale - net	53,193				4,243
<b>Separate financial statements</b>					
<b>31 December 2021 (Restated)</b>					
	<b>Beginning balance Baht'000</b>	<b>Addition Baht'000</b>	<b>Disposal Baht'000</b>	<b>Transfer to premises and equipment Baht'000</b>	<b>Ending balance Baht'000</b>
<b>Type of properties for sale</b>					
Properties for repayment of debt					
Non-movable properties	11,449	-	-	-	11,449
Movable properties	49,273	189,627	(174,203)	(3,963)	60,734
Total properties for sale	60,722	189,627	(174,203)	(3,963)	72,183
Less: Allowance for impairment	(17,316)				(18,990)
Total properties for sale - net	43,406				53,193

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**17 Property, premises and equipment, net**

	Consolidated financial statements					
	Land improvements Baht'000	Building and building improvements Baht'000	Office equipment Baht'000	Vehicles Baht'000	Right-of-use assets Baht'000	Total Baht'000
<b>As at 1 January 2021</b>						
Cost	1,548	116,871	61,086	23,781	367,158	570,444
Less: Accumulated depreciation	-	(15,574)	(32,170)	(5,110)	(24,150)	(77,004)
Closing net book value	1,548	101,297	28,916	18,671	343,008	493,440
<b>For the year ended 31 December 2021</b>						
Opening net book value	1,548	101,297	28,916	18,671	343,008	493,440
Additions	-	1,977	28,705	9,100	4,597	44,379
Transfer in	-	-	-	3,963	-	3,963
Increase from business combination	-	-	4,789	-	-	4,789
Sold / Written-off	-	-	-	(6,360)	-	(6,360)
Depreciation charge	-	(6,724)	(13,963)	(2,033)	(27,575)	(50,295)
Reassessment	-	-	-	-	(130,039)	(130,039)
Closing net book value	1,548	96,550	48,447	23,341	189,991	359,877
<b>As at 31 December 2021</b>						
Cost	1,548	118,848	95,950	27,344	241,717	485,407
Less: Accumulated depreciation	-	(22,298)	(47,503)	(4,003)	(51,726)	(125,530)
Closing net book value	1,548	96,550	48,447	23,341	189,991	359,877
<b>For the year ended 31 December 2022</b>						
Opening net book value	1,548	96,550	48,447	23,341	189,991	359,877
Additions	-	-	17,932	1,049	19,400	38,381
Transfer in	-	-	-	3,623	-	3,623
Increase from business combination	-	-	10,235	-	-	10,235
Sold / Written-off	-	-	-	(795)	(10,549)	(11,344)
Depreciation charge	-	(6,733)	(20,577)	(2,673)	(21,100)	(51,083)
Closing net book value	1,548	89,817	56,037	24,545	177,742	349,689
<b>As at 31 December 2022</b>						
Cost	1,548	118,848	121,691	31,141	236,477	509,705
Less: Accumulated depreciation	-	(29,031)	(65,654)	(6,596)	(58,735)	(160,016)
Closing net book value	1,548	89,817	56,037	24,545	177,742	349,689

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	Separate financial statements					Total Baht'000
	Land improvements Baht'000	Building and building improvements Baht'000	Office equipment Baht'000	Vehicles Baht'000	Right-of-use assets Baht'000	
<b>As at 1 January 2021</b>						
- restated						
Cost	1,548	116,871	61,086	23,781	367,158	570,444
Less: Accumulated depreciation	-	(15,574)	(32,170)	(5,110)	(24,150)	(77,004)
Closing net book value	1,548	101,297	28,916	18,671	343,008	493,440
<b>For the year ended</b>						
<b>31 December 2021 - restated</b>						
Opening net book value	1,548	101,297	28,916	18,671	343,008	493,440
Additions	-	1,977	27,907	9,101	4,597	43,582
Transfer in	-	-	-	3,963	-	3,963
Sold / Written-off	-	-	-	(6,360)	-	(6,360)
Depreciation charge	-	(6,724)	(13,648)	(2,034)	(27,575)	(49,981)
Reassessment	-	-	-	-	(130,039)	(130,039)
Closing net book value	1,548	96,550	43,175	23,341	189,991	354,605
<b>As at 31 December 2021</b>						
Cost	1,548	118,848	88,968	27,343	241,716	478,423
Less: Accumulated depreciation	-	(22,298)	(45,793)	(4,002)	(51,725)	(123,818)
Closing net book value	1,548	96,550	43,175	23,341	185,181	331,833
<b>For the year ended</b>						
<b>31 December 2022</b>						
Opening net book value	1,548	96,550	43,175	23,341	189,991	354,605
Additions	-	-	1,689	1,049	4,456	7,194
Increase from business combination	-	-	-	3,623	-	3,623
Sold / Written-off	-	-	-	(795)	(10,548)	(11,343)
Depreciation charge	-	(6,733)	(16,153)	(2,673)	(18,528)	(44,087)
Closing net book value	1,548	89,817	28,711	24,545	165,371	309,992
<b>As at 31 December 2022</b>						
Cost	1,548	118,848	87,970	31,140	222,176	461,682
Less: Accumulated depreciation	-	(29,031)	(59,259)	(6,595)	(56,805)	(151,690)
Closing net book value	1,548	89,817	28,711	24,545	165,371	309,992

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Right-of-use asset balance are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022 Baht'000</b>	<b>2021 Baht'000</b>	<b>2022 Baht'000</b>	<b>(Restated) 2021 Baht'000</b>
Properties	177,742	175,491	165,371	175,491
Vehicles	-	14,500	-	14,500
Total right-of-use assets	177,742	189,991	165,371	189,991

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

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022 Baht'000</b>	<b>2021 Baht'000</b>	<b>2022 Baht'000</b>	<b>(Restated) 2021 Baht'000</b>
Depreciation charge of right-of-use assets:				
Properties	16,656	21,771	14,084	21,771
Vehicles	4,444	5,805	4,444	5,804
Total	21,100	27,576	18,528	27,575
Total cash outflow for leases	27,519	35,719	25,195	35,719
Expenses relating to leases of low-value assets	2,082	849	468	492

**18 Intangible assets, net**

	Consolidated financial statements			
	Computer software Baht'000	Work in process Baht'000	Goodwill Baht'000	Total Baht'000
<b>As at 1 January 2021</b>				
Cost	27,187	-	23,577	50,764
Less: Accumulated amortisation	(8,189)	-	-	(8,189)
Net book value	18,998	-	23,577	42,575
<b>For the year ended 31 December 2021</b>				
Opening net book value	18,998	-	23,577	42,575
Additions	5,066	3,471	-	8,537
Increase from business combination	8,042	-	-	8,042
Transfer in (out)	3,471	(3,471)	-	-
Amortisation charge	(6,187)	-	-	(6,187)
Closing net book value	29,390	-	23,577	52,967
<b>As at 31 December 2021</b>				
Cost	44,776	-	23,577	68,353
Less: Accumulated amortisation	(15,386)	-	-	(15,386)
Net book value	29,390	-	23,577	52,967
<b>For the year ended 31 December 2022</b>				
Opening net book value	29,390	-	23,577	52,967
Additions	10,091	519	-	10,610
Increase from business combination	54	-	-	54
Transfer in (out)	519	(519)	-	-
Amortisation charge	(8,959)	-	-	(8,959)
Closing net book value	31,095	-	23,577	54,672
<b>As at 31 December 2022</b>				
Cost	53,080	-	23,577	76,657
Less: Accumulated amortisation	(21,985)	-	-	(21,985)
Net book value	31,095	-	23,577	54,672

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	<b>Separate financial statements</b>		
	<b>Computer software Baht'000</b>	<b>Goodwill Baht'000</b>	<b>Total Baht'000</b>
<b>As at 1 January 2021 - restated</b>			
Cost	27,187	23,577	50,764
Less: Accumulated amortisation	(8,189)	-	(8,189)
Net book value	18,998	23,577	42,575
<b>For the year ended 31 December 2021 - restated</b>			
Opening net book value	18,998	23,577	42,575
Additions	2,911	-	2,911
Amortisation charge	(4,859)	-	(4,859)
Closing net book value	17,050	23,577	40,627
<b>As at 31 December 2021</b>			
Cost	30,098	23,577	53,675
Less: Accumulated amortisation	(13,048)	-	(13,048)
Net book value	17,050	23,577	40,627
<b>For the year ended 31 December 2022</b>			
Opening net book value	17,050	23,577	40,627
Additions	795	-	795
Amortisation charge	(4,974)	-	(4,974)
Closing net book value	12,871	23,577	36,448
<b>As at 31 December 2022</b>			
Cost	30,893	23,577	54,470
Less: Accumulated amortisation	(18,022)	-	(18,022)
Net book value	12,871	23,577	36,448

## 19 Other receivables

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	(Restated) 2021 Baht'000
Interest receivable	1,968	1,988	1,968	1,988
Prepaid expenses	35,410	13,521	7,425	10,522
Receivables from Revenue Department	457,483	147,656	-	-
Others	514,728	45,314	363,297	21,379
Total other assets - net	1,009,589	208,479	372,690	33,889

## 20 Other current assets

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	(Restated) 2021 Baht'000
Undue input VAT	539,058	86,510	-	-
Withholding tax receivable	6,968	-	4,038	-
Others	16,152	420	420	420
Total other assets - net	562,178	86,930	4,458	420

## 21 Lease liabilities

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	(Restated) 2021 Baht'000
<b>Lease liabilities</b>				
Within 1 year	17,895	16,987	12,282	16,987
1-5 years	49,394	50,824	44,115	50,824
Over 5 years	129,309	140,610	129,309	140,610
Total discounted lease liabilities	196,598	208,421	185,706	208,421

Interest expense from lease liabilities for the years ended 31 December 2022 and 2021 are as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	(Restated) 2021 Baht'000
Interest expense from lease liabilities	10,063	13,456	9,861	13,456

## 22 Provisions

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	(Restated) 2021 Baht'000
Provisions for employee benefit obligations	19,313	18,174	17,922	18,174
Provisions for decommissioning costs	7,129	4,438	5,165	4,438
Total	26,442	22,612	23,087	22,612

### Provisions for employee benefit obligations

the Group and 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:

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	(Restated) 2021 Baht'000
Current service cost	4,574	6,028	4,574	6,028
Past service cost	7,838	(870)	7,838	(870)
Interest cost	396	320	396	320
Total	12,808	5,478	12,808	5,478

Movements of the defined benefit obligations are as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	(Restated) 2021 Baht'000
Beginning defined benefit obligation	18,174	40,949	18,174	40,949
Current service cost	4,574	6,028	4,574	6,028
Past service cost	7,838	(870)	7,838	(870)
Interest cost	396	320	396	320
Remeasurement of defined benefit obligation	(11,648)	(8,078)	(11,648)	(8,078)
Defined benefit obligation transferred to related party	(21)	(19,837)	(1,412)	(19,837)
Benefits payment	-	(338)	-	(338)
Ending defined benefit obligation	19,313	18,174	17,922	18,174

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The principal actuarial assumptions used to calculate the obligation under the defined benefit plans as at 31 December 2022 and 2021 are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>(Restated) 2021</b>
<b>Financial assumptions</b>				
Discount rate	2.96% - 3.54%	2.76%	2.96%	2.76%
Expected rate of salary increase	5.20%	3.80%	5.20%	3.80%
Turnover rate	2.00% - 25.00%	3.20% - 16.00%	3.00% - 18.00%	3.20% - 16.00%
Retirement age	60 years	60 years	60 years	60 years

Sensitivity analysis on key assumption changes are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022 Increase/ (Decrease) Percentage</b>	<b>2021 Increase/ (Decrease) Percentage</b>	<b>2022 Increase/ (Decrease) Percentage</b>	<b>(Restated) 2021 Increase/ (Decrease) Percentage</b>
Discount rate -1.0%	9.80	13.24	8.88	13.24
Discount rate +1.0%	(8.51)	(11.10)	(7.74)	(11.10)
Expected rate of salary -1.0%	(7.92)	(10.79)	(6.98)	(10.79)
Expected rate of salary +1.0%	8.91	12.56	7.83	12.56
Mortality rate -1.0%	0.39	0.44	0.24	0.44
Mortality rate +1.0%	(0.44)	(0.48)	(0.26)	(0.48)
Turnover rate -10.0%	7.83	7.98	4.85	7.98
Turnover rate +10.0%	(6.59)	(7.04)	(4.31)	(7.04)

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**

	<b>Consolidated financial statements</b>	
	<b>2022</b>	<b>2021</b>
Maturity duration of the post-employment benefits (years)	12 - 20	16
Maturity analysis of benefits expected to be paid (Baht'000)		
Benefits expected to be paid within 12 months	-	-
Benefits expected to be paid between 1 and 3 years	1,401	1,592
Benefits expected to be paid between 3 and 5 years	13,597	408
Benefits expected to be paid between 5 and 10 years	16,049	15,623
Benefits expected to be paid in more than 10 years	107,897	68,170
	<b>Separate financial statements</b>	
	<b>2022</b>	<b>(Restated) 2021</b>
Maturity duration of the post-employment benefits (years)	12	16
Maturity analysis of benefits expected to be paid (Baht'000)		
Benefits expected to be paid within 12 months	-	-
Benefits expected to be paid between 1 and 3 years	-	1,592
Benefits expected to be paid between 3 and 5 years	8,447	408
Benefits expected to be paid between 5 and 10 years	952	15,623
Benefits expected to be paid in more than 10 years	20,689	68,170

**23 Deferred tax asset - net**

Deferred tax assets and deferred tax liabilities as at 31 December 2022 and 2021 are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>(Restated) 2021</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Deferred tax assets	210,258	46,197	34,719	29,157
Deferred tax liabilities	(327,793)	(6,490)	(8,849)	(6,490)
<b>Deferred income tax - net</b>	<b>(117,535)</b>	<b>39,707</b>	<b>25,870</b>	<b>22,667</b>

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

	Consolidated financial statements					
	Allowance for expected credit loss Baht'000	Provisions for impairment in value of properties for sale Baht'000	Lease liabilities Baht'000	Provisions for employee benefit obligations Baht'000	Tax losses carrying forward Baht'000	Total Baht'000
<b>Deferred tax assets</b>						
At 1 January 2021	7,667	1,173	3,376	8,190	-	20,406
Charged to profit or loss	16,548	4,519	1,110	1,028	-	23,205
Increase from business combination	4,114	-	-	-	-	4,114
Charged (credited) to other comprehensive income	-	-	88	(1,616)	-	(1,528)
At 31 December 2021	28,329	5,692	4,574	7,602	-	46,197
At 1 January 2022	28,329	5,692	4,574	7,602	-	46,197
Charged to profit or loss	23,378	5,442	623	994	135,954	166,391
Credited to other comprehensive income	-	-	-	(2,330)	-	(2,330)
At 31 December 2022	51,707	11,134	5,197	6,266	135,954	210,258
	Consolidated financial statements					
	Allowance for revaluation of investments Baht'000	Financial instruments measured at fair value through profit or loss Baht'000	Prepaid expenses and accrued interest Baht'000			Total Baht'000
<b>Deferred tax liabilities</b>						
As at 1 January 2021	(218)	(8,458)	-			(8,676)
Charged to profit or loss	-	1,968	-			1,968
Charged to other comprehensive income	218	-	-			218
As at 31 December 2021	-	(6,490)	-			(6,490)
As at 1 January 2022	-	(6,490)	-			(6,490)
Charged (credited) to profit or loss	-	2,977	(324,280)			(321,303)
As at 31 December 2022	-	(3,513)	(324,280)			(327,793)

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	Separate financial statements				
	Allowance for expected credit loss Baht'000	Provisions for impairment in value of properties for sale Baht'000	Lease liabilities Baht'000	Provisions for employee benefit obligations Baht'000	Total Baht'000
<b>Deferred tax assets</b>					
At 1 January 2021 - restated	7,667	1,173	3,376	8,190	20,406
Charged to profit or loss	7,807	335	1,109	1,028	10,279
Charged (credited) to other Comprehensive income	-	-	88	(1,616)	(1,528)
At 31 December 2021 - restated	15,474	1,508	4,573	7,602	29,157
At 1 January 2022	15,474	1,508	4,573	7,602	29,157
Charged (credited) to profit or loss	7,311	(939)	526	994	7,892
Credited to other comprehensive income	-	-	-	(2,330)	(2,330)
At 31 December 2022	22,785	569	5,099	6,266	34,719

	Separate financial statements			
	Allowance for revaluation of investments Baht'000	Financial instruments measured at fair value through profit or loss Baht'000	Prepaid expenses and accrued interest Baht'000	Total Baht'000
<b>Deferred tax liabilities</b>				
As at 1 January 2021 - restated	(218)	(8,458)	-	(8,676)
Charged to profit or loss	-	1,968	-	1,968
Charged to other comprehensive income	218	-	-	218
As at 31 December 2021 - restated	-	(6,490)	-	(6,490)
As at 1 January 2022	-	(6,490)	-	(6,490)
Increase (Decrease) from business combination	-	2,978	(5,337)	(2,359)
As at 31 December 2022	-	(3,512)	(5,337)	(8,849)

## 24 Other payables

	Consolidated financial statements		Separate financial statements (Restated)	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Amount due to related parties (Note 36 j))	3,068,192	3,867,557	3,069,583	3,867,557
Accrued interest payable - related party (Note 36 j))	30,062	18,109	29,639	18,109
Accrued expenses	413,911	135,953	31,958	99,355
Accrued interest expenses	769	6,057	-	6,057
Other payables	796,101	271,248	436,743	232,231
<b>Total</b>	<b>4,309,035</b>	<b>4,298,924</b>	<b>3,567,923</b>	<b>4,223,309</b>

**25 Share capital and premium on share capital**

	<b>Consolidated and separate financial statements</b>				
	<b>Number of ordinary share Shares'000</b>	<b>Number of issued and paid-up shares Shares'000</b>	<b>Issued and paid-up ordinary shares Baht'000</b>	<b>Share premium Baht'000</b>	<b>Total Baht'000</b>
Opening book balance as at 1 January 2022	551,247	551,247	2,756,236	4,299,728	7,055,964
Issuance of ordinary shares	750,000	750,000	3,750,000	14,250,000	18,000,000
Closing book balance as at 31 December 2022	1,301,247	1,301,247	6,506,236	18,549,728	25,055,964
Opening book balance as at 1 January 2021 - restated	551,247	551,247	2,756,236	4,299,728	7,055,964
Closing book balance as at 31 December 2021 - restated	551,247	551,247	2,756,236	4,299,728	7,055,964

**26 Legal reserve**

	<b>Consolidated and separate financial statements</b>	
	<b>2022 Baht'000</b>	<b>2021 Baht'000</b>
Beginning balance	275,624	241,903
Appropriation during the year	19,739	33,721
Ending balance	295,363	275,624

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.

## 27 Dividend paid

At the meeting of the Company's Annual General Meeting of the Shareholders for fiscal year 2022, held on 22 April 2022, the shareholders approved a Baht 452.02 million dividend payment to shareholders from retained earnings and performance for the year 2021. The dividend payment was made at the rate of Baht 0.82 per share on 17 May 2022.

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 Baht 771.75 million dividend payment to shareholders from retained earnings and performance for the year 2020. The dividend payment was made at the rate of Baht 1.40 per share on 17 May 2021.

## 28 Other income

	Consolidated financial statements		Separate financial statements (Restated)	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Fee income	300,731	239,201	63,358	179,375
Service income	301,456	43,223	-	-
Bad debt recovery	51,978	59,625	37,407	59,463
Others	51,482	46,643	473,400	179,267
Total	705,647	388,692	574,165	418,105

## 29 Expenses by nature

	Consolidated financial statements		Separate financial statements (Restated)	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Marketing expenses	6,303	590	3,867	3,649
Marketing incentives	390,085	114,979	2,648	1,327
Advisory and professional fee	7,326	272,638	5,835	272,532
Personnel expenses	854,199	313,341	177,148	286,158
Depreciation and amortization expenses	60,043	56,482	49,060	54,840
Specific business tax and other taxes	38,442	67,422	38,347	67,422
Utilities expenses	34,166	14,005	9,175	7,608
Fuel expenses	83,656	18,011	20,946	15,601
Impairment loss of properties foreclosed (reversal)	24,888	22,599	(7,018)	1,673
Loss on sale of property foreclosed	174,752	75,834	7,783	30,911
Other administrative expenses	250,065	50,160	86,167	62,263
Total expenses	1,923,925	1,006,061	393,958	803,984

### 30 Expected credit loss (Reversal)

Expected credit loss for the year are as follows:

	Consolidated financial statements		Separate financial statements (Restated)	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Loans to customers and accrued interest receivables (reversal)	89,218	(75,745)	(82,600)	(163,430)
Investments in debt instruments measured at fair value through other comprehensive income	656	-	656	-
Other receivables	-	(17,514)	-	(17,514)
<b>Total</b>	<b>89,874</b>	<b>(93,259)</b>	<b>(81,944)</b>	<b>(180,944)</b>

### 31 Income tax

Income tax expenses for the year are as follows:

	Consolidated financial statements		Separate financial statements (Restated)	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
<b>Current tax:</b>				
Current tax on profit for the year	105,870	327,758	94,627	245,700
Adjustments in respect of prior year	(27,147)	-	(6,639)	-
<b>Total current tax</b>	<b>78,723</b>	<b>327,758</b>	<b>87,988</b>	<b>245,700</b>
<b>Deferred tax:</b>				
Increase in deferred tax assets (Note 23)	(166,391)	(23,205)	(7,892)	(10,279)
Increase (decrease) in deferred tax liabilities (Note 23)	321,303	(1,968)	2,359	(1,968)
<b>Total deferred tax</b>	<b>154,912</b>	<b>(25,173)</b>	<b>(5,533)</b>	<b>(12,247)</b>
<b>Total income tax expense</b>	<b>233,635</b>	<b>302,585</b>	<b>82,455</b>	<b>233,453</b>

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

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022 Baht'000</b>	<b>2021 Baht'000</b>	<b>2022 Baht'000</b>	<b>(Restated) 2021 Baht'000</b>
Profit before income tax	1,370,630	1,507,244	477,245	1,161,187
Tax calculated at a tax rate of 20% (2021: 20%)	274,126	301,449	95,449	232,237
Tax effect of:				
Income not subject to tax	(931)	(113)	(931)	(113)
Additional deductible expenses	(7,383)	(327)	(2,259)	(202)
Expenses not deductible for tax purpose	428	1,576	255	1,531
Utilisation of previously unrecognized deferred tax assets	(3,420)	-	(3,420)	-
Tax losses for which no deferred income tax asset was recognised	(2,038)	-	-	-
Adjustment in respect of prior year	(27,147)	-	(6,639)	-
<b>Total income tax expense</b>	<b>233,635</b>	<b>302,585</b>	<b>82,455</b>	<b>233,453</b>

The weighted average income tax rate in the financial statements for the year ended 31 December 2022 was 17.28% (2021: 20.10%).

## 32 Earnings per share

Earnings per share in the financial statement for the years ended 31 December 2022 and 2021 are calculated as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>(Restated) 2021</b>
Net profit for the year to ordinary shareholders of the Company (Thousand Baht)	660,607	913,182	371,658	913,182
Weighted average number of ordinary shares outstanding (Thousand shares)	783,439	551,247	783,439	551,247
Basic earnings per share (Thousand Baht per share)	0.84	1.66	0.47	1.66

There are no dilutive ordinary shares in issue for the years ended 31 December 2022 and 2021.

### 33 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 2022 and 2021 as follows:

#### 33.1 Investments in securities

The Group and 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 36.47 million and related allowance for expected credit loss is booked at Baht 43.53 million (Note 12).

#### 33.2 Loans to customers and accrued interest receivables

The Group and 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:

Consolidated financial statements				
31 December 2022				
	Numbers	Total debts Baht'000	Collateral Baht'000	Allowance for expected credit loss Baht'000
Companies having problems in debt settlement or have defaulted on debt settlement	1	35,000	-	35,000
Total	1	35,000	-	35,000

Consolidated financial statements				
31 December 2021				
	Numbers	Total debts Baht'000	Collateral Baht'000	Allowance for expected credit loss Baht'000
Companies having problems in debt settlement or have defaulted on debt settlement	1	35,000	-	35,000
Total	1	35,000	-	35,000

<b>Separate financial statements</b>				
<b>31 December 2022</b>				
	<b>Numbers</b>	<b>Total debts Baht'000</b>	<b>Collateral Baht'000</b>	<b>Allowance for expected credit loss Baht'000</b>
Companies having problems in debt settlement or have defaulted on debt settlement	1	35,000	-	35,000
<b>Total</b>	<b>1</b>	<b>35,000</b>	<b>-</b>	<b>35,000</b>

<b>Separate financial statements</b>				
<b>31 December 2021 (Restated)</b>				
	<b>Numbers</b>	<b>Total debts Baht'000</b>	<b>Collateral Baht'000</b>	<b>Allowance for expected credit loss Baht'000</b>
Companies having problems in debt settlement or have defaulted on debt settlement	1	35,000	-	35,000
<b>Total</b>	<b>1</b>	<b>35,000</b>	<b>-</b>	<b>35,000</b>

### **34 Business acquisition**

On 9 September 2022, the Group acquired all shares of Srisawad Capital Company Limited and its subsidiaries by issuing new shares in the form of private placement and proceed with share swap transaction for Baht 18,000.00 million. As a result of the acquisition, the Group expected to increase its presence in these markets. It also expects to reduce costs through economy of scale. None of the goodwill is expected to be deductible for tax purposes.

The following table summarises the consideration paid for Srisawad Capital Group, and the amounts of the assets acquired and liabilities assumed recognised on 9 September 2022, an acquisition date.

	<b>As at acquisition date Baht'000</b>
Equity instruments (750 million ordinary shares)	18,000,000
Total consideration transferred	18,000,000
<b>Total</b>	<b>18,000,000</b>

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Recognised amounts of identifiable assets acquired and liabilities assumed are as follows:

	<b>As at acquisition date Baht'000</b>
Cash and cash equivalents	370,870
Loans to customers and accrued interest, net	14,055,819
Other receivables	506,675
Properties for sale, net	51,319
Property, plant and equipment, net	36,052
Right-of-use assets, net	4,443
Intangible assets, net	21,152
Other assets	415,426
Lease liabilities	3,569
Other payables	586,810
Income tax payable	38,065
Long-term loans from related party	13,712,200
Deferred tax liabilities, net	72,956
Other liabilities	25,116
Total net assets	1,023,040
<u>Less</u> Non-controlling interests	(76,684)
<u>Add</u> Goodwill recognised on under common control date	23,577
Total identifiable net assets	969,933
Discount from business combination under common control	17,030,067

### **35 Business combination under common control**

On 1 December 2022, Srisawad Capital 1969 PCL. has merged with Srisawad Capital Co., Ltd. which are the same group and are under common control. The whole assets and liabilities of Srisawad Capital Co., Ltd. have been transferred to Srisawad Capital 1969 PCL. with the net asset value of Baht 304.09 million. Srisawad Capital Co., Ltd. registered the dissolution of the company on the same date.

The following table summarises the consideration from the business combination under common control on 1 December 2022.

	<b>As at transfer date Baht'000</b>
Investment in Srisawad Capital Co., Ltd.	18,000,000
Value of amount due to Srisawad Capital Co., Ltd. - offset with received transfer value	4,092
<b>Total</b>	<b>18,004,092</b>

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Recognised amounts of identifiable assets acquired and liabilities assumed are as follows:

	<b>As at transfer date Baht'000</b>
Cash and cash equivalents	79,036
Investment in subsidiaries	84,768
Loans to customers and accrued interest, net	2,177,838
Long-term loans to related parties and accrued	12,432,751
Other receivables	78,747
Property, plant and equipment, net	14,017
Right-of-use assets, net	3,761
Intangible assets, net	3,091
Other assets	14,603
Lease liabilities	3,167
Other payables	76,641
Short-term loans from related party	14,502,200
Other liabilities	2,512
Total identifiable net assets	304,092
Discount from consideration transferred	17,700,000
Recognised goodwill	(23,577)
Discount from business combination under common control	17,676,423

### **36 Related-party transactions**

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.

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During the year, the Group and 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:

<b>Related parties</b>	<b>Relationship</b>
Srisawad Corporation PCL.	Parent Company
Srisawad Power 2014 Co., Ltd.	Related party (Common parent company)
SWP Asset Management Co., Ltd.	Related party (Common parent company)
Srisawad Power 2022 Co., Ltd.	Related party (Common parent company)
S Leasing Co., Ltd.	Subsidiary
Cathay Leasing Co., Ltd.	Subsidiary
Fast Money Co., Ltd.	Common director
Boon Anek Anan Co., Ltd.	Common director
Srisawad-Samarn Kaewbootta Foundation	A close relative of a director is a director and a shareholder in this company
Sahasamakkee Service Co., Ltd.	A close relative of a director is a director in this company and a common director
PPGR Co., Ltd.	A close relative of a director is a director and a shareholder in this company and a common director
I.D. 2007 Co., Ltd.	A close relative of a director is a director and a shareholder 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
Eternal Energy Public Company Limited	A close relative of a director is a director and a shareholder in this company
Com-Link Co., Ltd.	A close relative of a director is a director and a shareholder in this company
Prasert Dee Tae Co., Ltd.	A close relative of a director is a director and a shareholder in this company
Pridapramote Co., Ltd.	A close relative of a director is a director and a shareholder in this company
S.A.V. (Thailand) Co., Ltd.	A close relative of a director is a director and a shareholder in this company
Cassava Land Co., Ltd	A close relative of a director is a shareholder in this company
Charoenporn Energy Co., Ltd.	A close relative of a director is a director in this company
Rakthai Technology and Business Administration Co., Ltd.	A close relative of a director is a director in this company
Boon Anek Co., Ltd.	A close relative of a director is a director in this company
I Tower Co., Ltd.	A close relative of a director is a director in this company

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Transaction with related parties

**a) Revenue**

		Consolidated financial statements		Separate financial statements (Restated)	
		2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Pricing policy					
<b>Interest income</b>					
Subsidiaries	Agreed rate per contract	-	-	426,701	103,545
<b>Other income</b>					
Related party (Having the common parent company)	Agreed rate per contract	146,106	-	-	-

**b) Expenses**

		Consolidated financial statements		Separate financial statements (Restated)	
		2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Pricing policy					
<b>Administrative expenses</b>					
Related parties (Having the common parent company)	Agreed rate per contract	-	267,428	-	267,428
Other related parties (Having the common directors)	Agreed rate per contract	26,121	30,287	24,261	30,287
<b>Finance costs</b>					
Parent company	Agreed rate per contract	384,767	-	384,345	-
Related parties (Having the common parent company)	Agreed rate per contract	-	141,906	-	141,906
Other related parties (Having the common directors)	Agreed rate per contract	9,414	28,394	9,414	28,394
Directors and Management	Agreed rate per contract	-	2,021	-	2,021
<b>Dividend paid</b>					
Parent company	Agreed rate per contract	369,038	630,950	369,038	630,950

**c) Key management and director’s compensation**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022 Baht’000</b>	<b>2021 Baht’000</b>	<b>2022 Baht’000</b>	<b>(Restated) 2021 Baht’000</b>
Short-term employee benefits	35,212	47,553	38,401	45,782
Post-employment benefits	1,666	4,057	1,659	4,033
<b>Total</b>	<b>36,878</b>	<b>51,610</b>	<b>40,060</b>	<b>49,815</b>

**d) Short-term loans to related parties and accrued interest receivables**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022 Baht’000</b>	<b>2021 Baht’000</b>	<b>2022 Baht’000</b>	<b>(Restated) 2021 Baht’000</b>
Subsidiaries				
Short-term loans	-	-	5,360,000	-
Accrued interest receivable from short-term loans	-	-	15,360	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>5,375,360</b>	<b>-</b>

The movements of short-term loans to related parties for the years are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022 Baht’000</b>	<b>2021 Baht’000</b>	<b>2022 Baht’000</b>	<b>(Restated) 2021 Baht’000</b>
Subsidiaries				
As at 1 January	-	-	-	-
Additions	-	-	5,360,000	-
Interest income during the year	-	-	28,277	-
Interest received during the year	-	-	(12,917)	-
<b>As at 31 December</b>	<b>-</b>	<b>-</b>	<b>5,375,360</b>	<b>-</b>

Short-term loans to related parties are due at call. The loans are unsecured and bear interest of 4.00% - 4.50% per annum (2021: 4.00% - 4.50% per annum).

**e) Long-term loans to related parties and accrued interest receivables**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>(Restated) 2021</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Subsidiaries				
Long-term loans	-	-	12,126,100	3,883,100
Accrued interest receivable from long-term loans	-	-	46,451	13,992
<b>Total</b>	<b>-</b>	<b>-</b>	<b>12,172,551</b>	<b>3,897,092</b>

The movements of long-term loans to related parties for the years are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>(Restated) 2021</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Subsidiaries				
As at 1 January	-	3,383	3,897,092	3,383
Additions	-	-	8,780,000	3,883,100
Interest income during the year	-	-	430,193	103,545
Repayments	-	-	(537,000)	-
Interest received during the year	-	(3,383)	(397,734)	(92,936)
<b>As at 31 December</b>	<b>-</b>	<b>-</b>	<b>12,172,551</b>	<b>3,897,092</b>

Long-term loans to related parties are unsecured and are due in 2023 - 2024. The loans are bear interest of 4.00% - 4.50% per annum (2021: 4.00% - 4.50% per annum).

**f) Amounts due from related parties**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>(Restated) 2021</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Related parties (Having the common parent company)	1,563,910	6,716,372	1,563,910	6,708,071
Related parties (Having the common directors)	2,494	2,721	2,494	2,721
<b>Total</b>	<b>1,566,404</b>	<b>6,719,093</b>	<b>1,566,404</b>	<b>6,710,792</b>

**g) Short-term loans from related party**

	<b>Consolidated financial statements</b>		<b>Separate financial statements (Restated)</b>	
	<b>2022 Baht'000</b>	<b>2021 Baht'000</b>	<b>2022 Baht'000</b>	<b>2021 Baht'000</b>
Parent company	1,700,000	-	1,532,000	-
Total	1,700,000	-	1,532,000	-

The movements of short-term loans from related party for the years are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements (Restated)</b>	
	<b>2022 Baht'000</b>	<b>2021 Baht'000</b>	<b>2022 Baht'000</b>	<b>2021 Baht'000</b>
Parent company				
As at 1 January	-	-	-	-
Additions	1,700,000	-	1,532,000	-
Repayments	-	-	-	-
As at 31 December	1,700,000	-	1,532,000	-

Short-term loans from related parties are unsecured and are due at call. The loans are bear interest of 4.00% - 4.50% per annum (2021: 4.00% - 4.50%).

**h) Long-term loans from related party**

	<b>Consolidated financial statements</b>		<b>Separate financial statements (Restated)</b>	
	<b>2022 Baht'000</b>	<b>2021 Baht'000</b>	<b>2022 Baht'000</b>	<b>2021 Baht'000</b>
Parent company	7,562,200	5,177,200	7,562,200	5,177,200
Total	7,562,200	5,177,200	7,562,200	5,177,200

The movements of long-term loans from related party for the years are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements (Restated)</b>	
	<b>2022 Baht'000</b>	<b>2021 Baht'000</b>	<b>2022 Baht'000</b>	<b>2021 Baht'000</b>
Parent company				
As at 1 January	5,177,200	1,598,200	5,177,200	1,598,200
Additions	8,935,000	8,171,200	8,935,000	8,171,200
Repayments	(6,550,000)	(4,592,200)	(6,550,000)	(4,592,200)
As at 31 December	7,562,200	5,177,200	7,562,200	5,177,200

Long-term loans from related party are unsecured and are due in 2023 - 2024. The loans bear interest of 4.00% - 4.50% per annum (2021: 4.00% - 4.50%).

**i) Obligations under lease**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022 Baht'000</b>	<b>2021 Baht'000</b>	<b>2022 Baht'000</b>	<b>(Restated) 2021 Baht'000</b>
Related parties (Having the common directors)	187,892	189,206	181,028	189,206
Total	187,892	189,206	181,028	189,206

**j) Other payables (Note 24)**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022 Baht'000</b>	<b>2021 Baht'000</b>	<b>2022 Baht'000</b>	<b>(Restated) 2021 Baht'000</b>
Parent company	30,062	-	29,639	-
Subsidiaries	-	-	1,391	-
Related parties (Having the common parent company)	3,056,065	3,865,293	3,056,065	3,865,293
Related companies (Common director and/or shareholders)	12,127	20,373	12,127	20,373
Total	3,098,254	3,885,666	3,099,222	3,885,666

**37 Subsequent events**

On 25 January 2023, the Board of Directors Meeting approved the resolution regarding the payment of interim dividend from retained earnings for the year 2022 at the rate of 0.80 Baht per share totaling Baht 1,040.99. million. The dividend payment was made on 24 February 2023.

On 27 February 2023, the Board of Directors Meeting approved the resolution regarding the payment of cash dividend for the year 2022 at the rate of 1.60 Baht per share, totaling Baht 2,082 million. According to the interim dividend which has already been paid at the rate of 0.80 Baht per share, there was an additional cash dividend payment at the rate of 0.80 Baht per share, representing an additional dividend payment of Baht 1,040.99 million. The resolution will be proposed to the Annual General Meeting of Shareholders in the year 2023 for consideration and approval.

On 27 February 2023, the Board of Directors Meeting proposed to change the value of the Company's ordinary shares from the par value of 5 Baht per share to 1 Baht per share, resulting in an increase in the number of shares from 1,301,247,241 shares to 6,506,236,205 shares. The resolution will be proposed to the Annual General Meeting of Shareholders in the year 2023 for consideration and approval.



Srisawad Capital 1969 Public Company Limited

## **Attachment 1**

Profiles of Directors, Management and Controlling Persons

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## Attachment 1. Profiles of Directors, Management and Controlling Persons

### 1. Mr. Suchart Luengsurawat

Age	74 years
Title	Vice Chairman, Chairman of Audit Committee, Independent Director
Date of being the Director	Year 2017
No. of years on the Board	5 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 <b>Srisawad Capital 1969 Plc.</b> 1971-2009 Partner <b>Pricewaterhousecoopers ABAS Ltd.</b>
Holding a position in other listed company	None
Holding a position in other non-listed company	None

### 2. Mr. Prawat Phatraprasit

Age	73 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	5 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 <b>Srisawad Capital 1969 Plc.</b>
	1989-Present	Director <b>Pongravee Co., Ltd.</b>
	2008-Present	Advisor <b>Pirom Surang Co., Ltd.</b>
Holding a position in other listed company	None	
Holding a position in other non-listed company	1989-Present	Director <b>Pongravee Co., Ltd.</b>
	2001-Present	Director <b>Green Road Co., Ltd.</b>
	2012-Present	Director <b>Wheel on Wheel Co., Ltd.</b>
	2008-Present	Director <b>V.P. Garden Home Co., Ltd.</b>
	2012-Present	Director <b>V.P. Ruamtun Co., Ltd.</b>
	1994-Present	Director <b>Phatrachokchai Co., Ltd.</b>

### 3. Mr. Thititham Rojanapruk

Age	39 years
Title	Managing Director, Authorized Director
Date of being the Director	Year 2012
No. of years on the Board	10 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
	<b>Srisawad Capital 1969 Plc.</b>
Holding a position in other listed company	None
Holding a position in other non-listed company	2012-Present    Director
	<b>Palung Rung Ruang Co., Ltd.</b>
	2006-Present    Director
	<b>Boon Anek Anan Co., Ltd.</b>
	2006-Present    Director
	<b>Natural Asset Co., Ltd.</b>
	2006-Present    Director
	<b>PPGR Co., Ltd.</b>

#### 4. Miss Doungchai Kaewbootta

Age	43 years
Title	Director, Authorized Director, Company Secretary
Date of being the Director	year 2017
No. of years on the Board	5 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
	<b>Srisawad Corporation Plc.</b>
	2017-2019    Managing Director
	<b>Srisawad Finance Plc.</b>

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

	<b>Big Minh 2014 Co., Ltd.</b>
2012-Present	Director
	<b>KBB Service Co., Ltd.</b>
2007-Present	Director
	<b>Big Minh 2015 Co., Ltd.</b>
2007-Present	Director
	<b>Srisamarn Petchaboon Co., Ltd.</b>
2009-Present	Director
	<b>I.D. 2007 Co., Ltd.</b>
2018-Present	Director
	<b>LKK Collection Co., Ltd.</b>
2020-Present	Director
	<b>Srisawad Digital Co., Ltd.</b>
2020-Present	Director
	<b>Srisawad Capital Co., Ltd</b>
2020-Present	Director
	<b>Srisawad Pico Pattani Co., Ltd.</b>
2020-Present	Director
	<b>Srisawad Pico Yala Co., Ltd.</b>
2020-Present	Director
	<b>Srisawad Pico Narathivas Co., Ltd.</b>
2020-Present	Director
	<b>S Leasing Co., Ltd.</b>
2022-Present	Director
	<b>Cathay Leasing Co., Ltd.</b>
2022-Present	Director
	<b>Srisawad Power 2022 Co., Ltd.</b>

## 5. Miss Nanthida Pattanasakpinyo

Age	38 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	3 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	42 years
Title	Independent Director
Date of being the Director	May 2021
No. of years on the Board	1 year 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  <b>Kudun and Partner Co., Ltd.</b>
Holding a position in other listed company	None
Holding a position in other non-listed company	2015-Present      Partner  <b>Kudun and Partner Co., Ltd.</b>

#### 7. Miss Kanoknuj Cholvanit

Age	53 years
Title	Authorized Director, Head of Treasury and Investment Dept.
Date of being the Director	May 2021
No. of years on the Board	1 year 7 months
Shareholding	0.00%
Relationship with directors and management	None
Highest level of education	Master of Business Administration, Sripatum University Bachelor of Finance and Banking, Assumption University
Governance training from IOD	DAP Director Accreditation Program 2004
Experience	2017-Present Head of Treasury and Investment Dept. <b>Srisawad Capital 1969 Plc.</b>
Holding a position in other listed company	None
Holding a position in other non-listed company	2013-Present Director <b>Boonyasing Ltd.</b> 2019-Present Director <b>Unique Business Service Co., Ltd.</b> 2020-Present Director <b>Rakvaree Co., Ltd.</b>

## 8. Mr. Montree Chansongnoen

Age	59 years
Title	Authorized Director
Date of being the Director	February 2021
No. of years on the Board	1 year 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

		<b>Srisawad Capital 1969 Plc.</b>
	2010-2014	Deputy Vice President- Business Development
		<b>Srisawad Corporation Plc.</b>
Holding a position in other listed company	None	
Holding a position in other non-listed company	None	

## 9. Mrs. Sirinthip Rabinwong

Age	61 years	
Title	Assistant Managing Director	
Date of being the Director	year 2020	
No. of years on the Board	3 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 <b>Ascend Nano Co., Ltd.</b>
Holding a position in other listed company	None	
Holding a position in other non-listed company	None	

## 10. Miss Ticha Suwansaeng

Age	42 years	
Title	Vice President, Head of Internal Control and Compliance Unit	
Date of being the Director	year 2017	
No. of years on the Board	5 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 <b>Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd.</b>
Holding a position in other listed company	None
Holding a position in other non-listed company	None

#### 11. Mr. Adisorn Wichaidith

Age	54 years
Title	Assistant Vice President
Date of being the Director	year 1998
No. of years on the Board	24 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 <b>Srisawad Capital 1969 Plc.</b>
Holding a position in other listed company	None
Holding a position in other non-listed company	None

#### 12. Miss Chonlada Thaweephanyophat

Age	33 years
Title	Assistant Vice President
Date of being the Director	year 2017
No. of years on the Board	5 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 <b>Srisawad Capital 1969 Plc.</b>  2014-2017     Assistant Vice President-Account <b>Srisawad Corporation Plc.</b>
Holding a position in other listed company	None
Holding a position in other non-listed company	None



Srisawad Capital 1969 Public Company Limited

## Attachment 2

Details of Directors, Management, and Controlling Persons in Subsidiaries

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## Attachment 2

### Details of Directors, Management, and Controlling Persons in Subsidiaries

Company	Mr. Suchart Luengsuraswat	Mr.Prawat Phatraprasit	Ms. DOUNGCHAI Kaewbootta	Ms.Thititham Rojanapruk	Ms.Nanthida Pattanasakpinyo	Mr. Kom Vachiravarakarn	Ms. Kanoknui Cholvani	Mr.Montree Chansongneon	Mrs. Sirinthip Rabinwong	Ms. Ticha Suwanseang	Mr. Adisorn Wichaidith	Ms. Chonlada Taweepanyophat	Mr. Wichit Phayuhanaveechai
1. Srisawad Capital 1969 Plc.	VC,,ID,AC	ID,AC	D,ED	D,ED, MD	ID,AC	ID	D,ED	D,ED	M	M	M	M	
<b>Subsidiaries</b>													
2. S Leasing			D										CEO
3. Cathay Leasing			D										D

Note: C- Chairman VC- Vice Chairman D-Director ID-Independent Director AC-Audit Committee ED-Executive Director MD-Managing Director M-Management



Srisawad Capital 1969 Public Company Limited

### **Attachment 3**

Profile of Head of Internal Control and Compliance Unit

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### Attachment 3: Profile of Head of Internal Control and Compliance Unit

#### Miss Ticha Suwansaeng

Age	42 years
Title	Vice President, Head of Internal Control and Compliance Unit
Date of being the Director	year 2017
No. of years on the Board	5 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 <b>Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd.</b>
Holding a position in other listed company	None
Holding a position in other non-listed company	None



Srisawad Capital 1969 Public Company Limited

## Attachment 4

Assets used for Business Operation

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## Attachment 4. Assets used for Business Operation

### 4.1 Fixed Assets

#### Premises and Equipment – Net

As of 31 December 2022, the Company owned premises and equipment at a net value of Baht 349.69 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	89,818,296	No
Office equipment	own	56,035,413	No
Vehicles	own	24,545,721	Yes
Right-of-use asset	Own	177,742,049	No
<b>Total</b>		<b>349,689,479</b>	

### 4.2 Intangible assets

As of 31 December 2022, the Company had intangible assets valued at Baht 54.67 million as the following details:

Type of assets	Nature of ownership	Value (Baht)	Obligations
Computer Program	own	31,095,206	No
Goodwill	own	23,576,726	No

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