

56-1 One report

2021

AIRA FACTORING PUBLIC COMPANY LIMITED

Credit for **SME**

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Vision – Mission – Core Value

Vision

Become a partner of entrepreneurs, focus on leadership of the business of providing credit services as non-bank financial institutions, which is ready to create innovations in order to increase the potential of providing excellent service under all technological changes under sustainable good corporate governance



Mission

Target to apply digital technology combining expertise in business. Develop comprehensive financial products and services for customers under efficient business operations. Create sustainable business growth under good corporate governance to achieve reasonable returns to stakeholders as well as realize the importance of social and environmental responsibility.



Core Value

- Customer centricity
- Providing excellence services
- Professionalism
- Focusing innovation for effectiveness business operation
- Business operation on Social & Environmental responsibility under Good Corporate Governance



Message from Chairman



Dear shareholders,

In 2021, despite the ongoing crisis from the Covid-19 outbreak, the Company's performance still in good by maintaining the efficiency of making a continuous net profit from the efficiency of cost and expenses control as well as having invested in the availability of technology to prepare for the transformation of the digital world to operate business effectively.

Next phase, the Company has prepared a business development plan for the year 2022 - 2024 as a guideline for business operations. By focusing on developing a variety of financial products, focusing on synergy with companies in the AIRA group to expand the customer base and increase the company's income in the future. As well as focusing on technology application fields to enter digital technology in line with changing customer behavior. In 2021, the company has started to run the e-Factoring system which is a service channel for buying accounts receivable online. It is considered to enhances the efficiency of service to customers, reduces operating costs, reduces the amount of paper which is another way to conserve energy.

In addition, the company also adheres to the principles of good corporate governance and good corporate governance guidelines. In 2021, the company was selected to be in the list of ESG100 Securities Group, a group of outstanding environmental, society and good governance performance from Thaipat Institute. The company has also organized social responsibility activities, for example, a project to donate a used desk calendar to the Foundation for the Blind in Thailand, donation to Charoenkrung Pracharak Hospital to establish a field hospital for COVID-19 patients. The company intends to continue support social projects in the future.

Finally, on behalf of the Board of Directors of AIRA Factoring Public Company Limited, I would like to thank the shareholders, financial partners and all customers who has supported the company. And to believe that the company will continue to focus on dedication in conducting business under good corporate governance guidelines to move forward in a sustainable way.

(Mr. Sorasit Soontornkes)
Chairman of the Board of Directors

The Board of Directors and Managements

Mr. Sorasit Soontornkes
Chairman of the Board of Directors
and Independent Director
Age : 69 Years



Date of appointment : May 14, 2018

Shareholding as of December 31, 2021 : -None-

Education / Training :

- Master of Business Economics, Thammasat University
- Master of Accounting, Chulalongkorn University
- Bachelor of Accounting, Chulalongkorn University
- Senior Executive Program, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Executive Development Program (Wharton School) University of Pennsylvania, U.S.A.
- Capital Market Academy Leader Program Class 8
- Advanced Army Academics Program (regular class 46), Army War College

Director Training from Thai Institute of Directors Association (IOD) :

- Director Certification Program (DCP) Class 91/2007
- Advanced Audit Committee Program Class 33/2019

Work Experience (5 years past experiences) :

Board member / Management in Listed Company – The Stock Exchange of Thailand : 1 company

year	Position	Company
2018 - Present	Chairman of the Board of Directors and Independent Director	AIRA Factoring Public Company Limited
2018 - 2020	Independent Director & Chairman of the Audit Committee	Allianz Ayudhya Capital Public Company Limited
2017 - 2020	Advisor to Board of Director & Chairman of the Risk Oversight Committee	Nok Air Public Company Limited

Board member / Management in Non-listed Company – The Stock Exchange of Thailand : 1 company

year	Position	Company
2018 - present	Independent Director and Chairman of the Audit Committee	J.D. Food Products Company Limited
2018 - 2020	Independent Director and Chairman of the Audit Committee	Allianz Ayudhya General Insurance Public Company Limited

Position in other organization / Institutions : 3 places

year	Position	Company
2018 - Present	Audit Committee	Eastern Economic Corridor office of Thailand
2017 - Present	Audit Committee	Bank of Thailand
2017 - Present	Director, Internal Audit Office	Chulalongkorn University
2012 - 2016	President and Director	Deposit Protection Agency

Position in conflict of interest to the company : -None-

Relation among Family with other Directors and Management of the Company or Subsidiaries : -None-

Criminal-Free Track Record for the past 10 years : -None-

History of potential conflict of interest with the Company in the past year : -None-

Mr. Kunakorn Makchaidee

Independent Director and
Chairman of Audit Committee

Age : 66 Years



Date of appointment : November 10, 2016

Shareholding as of December 31, 2021 : 16,000,000 shares (1.00%)

Education / Training :

- Master of Business Administration (Finance), Delta State University, U.S.A.
- Bachelor of Accounting, University of the Thai Chamber of Commerce
- Certificate of Attendance, Capital Market Academy Leader Program from Capital Market Academy (CMA), The Stock Exchange of Thailand Class 8

Director Training from Thai Institute of Directors Association (IOD) :

- Certificate of Attendance, Chartered Director Class 5/2009
- Certificate of Attendance, Audit Committee Program Class 17/2007
- DCP Re-Refresher Course Class 7/2005
- Diploma of Director Certificate Program and Australian Institute of Company Directors (AICD) Class 7/2001
- Certificate of Attendance, Chairman 2001 and Australian Institute of Company Directors (AICO) Class 5/2001

Work Experience (5 years past experiences) :

Board member / Management in Listed Company – The Stock Exchange of Thailand : 3 companies

year	Position	Company
2021 – Present	Independent Director, Audit Committee and Nomination and Remuneration Committee	Surapon Foods Public Company Limited
2020 – Present	Independent Director, Chairman of Audit Committee and Risk Management Committee	Bangkok Ranch Public Company Limited
2016 – Present	Independent Director and Chairman of Audit Committee	AIRA Factoring Public Company Limited
2011 – 2016	Director	AIRA Factoring Public Company Limited
2005 – 2011	Director and Executive Director	AIRA Factoring Public Company Limited

Board member / Management in Non-Listed Company – The Stock Exchange of Thailand : 1 company

year	Position	Company
2002 - Present	Director	Chao Khun Agro Products Company Limited
1991 - December 2019	Director	Business Venture Promotion Company Limited
2018 - October 2019	Independent Director, Audit Committee and Chairman of the Nomination and Remuneration Committee	Hydroquip Company Limited
2018 - April 2019	Independent Director and Audit Committee	Eastern Energy Plus Company Limited
2002 - January 2019	Director	BVP Business Consultants Company Limited

Position in other organization / Institutions : 4 places

year	Position	Company
2001 - Present	Audit Committee	The Thai Chamber of Commerce and Board of Trade of Thailand
2001 - Present	Fellow Member	Thai Institute of Directors Association (IOD)
2000 - Present	Founder member	Thai Factoring Association
1955 - Present	Founder member	Thai Venture Capital Association

Position in conflict of interest to the company : -None-

Relation among Family with other Directors and Management of the Company or Subsidiaries : -None-

Criminal-Free Track Record for the past 10 years : -None-

History of potential conflict of interest with the Company in the past year : -None-

Mrs. Yajai Pattanasukwasun
Independent Director, Audit Committee and
Chairman of Nomination and Remuneration Committee
Age : 62 years



Date of appointment : August 14, 2014

Shareholding as of December 31, 2021 : -None-

Education / Training :

- Master of Public Administration, Chulalongkorn University
- Bachelor of Accountancy, Thammasat University
- Bachelor of Laws, Sukhothai Thammathirat Open University
- Certification of Public Law, Thammasat University

Director Training from Thai Institute of Directors Association (IOD) :

- IT Governance and Cyber Resilience Program Class 18/2021
- Boards that Make a Difference (BMD) Class 6/2018
- Risk Management Program for Corporate Leader Class 16
- Advanced Audit Committee Program (AACP) Class 22/2016
- Audit Committee Program (ACP) Class 4/2005
- Director Certification Program (DCP) Class 43/2004

Work Experience (5 years past experiences) :

Board member / Management in Listed Company – The Stock Exchange of Thailand : 1 company

year	Position	Company
2014 - Present	Independent Director, Audit Committee and Chairman of Nomination and Remuneration Committee	AIRA Factoring Public Company Limited

Board member / Management in Non - Listed Company – The Stock Exchange of Thailand : 5 companies

year	Position	Company
2020 – Present	Director of Audit Committee and Office Evaluation	Office of the National Anti-Corruption Commission
Jun 2021- Present	Director, Chairman of Audit Committee and Director of Corporate Governance	Thai Credit Guarantee Corporation (TCG)
Aug 2021 – Present	Chairman of the Board of Directors	Islamic Bank Asset Management Company Limited
Aug 2020 – Present	Director, Audit Committee	The Market Organization Under the Ministry of Interior
Aug 2019 - Present	Director, Chairman of Audit Committee	AIRA Asset Management Company Limited
Jan 2019 - Sep 2019	Director, Chairman of Risk Management Committee, Remuneration and Nomination Committee	Small and Medium Enterprise Development Bank of Thailand
Apr 2019 - Sep 2019	Inspector for Ministry of Finance	Office of Permanent Secretary Ministry of Finance
2018 - Sep 2019	Director , Audit Committee	Sports Authority of Thailand
2016 - Apr 2019	Advisor on Policy and Strategy	Office of Permanent Secretary for Finance, Ministry of Finance
2014 - Sep 2019	Director, Director of Executive Committee and Legal Advisor	Government Pharmaceutical Organization

Position in other organization / Institutions : 1 place

year	Position	Company
2012 - Present	Director and CFO	Institute of Research and Development for Public Enterprises
2015 - 2019	Secretary	Thammasat University Commerce and Accountancy Alumni

Position in conflict of interest to the company : -None-

Relation among Family with other Directors and Management of the Company or Subsidiaries : -None-

Criminal-Free Track Record for the past 10 years : -None-

History of potential conflict of interest with the Company in the past year : -None-

Mr. Poonsak Thiapairat
Independent Director, Audit Committee
and Nomination and Remuneration Committee
Age : 57 years



Date of appointment : February 25, 2004

Shareholding as of December 31, 2021 : 4,440,000 shares (0.28%)

Education / Training :

- MBA (Finance and International Business), Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Master of Science Program in Logistics, Chulalongkorn University

Director Training from Thai Institute of Directors Association (IOD) :

- Finance for Non-Finance Director (FN) class 23/2005
- Directors Accreditation Program (DAP) class 11/2004

Work Experience (5 years Past Experiences) :

Board member / Management in Listed Company – The Stock Exchange of Thailand : 1 company

year	Position	Company
2004 - Present	Independent Director, Audit Committee and Nomination and Remuneration Committee	AIRA Factoring Public Company Limited

Board member / Management in Non - Listed Company – The Stock Exchange of Thailand : 3 companies

year	Position	Company
2021 – Present	Chief Executive Officer	The Bricket Company Limited
2015 – Present	Director	Poons Group of companies
2014 – Present	Director	Bellugg Group Company Limited
2014 - 2020	Director and Senior Executive Advisor	Eternity Grand Logistics Public Company Limited and the subsidiaries company

Position in other organization / Institutions : -None-

Position in conflict of interest to the company : -None-

Relation among Family with other Directors and Management of the Company or Subsidiaries : -None-

Criminal-Free Track Record for the past 10 years : -None-

History of potential conflict of interest with the Company in the past year : -None-

Mrs. Ladavan Tanatanit
Director, Authorized Director and
Executive Committee
Age : 76 years



Date of appointment : March 1, 2011

Shareholding as of December 31, 2021 : -None-

Education / Training :

- Master of Business Administration, Finance and Banking, Eastern New Mexico University, U.S.A.
- Bachelor of Business Administration, Finance, Thammasat University
- Advanced Bank Management Program (ABMP), Asian Institute of Management, Republic of the Philippines
- Diploma, National Defence College, The Joint State - Private Sector Course Class 9
- Certificate of the Capital Market Leadership Program, Capital Market Academy, Class 6
- Politics and Governance in Democratic Systems for Executives, King Prajadhipok's Institute, Class 13
- The Program for Senior Executives on Justice Administration, National Justice Academy, Office of Judiciary, Class 17

Director Training from Thai Institute of Directors Association (IOD) :

- Director Certification Program (DCP) Class 96/2007

Work Experience (5 years past experiences) :

Board member / Management in Listed Company – The Stock Exchange of Thailand : 1 company

year	Position	Company
April 2021 - Present	Director, Authorized Director and Executive Committee	AIRA Factoring Public Company Limited
2011 – April 2021	Director, Authorized Director and Chairman of Executive Committee	AIRA Factoring Public Company Limited

Board member / Management in Non - Listed Company – The Stock Exchange of Thailand : 1 company

year	Position	Company
2012 - Present	Finance and Real Estate Business Advisor	DTGO Corporation Limited

Position in other organization / Institutions : 1 place

year	Position	Company
2014 - Present	Associate Justice	The Central Intellectual Property and International Trade Court

Position in conflict of interest to the company : -None-

Relation among Family with other Directors and Management of the Company or Subsidiaries : -None-

Criminal-Free Track Record for the past 10 years : -None-

History of potential conflict of interest with the Company in the past year : -None-

Mr. Visit Vongruamlarp
Director and
Credit Committee
Age : 72 years



Date of appointment : April 29, 2011

Shareholding as of December 31, 2021 : -None-

Education / Training :

- Bachelor of Accounting, Thammasat University
- Politics and Governance in Democratic Systems for Executives Class 1, King Prajadhipok's Institute
- Improving the Quality of Finance Reporting

Director Training from Thai Institute of Directors Association (IOD) :

- Director Accreditations Program (DAP) Class 14/2004
- Director Certification Program (DCP) Class 44/2004

Work Experience (5 years past experiences) :

Board member / Management in Listed Company – The Stock Exchange of Thailand : 2 companies

year	Position	Company
2017 - Present	Independent Director	Don Muang Tollway Public Company Limited
April 2021 - Present	Director and Credit Committee	AIRA Factoring Public Company Limited
2011 – April 2021	Director and Chairman of Credit Committee	AIRA Factoring Public Company Limited
2015 - 2018	Director	Bangchak Corporation Public Company Limited
2007 - 2015	Director	D.T.C. Industries Public Company Limited

Board member / Management in Non - Listed Company – The Stock Exchange of Thailand : -None-

year	Position	Company
2016 - 2017	Director, the Property Management Office	Thammasat University
2008 - 2016	Director and Audit Committee, Property Management Office	Thammasat University

Position in other organization / Institutions : -None-

Position in conflict of interest to the company : -None-

Relation among Family with other Directors and Management of the Company or Subsidiaries : -None-

Criminal-Free Track Record for the past 10 years : -None-

History of potential conflict of interest with the Company in the past year : -None-

Mrs. Nalinee Ngamsettamas
Director, Nomination and Remuneration Committee,
Executive Committee and Authorized Director
Age : 62 years



Date of appointment : March 1, 2011

Shareholding as of December 31, 2021 : -None-

Education / Training :

- Ph.D. (Honorary Degree) in Finance, Sripatum University
- Certificate Master Marketing, Thammasat University and University of Gutenberg
- Master of Business Administration (Finance Management), National Institute of Development Administration (NIDA)
- Bachelor of Science, Srinakharinwirot University
- Advanced Master of Management Program (AMM Batch#1), The National Institute of Development Administration (NIDA)
- Thailand Insurance Leadership Program (OIC Batch#7), Office of Insurance Commission
- Thammasat World Leadership Program (TWLP Batch# 1), Thammasat University Alumni Association
- Leadership Succession Program (LSP Batch#4) Institute of Research and Development for Public Enterprises (IRDP)
- Thammasat Leadership Program (TLP Batch# 3), Thammasat University Alumni Association
- Advanced Security Management Program (ASMP Batch# 3), Thailand National Defense College
- Capital Market Academy Leadership Program (CMA Batch#8), The Capital Market Academy, The Stock Exchange of Thailand (SET)

Director Training from Thai Institute of Directors Association (IOD) :

- Director Forum 2017 “The Board’s role in CEO Succession Planning
- CAC Conference 2017 “Bright Spots: Lighting the way to a corruption free society”
- Corporate Governance for Capital Market Intermediaries (CGI) Class 15/2016
- IOD Exclusive Event (M-IEE) Class 1/2015
- Role of Chairman Program (RCP) Class 31/2013
- Director Accreditation Program (DAP) Class 61/2007

Work Experience (5 years past experiences) :

Board member / Management in Listed Company – The Stock Exchange of Thailand : 2 companies

year	Position	Company
2011 - Present	Director, Authorized Director, Executive Committee and Nomination and Remuneration Committee	AIRA Factoring Public Company Limited
2010 - Present	Director, Authorized Director, Chairman of Investment Committee and Chief Executive Officer	AIRA Capital Public Company Limited

Board member / Management in Non - Listed Company – The Stock Exchange of Thailand : 9 companies

year	Position	Company
October 2020 – Present	Authorized Director	Aspiration Two Company Limited
2018 - Present	Authorized Director	AIRA Venture Capital Company Limited
2017 - Present	Authorized Director	AIRA Asset Management Company Limited
2016 - Present	Authorized Director	Travelex (Thailand) Company Limited
2016 - Present	Chairman of the Board of Directors, Authorized Director and Chairman of Executive Committee	AIRA Leasing Public Company Limited
2015 - Present	Authorized Director, Chairman of Executive Committee and Chief Executive Officer	AIRA Property Company Limited
2015 - Present	Chairman of the Board of Directors and Authorized Director	Aspiration One Company Limited
2014 - Present	Authorized Director, Chairman of Nomination and Remuneration Committee	AIRA & AIFUL Public Company Limited
2007 – Present	Authorized Director	AIRA Securities Public Company Limited
2013 – June 2020	Chairman of the Board of Directors and Authorized Director	AIRA International Advisory (Singapore) Pte., Ltd.
2017 – 2019	Executive Committee	Nok Airline Public Company Limited
2017 – 2019	Chairman of the Board of Directors and Authorized Director	Nok Scoot Airline Company Limited
2014 – 2019	Chairman of Executive Committee	AIRA & AIFUL Public Company Limited
2017 – 2018	Director	Nok Mangkang Company Limited
2012 - 2016	Chairman of the Board of Directors and Authorized Director	AIRA Advisory Company Limited
2007 - 2016	Executive Committee	AIRA Securities Public Company Limited

Position in other organization / Institutions : -None-

Position in conflict of interest to the company : -None-

Relation among Family with other Directors and Management of the Company or Subsidiaries : -None-

Criminal-Free Track Record for the past 10 years : -None-

History of potential conflict of interest with the Company in the past year : -None-

Mrs. Nongluk Chantarasombat

Director, Authorized Director and
Chairman of Credit Committee
Age : 65 years



Date of appointment : May 14, 2018

Shareholding as of December 31, 2021 : -None-

Education / Training :

- Master of Business Administration, Kasetsart University
- Bachelor of Economics, Ramkhamhaeng University
- Situational Leadership for Top Leaders
- Digital Banking & Inspirational Leadership
- Executive Leadership Development Program (ELDP) Compass Institute, LEAD Business & Cornell University
- Business Strategy
- Strategic Management for Growth
- The 7 Habits of Highly Effective

Director Training from Thai Institute of Directors Association (IOD) :

- Director Accreditation Program (DAP) Class 152/2018

Work Experience (5 years past experiences) :

Board member / Management in Listed Company – The Stock Exchange of Thailand : 1 company

year	Position	Company
April 2021 - Present	Director, Authorized Director and Chairman of Credit Committee	AIRA Factoring Public Company Limited
2018 – April 2021	Director, Authorized Director and Credit Committee	AIRA Factoring Public Company Limited
2014 - 2017	Executive Vice President, Group Management, the credit restructuring group 2	Krung Thai Bank Public Company Limited
2015	Executive Vice President, Group Management, the credit restructuring group 2 and Acting Group Management of Property for Sale	Krung Thai Bank Public Company Limited
2013	Senior Vice President, Group Management, the credit restructuring group 2	Krung Thai Bank Public Company Limited

Board member / Management in Non - Listed Company – The Stock Exchange of Thailand : -None-

Position in other organization / Institutions : -None-

Position in conflict of interest to the company : -None-

Relation among Family with other Directors and Management of the Company or Subsidiaries : -None-

Criminal-Free Track Record for the past 10 years : -None-

History of potential conflict of interest with the Company in the past year : -None-

Admiral Navapol Damrongpong
Independent Director
Age : 63 years



Date of appointment : May 12, 2020

Shareholding as of December 31, 2021 : -None-

Education / Training :

- Master of Public and Private Management Program, National Institute of Development Administration (NIDA)
- Naval Cadet Program Class #75, Royal Thai Naval Academy
- Cadet Program Class #18, Armed Forces Academies Preparatory School
- FO MVV CO/XO Designate Course, Australia
- Royal Thai Marine Air Delivery Course Class 4
- Surface Warfare and Commanding Officer Course
- Executive Relationship Development Course (ERDC) Class 7
- Naval Staff Program Class #53, Naval Command and Staff College
- Naval War Program Class #36, Naval War College, Royal Thai Navy
- The National Defence Course Class #55, National Defence College
- Capital Market Leader Program Class #25, Capital Market Academy
- Advance Master Management Program (AMM) Class #1, National Institute of Development Administration (NIDA)

Director Training from Thai Institute of Directors Association (IOD) :

- Director Accreditation Program (DAP) Class 177/2020

Work Experience (5 years past experiences) :

Board member / Management in Listed Company – The Stock Exchange of Thailand : 4 companies

year	Position	Company
2021 – Present	Director	Singer Thailand Public Company Limited
2019 – Present	Consultant	BTS Group Holdings PCL
2020 – Present	Independent Director, Audit Committee and Nomination and Remuneration Committee	Raja Ferry Port Public Company Limited
2020 – Present	Independent Director	AIRA Factoring Public Company Limited

Board member / Management in Non - Listed Company – The Stock Exchange of Thailand : 2 Companies

year	Position	Company
2021 - Present	Director	Muangthong Assets Company Limited
2020 – Present	Consultant	U-Tapao International Aviation Company Limited

Position in other organization / Institutions : -None-

year	Position	Company
2018 – 2019	Deputy Chief of Defence Forces	Royal Thai Armed Forces Headquarters
2017 – 2018	Assistant Commander- In-Chief	Royal Thai Navy
2016 – 2017	RTN Advisory Group	Royal Thai Navy
2015 – 2016	Board	Malaysia -Thailand Joint Authority (MTJA)
2015 – 2016	Assistant secretary	Special Economic Zone policy committee
2015 – 2016	Advisor to Chairman	Industrial Estate Authority of Thailand
2014 – 2016	Commander-in-Chief of the military	Royal Thai Armed Forces Headquarters

Position in other organization / Institutions : -None-

Position in conflict of interest to the company : -None-

Relation among Family with other Directors and Management of the Company or Subsidiaries : -None-

Criminal-Free Track Record for the past 10 years : -None-

History of potential conflict of interest with the Company in the past year: -None-

Mr. Akrawit Sooksai
 Director, Executive Committee,
 Credit Committee, Authorized Director and
 Chief Executive Officer
 Age : 48 years



Date of appointment : July 5, 2018

Shareholding as of December 31, 2021 : -None-

Education / Training :

- Master of Economics, Thammasat University
- Digital Banking Transformation
- Enterprise Risk Management for Financial Institutions
- Certificate for Credit Underwriting, OMEGA (Financial Accounting for Banker & Credit Policy for Banker)

Director Training from Thai Institute of Directors Association (IOD) :

- Director Certification Program (DCP) Class 286/2019
- Director Accreditation Program (DAP) Class 152/2018

Work Experience (5 years past experiences) :

Board member / Management in Listed Company – The Stock Exchange of Thailand : 1 company

year	Position	Company
2018 - Present	Director, Executive Committee, Credit Committee, Authorized Director and Chief Executive Officer	AIRA Factoring Public Company Limited
2011 - 2018	Vice President - Credit Underwriting Department Vice President - Credit Policy & Credit Risk Department	Kasikorn Bank Public Company Limited

Board member / Management in Non - Listed Company – The Stock Exchange of Thailand : -None-

Position in other organization / Institutions : 1 place

year	Position	Company
2018 - Present	President of Thai Factors Association	Thai Factors Association

Position in conflict of interest to the company : -None-

Relation among Family with other Directors and Management of the Company or Subsidiaries : -None-

Criminal-Free Track Record for the past 10 years : -None-

History of potential conflict of interest with the Company in the past year : -None-

Mr. Chanon Chotvijit
Chairman of Executive Committee
Age : 62 years



Date of appointment : July 5, 2018

Shareholding as of December 31, 2021 : -None-

Education / Training :

- Master of Economic Law, Chulalongkorn University
- Master of Financial Economics, National Institute of Development Administration
- Bachelor of International Economics (2nd Class Honors), Chulalongkorn University
- National Defence College (NDC 51)
- Top Executive Program, Capital Market Academy (CMA 23)
- Top Executive Program in Commerce and Trade (TEPCoT 10)

Director Training from Thai Institute of Directors Association (IOD) :

- Financial Institutions Governance Program (FGP) Class 4/2012
- Director Certification Program (DCP) Class 55/2005
- Audit Committee Program (ACP) Class 4/2005
- Directors Accreditation Program (DAP) Class 29/2004

Work Experience (5 years past experiences) :

Board member / Management in Listed Company – The Stock Exchange of Thailand : 1 companies

year	Position	Company
April 2021 - Present	Chairman of Executive Committee	AIRA Factoring Public Company Limited
2018 – April 2021	Executive Committee	AIRA Factoring Public Company Limited
2015 – 2021	Independent Director, Chairman of Audit Committee, and Nomination and Remuneration Committee	Chayo Group Public Company Limited

Board member / Management in Non - Listed Company – The Stock Exchange of Thailand : 2 companies

year	Position	Company
2016 - Present	Chairman of Executive Committee	Brain Consultant International Company Limited
2012 – Present	Chief Executive Officer	Is Property Company Limited

Position in other organization / Institutions : 1 place

year	Position	Company
2017 - Present	Advisor	Thai Valuers Association

Position in conflict of interest to the company : -None-

Relation among Family with other Directors and Management of the Company or Subsidiaries : -None-

Criminal-Free Track Record for the past 10 years : -None-

History of potential conflict of interest with the Company in the past year : -None-

Mr. Suthiporn Tanthikul
Executive Committee and
Credit Committee
Age : 60 years



Date of appointment : July 5, 2018

Shareholding as of December 31, 2021 : -None-

Education / Training :

- Master of Economics program, National Institute of Development Administration
- Bachelor of Economic, The University of the Thai Chamber of Commerce
- Leadership Succession Program (Batch#5) Institute of Research and Development for Public Enterprises (IRDP)
- Thammasat Leadership Program (Batch#4), Thammasat University
- Risk Management Program (Batch#2), Chulalongkorn University

Director Training from Thai Institute of Directors Association (IOD) :

- Director Certification Program (DCP) Class 215/2016
- Risk Management Committee (RMP) Class 4/2014

Work Experience (5 years past experiences) :

Board member / Management in Listed Company – The Stock Exchange of Thailand : 2 companies

year	Position	Company
2019 - Present	Executive Committee	AIRA Factoring Public Company Limited
2018 - Present	Credit Committee	AIRA Factoring Public Company Limited
2013 - present	Managing Director and Risk Management Committee	AIRA Capital Public Company Limited

Board member / Management in Non - Listed Company – The Stock Exchange of Thailand : 7 companies

year	Position	Company
January 2021 – Present	Executive Committee	AIRA Securities Public Company Limited
October 2020 – Present	Authorized Director	Aspiration Two Company Limited
February 2018 – Present	Leasing Committee	AIRA Leasing Company Limited
June 2016 - Present	Authorized Director	AIRA Leasing Company Limited
2016 - present	Authorized Director	AIRA Asset Management Company Limited
December 2016 – Present	Authorized Director	AIRA Venture Capital Company Limited
2016 - Present	Authorized Director and Executive Committee	AIRA and AIFUL Public Company Limited
2016 – January 2021	Executive Committee	AIRA Leasing Company Limited
2015 – November 2020	Authorized Director	AIRA Property Public Company Limited

Position in other organization / Institutions : -None-

Position in conflict of interest to the company : -None-

Relation among Family with other Directors and Management of the Company or Subsidiaries : -None-

Criminal-Free Track Record for the past 10 years : -None-

History of potential conflict of interest with the Company in the past year : -None-

Mr. Ekawat Piriyawarasakul

Executive Committee

Age : 41 years



Date of appointment : December 14, 2021

Shareholding as of December 31, 2021 : -None-

Education / Training :

- Master of Laws, Master of Legal Institutions (M.L.I.), University of Wisconsin-Madison, the United States of America
- Bachelor of Laws, LL.B., Thammasat University
- Summer Program in United States Law and Legal Institutions, held by University of Wisconsin-Madison
- Executive in Industrial and Investment Business Development Program (Class 4), held by Institute of Business and Industrial Development (IBID)
- Labor Relations Consultant Program, held by the Employers' Confederation of Thai Trade and Industry (ECONTHAI)
- Executive Program, held by the Capital Market Academy (CMA) (Class 31)

Director Training from Thai Institute of Directors Association (IOD) :

- Directors Certification Program: DCP Class of 224/2016
- Role of the Chairman Program (RCP) Class of 41/2017
- Board Nomination and Compensation Program (BNCP) Class of 2/2017

Work Experience (5 years past experiences) :

Board member / Management in Listed Company - The Stock Exchange of Thailand : 1 Company

year	Position	Company
December 2021 – Present	Executive Director	AIRA Factoring Public Company Limited
2015 – July 2021	Audit Committee	IT GREEN PUBLIC COMPANY LIMITED
2016 – July 2021	Audit Committee and Nomination and Remuneration Committee	International Research Corporation Public Company Limited

Board member / Management in Non - Listed Company – The Stock Exchange of Thailand : 2 companies

year	Position	Company
2014 – Present	Director	ES COUNSEL COMPANY LIMITED
2015 – Present	Director	HIRATA ENGINEERING (THAILAND) COMPANY LIMITED

Position in conflict of interest to the company : -None-

Relation among Family with other Directors and Management of the Company or Subsidiaries : -None-

Criminal-Free Track Record for the past 10 years : -None-

History of potential conflict of interest with the Company in the past year : -None-

Mr. Watana Sangvongmai
Credit Committee
Age : 61 years



Date of appointment : April 1, 2020

Shareholding as of December 31, 2021 : -None-

Education / Training :

- Master's degree: MS Finance and banking NIDA
- Bachelor's degree: BC Economic Thammasat
- Mini MBA, Chulalongkorn University
- Financial Executive Development Program-FINEX 20, The Thai Institute of Banking and Finance Association

Director Training from Thai Institute of Directors Association (IOD) : -None-

Work Experience (5 years past experiences) :

Board member / Management in Listed Company – The Stock Exchange of Thailand : 2 company

year	Position	Company
2020 - Present	Credit Committee	AIRA Factoring Public Company Limited
2020 – Present	Executive Committee	AIRA Leasing Public Company Limited
2017 - 2019	FSVP SME Relationship Management Bangkok Division	Siam Commercial Bank Public Company Limited
2015 - 2017	FSVP SME Control & Development	Siam Commercial Bank Public Company Limited
2011 – 2015	FSVP SME Northeast Region	Siam Commercial Bank Public Company Limited
2006 – 2011	SVP SME Bangkok Region	Siam Commercial Bank Public Company Limited
1995 – 2002	Business Banking	Siam Commercial Bank Public Company Limited
1987 – 1995	Agricultural and Commodity Division	Siam Commercial Bank Public Company Limited

Board member / Management in Non - Listed Company – The Stock Exchange of Thailand : -None-

Position in other organization / Institutions : -None-

Position in conflict of interest to the company : -None-

Relation among Family with other Directors and Management of the Company or Subsidiaries : -None-

Criminal-Free Track Record for the past 10 years : -None-

History of potential conflict of interest with the Company in the past year : -None-

Mr. Virut Danarthikhom

Credit Committee

Age : 64 years



Date of appointment : November 10, 2020

Shareholding as of December 31, 2021 : -None-

Education / Training :

- Bachelor of Economics, Ramkhamhaeng University
- Bachelor of Law Thammasat University
- MBA, Sasin Graduate Institute of Business Administration of Chulalongkorn University

Director Training from Thai Institute of Directors Association (IOD) :

- Ethical Leadership Program (ELP) Class 6/2016

Work Experience (5 years past experiences) :

Board member / Management in Listed Company – The Stock Exchange of Thailand : 1 company

year	Position	Company
2020 - Present	Credit Committee	AIRA Factoring Public Company Limited
2015 - 2018	Executive Vice President of Risk Management and Debt Recovery	AIRA Factoring Public Company Limited
Head of Corporate	Head of Corporate	RHB Bank Berhad, Bangkok Branch

Board member / Management in Non - Listed Company – The Stock Exchange of Thailand : -None-

Position in other organization / Institutions : -None-

Position in conflict of interest to the company : -None-

Relation among Family with other Directors and Management of the Company or Subsidiaries : -None-

Criminal-Free Track Record for the past 10 years : -None-

History of potential conflict of interest with the Company in the past year : -None-

Mrs. Pornpilai Burasai
Managing Director
Age : 59 years



Shareholding as of December 31, 2021 : -None-

Education / Training :

- Master of Business Administration (MBA), National Institute of Development Administration (NIDA)
- Mini MBA, Chulalongkorn University
- Bachelor of Economic, Thammasat University
- Graduated Diploma in English for Business and Management (EBM), Thammasat University
- Peace Ambassadors Class, Mahachulalongkornrajavidyalaya University

Director Training from Thai Institute of Directors Association (IOD) :

- Executive Director Program (EDP) Class 9/2011

Work Experience (5 years past experiences) :

Board member / Management in Listed Company – The Stock Exchange of Thailand : 1 company

year	Position	Company
2019 - Present	Managing Director	AIRA Factoring Public Company Limited
2018	Acting Managing Director	AIRA Factoring Public Company Limited
2011 - 2018	Executive Vice President of Credit and Marketing Department 2	AIRA Factoring Public Company Limited

Board member / Management in Non - Listed Company – The Stock Exchange of Thailand : -None-

Position in other organization / Institutions : -None-

Position in conflict of interest to the company : -None-

Relation among Family with other Directors and Management of the Company or Subsidiaries : -None-

Criminal-Free Track Record for the past 10 years : -None-

History of potential conflict of interest with the Company in the past year : -None-

Mr. Pattawut Veerapradit

Assistant Managing Director,
Finance & Administration Division
Company Secretary
Age : 49 years



Shareholding as of December 31, 2021 : -None-

Education / Training :

- Master of Business Administration: Corporate Finance, University of Dallas, TX, U.S.A.
- Bachelor of Business Administration: Finance & Banking, The Faculty of Commerce and Accountancy, Thammasat University
- Refreshment of the Role and Expectation of A CFO, Federation of Accounting Professions under the Royal Patronage of His Majesty King
- CFO's Orientation Course for New IPOS, Federation of Accounting Professions under the Royal Patronage of His Majesty King

Work Experience (5 years past experiences) :

Board member / Management in Listed Company - The Stock Exchange of Thailand : 1 company

year	Position	Company
2019 - Present	Executive Vice President, Finance & Administration Division	AIRA Factoring Public Company Limited

Board member / Management in Non - Listed Company - The Stock Exchange of Thailand : -None-

year	Position	Company
2010 - 2019	Vice President: Finance Division and Manager of Thailand Representative Office	TACL Management Co. (Malaysia) SDN. BHD.

Position in other organization / Institutions : -None-

Position in conflict of interest to the company : -None-

Relation among Family with other Directors and Management of the Company or Subsidiaries : -None-

Criminal-Free Track Record for the past 10 years : -None-

History of potential conflict of interest with the Company in the past year : -None-

Mr. Vuthipong Anurattada
 Executive Vice President
 Credit and Marketing Group 1
 Age : 50 years



Shareholding as of December 31, 2021 : -None-

Education / Training :

- Master of Business Administration, University of the Thai Chamber of Commerce
- Bachelor of Business Administration, University of the Thai Chamber of Commerce

Director Training from Thai Institute of Directors Association (IOD) :

- Executive Development Program (EDP) Class 6

Work Experience (5 years past experiences) :

Board member / Management in Listed Company - The Stock Exchange of Thailand : 1 company

year	Position	Company
2018 - Present	Assistant Managing Director, Credit and Marketing Group 1	AIRA Factoring Public Company Limited
2001 - 2018	Senior Vice President of Credit and marketing 1	AIRA Factoring Public Company Limited

Board member / Management in Non - Listed Company - The Stock Exchange of Thailand : -None-

Position in other organization / Institutions : -None-

Position in conflict of interest to the company : -None-

Relation among Family with other Directors and Management of the Company or Subsidiaries : -None-

Criminal-Free Track Record for the past 10 years : -None-

History of potential conflict of interest with the Company in the past year : -None-

Mr. Perayot Ketchat
 Assistant Managing Director,
 Risk Management and Debt Recovery Division
 Age : 47 years



Shareholding as of December 31, 2021 : -None-

Education / Training :

- Master of Business Administration (M.B.A.), Burapha University
- Bachelor of Finance, Dhurakijpundit University
- Certificate, Banking and Finance Law Program (Batch#4), Thammasat University

Work Experience (5 years past experiences) :

Board member / Management in Listed Company - The Stock Exchange of Thailand : 1 company

year	Position	Company
2019 - Present	Executive Vice President, Risk Management and Debt Recovery Division	AIRA Factoring Public Company Limited
2014 - 2018	Assistant Vice President, Corporate Credit Risk Analysis Office 2	Land and Houses Bank Public Company Limited

Board member / Management in Non - Listed Company - The Stock Exchange of Thailand : -None-

Position in other organization / Institutions : -None-

Position in conflict of interest to the company : -None-

Relation among Family with other Directors and Management of the Company or Subsidiaries : -None-

Criminal-Free Track Record for the past 10 years : -None-

History of potential conflict of interest with the Company in the past year : -None-

Mr. Pipob Jirawongsakorn
 Assistant Managing Director,
 Operation, and Information Technology Division
 Age : 51 years



Shareholding as of December 31, 2021 : -None-

Education / Training :

- Bachelor of Business Administration (Accounting), Sukhothai Thammathirat Open University
- Bachelor of Arts (General Management), Suan Dusit Teacher's College
- Minis Master of Management, National Institute of Development Administration

Work Experience (5 years past experiences) :

Board member / Management in Listed Company - The Stock Exchange of Thailand : 1 company

year	Position	Company
2019 - Present	Executive Vice President, Operation, and Information Technology Division	AIRA Factoring Public Company Limited

Board member / Management in Non - Listed Company - The Stock Exchange of Thailand : -None-

year	Position	Company
2017 - 2019	Vice President, Operation	Souteast Capital Company Limited
2011 - 2017	Vice President, Operation	Bangkok Grand Pacific Lease Public Company Limited

Position in other organization / Institutions : -None-

Position in conflict of interest to the company : -None-

Relation among Family with other Directors and Management of the Company or Subsidiaries : -None-

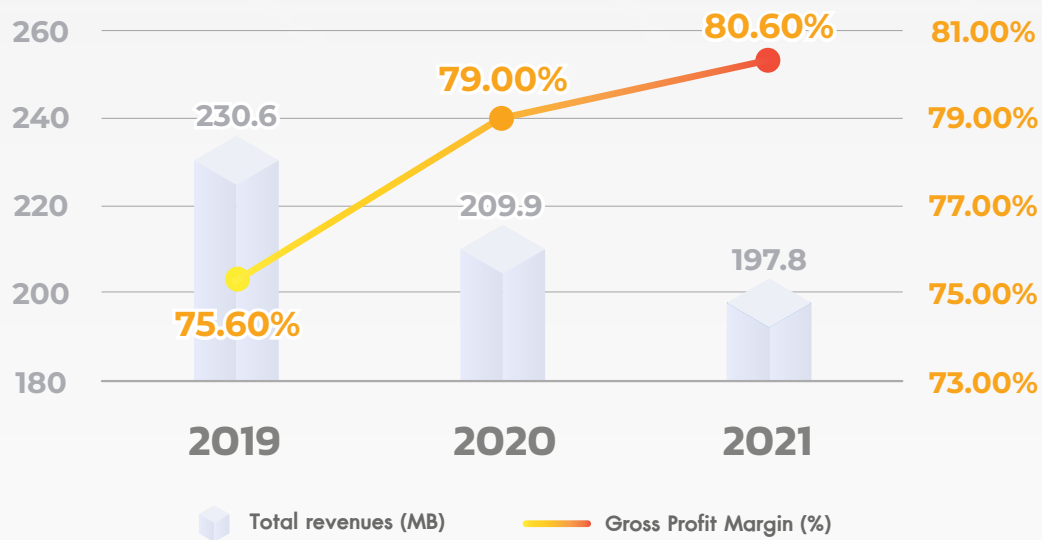
Criminal-Free Track Record for the past 10 years : -None-

History of potential conflict of interest with the Company in the past year : -None-

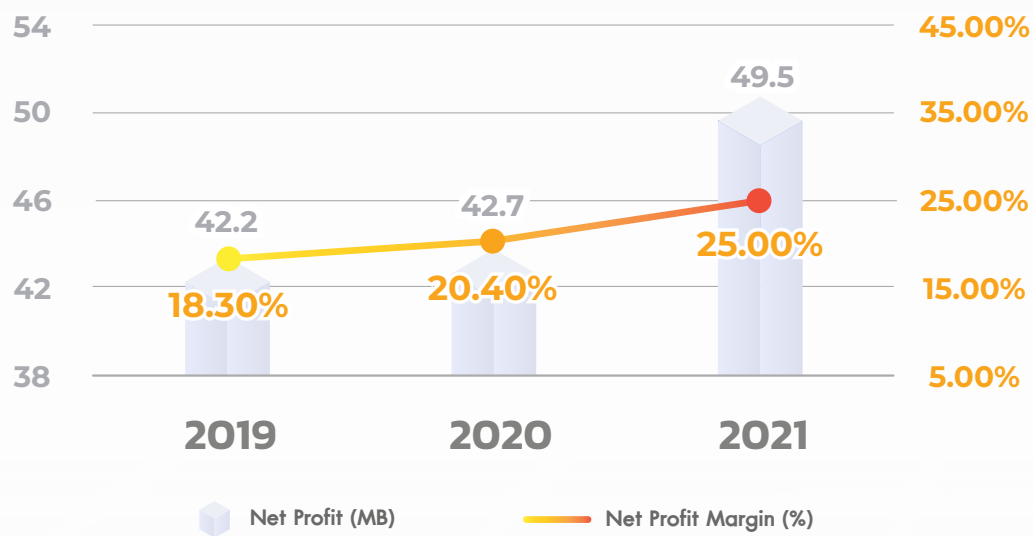
Financial Highlights

Financial Information	2019	2020	2021
Financial position (Baht)			
Cash and cash equivalents	51,139,744	62,519,815	99,985,362
Total assets	2,556,464,781	2,176,837,136	2,311,539,476
Total liabilities	2,028,086,134	1,655,598,106	1,780,784,017
Total shareholders' equity	528,378,647	521,239,030	530,755,459
Results of Operations (Baht)			
Interest income from factoring	177,199,201	159,620,727	139,099,512
Fee and services income	47,755,888	41,071,587	40,106,368
Total revenues	230,605,833	209,940,452	197,836,677
Financial costs	54,892,770	42,057,964	34,767,643
Operating expenses	127,080,602	117,571,889	98,483,903
Net Profit	42,158,876	39,279,579	49,516,429
Financial Ratio			
Quick Ratio (Time(s))	1.24	1.26	1.26
Gross Profit Margin (%)	75.60	79.04	80.60
Net Profit Margin (%)	18.28	20.35	25.03
ROE (%)	7.98	8.19	9.33
ROA (%)	1.68	1.96	2.14
Debt to asset ratio (Time(s))	0.79	0.76	0.77
Debt to equity ratio (Time(s))	3.84	3.18	3.36
Value per share (Baht per share)			
Earnings per share	0.0263	0.0267	0.0309
Book value per share	0.35	0.34	0.35

Graph: Total Revenues & Gross Profit Margin



Graph : Net Profit & Net profit Margin



Part

1



Business Operation and Operating Results

1. Organizational structure and operation of the group of companies

1.1 Policy and business overview

1.1.1 Overview of the vision, objectives, goals and business strategies of the Company

◆ Vision:

Become a partner of entrepreneurs, focus on leadership of the business of providing credit services as non-bank financial institutions, which is ready to create innovations in order to increase the potential of providing excellent service under all technological changes under sustainable good corporate governance

◆ Mission:

Target to apply digital technology combining expertise in business. Develop comprehensive financial products and services for customers under efficient business operations. Create sustainable business growth under good corporate governance to achieve reasonable returns to stakeholders as well as realize the importance of social and environmental responsibility.

◆ Core Value:

- Customer centricity
- Providing excellence services
- Professionalism
- Focusing innovation for effectiveness business operation
- Business operation on Social & Environmental responsibility under Good Corporate Governance

◆ Business Goal:

The company has objective to be a leading company to provide financial service in kind of

factoring services and other types of credits to support business of small – medium entrepreneurs in order to make them easier to access a source of fund, to be a strengthen entrepreneurs and to be a part that will drive the growth of Economic under effective risk management. Company has a process of considering the quality of customers and accounts receivable on an ongoing basis by understanding the customer's business as well as to manage financial costs effectively. Company operates our business under the principles of good governance and good corporate governance in order to generate profits and good returns to shareholders and sustainable growth in the long term.

◆ Business Plan:

The company has prepared a business development plan for the year 2020 - 2022 as a framework for business operations and preparation for entering digital technology both in terms of system development and financial product development as follows:

1. The E-Factoring project is an online service channel by developing a system to support the transfer of trade rights to reduce the process of transferring rights and reduce the risk of purchasing including facilitating customers in requesting documents Customers can make transactions via the Internet.
2. Modify the approval process by developing an online credit approval system. This will result to customers being able to apply for credit conveniently and quickly,

reducing the turnaround time in credit approval, increase potential for future business development as well as reducing operating costs under acceptable risk

3. Synergy business with companies in the AIRA group that have customers from the financial services business and other types of credit as well as other business types such as auto parts manufacturers real estate development and other businesses. This will help to build more marketing base.
4. The increasing financial products project such as Supply Chain Financing, which will be products that will increase the company's revenue in 2022

◆ **Strategy:**

1. The company expands business by expanding cooperation with the "Platform company" who has a large number of suppliers in their system to be partner with the company in the field of supply chain to strengthen the company in credit risk management due to the trade account receivables cooperate very well in accepting the transfer of rights and can recommend clients to use the service with AIRA Factoring Plc. And also, can verify receivables which are brought to sell, thus the risk is reduced.
2. In addition, this year the company set a target to expand the

proportion of loan facility as Non-factoring product such as credit line for existing clients who have a good record and AF already supports factoring credit lines. And potential clients who have collateral cover the credit line which AF can control the cash flow to pay off debt. Also, other forms of credit such as Supplier Financing and Revolving credit

3. The Company has applied technology for factoring credit approval which is in the Digital Lending project. This will increase the efficiency of credit services to clients quicker. Moreover, the company also attaches importance to establishing a central database among the group companies to be used for central database and new product design.
4. The company develops more variety in service. There is cooperation in coordinating with affiliated companies to issue new products in full synergies of credit with affiliated companies to meet the needs of clients who need a full range of credit.
5. In 2021 AF has expanded client base to various potential growth industry such as Healthcare industry, Technology industry, E-Commerce industry and Renewable energy.
6. The company focuses on renewable energy segment by providing factoring credit line to the SMEs

clients which guaranteed energy saving project. Encouraging this business to invest in projects for the environment.

1.1.2 Material changes and developments

Company Background

AIRA Factoring Public Company Limited (“AF” or “the Company”), formerly known as Dhanamitr Factoring Public Company Limited was incorporated on 6 January 1997 with a registered capital of 20 million Baht through a joint venture between Central Retail Corporation Limited, holding 50%; the Siam Commercial Bank Public Company Limited group, holding 38% and another 12% by minor shareholders. The objective of the Company is to provide factoring services. On 2 March 2004, the company registered from limited company to public limited company and consequently registered into the Market for Alternate Investment (mai) in August 2004. Listing the Company on the mai allowed the company to issue an additional 4 million shares, equivalent to a total share capital of 100 million Baht composed of 20 million ordinary shares.

Then, on 25 February 2011, two of the major shareholders; the Chirathivat Group and Siam Commercial Bank Public Company Limited group had disposed of the Company’s shares to AIRA Capital Public Company Limited. in the total amount of 11,470,200 shares or 57.35% of total issued and paid-up shares of the Company. On September 2011, the Company had raised its registered capital from 100 million Baht to 200 million Baht and registered the change of the Company name from “Dhanamitr Factoring Public Company Limited” to “AIRA Factoring Public Company Limited”.

Important development and changes for the last 5 years

Year 2013

- **February** : The shareholders’ structure of the Company changed as Summit Corporation Company Limited sold 6,420,000 shares equivalent to 16.05% of the Company to AIRA Capital Public Company Limited resulting in AIRA Capital Public Company Limited holding a total of 29,607,617 shares equivalent to 74.02% of the Company.
- **April** : The Company moved the headquarter from 444 Olympia Thai Tower, 6th Floor, Ratchadapisek Road, Samsennok, Huaykwang, Bangkok, 10320 to 319 Chamchuri Square, 20th Floor, Phayathai Road, Pathumwan, Bangkok 10330

Year 2015

- **August** : The Company changed the value of the Company’s share by splitting the value from 5.00 Baht per share to 0.25 Baht per share.
- **September** : Increased the registered capital from 200 million Baht to 400 million Baht.

Year 2016

- AF awarded Total Innovation Management Award 2016 organized by the Stock Exchange of Thailand and National Innovation Agency as outlined under the Promotion Innovation Capability through the appraisal process.

Year 2018

- **May** : the meeting of the Board of Directors no. 2/2018 had the resolution to appoint Mr. Sorasit Soontornkes to be the Company Chairman, effective from 14 May 2018 onwards.

- **July** : the meeting of the Board of Directors no. 4/2018 had the resolution to appoint Mr. Akrawit Sooksai, effective from 5 July 2018 onwards.

- Corporate governance at a very good level



Year 2020

- **June** : The Company moved the headquarter from 319 Chamchuri Square, 20th Floor, Phayathai Road, Pathumwan, Bangkok 10330 to 319 Chamchuri Square, 17th Floor, Phayathai Road, Pathumwan, Bangkok 10330
- **September** : September: The Company was the Certified Companies of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) since 30 September 2020.

- Corporate governance at excellence level



Year 2021

- **May** : Company has been selected as a constituent of ESG Emerging in 2021 by Thaipat Institute.

- Corporate governance at excellence level



1.1.3 The use of fund according to information disclosure regarding to the fundraising

- None-

1.1.4 Commitments that the Company makes in the registration statement for the offering of securities

- None-

1.1.5 General Information

Company Name	: AIRA Factoring Public Company Limited "AF"
Head Office Address	: 319 Chamchuri Square, 17 th Floor, Phayathai Road, Pathumwan Sub-district, Pathumwan District, Bangkok 10330 Thailand
Nature of Business	: The Company's main business is to provide short-term financing service by transferring creditors' right or factoring service.
Registration Number	: 0107547000141
Website	: www.airafactoring.co.th
Telephone	: +66(0) 2657 6222
Fax	: +66(0) 2657 6244, +66(0) 2657 6245
Registered Capital	: Baht 400,000,000
Paid-up Capital	: Baht 400,000,000
Par Value	: Baht 0.25 per share
Number of Issued Ordinary Shares	: 1,600,000,000 shares

1.2 Nature of Business

AIRA Factoring Public Company Limited (“AF” or “the Company”) is a company that operates mainly in the domestic factoring business (Domestic Factoring). The Company is a short-term working capital service provider by buying and reducing trade accounts receivable from receiving the transfer of claims for receiving money for goods or services

Highlights in the company’s business operations

The company has been in the factoring business for more than 25 years with knowledge and expertise in the industry. In addition, the Company received good support from partners and shareholders which makes the business continue grow steadily. The company can

reduce credit risk by accepting the transfer of rights and registration of collateral for claims against trade accounts receivable according to the Business Security Act B.E. 2558, it is an important component of a factoring business.

The company uses a strategy in the form of business expansion with partners. There is a data connection between them and use transaction data to analyze customer needs as well as having a team to give advice or suggestions that are useful to customers such as inventory and raw material management, raw material sourcing, debtor management, including taking care and facilitating the expansion of the credit limit to increase business opportunities for customers. It will make the company’s business operations and the customer’s business is growing steadily and sustainably.

1.2.1 Income structure

The revenue of the company can be broken down into the following services:

Type of Service	Type of Income	Source of the Income
Domestic Factoring	Revenue from factoring services	Interest Income from Factoring
	Fees and Services	Fee from opening credit limit Fee from purchasing rights

The revenue structure of the company from 2019 to 2021 as follows:

Revenue Breakdown	2021		2020		2019	
	Amount	%	Amount	%	Amount	%
Interest Income from Factoring	139,100	70.31	159,621	76.03	177,199	76.84
Fees and Service Income	40,106	20.27	41,071	19.56	47,756	20.71
Other Income	18,631	9.42	9,248	4.41	5,650	2.45
Total	197,837	100.00	209,940	100.00	230,605	100.00

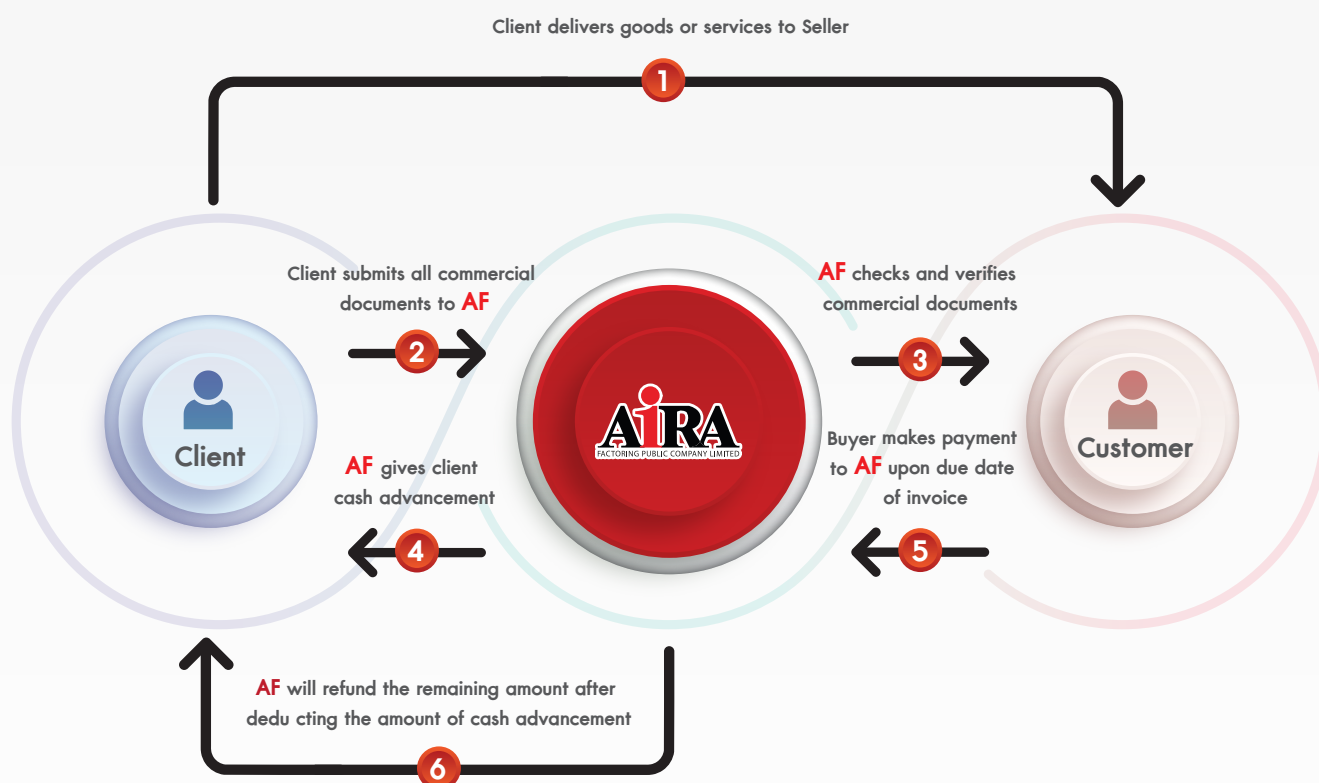
1.2.2 Product information

(1) Characteristics of products or services and development of business innovation.

The Company's main business is providing credit for transferring claims or domestic factoring. It is a short-term working capital service provider by buying and reducing trade accounts receivable from receiving the transfer of claims for receiving goods and services.

Company's service process Diagram

Factoring credit cycle



The Company's main customers are groups of customers in small and medium sized businesses that need working capital to run their business. Most of them are growing businesses phase or during business expansion. Factoring credit will support business liquidity which can help customers increase in their sales.

Currently the target customers are business sector such as electrical appliance parts industry Electronics, telecommunications, consumer products,

labor service sector and businesses related to health and beauty, etc. because these are business sectors having a large number of players involved in the industry and continuously expansion. The target customers in these industries are on normal business conditions.

The nature of transactions is clear and verifiable. They are enabling effective risk management. Expected to be an opportunity to increase the company's transaction volume.

Regarding risk management, the

Company has a credit management system and effective risk control in various processes which is the same standard as general financial institutions in order to prevent potential risks such as focusing on controlling the proportion of customers in each business sector for proper risk management, supporting businesses which are in the business sector that are expanding with high potential.

Usually, in general trade transactions, the customers will provide credit term for debtor when customers need cash for their working capital or for buying more raw materials before the debtor's payment period. Customers can bring trade documents such as delivery orders, purchase orders, and bills to sell at a discount, along with transferring the right to receive payments to the company. The company will pay cash to customers in advance about 80 percent of the amount according to the documents. And when the payment due, which normally does not exceed 180 days, the Company will be responsible for collecting goods or services from the debtor according to the amount shown in the trade documents. and refund the amount equal to the difference between the purchase amount and the amount received from the charge for the goods or services.

Business Innovation development

The financial technology change has led the company to develop information system to reducing the work process. And to enhance knowledge for employees, such as e-Document, e-Factoring that led the technology to reduce the operation process of buying clients documents to only 1 day.

In 2022, the company is developing Digital Lending project in order to reduce the process of credit approval for factoring that facilitates customers and improve credit approval process within 1 business day. Reducing credit risk since AF being able to verify direct transfers

and payment of goods from trade accounts receivable.

(2) Marketing and competition

● Industrial Condition and Competition The Thai Economy in Q3/2021

The Thai Economy in the third quarter of 2021 contracted by 0.3 percent (%YoY) compared with a 7.6-percent growth in the previous quarter. After seasonally adjusted, the economy decreased by 1.1 percent from the second quarter (%QoQ). In the first 9 months of 2021, the Thai economy expanded by 1.3 percent.

- **Expenditure side** private consumption and public investment showed contractions, while export of goods, private investment and government expenditure continued to grow. Private consumption expenditure decreased by 3.2 percent, compared with a 4.8-percent growth in the previous quarter due to the resurgence of domestic outbreak causing consumers to be more cautious, while the government had to uplift COVID-19 containment measures. Thus, expenditure on durable goods decreased by 14.1 percent, compared with a 13.3-percent expansion in the previous quarter, owing to a 21.8-percent decline in purchase of vehicles. The expenditure in services also decreased by 4.9 percent, compared with a 9.1-percent growth in the previous quarter. Meanwhile, the expenditure in semi-durable goods contracted by 8.3 percent, continually decreased from 7.3-percent in the previous quarter. The expenditure in non-durable goods increased by 1.3 percent, decelerating from a 2.3-percent growth in the previous quarter. Although, the operation of personal transport equipment decreased by 15.6 percent, food and non-alcoholic beverages grew by 2.7 percent. The decline of private consumption in this quarter was in line with the decrease in consumer confident index about the general economic situation which fell from 38.8 in the previous quarter to 34.9 in this quarter. In the first 9 months of 2021, private consumption

expenditure increased by 0.4 percent. Government consumption expenditure increased by 2.5 percent, accelerating from a 1.0-percent growth in the previous quarter. Compensation of employees (wage and salary) and social transfers in kind increased by 1.0 percent and 47.1 percent, respectively, following an increase in medical treatment spending for COVID-19. On the contrary, purchases of goods and services dropped by 3.6 percent. The expansion of government spending was in accordance with 638.678 billion baht current budget with 23.0 percent growth and 23.8 percent disbursement rate of total current budget framework, compared to 20.6 percent and 19.6 percent in the previous quarter and the same quarter of last year. Additionally, the disbursement under the loan decrees was 219.740 billion baht. In the first 9 months, government consumption expenditure increased by 1.9 percent.

- **Total investment** is expected to register a 4.3-percent growth in 2022, compared with 4.4 percent in 2021: (1) Private investment is estimated to increase by 4.2 percent, a continual growth from a 4.3-percent in 2021. This is due mainly to recoveries in manufacturing and export sectors as a result of the acceleration of the world economy and merchandized trade; and (2) Public investment is expected to grow by 4.6 percent, compared with a 4.8-percent increase in the previous year. This was in accordance with the increase in the FY2022's capital budget framework compared with that of FY2021 as well as the increased

of state-owned enterprises investment budget framework (including listed SOEs) in FY2022 with amount of 468,833 million baht.

- **Exports** is anticipated to increase by 4.9 percent, slowing from a 16.8-percent expansion in 2021. The export volume is forecasted to grow by 4.4 percent. The export price is expected to increase by 0.0 – 1.0 percent. The export of services is expected to improve due to an easing of international travel restrictions and

the improving COVID-19 pandemic situation in both Thailand and tourists' origin countries. In the baseline scenario, revenues from foreign tourists in 2022 is projected to be 0.44 trillion baht, compared with 0.13 trillion baht in 2021, an increase by 238.0 percent. Thus, in 2022, the export quantity of goods and services is estimated to increase by 9.0 percent, compared with 10.0 percent in 2021. Export items with increased value included machinery & equipment (16.4 percent), passenger car (8.7 percent), pick up & trucks (18.7 percent), vehicle parts & accessories (25.3 percent), computer parts & accessories (26.1 percent), rubber products (10.4 percent), animal food (19.6 percent), rubber (99.5 percent), tapioca (59.8 percent), and rice (16.5 percent).

- **Agricultural sector** continued to increase for the four consecutive quarters by 4.3 percent, accelerating from 1.9 percent in the previous quarter, following the favorable weather conditions and sufficient water levels. This was associated with an 8.1-percent expansion of the Agricultural Production Index. Major agricultural products with production expansion include fruits (37.8 percent), paddy (12.1 percent), and maize (11.9 percent), while major agricultural products with production contraction included white leg shrimp (-6.7 percent). In addition, livestock production consecutively increased for 15 quarters by 2.2 percent, however, fishery and aquaculture product contracted by 6.7 percent. Meanwhile, the Agricultural Price Index decreased for the first time in five quarters with 4.5 percent contraction, compared with a 12.7-percent growth in the previous quarter. major agricultural products with decreased price included paddy (-27.1 percent), fruits (-20.2 percent), swine (-9.6 percent), white leg shrimp (-9.2 percent), and poultry (-1.8 percent), while major agricultural products with increased price included oil palm (84.7 percent), rubber (13.7 percent), sugarcane (30.3 percent), cassava (1.9.1 percent), and maize (4.4 percent). As a result of increasing in agricultural production, overall Farm Income

Index increased for the fourth consecutive quarter by 2.9 percent.

- **Manufacturing sector** decreased by 1.4 percent, the first contraction in past three quarters, compared with a 16.9 percent growth in the previous quarter. The decline in this quarter was due to softened domestic demand, the impact from the outbreak in production area, the constraint from supply disruption which was in line with a 0.8 percent reduction in the Manufacturing Production Index (MPI). MPI of industries with export share between 30 – 60 percent and with export share less than 30 percent to total production dropped by 1.0 percent and 4.2 percent, compared with a 28.3-percent and 9.6-percent in the preceding quarter,

respectively. On the other hand, MPI of those with export share more than 60 percent continued to expand for three consecutive quarter by 4.3 percent, following the solid growth in export of goods. The average capacity utilization rate stood at 59.31 percent, down from 62.73 percent in the previous quarter and 60.41 percent in the same quarter of 2020. The industries with negative MPI growth included computers and peripheral equipment (11.2 percent), refined petroleum products (5.9 percent), and motorcycles (39.4 percent), while the industries with positive MPI growth included sugar (61.2 percent), electronic components and boards (14.1 percent), and motor vehicles (2.4 percent).

- **The accommodation and food service activities sector** contracted by 18.7 percent, compared with a 14.6-percent expansion in the previous quarter. This was in accordance with a decrease in domestic tourism and household spending despite a gradual increase in the number of inbound foreign tourists. In this quarter, the revenue from Thai tourists was 10.0 billion baht which dropped by 91.5 percent, compared with an 86.0-percent increase in the previous quarter. This was due to impacts from the resurgence of COVID-19, coupled with more stringent containment measures. The number of foreign tourists was 45,398 persons (including the

Thailand Privilege Card visitors). The average occupancy rate was at 5.46 percent, dropping from 8.24 percent in the previous quarter and less than 26.69 percent in the same period last year.

- **Transportation and storage sector** dropped by 0.9 percent, compared with a 11.2 percent increase in the previous quarter. The drop was in accordance with the contractions of transportation services composite index of 3.2 percent, compared with a 20.9 percent growth in the previous quarter. The impact of COVID-19 resurgence subdued land and pipeline transport service index to decrease. Meanwhile, water and air transport services expanded in tandem with the continually expansion of exports and recovery of international travel. In addition, support activities for transportation rose by 8.7 percent, while postal and courier activities continued to increase favorably by 23.2 percent.

The Thai economy in 2021 is projected to increase by 1.2 percent, a gradual recovery from a 6.1-percent decrease in 2020. Headline inflation is estimated to be 1.2 percent and the current account is projected to record a deficit of 2.5 percent of GDP, compared with a surplus of 4.0 percent of GDP in 2020.

The Thai economy in 2021 is expected to grow in the range of 3.5 – 4.5 percent, mainly supported by;

- (i) the recovery in domestic demand and manufacturing production, following improving COVID-19 outbreak condition and the progress on vaccine distribution.
- (ii) the regaining of domestic tourism sector following easing international travel policy.
- (iii) the expansion of export of goods.
- (iv) the support from government disbursement.
- (v) the low growth base of the economy.

(vi) Source: Office of National Economic and Social Development Board (NESDB)

● Competitors

Since factoring has many players in the industry, the competition is therefore fierce from both banks and other independent factoring company. Since factoring is a financial product, banks will be able to offer factoring to their already vast number of products. Nonetheless, the company will focus to keeping current Clients and expanding to new Clients continuously in industries with excellent prospect and SMEs; companies of this size would require working capital to fund their business.

Currently, there are many companies and offer factoring which they can be separated into 3 categories as of follows:

1. Factoring businesses that are banks or have banks as their major shareholder: this group has vast reach towards customer due to the network available for commercial banks as well as low financial cost but credit approval by the bank is difficult as no collateral is present to follow their policy.

2. Factoring businesses that are large retailers or companies in leading industries: this group has vast reach towards suppliers of large retailers and companies in leading industries. The Clients of this group will generally be specialized.

3. Other General Factoring businesses: this group is composed of the most businesses that the other groups and operate in various target of Clients. The group operate with the most flexibility in analyzing the credit of Clients but is restricted by the capital and number of experienced individuals to operate.

● Marketing

The Company has done public relations through various media such as the Company's website,

Digital Media, billboards. In 2021, the company has a public relations plan to cover more in variety of media. to reach more new customers.

Applying for credit services, Customers can contact to request the company's factoring service in many channels such as through Digital Media (Facebook) or, walk in contact at company office directly according to word to word telling each other of the company's existing customers or from recommendation of the cooperation of various business associations and the group of major shareholders of the Company or from the staff of the Company to offer services to customers directly.

● Competitive Strategy

1. The Company has competitive strategy to expand business in term of B2B. B2B is built up the client portfolio with business alliance or debtors (called sponsor). The debtors will cooperate to acknowledge the outright of trade receivable to the Company. The sponsor will introduce its suppliers to use factor with us. These would be support more strengthen on the supply chain which would be helpful to the Company for credit risk control management and efficiency due to strong financial status of the sponsors as well as cooperate in verifying the debt to be discounted. Therefore, the credit risks would be minimized and can be verified the correctness.

2. In 2021-2023, the company has a policy to expand clients base in potential industry sectors such as contractors on government projects, medical and health equipment, renewable energy and startup business.

3. Technology will be applied for business such as developing e-Document, e-Factoring and Digital Marketing project to enhance the efficiency in acquire new clients faster, reduced risk, and comprehensive services. Moreover, the Company pay attention on digital transformation in all angles for support change of

technology, clients and customers behavior, and more confidential that the Company has enough capability to run business smoothly with Consistent situation.

4. The company aims to expand our clients base by focusing on EEC potential business areas, such as Chonburi, Rayong, etc. by implementing the developed projects such as e-Document and e-Factoring to apply to increase the efficiency of services for clients located in other provinces.

5. The company has a development plan to increase the variety of services to meet the needs of clients to be completed. Therefore, there are additional services as various types of loans such as supplier chain financing, exporters credit, including revolving credit etc.

The Company Strength are as follows:

1. The Company has targeting clients who have low credit risk and debts can be verified. In addition, the Company pays attention on debtors who have good credibility and acceptance of the outright trade receivable transfer. Therefore, the collection risk is rather minimized.

2. The Company has groups of the shareholders who have high stability and able to support on both business and funding. They have fully supported to the Company.

3. The Company has standard procedure for factoring and financing facilities, reliable process, credit evaluation process, risk system and debt recovery. The monitor and control have been activated for operating risk reduction purpose.

4. The Company based on Customer Centrix and CRM; the customer is center. The Company can provide consult and advice for customers' interest. The flexibility and fast services on all angles will be responded to customer under suitable conditions.

5. The Company has prepared the readiness in technology by using technology and electronics apply for factoring business to enhance of

service efficiency. These will be the direction future of funding transactions as well.

6. The company has personnel with experience, knowledge and expertise in the business for over 20 years, able to provide advice and services in order to responding to customer needs appropriately

7. Flexible lending (not used collateral), This increases the opportunity for customers to have access to funding sources conveniently.

8. From the company's policy that requires Relationship Manager / Marketing officer continually visits customers which makes the company understand the nature of the customer's business operations and enables to give advice on appropriate financial products to customers.

9. The company develops technology with business partners. It can provide faster loan approval process and use the data to design new products.

● Pricing Policy

The Company revenues comprise of interest income from factoring, fees and services income (upfront fee and factoring fee). Both interest and fees will be considered from the following factors;

1. Qualification of both client and guarantor, business size, type of business, experience, and management.

2. Qualification of customer, supplier credit term, and customer's financial status.

3. Operating cost such as operating cost for collection, reporting, etc.

4. The Company's financing cost.

All above criteria will be considered with market interest rate and competition situation together with default risk, and collection difficulty. These will be considered to set offering interest rate and fees for each client.

(3) Procurement of products or services

1. Source of funds

Sources of funds of the Company as of December 31, 2019-2021 are as follows:

(Unit: Thousand Baht)

Source of funds	2021		2020		2019	
	amount	%	amount	%	amount	%
Overdrafts and short-term loans	1,660,000	71.81	1,523,000	69.96	1,852,000	72.44
current liabilities	100,902	4.37	113,112	5.20	161,966	6.34
non-current liabilities	19,882	0.86	19,486	0.90	14,120	0.55
total liabilities	1,780,784	77.04	1,655,598	76.06	2,028,086	79.33
Equity	530,756	22.96	521,239	23.94	528,378	20.67
Total	2,311,540	100.00	2,176,837	100.00	2,556,464	100.00

In 2021, Sources of funds is from shareholders' equity and of liabilities 23% and 77% respectively. The Company's funding sources come from loans from domestic financial institutions which is an overdraft line and short-term borrowing limit totaling 1,660 billion baht.

For future funding arrangement, the company has a policy to provide financing in accordance with the purpose of using the money, cost of fund and term of payment which will correspond to the factoring loan term.

2. Credit Policy

The Company has a credit policy which focuses on the quality of customers and debtors.

Credit limit

The Company considers credit limits in 2 types as follows:

◆ **Client Credit Line** means the maximum limit set for each borrower that can borrow. When the debt has been reduced, the borrower can re-use the Credit line. In determining the said credit line, the Company will consider the customer's sales, duration, trade credit, quality of results of contact between customers and debtors, documents for purchasing, customer's business and the ability to pay debts of

customers and debtors. The Company has used the Credit Rating system as a tool for considering and approving credit lines in order to improve risk management and credit approval. In addition, the Company has a policy to define a Single Lending Limit and Single Lending Group for customers and have been implemented in accordance with the risk management policy and the distribution of customer base which will suit for the company's capital structure. The Company will consider the risks as the case by case which shall be in the discretion of the Board of Directors for consideration.

◆ **Customer Credit Line** means the maximum amount of each debtor which can be a single or multiple borrowers. The customer can be sold right to receive payments for goods and services at a discount. In the process of consideration credit limit for the debtor, the Company will analyse the debtor's financial position and performance, including the payment history. At present, the credit limits are still at a not very high level compared to the business operation of each debtor. The company has no policy to lending focusing on one particular debtor. Therefore, the limit of debtors per person and per group are intended to be used as a risk management tool only. The Company has no policy to set Single Lending Limit and Single Lending Group for debtors.

The determination of authority to approve credit limits

The approval of the credit limit must be considered and approved by the Board of Directors in accordance with the Company's credit policy set forth by establishing a framework of authority to approve credit limits

Total debtor's claim for debt repayment

(1) The total debtor's claim for debt repayment is the customer transfers the right to claim payment from the debtor to the Company. As of December 31, 2021, the Company has a total debt of 2,484 million baht. The debt outstanding of the top 10 large customers is amounting of 637 million baht or 25.54 percent.

The proportion of the top 10 large customers classify by debt outstanding between 2019 and 2021 are as follows:

(Unit: Million Baht)

Customer	2021		2020		2019	
	amount	amount	%	amount	amount	%
Top 10 customer	637	25.65	652	27.06	860	27.44
Others	1,847	74.35	1,756	72.94	2,219	72.06
As on 31 December	2,484	100.0	2,408	100.0	3,080	100.00
Total	399		420		445	

(2) there is a fragmentation of debtor's right to claim for debt repayment in each type of business due to the Company has a policy to manage the risk of concentration of debtors by regularly reviewing the financial position and operating results as well as closely monitoring the results of the contact between customers and debtors in order to be able to adjust the credit conditions in a timely manner. The top 3 outstanding

balances of customers classified by business type as of December 31, 2020 are food and beverages, auto parts and metal parts, service businesses etc.

Loan receivable balance

The Company has outstanding loan receivables as of December 31, 2021 amounting to 303.61 million baht.

(Unit: Million Baht)

	2021	2020	2019
Loan receivables due within one year	247.13	169.19	53.12
Loan receivable - net	56.48	75.64	9.16
Total	303.61	244.83	62.28

The Company has net loan receivables after deducting allowance for bad debts amounting to 274.15 million baht as of December 31, 2021.

The dependence on customers or any distributor that is an important for the survival of the company business.

In 2021 and 2020, the Company has no revenue from any customer equal to or greater than 10% of the Company's revenue.

(4) Assets for business operations

Assets for Company's business operations according to the net book value as of December 31, 2021, details are as follows:

net book value

(Million Baht) Commitments

4.1 Lease / Rental agreement

Items	Parties	Lease / Rental Period	net book value (Million Baht)	Commitments
rental contract and utilities, floor 17	AIRA Securities Public Company Limited (Related Company)	1 year 10 months From 1 July 2020 to 30 April 2022	-	- none -
car rental (Vios)	Petra Car Rent Center Co., Ltd (Non- Related Company)	4 years From 1 July 2019 to 30 June 2023	-	- none -
car rental (Altis)	Petra Car Rent Center Co., Ltd (Non- Related Company)	4 years From October 1, 2019 to 30 September 2023	-	- none -

The Company has entered into a rental agreement for use in business operations as follows:

1. Space Lease: The Company has entered into an agreement to lease space and utilities with AIRA Securities Plc, which is related to the business of 1 level, details are as follows:

- Lease area on the 17th floor, total area of 596.63 square meters, for a total period of 1 year and 10 months without termination of the contract. (The rental rate for the area and common service fees for the year 2021 is 372,666.13 baht per month, for a period of 12 months, totalling 4,471,993.56 baht per year.)

2. Car Rental: The Company has entered into a car rental agreement with Petra Car Rent Center Co., Ltd, which is not related to the business, for rental 5 cars, details as follows:

- 3 Toyota cars, model Vios 1.5 High, for a period of 4 years (rental rate 44,940.00 per month, totalling 539,280 baht per year)

- 2 Toyota cars, model Altis 1.6 G A/T, for a period of 4 years (the rental rate is 33,812.00 per month, totalling 405,744 baht per year).

In 2021, the company has expenses in renting office space for business in the total amount of 5,122,175.43 baht, and the expenses in renting a car for business use in the total amount of 945,024.00 baht.

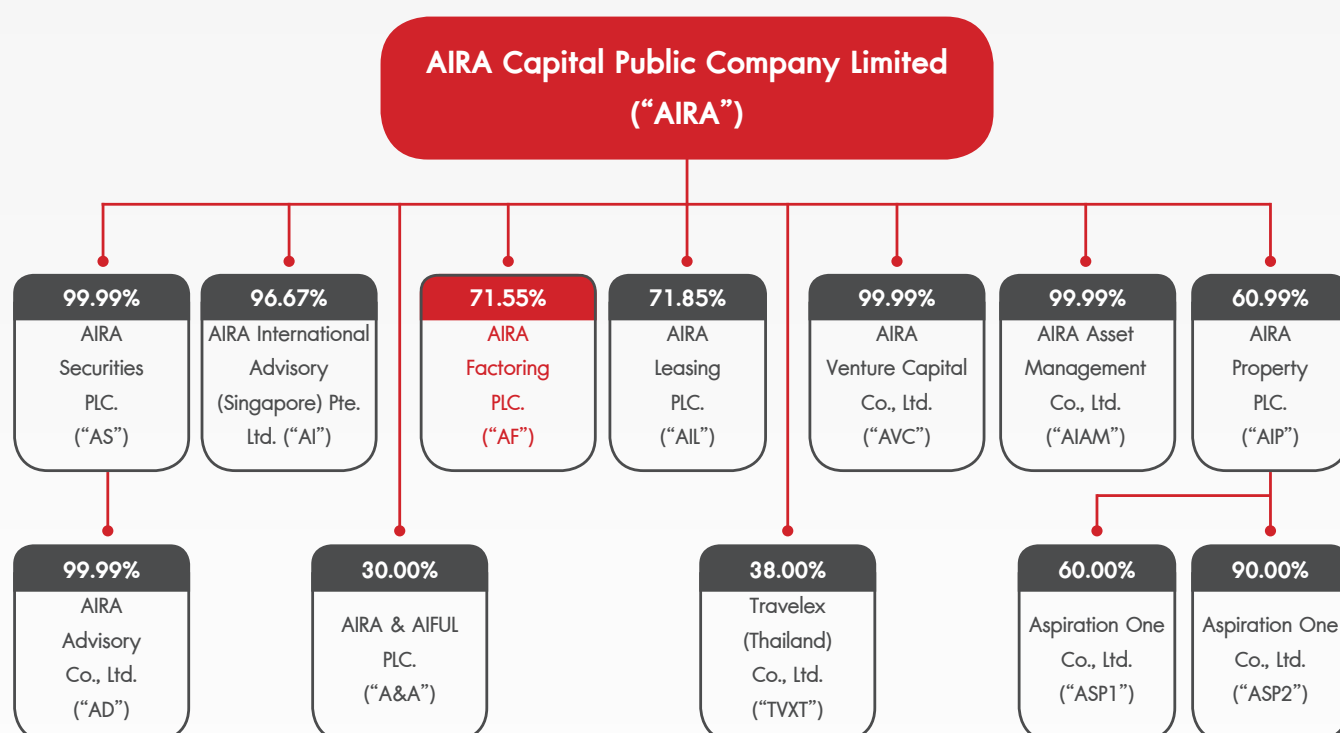
(5) Work that has not yet been delivered

- None-

1.3 Shareholding Structure

1.3.1 Shareholding structure of the group of companies

The Company's factoring business is a part of AIRA Capital Public Company Limited's business, which is a holding company on 31 December 2021, holding shares equal to 71.55% of the Company's paid-up capital. AIRA Capital has JRK Holdings Company Limited. As a major shareholder holding shares equal to 36.68% of paid-up capital. The structures of major business are as follows;



AIRA Capital Public Company Limited has a policy to have each of its affiliates to have a policy and manage its own company. Since AIRA Capital Public Company Limited do the business by holding shares in other company (holding company) and no direct operation. Given such business, most of AIRA Capital's income is from its affiliates, namely,

AIRA Capital Public Company Limited is a core company. Subsidiary company are 7 companies consist of

1. AIRA Securities Public Company Limited (Subsidiary is AIRA Advisory Company Limited)
2. AIRA International Advisory (Singapore) Pte. Ltd.
3. AIRA Factoring Public Company Limited

4. AIRA Leasing Public Company Limited
5. AIRA Venture Capital Company Limited
6. AIRA Property Public Company Limited
(Subsidiaries are Aspiration One Company Limited and Aspiration Two Company Limited)
7. AIRA Asset Management Company Limited
and associated company are 2 companies consist of
 1. AIRA & AIFUL Public Company Limited
 2. Travelex (Thailand) Company Limited

Thus, business operation of core business and subsidiary are main source of income of AIRA Capital Public Company Limited.

1.3.2 Persons who may have conflicts of interest hold shares in subsidiaries or associates in aggregate more than 10 percent of the number of shares with voting rights.

AIRA Capital Public Company Limited has JRK Holdings Company Limited as the major shareholder of 36.68% of the paid-up capital.

1.3.3 Relationship with the business group of major shareholders

Details according to Clause 1.3.1 Shareholding Structure

2. Risk Management

2.1 Policy and risk management plan

The factoring business is directly related to risk management. The ability to manage risks is therefore an important factor for the success of the company's business operations.

In 2012, the Company established the Office of Risk Management to support business expansion. It is responsible for examining and monitoring the business operations to be in line with the business plan and credit policy resulting in efficient risk management and acceptable risk criterion. The Office is responsible for analyzing and monitoring the implementation of the plan and managing the operational risks in accordance with the credit policy to help the potential risks be managed effectively and control to an acceptable level.

In addition to credit risk management, the Company realizes the importance of risk management under changes that affect the business from internal and external factors. It is considered that risk management is an important component of every process in the Company's business operations and must be linked at all levels and is considered the duty and responsibility of all departments to manage and control risks to an acceptable level

Investment in the Company's Securities: Investors should consider the main risk factors arising from the nature of the company's business operations. In addition to the risk factors listed in this document, there may be other risks that the Company is not aware of at this time or are risks that the Company considers at this time not having a material impact on its business operations of the company. Therefore, investors should carefully consider their investment. by considering the risk factors which can be classified as follows

1. Risk Management Structure

In 2015, the Company has restructured the Risk Management Office by dividing into the Risk Management and Debt Resolving division and adding 2 more department, namely the Credit Screening Department. and Debt Resolving Department for more efficient risk management in all aspects

In 2019, the Company has divided the Risk Management Department into 2 areas, namely credit and operational, to have an internal process for the Company to consider the facts when it is found that there has been any wrongdoing or error causing damage to the Company. It has been in operation since 2020. Therefore, the Risk Management and Debt Resolving Division consists of 4 departments as follows:

1. Credit Risk Management Department
2. Operational Risk Management Department
3. Credit Screening Department
4. Debt Resolving Department

2. Risk Management Procedures

The Company manages its risks through 3 key processes:

1. Risk Identification: The Company categorizes the main risks that may occur in 7 areas as follows:

- 1.1 Credit Risk
- 1.2 Risk from source of fund procurement for credit expansion
- 1.3 Risk from reliance on customers and major debtors
- 1.4 Risk from Interest Rate Fluctuations
- 1.5 Risk from competition
- 1.6 Risk from the Company having a major shareholder holding more than 50 percent of the registered capital

1.7 Operating risk

2. Risk monitoring and control

The Company has established an early warning sign for credit risk as one of the tools to help detect potential customers with deteriorating performance or quality. In addition, the Company has a policy to review the credit limit of customers and debtors every year to monitor the performance and quality of customers and debtors whether they are improving or deteriorating. This will be a guideline to control the use of credit lines of customers and debtors in the future.

In this regard, the Company has established policies and standard operation procedures (SOP) to increase the efficiency of the Company's risk management as follows:

- 2.1 Asset classification and provisioning policy
- 2.2 Debt Restructuring Policy
- 2.3 Operating Regulations on Credit Screening Process
- 2.4 Operating regulations on debt resolution
- 2.5 Troubled credit monitoring procedures and execution
- 2.6 Operating regulations regarding abnormal incident reporting process

3. Risk reporting

The Company regularly reports the status of risks in various fields, as well as the actions that have been performed and will be undertaken to relevant parties and senior management on a regular basis. In addition, debt monitoring results are reported to the Executive Committee on a monthly basis.

2.2 Risk Factors for the Company's Business Operations

2.2.1 The Company's Business Risk

(1) Credit Risk

In the factoring business, there will be 3 parties involved:

1. The Company, as a company that is a purchaser of accounts receivable
2. Customers who are sellers reduce accounts receivable
3. Trade accounts receivable which is a buyer of credit products

The customer will transfer the right to receive payment in debt to the company. Therefore, the Company must consider the risks of both the debtor and the customer to analyze the credit risk of the company.

Credit risk of the factoring business consists of

a. Ability to pay debts of customers/debtors The company as the transferee of the right to receive payment from customers (Seller) when the payment period is due. If the company is unable to collect payments from the debtor (buyer) The company can demand that the customer pay the debt instead. except in some cases that has received a conditional notification of the transfer of claims, such as the receipt of a claim without recourse from a customer (Without Recourse) Therefore, the company must consider the business status of both customers and debtors as important.

The Company has an efficient credit management information system capable of tracking and reviewing the status of customers and debtors quickly and has consistently tracked and reported outstanding debts. which helps the company can know the problem and resolve problems quickly in the event that the customer defaults on payment

In addition, the Company also focuses on providing credit to debtors with strong financial status and cooperate in accepting the transfer of rights, especially debtors in department stores. and retail businesses with good credit and cooperate in checking the debt before the purchase This can significantly reduce credit risk in the past in 2019, 2020 and in

2021, the Company has liabilities classified as Doubtful. (Overdue more than 6 months) amounted to only 2.95%, 4.07% and 4.77% of the total number of debtors claiming to pay off all debts, respectively.

b. The risk of debt deductions between customers and debtors or sellers and purchasers.

From the trade agreement between the purchaser (receivable) and the seller (customer), it may occur in the event that the buyer does not pay for the goods in full amount. There is a deduction of expenses before paying for the goods to the seller, such as in the case of defective products, obsolete products, or in cases where the seller allows the buyer to deduct trade costs such as freight or compensation from the sale.

Such the case is a risk of the factoring business because the company will pay for the goods in advance on behalf of the purchaser (receivable) to the seller (customer). When such an event occurs, the Company could not receive full payment.

However, the Company has a policy to prevent such risks by examining the history of trade dealings between customers and debtors for at least 6 months and considering the types of products, for example, the products must not be obsolete or have a low chance of returning.

If there is a risk that the payment for goods is not in accordance with the amount in the documents, the company has set an appropriate ratio of the purchase of trade documents by determining the purchase value as a percentage compared to the value of the trade documents including determining the money insurance in some cases

The company has a tool for credit risk management, which is credit scoring, which is a tool to screen and distinguish the risk level of both customers and debtors.

(2) Risk from source of fund procurement for credit expansion

As a factoring business is a short-term loan (average less than 180 days), the source of funds for the business should be a short-term source of funding. At present, the Company has several financial institutions that provide financial support with a total credit line of more than 2,740 million baht, including overdraft lines. and short-term loans There may be a risk of being demanded for repayment before repayment is received.

However, the Company has managed liquidity to prevent such risks by borrowing for a period consistent with the period of purchase of receivables.

Since most of the debtors are Modern Trade groups with fixed payment deadlines, the Company can manage liquidity more efficiently and has more flexibility in terms of funding for future credit.

At the end of 2019, 2020 and 2021, the Company's debt to equity ratio is 3.84, 3.18 and 3.36 times, respectively.

(3) Risk from reliance on customers and major debtors

As for reliance on large customers, in 2020 and in 2021, the company's revenue from the top 10 customers accounted for 25.48 percent and 25.54 percent of the company's total revenue, respectively.

The Company relies mainly on customers in the food and beverage industry. At the end of 2020, the Company had outstanding balances of customers in such industries (3 out of the first 10 customers) totaling 240.45 million baht or accounted for 9.98% of the outstanding customer ratio and the outstanding value of customers in the industries (3 out of the first 10 customers) totaling 175.63 million baht or 7.04% of the outstanding customer ratio for the end of December 31, 2021.

As for reliance on large debtors, in 2020 and 2021, the Company has outstanding balances of the top 10 debtors, representing 39.54% and 42.50 of the

outstanding balance of total debtors, respectively. Most of such receivables are from the commercial business receivables. The outstanding balance of such debtors (4 out of the first 10 debtors) totaled 571.81 million baht or 23.74 percent of the outstanding debtor ratio for the end of 2020 and was worth (4 out of the first 10 debtors). 651.35 million baht or 27.07% of the outstanding debt ratio for the end of 2021

The Company is dependent on a large debtor in the commercial business with outstanding balance of 11.50% and 10.95 percent of the outstanding balance of debtors at the end of 2020 and the end of 2021 respectively.

However, the Company has a policy to operate its business by focusing on small and medium-sized target customers. For the debtor group, the Company has a policy to operate its business by focusing on the debtor group which has strong financial status or a good repayment history, as well as cooperate in responding to the transfer of claims which is a main cause of the concentration of debtors.

(4) Risk from Interest Rate Fluctuations

Regarding to the loan interest rate is the main variable cost of the company. The interest will be changed according to market interest rate conditions. This affects the determination of interest rates charged to customers and determines their ability to compete with competitors in the market. The changes in interest rates may therefore affect the Company's performance.

However, the Company has taken measures to reduce such risks by procuring a source of loan in accordance with the loan amount, so that the Company can maintain the cumulative spread of interest rate according to the Company's policy. Moreover, The Company has analyzed the period of interest rate changes of debtors for claims for repayment, call-for-

pay loans and loans with a term of 1 to 3 months. The Company can adjust the interest rate charged to its customers if the interest rate changes, which gives the Company flexibility to adjust in the event of interest rate fluctuations.

Therefore, interest rate risk does not materially affect the Company's operating results.

(5) Risk from competition

Currently, there are approximately 15 companies and banks engaged in factoring and related businesses in Thailand, each focusing on different customer groups. Competition has some effect on the spread of interest rates, but competition has a positive effect on the factoring business because it causes more credit expansion because it allows entrepreneurs to know, understand this business and use more services.

As the Company focuses solely on domestic factoring services and focusing on small and medium-sized industrial customers who are supplier of debtors in the modern retail and wholesale system (Modern Trade), such as large department stores supermarket Including various convenience stores, which the company has the main expertise. Most of them are debtors who cooperate in accepting the notification of the transfer of the right to receive money and cooperate in checking the debt before the company purchases, which will reduce the risk to the company

The aforementioned factors are the highlight of the Company's services. In addition, the Company has a good relationship with customers and has enough information to give advice or suggestions that are beneficial to the customers' business and have efficient credit management information system. Moreover, the company has low operating costs, which makes the company stand out in terms of competitiveness.

(6) Operating risk

In 2021, the company continues to develop the company's work system as a Core System, which makes various operations within the company is systematic, accurate, concise and faster and reduce errors caused by Human Error and can detect abnormal data in a timely manner.

2.2.2 Investment risk of securities holders

(1) Risk from the Company having a major shareholder holding more than 50 percent of the registered capital

The Company's major shareholder is AIRA Capital Public Company Limited, which holds shares in the Company. 1,144,751,099 shares or percentage 71.55 of the paid-up capital of the Company and Summit Corporation Company Limited (the same group of shareholders as AIRA Capital Public Company Limited, namely the Chulangkoon family) holds 46,672,000 shares in the Company, or 2.92% of the capital. of the company

This allows the major shareholders to control almost all shareholders' resolutions on

important matters such as the appointment of directors. or requesting resolutions on other matters requiring the majority of the shareholders' meeting other shareholders may not be able to balance with the major shareholders (refer to the list of shareholders from the company Thailand Securities Depository Co., Ltd. as of December 30, 2021)

However, the Company has appointed 5 independent directors, 3 of whom are audit committees as well. The Audit Committee is responsible for reviewing and considering transactions that may cause conflicts of interest to comply with the laws and regulations of the Stock Exchange of Thailand. and the Office of the Securities and Exchange Commission (SEC) to ensure that such transactions are reasonable and in the best interests of the Company. It also makes management transparent and accountable.

2.2.3 Risk of investing in foreign securities

- none -

3. Business sustainability development

3.1 Policy and objectives of sustainable management

According to the United Nations and International Organizations at the core of the Sustainable Development Goals (SDGs, or “17 Sustainable Development Goals”), they include:

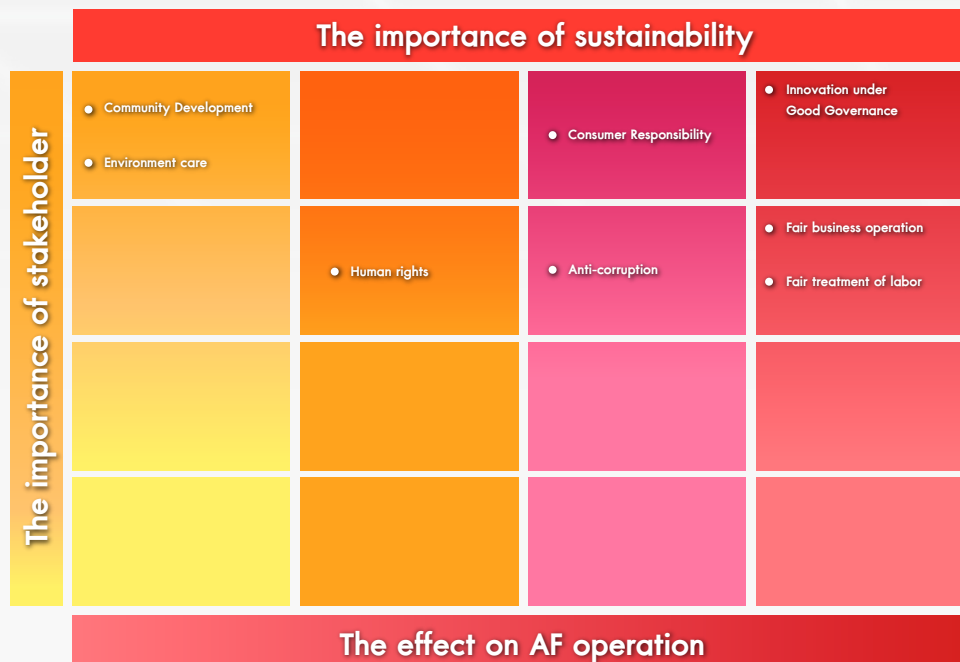


It is recognized that the success factor of SDGs require investment. Financial institutions are one of the key sources of indirect investment that support the achievement of these goals through the granting of credits to related projects.

However, the Company still adheres to the Corporate Social Responsibility Guidelines in accordance with 8 principles which correspond to the SDGs as follows:



3.1.1 Prioritization of sustainability issues



3.2 Management of impacts on stakeholders in the business value chain

3.2.1 Business value chain

In 2021, the company will continue to develop new financial products and services to complement financial services for customers, as well as improve quality screening processes. of customers and debtors to be quick and flexible by carefully considering the risks to strengthen in the overall picture of the company in a sustainable way

The company has developed technology to apply in the form of e-Factoring service, which is an online account receivable purchase service that can be used in 2021.

However, the company still has a plan to develop a system to support service excellence to help customers and debtors reduce operating costs and be able to use the service more conveniently and quickly.

In this regard, the development of the Company's business potential is based on good governance and the highest satisfaction of customers. The company also focuses on medium-sized businesses or SMEs,

which are important business groups in driving the country. Therefore, the company is determined to continuously promote and support funding for small and medium-sized business entrepreneurs or SMEs. as well as being a middleman for different business operators to meet and create sustainable business opportunities

3.2.2 Analysis of stakeholders in the business value chain

Stakeholders in the business value chain are divided into 2 groups:

1. Group of stakeholders within the organization such as the board of directors, executives, employees, etc.
2. Groups of external stakeholders such as shareholders, competitors, business partners, customers, creditors, regulators and government agencies, society, and the environment, etc.

In this regard, the Company gives importance to all groups of stakeholders by responding to stakeholders as follows:

1 Directors, Executives and Employees

The Company considers the group of directors, executives and employees to be the most important resources that enable the organization to achieve its business goals. Therefore, the Company has established guidelines as follows:

1) Creation of management processes to create a good relationship between management and employees.

2) The Company has criteria for recruiting and the selection of personnel with a standard focus on selection based on their experiences, abilities, and attitudes as inputs for recruiting and selecting personnel in accordance with the Company's business strategy including continuous monitoring and evaluation of employees' work trials under the guidelines for continuous development and training.

3) The Company encourages employees to receive appropriate training for progress and stability in their work by allocating training budgets and preparing training and development plans for employees, focusing on training employees for skills, enhance knowledge and exchange experiences as well as improve the weaknesses arising from the evaluation of the performance including the preparation of long-term human resource development plans to support future growth

In addition, the company has also arranged career path plans for employees so that employees can grow in their careers according to their knowledge and abilities and to use their potential to the fullest.

4) Retention of employees who have the ability to work: The company considers that keeping employees with the organization is important. Therefore, the Company has set the following welfare benefits:

4.1) Payment of remuneration for the performance of employees appropriately according to their qualifications, knowledge, abilities and work experience, including determining to consider the annual salary increase to the employees once a year based on

the results Employee performance, which the company uses the Key Performance Indicator (KPI) system as a tool to consider based on the performance of employees and departments.

4.2) The Company provides welfare in various fields to employees such as accident insurance, life insurance, health insurance and medical expenses so that employees can reimburse medical expenses in addition to social security payments to help alleviate the burden of medical expenses. The Company arranges for an annual health check-up once a year for employees to have good health and other benefits such as marriage money, funeral money, training and seminars for employees both inside and outside the premises, etc.

4.3) The Company provides a provident fund for employees who have completed their work as specified by the Company.

4.4) The company provides activities within the company. for employees at all levels to participate with various activities such as Team building, New Year's party etc. to create a good relationship between directors. senior management and employees, as well as providing opportunities for employees to participate in expressing different opinions independently to bring various suggestions into consideration and present to the management

4.5) Succession or preparation of executives: The Company has a policy to continuously prepare replacement executives to be sufficient for business expansion, including restructuring of the organization and to develop capabilities. of executives in the management of the work that will occur in the future

2. Shareholders

The Company is determined to be a good organization of shareholders in doing business to create the highest satisfaction for shareholders by focusing on creating long-term corporate value, including transparent and transparent disclosure of information. Reliable

3 Competitors

The Company should treat its competitors in accordance with the rules of fair competition and maintain the norms of the competition without infringing on the confidentiality or knowing the competitor's trade secrets by fraudulent means and without creating a commercial advantage. unfair competition

4 Partners

The Company has established policies relating to the Company's business operations with standards and awareness of appropriate risk management principles such as credit and approval policies, lending policies, collateral policies, debt classification policies and setting up reserve for doubtful accounts policy for debt restructuring, etc. In addition, the Company has established rules and regulations on procurement by clearly defining the scope, rules and procedures involved to be transparent and have verifiable procedures.

5 Customers and receivables

The company is determined to respond and provide good service to create satisfaction and confidence for customers and debtors as follows:

- 1) Make a fair contract and communicate information about the Company's services to customers for a correct understanding.
- 2) Maintain the confidentiality of the customer and debtor strictly without disclosing such confidential information to other parties unless with the consent of the customer or debtor or in legal action only.
- 3) Provide advice with reasonable care to ensure that customers and debtors receive appropriate benefits and satisfactions.

6 Creditors

The Company is committed to conducting business with principles and discipline to create equal trust among all creditors based because of receiving fair returns to both parties under contracts or conditions. various strictly agreed repayment of debts, loans, interest and capital management with responsibility for the terms of debt guarantees.

7 Government agencies

The Company complies with the laws, announcements, requirements and rules prescribed by the governor and related agencies such as the Department of Business Development. Ministry of Commerce, Revenue Department, Ministry of Finance Stock Exchange of Thailand Office of the Securities and Exchange Commission, etc.

8 Society and environment

The Company is committed to conducting business with integrity in accordance with corporate governance principles along with social and environmental stewardship by promoting and supporting sustainable growth based on ethics and transparency.

Therefore, the Company will consider credit by focusing on SME customers because the Company believes that it is a group that will help drive the country's economy to grow.

In addition, the company also supports energy efficiency and efficiency. The company has developed an operating system to reduce the use of paper in the work process and encourage employees to work together to save the planet by affixing invitations for employees to think before printing, including the use of used paper, etc.

3.3 Management of environmental sustainability

3.3.1 Environmental Policy and guidelines

The Company focuses on raising awareness among employees to reduce global warming by campaigning for employees to use resources wisely and economically to achieve the most value for money, such as the “Think Before Print” project” Using Reuse Paper or turning off the lights in unused spots, etc. The company has developed its business by sending and receiving data through technology systems to reduce the use of paper and reduce the use of fuel from traveling and increase the speed of work and help build competitiveness as well

3.3.2 Environment conservation performance

The Company intends to manage indirect greenhouse gas emissions reduction as reflected through the development of Core and e-Factoring systems, which are online services. This resulted in the Company being able to control costs from reducing paper usage as well as saving fuel costs in the process of receiving and sending documents of customers and debtors.

Although the company has not yet implemented a greenhouse gas emission index, the trend of the company’s A4 paper usage between 2019, 2020 and 2021 is 1,940 reams, 1,712 reams and 1,500 reams, continually decreasing respectively.

3.4 Corporate Social Responsibilities

The company is aware of social responsibility starting from the company’s internal society, which is “employees”.

If employees are well-being, this small society will be happy. The Company has provided welfare to employees in addition to basic welfare as prescribed by labor law with respect to human rights, such as subsidy for employees in case of marriage or death of

family members, etc., and has developed and trained employees at all levels to have knowledge, ability, and the readiness to compete with competitors effectively

In addition, the Company has set up a Complaint Working Group to enable employees to report complaints in case of unfairness and determine methods and procedures for considering various matters. By notifying through the Office of Compliance and Internal Audit, which is an independent body. Acting as a receiver of complaints from employees

3.4.1 Social policies and practices

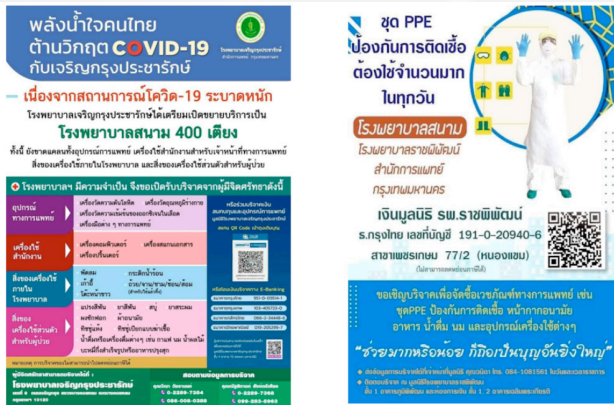
The company supports and focuses on promoting the society both inside and outside the company to have sustainable happiness along with conducting business with ethics and professionalism.

3.4.2 Social Performance

In 2021, the Executive Committee has established the CSR Activities Committee to be responsible for formulating the Company’s plans and CSR activities. The summary of activities for the benefit of society and the environment for the year 2021 are as follows:



- **Quarter 1** The Company donated used desk calendars to the Foundation for the Blind in Thailand under the Royal Patronage of His Majesty the King to use for making braille teaching materials for the visually impaired.



- **Quarter 2** the company made a donation to help the hospital waiting for patients at Saphan Klong Toei Temple. and 3 field hospitals, namely Charoenkrung Pracharak Hospital, Ratchapit

Hospital and Chulalongkorn Hospital to supply medical equipment, office supplies and equipment within the hospital Patient supplies and PPE kits to treat patients infected with COVID-19

- **Quarter 4** the company donated used staples To the International Association of Mobility Disabilities to be used as ingredients for forging crutches, walkers, and forging to make prosthetic legs. This activity is a collaboration of all employees collecting used materials throughout the year 2021, which is a project that employees of the company have continued since 2018.

4. Management Discussion and Analysis (MD&A)

4.1 Financial Performance Explanation and Analysis

4.1.1 Overall

- **Operating outlook**

The Company factoring business in the 2021, Total revenues were 197.84 million Baht which decreased by 12.10 million Baht or 5.8%, Net profit were 49.52 million Baht which raised by 6.80 million Baht or 15.9% compared to the same period of the previous year. The increasing of net profits resulted from declining financial cost that affected by COVID-19 it made the policy rate were low level; in addition, effective administrative expense management resulted in administrative expense and reserved that were down.

- **Thai economy and operating effect**

In quarter 4 ,2021 The overall domestic economy improved from the previous quarter due to the stable situation of the COVID-19 outbreak. The government's easing measures resulted in an increasing of consumer demand coupled with an increasing the number of foreign tourists entering the country after the opening of the country on November 1, 2021, export sector has improved after the supply disruption problem that unravel.

The company has adjusted its operating strategy by development Digital Factoring (E-Factoring) to support customer, which is innovation to provide services to Large and Mid-Size Business and SMEs providing access to funding sources to help mitigate the financial crisis, one of the advantages of the E-Factoring system is the reduction in paper usage. reduce global warming at present, the WTO has focused on the environment and used it as one of the conditions to reduce trade barriers from member countries as well.

4.1.2 Performance and Profitability

During the year of 2021 and 2020, Interest income from factoring was 139.10 million baht and 159.62 million baht respectively. Reduced by 20.52 million baht, or 12.9%. Reason for the decrease in interest income from factoring, mainly due to lock down the country from impact of the spread of the COVID Delta variant caused the volume of transactions decreased which resulted in fee and service income decreasing in the year of 2021 by baht 9.65 million or 2.3%.

Due to the decrease of factoring volume and policy interest rate, resulting in the company's financial costs reduced accordingly. The financial expenses in the 2021 was 34.77 million baht, decreased from 2020 by 7.3 million baht or 17.3%.

(Unit: Thousand Baht)

Statement of compressive income	2021	Percent	2020	Percent	Changed	
					Value	Percent
Revenues						
Interest income from factoring	139,100	70.3	159,621	76.0	(20,521)	-12.9
Fees and services income	40,106	20.3	41,071	19.6	(965)	-2.3
Finance cost	34,768	17.6	42,058	20.0	(7,290)	-17.3
Gross Profit	144,438	73.0	158,634	75.6	(14,196)	-8.9
Other Income	18,631	9.4	9,248	4.4	9,383	101.5
Total revenues	197,837	100.0	209,940	100.0	(12,103)	-5.8

* Gross income percentage is calculated from the Gross income divided by the core revenue which the core revenue includes Interest income from factoring and Income from fees and services where it corresponds to the core business of the Company

During the year of 2021 and 2020, the company's administrative expenses was 100.37 million baht and 109.87 million respectively, decreasing to 9.5 million baht or 8.6%. As for the allowance for doubtful accounts in the 2021, the provision was -1.88 million baht, declined by 9.59 million baht or 124.5%. The Company set the provision for doubtful account based

on TFRS9. All overdue debt amounts will be followed up by the Company's Debts Recovery Department.

For the net profit of 2021, the amount was 49.52 million baht the company's net profit raised by 6.80 million baht or 15.9% because of effective receivable management and operation also the policy rate was low-level.

(Unit: Thousand Baht)

Statement of compressive income	2021	Percent	2020	Percent	Changed	
					Value	Percent
Expenses						
Administrative expenses	100,368	50.7	109,868	52.3	(9,500)	-8.6
Doubtful accounts	(1,884)	-1.0	7,704	3.7	(9,588)	-124.5
Profit before income tax expenses	64,585	32.6	50,310	24.0	14,275	28.4
Income tax expense (Revenue)	15,069	7.6	7,597	3.6	7,472	98.4
Profit for the period	49,516	25.0	42,713	20.3	6,803	15.9

Basic earnings per share 0.031 Baht/share 0.027 Baht/share

4.1.3 Asset Management

Financial Status as of 31 December 2021

The Company's total assets as of 31 December 2021 were 2,311.54 million baht which increased by 134.7 million baht or 6.2%. Current assets on 31 December 2021 were 2,221.56 million baht which

raised by 165.4 million baht or 8.0% compared to as of 31 December 2020 comprised of Factoring Receivables as of 31 December 2021 were 1,901.37 million baht or equivalent to 82.3% of total assets. Non-current assets as of 31 December 2021 were 89.98 million Baht or equivalent to 3.9% of total assets.

(Unit: Thousand Baht)

Statement of financial position	As at 31 Dec 21	Percent	As at 31 Dec 20	Percent	Changed	
					Value	Percent
<u>Current Assets</u>						
Cash and cash equivalents	99,985	4.3	62,520	2.9	37,465	59.9
Factoring receivable	1,901,366	82.3	1,822,423	83.7	78,943	4.3
Current portion of loans receivable	217,732	9.4	169,185	7.8	48,547	28.7
Other receivables	1,474	0.1	731	0.0	743	101.6
Other current assets	1,000	0.0	1,296	0.1	(296)	-22.8
Total current assets	2,221,557	96.1	2,056,155	94.5	165,402	8.0
<u>Non-current assets</u>						
Loan receivable	56,416	2.4	75,642	3.5	(19,226)	-25.4
Equipment	679	0.0	1,387	0.1	(708)	-51.0
Right-of-use assets	2,821	0.1	8,022	0.4	(5,201)	-64.8
Intangible assets	7,063	0.3	8,313	0.4	(1,250)	-15.0
Deposits and guarantees	287	0.0	293	0.0	(6)	-2.0
Deferred tax assets	22,717	1.0	27,025	1.2	(4,308)	-15.9
Total non-current assets	89,983	3.9	120,682	5.5	(30,699)	-25.4
Total assets	2,311,540	100.0	2,176,837	100.0	134,703	6.2

Total liabilities as of 31 December 2021 were 1,780.78 million baht which increased by 125.19 million baht or 7.6% as a result from short-term loans from

financial institutions which is in line with the increase in assets of factoring receivable.

(Unit: Thousand Baht)

Statement of financial position	As at 31 Dec 21	Percent	As at 31 Dec 20	Percent	Changed	
					Value	Percent
Current liabilities						
Short-term loans from financial institutions	1,648,000	71.3	1,523,000	70.0	125,000	8.2
Retention from factoring	51,114	2.2	41,862	1.9	9,252	22.1
Current portion of long-term loans	12,000	0.5	-	0.0	12,000	100.0
Current portion of liabilities under finance lease agreements	2,373	0.1	5,205	0.2	(2,832)	-54.4
Excess receipt awaiting to repay	34,761	1.5	21,920	1.0	12,841	58.6
Other payables	5,365	0.2	4,528	0.2	837	18.5
Dividend payables	-	0.0	33,600	1.5	(33,600)	-100.0
Income tax payable	4,300	0.2	4,794	0.2	(494)	-10.3
Other current liabilities	2,989	0.1	1,202	0.1	1,787	148.7
Total current liabilities	1,760,902	76.2	1,636,111	75.2	124,791	7.6
Non-current liabilities						
Liabilities under finance lease agreements	563	0.0	2,936	0.1	(2,373)	-80.8
Provision for long-term employee benefits	19,319	0.8	16,551	0.8	2,768	16.7
Total non-current liabilities	19,882	0.9	19,487	0.9	395	2.0
Total liabilities	1,780,784	77.0	1,655,598	76.1	125,186	7.6

4.1.4 Liquidity and Capital Adequacy

As of 31 December 2021, shareholders' equity was 530.76 million baht or equivalent to 23.0% of total liabilities and shareholders' equity which increased by 9.52 million Baht or 1.8%.

As of 31 December 2021, the Company had available credit facilities which had not yet been drawn down amounted to 1,042 million Baht. Indicating the Company has capital and adequacy funding sources, suitable financial structure, and liquidity for carry on business operations.

(Unit: Thousand Baht)

Statement of financial position	As at 31 Dec 21	Percent	As at 31 Dec 20	Percent	Changed	
					Value	Percent
Shareholders' equity						
Issued and fully paid-up	400,000	17.3	400,000	18.4	-	0.0
Share premium	75,845	3.3	75,845	3.5	-	0.0
Capital contribution from parent company	406	0.0	406	0.0	-	0.0
Retained earnings:						
Appropriated	34,700	1.5	32,200	1.5	2,500	7.8
Unappropriated	19,805	0.9	12,788	0.6	7,017	54.9
Total shareholders' equity	530,756	23.0	521,239	23.9	9,517	1.8
Total liabilities and shareholders' equity	2,311,540	100.0	2,176,837	100.0	134,703	6.2

Financial Ratios

Financial Ratios		As at 31 December 2021	
<u>Liquidity Ratio</u>			
Current Ratio		1.26	Times
<u>Profitability Ratio</u>			
Gross Profit Margin		80.60	%
Net Profit Margin		27.63	%
Return on Equity or ROE		9.33	%
<u>Efficiency Ratio</u>			
Return on Asset or ROA		2.14	%
<u>Financial Ratio</u>			
Debt to Asset Ratio		0.77	Times
Debt to Equity		3.36	Times

All financial ratios on the above table, profitability ratios and leverage ratios were on acceptable ratios.

4.1.5 Commitments and Contingent Liabilities

The Company has entered into lease agreements in respect of the lease of office building space and service agreements. The terms of the agreements are generally 1 year 10 months. Future minimum lease payments required under these non-cancellable operating leases.

4.1.6 Factors which may adversely impact to the performance

- **Credit Risk**

With the nature of factoring credit transactions, this may face the same credit risk as other types of loans. But the factoring transaction is a credit after the delivery of goods and services to the buyer and due to the purchase and reduction of trade receivables, resulting in the right to claim under the law, together with the company has a strict policy and credit control procedures. With a credit consideration process (Underwriting) and monitoring (credit quality) from various data analysis, both for customers and trade receivables, before and after loan approval as well as establishing credit policies as a standard for assessing credit risk. Require credit review for customer and debtors at least once a year, as well as monitoring and improving the credit process all the time to adjust the process to be efficient and suitable for the economic conditions in each period by using technology and database for risk management. Therefore, the quality of credit management is at a good level in the past.

- **Interest Rate Risk**

The Company's exposure to interest

rate risk relates primarily to its cash at banks, factoring receivables, loans receivable, other receivables, bank overdrafts and short-term loans from financial institutions. The Company mitigates this risk by matching the sources of borrowings with factoring receivables to ensure that the Company maintains an accumulated average spread of interest under the Company's policy. Moreover, the Company analyses the term of interest rate movement of factoring receivables, borrowings and the Company adjusts the interest rate charge to receivables when the interest rate changes. Thus, the Company is flexible in its response to interest rate fluctuations. In addition, since most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

- **Liquidity Risk**

Liquidity risk is the risk due to the company cannot change assets to cash or unable to provide sufficient funds as needed in a timely manner. However, in the past, the company having liquidity management and receiving sufficient and continuous financial support from financial institutions and business partners. Makes it able to support business operations and expand business in the future effectively as well as having a suitable liquidity management between costs and returns Bring continuous good results.

4.2 Factor and main influences which has significant impact on company's operation or financial status in the future

- None -

4.3 Financial Highlight

- Auditor report

Statement of Financial Position As of 31 December 2021

To audit by Mrs. Poonnard Paucharoen, Certified Public Accountant (Thailand) No. 5238 from EY Office Company Limited which expressed the opinion that statement of financial portion, statement of comprehensive income and cash flow statement as of December 31, 2021 of Aira Factoring Public Company Limited that the financial statements referred to above present fairly in accordance with Thai Financial Reporting Standards.

Statement of Financial Position As of 31 December 2020

To audit by Mr. Yongyuth Lertsurapibul, Certified Public Accountant (Thailand) No. 6770 from Deloitte

Touche Tohmatsu Jaiyos Audit Company Limited which expressed the opinion that statement of financial portion, statement of comprehensive income and cash flow statement as of December 31, 2020 of Aira Factoring Public Company Limited that the financial statements referred to above present fairly in accordance with Thai Financial Reporting Standards.

Statement of Financial Position As of 31 December 2019

To audit by Mr. Wonlop Vilaivaravit, Certified Public Accountant (Thailand) No. 6797 from Deloitte Touche Tohmatsu Jaiyos Audit Company Limited which expressed the opinion that statement of financial portion, statement of comprehensive income and cash flow statement as of December 31, 2019 of Aira Factoring Public Company Limited that the financial statements referred to above present fairly in accordance with Thai Financial Reporting Standards.

Aira Factoring Public Company Limited Statement of Financial Position As of 31 December 2021, 2020 and 2019

(Unit: Baht)

Financial Statement	As at 31 Dec 21	Percent	As at 31 Dec 20	Percent	As at 31 Dec 19	Percent
Current Assets						
Cash and cash equivalents	99,985,362	4.33	62,519,815	2.87	51,139,744	2.00
Factoring receivables	1,901,366,247	82.26	1,822,422,763	83.72	2,399,113,551	93.84
Loan current receivables	217,731,773	9.42	169,185,198	7.77	53,124,642	2.08
Other current receivables	1,474,139	0.06	731,180	0.03	343,149	0.01
Other current assets	1,000,055	0.04	1,295,698	0.06	1,162,063	0.05
Total Current Assets	2,221,557,576	96.11	2,056,154,654	94.46	2,504,883,149	97.98

Aira Factoring Public Company Limited Statement of Financial Position
As of 31 December 2021, 2020 and 2019 (Continued)

(Unit: Baht)

Financial Statement	As at 31 Dec 21	Percent	As at 31 Dec 20	Percent	As at 31 Dec 19	Percent
Non-Current Assets						
Loan non-current receivables	56,415,594	2.44	75,642,541	3.47	9,155,900	0.36
Equipment	678,700	0.03	1,386,841	0.06	6,756,314	0.26
Right-of-use assets	2,821,152	0.12	8,022,107	0.37	-	0.00
Intangible assets	7,063,050	0.31	8,313,074	0.38	7,097,692	0.28
Deposits and guarantees	286,818	0.01	292,818	0.01	2,135,000	0.08
Deferred tax assets	22,716,586	0.98	27,025,101	1.24	22,817,726	0.89
Assets held for sale	-	0.00	-	0.00	3,619,000	0.14
Total Non-current Assets	89,981,900	3.89	120,682,482	5.54	51,581,632	2.02
Total Assets	2,311,539,476	100.00	2,176,837,136	100.00	2,556,464,781	100.00
Current Liabilities						
Short-term borrowings from financial institutions	1,648,000,000	71.29	1,523,000,000	69.96	1,852,000,000	72.44
Retentions from factoring	51,113,521	2.21	41,862,181	1.92	40,291,518	1.58
Current portion of long-term loan	12,000,000	0.52	-	0.00	-	0.00
Current portion of lease liabilities	2,372,991	0.10	5,204,748	0.24	807,187	0.03
Dividend payables	-	0.00	33,600,000	1.54	40,000,000	1.56
Excess receipts awaiting to repay	34,760,794	1.50	21,919,654	1.01	67,246,601	2.63
Other payables	5,364,540	0.23	4,528,597	0.21	9,639,704	0.38
Income tax payables	4,300,278	0.19	4,794,389	0.22	2,345,917	0.09
Other current liabilities	2,989,423	0.13	1,201,766	0.06	1,635,283	0.06
Total current liabilities	1,760,901,547	76.18	1,636,111,335	75.16	2,013,966,210	78.78
Non-current liabilities						
Lease liabilities, net of current portion	563,168	0.02	2,936,160	0.13	2,303,077	0.09
Provision for long-term employee benefits	19,319,302	0.84	16,550,611	0.76	11,238,053	0.44
Other non-current liabilities	-	0.00	-	0.00	578,794	0.02
Total non-current liabilities	19,882,470	0.86	19,486,771	0.90	14,119,924	0.55
Total Liabilities	1,780,784,017	77.04	1,655,598,106	76.06	2,028,086,134	79.33

Aira Factoring Public Company Limited Statement of Financial Position
As of 31 December 2021, 2020 and 2019 (Continued)

(Unit: Baht)

Financial Statement	As at 31 Dec 21	Percent	As at 31 Dec 20	Percent	As at 31 Dec 19	Percent
Shareholders' equity						
Share capital						
Registered 1,600,000,000 ordinary shares of Baht 0.25 each	400,000,000	17.30	400,000,000	18.38	400,000,000	15.65
Share premium	75,844,889	3.28	75,844,889	3.48	75,844,889	2.97
Capital contribution from parent company	406,077	0.02	406,077	0.02	406,077	0.02
Retained earnings						
Appropriated-statutory reserve	34,700,000	1.50	32,200,000	1.48	30,000,000	1.17
Unappropriated	19,804,493	0.86	12,788,064	0.59	22,127,681	0.87
Total shareholders' equity	530,755,459	22.96	521,239,030	23.94	528,378,647	20.67
Total liabilities and shareholders' equity	2,311,539,476	100.00	2,176,837,136	100.00	2,556,464,781	100.00

Statement of comprehensive income
As at 31 December 2021, 2020 and 2019

(Unit: Baht)

Statement of comprehensive income	As at 31 Dec 21	Percent	As at 31 Dec 20	Percent	As at 31 Dec 19	Percent
Revenues						
Interest income from factoring	139,099,512	70.31	159,620,727	76.03	177,199,201	76.84
Fee and service income	40,106,368	20.27	41,071,587	19.56	47,755,888	20.71
Finance costs	(34,767,643)	-17.57	(42,057,964)	-20.03	(54,892,770)	-23.80
Gross Profit*	144,438,237	73.01	158,634,350	75.56	170,062,319	73.75
Other income	18,630,797	9.42	9,248,138	4.41	5,650,744	2.45
Total revenues	197,836,677	100.00	209,940,452	100.00	230,605,833	100.00
Expenses						
Administrative expenses	(98,483,903)	-49.78	(117,571,889)	-56.00	(127,080,602)	-55.11
Profit before income tax expenses	64,585,131	32.65	50,310,599	23.96	48,632,461	21.09
Income tax expenses	15,068,702	7.62	7,597,375	3.62	(6,473,585)	-2.81
Profit for the year	49,516,429	25.03	42,713,224	20.35	42,158,876	18.28
Other comprehensive income:						
Income Tax effect			858,411	0.41		
Loss on remeasurement of defined benefit plans			(4,292,056)	-2.04		
Other comprehensive income for the year			(3,433,645)	-1.64		
Total comprehensive income for the year	49,516,429	25.03	39,279,579	18.71	42,158,876	18.28
Weighted Average Number of Ordinary Shares	1,600,000,000		1,600,000,000		1,600,000,000	
EPS	0.0309		0.0267		0.0263	

Cash flow statement
As at 31 December 2021, 2020 and 2019

(Unit: Baht)

Cash flow statement	As at 31 Dec 21	As at 31 Dec 20	As at 31 Dec 19
Cash flows from operating activities			
Profit before tax	64,585,131	50,310,599	48,632,461
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating Activities:			
Depreciation and amortization	8,661,392	7,962,002	4,953,364
Expected credit losses (reversal)	(1,884,358)	7,703,980	-
Bad debt and doubtful debt	-	-	21,598,651
Gain on write-off of equipment	-	(17,410)	(1,241,238)
Gain on disposal of assets held for sale	(1,000,000)	(828,200)	-
Loss on impairment of assets held for sale	-	2,947,200	1,862,700
Provision for long-term employee benefits	2,768,691	1,020,502	1,549,035
Finance cost	34,767,643	42,057,964	54,892,770
Profit from operating activities before changes in operating assets and liabilities	107,898,499	111,156,637	132,247,743
Operating assets (increase) decrease			
Factoring receivables	(77,035,537)	558,410,585	(115,420,924)
Loan receivables	(29,295,515)	(184,930,587)	(4,801,058)
Other receivables	(190,661)	(247,615)	(184,196)
Other current assets	295,643	4,152,650	(3,489)
Deposits and guarantees	6,000	1,842,182	(350,934)
Operating liabilities increase (decrease)			
Retentions from factoring	9,251,339	1,570,663	(593,340)
Excess receipts awaiting to repay	12,841,140	(45,326,947)	19,422,667
Other payables	(211,105)	(1,393,883)	1,733,953
Other current liabilities	1,787,657	(433,517)	57,227
Other non-current liabilities	-	(578,794)	(161,611)
Cash flows from operating activities	25,347,460	444,221,374	31,946,038
Cash paid for interest	(34,148,595)	(42,619,223)	(54,746,868)
Cash paid for corporate income tax	(11,254,300)	(12,784,151)	(13,725,086)
Net cash flows from (used in) operating activities	(20,055,435)	388,818,000	(36,525,916)

Cash flow statement
As at 31 December 2021, 2020 and 2019 (Continued)

(Unit:Baht)

Cash flow statement	As at 31 Dec 21	As at 31 Dec 20	As at 31 Dec 19
Cash flows from investing activities			
Cash paid for acquisition of equipment	(432,270)	(203,115)	(1,170,499)
Cash paid for acquisition of intangible assets	(642,000)	(6,470,436)	(207,045)
Proceeds from disposal of equipment	-	652,300	1,241,629
Proceeds from disposal of assets held for sale	400,000	1,500,000	-
Net cash flows used in investing activities	(674,270)	(4,521,251)	(135,915)
Cash flows from financing activities			
Increase (decrease) in short-term loans from financial institutions	125,000,000	(329,000,000)	35,000,000
Increase in short-term loans from related party	50,000,000	-	-
Decrease in short-term loans from related party	(50,000,000)	-	-
Increase in long-term loans	12,000,000	-	-
Payment of liabilities under lease agreements	(5,204,748)	(3,916,678)	(309,736)
Cash for dividend paid	(73,600,000)	(40,000,000)	(48,000,000)
Net cash flows from (used) in financing activities	58,195,252	(372,916,678)	(13,309,736)
Net increase in cash and cash equivalents	37,465,547	11,380,071	(49,971,567)
Cash and cash equivalents at beginning of year	62,519,815	51,139,744	101,111,311
Cash and cash equivalents at end of year	99,985,362	62,519,815	51,139,744

Financial Ratios
As of 31 December 2021 ,2020 and 2019

Financial Ratios		As at 31 Dec 21	As at 31 Dec 20	As at 31 Dec 19
Liquidity Ratio				
Current Ratio	Times	1.26	1.26	1.24
Profitability Ratio				
Gross Profit Margin	%	80.60	79.04	75.60
Net Profit Margin	%	25.03	20.35	18.28
Return On Equity or ROE	%	9.33	8.19	7.98
Efficiency Ratio				
Return on Asset or ROA	%	2.14	1.96	1.65
Financial Ratio				
Debt to Asset Ratio	Times	0.77	0.76	0.79
Debt to Equity	Times	3.36	3.18	3.84
Interest Coverage Ratio	Times	2.86	2.20	1.89

5. General information and other material facts

5.1 General information of other referential persons

Stock Registrar	: Thailand Securities Depository Company Limited 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand Tel. +66(0) 2009 9000 Fax +66(0) 2009 9991
Auditor	: Mrs. Poonnard Paocharoen CPA Registration No. 5238 or Miss. Vissuta Jariyathanakorn CPA Registration No. 3853 or Miss. Sumana Punpongsanon CPA Registration No. 5872 or Miss. Orawan Techawatanasirikul CPA Registration No. 4807 or Miss. Kirdsiri Kanjanaprakasit CPA Registration No. 6014 EY Office Limited Lake Rajada Office Complex 193/136-137 Ratchadaphisek Rd, Klong Tan Nuea, Khet Klong Toei, Krung Thep Maha Nakhon 10110, Tel. +66 (0) 02264 0777 Fax: +66 (0) 2264 0790

5.2 Other material facts

5.2.1 Specify other information that may influence investors' decision making significantly

-None-

5.2.2 The restrictions of foreign shareholders

-None-

5.3 Legal disputes

As of December 31, 2021, there are no pending lawsuits or disputes where the Company is a party in the following cases

1. Cases that may have a negative impact on the assets of the Company (Case with capital amount higher than 5 percent of shareholders' equity at the end of the latest fiscal year) -None-
2. Cases that significantly affect business operations but cannot assess the impact in numbers -None-
3. Cases that are not caused by normal business operations -None-

5.4 Secondary market

-None-

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**Corporate
Governance**

6. Corporate Governance Policy

6.1 Overview of the Policy and Guidelines

The Board of Directors of AIRA Factoring Public Company Limited (“the Company”) has realized and recognized the importance of Good Corporate Governance that will help promote the Company and society. to be able to grow together in a sustainable way, as well as to build confidence for all stakeholders, whether shareholders, customers, debtors, competitors, business partners, employees and society, etc.

The Company believes that having a good corporate governance policy and business ethics are important foundations for enhancing and upgrading good corporate governance. The Company therefore has established a good corporate governance policy and a code of business ethics in writing with approval and reviewed by the Board of Directors annually. In this regard, the Company has published good corporate governance policies and business codes of conduct for directors, executives and employees to acknowledge and strictly adhere to them. In addition, the Company has published the Good Corporate Governance Policy and Code of Business Conduct on the Company’s website. www.airafactoring.co.th under the topic “Investor Relations”

In 2021, the Company received a corporate governance assessment from the Thai Institute of Directors Association (IOD) for 90 percent, equal to the previous year and is in the 5-star rating, which is considered excellent. The company also received a score of 100 percent for the quality assessment of organizing the Annual General Meeting of Shareholders for the year 2021.

In addition, the Company has reviewed and adhered to the policies and principles of corporate governance covering all 5 categories as follows: Rights

of Shareholders , Equitable Treatment of Shareholders ,Role of Stakeholders , Disclosure and Transparency Section and the responsibilities of the Board of Directors according to the guidelines of the Stock Exchange of Thailand.In this regard, the Company has established guidelines for the Board of Directors in accordance with the Good Corporate Governance Principles for Listed Companies in 2017, which consists of 8 main points as follows:

1. Realize the roles and responsibilities of the Board of Directors as leaders who create sustainable values for the business.
2. Determine the objectives and main goals of the business for sustainability
3. Strengthen an effective committee
4. Recruiting and developing high-level executives and personnel management
5. Promote innovation and responsible business operations
6. Ensuring that there is an appropriate risk management and internal control system.
7. Maintain financial credibility and disclosure.
8. Support participation and communication with shareholders

6.1.1 Policies and guidelines related to the Board of Directors

Policies and guidelines related to the Board of Directors are in accordance with the principles of good corporate governance by paying attention to the duties of the Board of Directors and sub-committees in accordance with the Charter and the authority of each committee.

In addition, the Company also attaches importance to internal control by establishing a unit responsible for internal audits, which regularly reviews practices and reports to the Board of Directors.

In regard to preventing the use of inside information of directors and employees, the Board of Directors has given importance to internal control to prevent directors, executives and employees from using inside information for unlawful gains.

In addition, the Company has set guidelines for entering connected transactions to prevent conflicts of interest, including requiring reporting of conflicts of interest under relevant laws, which can be summarized as follows:

1. The Board of Directors has a policy to prevent the use of inside information by stipulating measures prohibiting the use of opportunities or information obtained from being directors, executives or employees for personal gain. or doing business that competes with the Company or related businesses, including not using inside information for their own benefit in trading the Company's shares or provide inside information to others for the benefit of trading in the Company's shares by stipulating a period of prohibition from trading in the Company's securities for a period

of 1 month prior to the announcement of quarterly and annual financial statements or the release of the Company's status and other important information and should wait at least 24 - 48 hours after the disclosure to the public before trading the Company's shares as stipulated in the Corporate Governance Policy.

In this regard, directors and executives are required to report their securities holdings for the first time and report the changes in their securities holdings in accordance with Section 59 of the Securities and Exchange Act B.E. to the Board of Directors meeting for acknowledgment every quarter

2. The Board of Directors has established criteria for directors and executives to report their interests and related persons in accordance with Section 89/14 of the Securities and Exchange Act B.E.2551and/ or change information by submitting a report to the Company Secretary Department within 3 days when there is a change in securities holdings.

In 2021, the Company's directors and executives have changed their shareholding in the Company as follows:

Name	Number of shares				% (Totally 1,600 million shares)
	As at 31 Dec 2020	Acquire during the year	Disposal during the year	As at 31 Dec 2021	
1. Mr. Sorasit Soontornkes Chairman and Independent Director	-	-	-	-	0.00%
2. Mr. Kunakorn Makchaidee Independent Director and Chairman of Audit Committee	16,000,000	-	-	16,000,000	1.00%
3. Mrs. Yajai Pattanasukwasun Independent Director, Audit Committee and Chairman of Nomination and Remuneration Committee	-	-	-	-	0.00%
4. Mr. Poonsak Thiapairat Independent Director, Audit Committee and Nomination and Remuneration Committee	8,440,000	-	4,000,000	4,440,000	0.28%
5. Mrs. Ladavan Tanatanit Director and Executive Committee	-	-	-	-	0.00%
6. Mr. Visit Vongruamlarp Director and Credit Committee	-	-	-	-	0.00%

Name	Number of shares				% (Totally 1,600 million shares)
	As at 31 Dec 2020	Acquire during the year	Disposal during the year	As at 31 Dec 2021	
7. Mrs. Nalinee Ngamsetthamas Director, Nomination and Remuneration Committee and Executive Committee	-	-	-	-	0.00%
8. Mrs. Nongluk Chantarasombat Director and Chairman of Credit Committee	-	-	-	-	0.00%
9. Admiral Navapol Damrongpong Independent Director	-	-	-	-	0.00%
10. Mr. Akrawit Sooksai Director, Executive Committee, Credit Committee and Chief Executive Officer	-	-	-	-	0.00%
11. Mr. Chanon Chotvijit Chairman of Executive Committee	-	-	-	-	0.00%
12. Mr. Suthiporn Tanthikul Executive Committee and Credit Committee	-	-	-	-	0.00%
13. Mr. Ekawat Piriawarasakul Executive Committee	-	-	-	-	0.00%
14. Mrs. Pornpilai Burasai Managing Director	-	-	-	-	0.00%
15. Mr. Vuthipong Anurattada Assistant Managing Director, Credit and Marketing Group 1	-	-	-	-	0.00%
16. Mr. Pattawut Veerapradit Assistant Managing Director, Finance & Administration Division	-	-	-	-	0.00%
17. Mr. Pipob Jirawongsakorn Assistant Managing Director, Operation and Information Technology Division	-	-	-	-	0.00%
18. Mr. Perayot Ketchat Assistant Managing Director, Risk Management and Debt Recovery Division	-	-	-	-	0.00%
19. Mrs. Paisri Phakcharoenpol Senior Vice President of Accounting and Finance Department	905,000	-	-	905,000	0.00%
Total (shares)	25,345,000	-	4,000,000	21,365,000	1.33%

Note: The Board of Directors and the management of the Company hold shares as of December 31, 2021, representing 1.33% of the Company's issued shares.

6.1.2 Policies and practices concerning shareholders and stakeholders

or compliance with the corporate governance principles of the Company in 2021 can be summarized as follows:

1. Rights of Shareholders

The Company has complied with its Corporate Governance Policy with the aim of ensuring that shareholders enjoy their rights and exercise such rights in an equitable manner, such as buying or selling shares, receiving dividends and receiving adequate, timely and complete information about the Company through easily accessible channels. In addition, shareholders are entitled to take part in material business decisions, e.g., payment of dividends, appointment and removal of directors, determination of directors' remuneration, appointment of auditors, determination of audit fees, amendment to provisions of the Memorandum and Articles of Association, and approval of special transactions (e.g., capital increase or reduction, acquisition or disposal of significant assets, or connected transactions). The shareholders may cast their votes on the aforesaid matters according to details provided in the Notice of an Annual General Meeting of Shareholders or, if applicable, the Notice of an Extraordinary General Meeting of Shareholders. The principles adopted by the Company in respect of treatment of shareholders are shown in detail on the Company's website (www.airafactoring.co.th) under the sequence of menu headings "Investor Relations".

1.1 Shareholders' Meeting

Due to the epidemic situation of the Coronavirus Disease 2019 ("COVID-19") in 2021, the Company held an Annual General Meeting of Shareholders via electronic media on April 21, 2021, in accordance with the guidelines for organizing Meeting of shareholders of listed companies and related departments by the Company has taken steps to ensure

that shareholders are entitled to the shareholders' meeting according to the law and good corporate governance rules as follows:

1) The Company has a policy for shareholders to receive clear, accurate, complete information and have sufficient time to consider each agenda, including access to details of the notice of the Annual General Meeting of Shareholders and supporting documents for each agenda. easily

The Company has published the notice of the Annual General Meeting of Shareholders and supporting documents for each agenda and the proxy form both in Thai and English via the Company's website at least 30 days in advance of the meeting. and has sent the notice of the Annual General Meeting of Shareholders, supporting documents for the meeting agenda and proxy in both Thai and English versions, including Annual Report 2020 in QR Code format to shareholders in advance. The invitation to the Annual General Meeting of Shareholders consisted of the date, time and place of the meeting, details of the meeting agenda together with facts, reasons and opinions of the Board of Directors for each agenda, supporting documents for the meeting agenda. and other supporting documents as well as details of the meeting procedure, voting, the proxy of shareholders

In addition, the company has published in the newspaper according to the law. And given the opportunity for shareholders who wish to receive Annual Report 2020 in hard copy form, please contact the company secretary.

2) The Company has given the opportunity to shareholders to propose meeting agendas and names of qualified persons to be considered for election as directors of the Company in advance of the annual general meeting of shareholders through channels and under the rules as specified by the Company. As stated on the Company's website as follows: Letter

to company secretary or email to ir_af@airafactoring.co.th from October 1, 2020, to December 31, 2020. In this regard, every agenda proposed by the shareholders The Nomination and Remuneration Committee will consider and propose to the Board of Directors for further consideration.

3) The Company has a policy to promote and facilitate all shareholders. (Both shareholders who are natural persons, juristic persons and institutional investors) attended the shareholders' meeting for the shareholders to exercise their rights at the shareholders' meeting equally, the company sends a proxy form B so that the shareholders who are unable to attend the meeting can use to authorize others to attend the meeting. can be substituted

4) The Company facilitates all shareholders and proxies who attend the meeting equally. Meetings are scheduled on business days and business hours. The Company has scheduled meetings via electronic media. which is suitable for the epidemic situation of corona virus disease 2019 ("COVID-19"). The Company has allowed shareholders to register 3 weeks in advance before the meeting date. The company has arranged an officer to check documents of attendance and identity verification, including a call center to facilitate shareholders when asking if they have questions or problems with registration. The Company allows registered shareholders to enter the meeting via electronic media 1 hour prior to the meeting. In addition, shareholders can register to attend the meeting at any time to exercise their right to vote on agenda items that have not yet been voted on

5) During the meeting, the chairman of the board acts as the chairman of the shareholders' meeting. There are directors of the company A total of 10 people from a total of 10 attended the meeting, with the chairman of other sub-committees along with the Company's top management and the auditor attended

the meeting in person and via electronic media to jointly answer the questions of the shareholders. holding shares and proxies

Before starting the meeting according to the agenda, the company secretary informed the meeting about the voting procedures in each agenda. Shareholders, including proxies attending the meeting, have the right to vote 1 vote per 1 share. And to make the vote counting process efficient and fast The Company allows shareholders to vote against and abstain from voting through the meeting system only.

In this regard, the voting and vote counting in each agenda was done openly by using an electronic meeting system to process and report the votes and the Company assigned Mr. Pasinpoom Chitkha, an independent lawyer, to verify the correctness. of the proxy and the counting of the quorum, including the counting and reporting of votes, resulting in the Company Able to report the votes to the meeting for acknowledgment on each agenda item quickly, accurately and transparently.

In addition, the Company also presented the important operating results for the year 2020 and the operational strategy for the year 2020, summarized to the shareholders' meeting for acknowledgment. The chairman of the meeting gave the shareholders an opportunity to ask questions. and express opinions and suggestions equally and have answered questions including providing complete information as requested by shareholders. Directors and executives jointly clarify and answer questions of shareholders on related issues, and the company secretary is responsible for taking minutes of the meeting and voting on each agenda item.

Additionally, during the meeting, there was no switching, adding, or editing agendas. or change the information of the meeting from which the shareholders have been informed in advance

6) After the meeting, the Company published the shareholders' meeting resolutions in both Thai and English via the website of the Stock Exchange of Thailand and the Company's website within the meeting date.

In addition, the Company has sent the minutes of the meeting to the Stock Exchange of Thailand and published the minutes of the meeting in both Thai and English on the Company's website within 14 days from the date of the meeting.

The Company allows shareholders to express their opinions and amend the minutes of the meeting within a period of 1 month and keep the minutes of the meeting for reference.

In this regard, the minutes of the meeting recorded the names of directors and executives attending the meeting, voting methods, shareholders' questions and clarifications of the Board of Directors and executives, as well as the resolutions of the meeting along with the votes of the shareholders. Shares that voted to agree, disagree and abstain in each agenda that required a resolution.

1.2 Election of Director on an Individual Basis

For the election of directors, the Company has disclosed the profiles of persons nominated as directors to shareholders in the notice of the Annual General Meeting of Shareholders, such as age, educational background, work history Position holding in other listed companies and general companies Date, month, year of being appointed as a director Information on attendance of the Board of Directors and sub-committees in the past year, types of directors proposed to appoint etc. so that the shareholders have useful information in considering the election of qualified persons to be directors of the Company.

In this regard, in the case of an independent director appointment, the Company will disclose the definition of independent director specified

by the Company along with additional information such as relationship or interest in the Company, parent company, controlling person of the Company, or juristic person that There may be conflicts, etc., both in the present and in the past. Prior to being appointed as an independent director of the Company

At the annual general meeting of shareholders every year, there will be directors of the Company. One-third of the total number of directors who retired by rotation in the 2021 Annual General Meeting of Shareholders, there are 3 directors who are due to retire by rotation, which the Company has arranged for shareholders to consider and vote for each director individually and in voting process.

The Company allowed the shareholders to vote for disapproving and abstaining votes to count the votes in the same way as other agendas, as well as disclose the resolutions in the minutes of the meeting by showing the voting results of the shareholders. At the shareholders' meeting, the election of directors is clearly separated from each other.

1.3 Determination of Director's Remuneration

In accordance with the Company's Articles of Association approved by the Annual General Meeting of Shareholders, the Company's directors are entitled to receive remuneration in the form of meeting allowances, gratuities or other benefits in accordance with the Articles of Association or the resolutions of the Shareholders' Meeting. by specifying a fixed amount or laying down a rule which may be fixed from time to time or shall be effective indefinitely until there is a change

In this regard, the Board of Directors has assigned the Nomination and Remuneration Committee to consider the directors' remuneration and give advice to the Company's directors before proposing to the shareholders' meeting to consider and approve the directors' remuneration at every annual general meeting of shareholders. year

The Board of Directors has established a policy for directors' remuneration to be at an appropriate level and in accordance with the duties and responsibilities of the directors, with criteria comparable to those of other listed companies in the same industry.

1.4 Communication Among the Company's Shareholders

The Company has no policy to block communication between shareholders. In this regard, shareholders are able to communicate and access information freely between them. Shareholders can copy the list of shareholders of the Company at the Department of Business Development, Ministry of Commerce

2. Equitable Treatment of Shareholders

The Company has a policy to support all shareholders, including major shareholders, minority shareholders, Institutional shareholders, including foreign shareholders receive equal and fair rights and treatment. This is one of the company's corporate governance policies.

In this regard, the Company uses principles for equitable treatment of shareholders, details of which appear on the website. www.airafactoring.co.th under the topic "Investor Relations"

2.1 Invitation to Shareholders to Propose Agenda Items, Candidates for Directorship, and Questions Prior to the Shareholders' Meeting

The Company has given shareholders the opportunity to propose matters for consideration and to be included in the agenda and to nominate qualified persons to be considered for election as the Company's directors at the Annual General Meeting of Shareholders. year

In this regard, the rules have been clearly defined and published through the Company's website where shareholders can propose agenda and list of persons to be elected as directors in advance through the

channels specified by the Company or by email to ir_af@airafactoring.co.th

The company secretary will preliminarily consider and screen before submitting to the Nomination and Remuneration Committee and the Board of Directors for further consideration. The result of consideration will be notified back to the shareholders who submitted the matter for acknowledgment.

In the event that the Board of Directors agrees with the matter proposed by the shareholders, it will be included in the agenda of the Annual General Meeting of Shareholders.

For the 2021 Annual General Meeting of Shareholders, the Company gives the opportunity for shareholders to propose agenda and names of persons to be elected as directors during October 1, 2020, to December 31, 2020.

For the 2022 Annual General Meeting of Shareholders, the Company has given the opportunity to shareholders to propose agenda and names of persons to be elected as directors. During the period from October 1, 2021, to December 31, 2021, none of the shareholders proposed any agenda and names of persons to be selected as directors.

2.2 Proxy for attending the shareholders' meeting

At every shareholder meeting The Company has prepared a proxy form in case the shareholders are unable to attend the meeting in person to protect the rights of the shareholders.

For the 2021 Annual General Meeting of Shareholders, the Company has sent the proxy form b. with detailed agenda for the appointment of proxy. This will be sent together with the notice of the Annual General Meeting of Shareholders. The Company has offered an option to shareholders to appoint proxies to attend the shareholders' meeting on their behalf by nominating 2 independent directors who have no conflict

of interest regarding the agenda of the meeting.

In this regard, the Company has provided complete information of independent directors. Shareholders are able to choose to appoint any independent director of the Company according to the proposed list or other persons as the shareholders deem appropriate.

2.3 Use of ballots in the shareholders' meeting

In the 2021 Annual General Meeting of Shareholders, the Company allows voting via the electronic meeting system for every agenda item and will collect all voting results by keeping the voting reports as evidence. It is information that can be checked later. The Company uses a voting system through an electronic conferencing system, which is a tool to help counting votes and collecting votes to make the vote-counting process efficient, accurate, fast and verifiable.

In this regard, the company secretary explained how to use the ballot and vote counting criteria before starting to consider the agenda after the meeting.

3. Role of the stakeholders.

All stakeholders should be treated as required by law. The Board of Directors has promoted and supports the establishment of guidelines for treating all groups of stakeholders clearly and fairly. The Board of Directors has established guidelines for treating different groups of stakeholders as follows:

3.1 Shareholders

The Company is determined to be a good organization of shareholders in doing business to create the highest satisfaction for shareholders by focusing on creating long-term corporate value, including transparent and transparent disclosure of information. Reliable

3.2 Managements and Employees

The Company considers the group of directors, executives and employees to be the most important resources that enable the organization to achieve its business goals. Therefore, the Company has established guidelines as follows:

1) Creation of management processes to create a good relationship between management and employees.

2) The Company has criteria for recruiting and the selection of personnel with a standard focus on selection based on their experiences, abilities, and attitudes as inputs for recruiting and selecting personnel in accordance with the Company's business strategy Including continuous monitoring and evaluation of employees' work trials under the guidelines for continuous development and training.

3) The Company encourages employees to receive appropriate training for progress and stability in their work by allocating training budgets and preparing training and development plans for employees, focusing on training employees for skills, enhance knowledge and exchange experiences as well as improve the weaknesses arising from the evaluation of the performance including the preparation of long-term human resource development plans to support future growth

In addition, the company has also arranged career path plans for employees so that employees have the opportunity to grow in their careers according to their knowledge and abilities and to use their potential to the fullest.

4) Retention of employees who have the ability to work: The company considers that keeping employees with the organization is important. Therefore, the Company has set the following welfare benefits:

4.1) Payment of remuneration for the performance of employees appropriately according to their qualifications, knowledge, abilities and work experience, including determining to consider the annual salary increase to the employees once a year based on the results Employee performance, which the company uses the Key Performance Indicator (KPI) system as a tool to consider based on the performance of employees and departments.

4.2) The Company provides welfare in various fields to employees such as accident insurance, life insurance, health insurance and medical expenses so that employees can reimburse medical expenses in addition to social security payments to help alleviate the burden of medical expenses. The Company arranges for an annual health check-up once a year for employees to have good health and other benefits such as marriage money, funeral money, training and seminars for employees both inside and outside the premises, etc.

4.3) The Company provides a provident fund for employees who have completed their work as specified by the Company.

4.4) The company provides activities within the company. for employees at all levels to participate with various activities such as Team building, New Year's party etc. to create a good relationship between directors. senior management and employees, as well as providing opportunities for employees to participate in expressing different opinions independently to bring various suggestions into consideration and present to the management

4.5) Succession or preparation of executives : The Company has a policy to continuously prepare replacement executives to be sufficient for business expansion, including restructuring of the organization and to develop capabilities. of executives in the management of the work that will occur in the future

3.3 Competitors

The Company should treat its competitors in accordance with the rules of fair competition and maintain the norms of the competition without infringing on the confidentiality or knowing the competitor's trade secrets by fraudulent means and without creating a commercial advantage. unfair competition

3.4 Partners

The Company has established policies relating to the Company's business operations with standards and awareness of appropriate risk management principles such as credit and approval policies, lending policies, collateral policies, debt classification policies and setting up reserve for doubtful accounts policy for debt restructuring, etc. In addition, the Company has established rules and regulations on procurement by clearly defining the scope, rules and procedures involved to be transparent and have verifiable procedures.

3.5 Clients and receivables

The company is determined to respond and provide good service to create satisfaction and confidence for customers and debtors as follows:

1) Make a fair contract and communicate information about the Company's services to customers for a correct understanding.

2) Maintain the confidentiality of the customer and debtor strictly without disclosing such confidential information to other parties unless with the consent of the customer or debtor or in legal action only.

3) Provide advice with reasonable care to ensure that customers and debtors receive appropriate benefits and satisfactions.

3.6 Creditors

The Company is committed to conducting business with principles and discipline to create equal trust among all creditors based because

of receiving fair returns to both parties under contracts or conditions. various strictly agreed repayment of debts, loans, interest and capital management with responsibility for the terms of debt guarantees.

3.7 Government agencies

The Company complies with the laws, announcements, requirements and rules prescribed by the governor and related agencies such as the Department of Business Development, Ministry of Commerce, Revenue Department, Ministry of Finance Stock Exchange of Thailand Office of the Securities and Exchange Commission, etc.

3.8 Society and environment

The Company is committed to conducting business with integrity in accordance with corporate governance principles along with social and environmental stewardship by promoting and supporting sustainable growth based on ethics and transparency.

Therefore, the Company will consider credit by focusing on SME customers because the Company believes that it is a group that will help drive the country's economy to grow.

In addition, the company also supports energy efficiency and efficiency. The company has developed an operating system to reduce the use of paper in the work process and encourage employees to work together to save the planet by affixing invitations for employees to think before printing, including the use of used paper, etc.

3.9 Anti-Corruption

The Company aims to be an organization that is transparent and free from corruption and is not involved in corruption or supporting all groups of stakeholders together against corruption. The company has set a policy to be enforced within the organization. Such policy will be reviewed and updated regularly at least once a year.

In 2018, the Company has sent the notification letter of declarations of Thailand's Private

Sector Collective Action Coalition against Corruption and was communicated and disseminated to employees and various stakeholder groups.

In December 2019, the Company applied for membership of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC.). The Company was certified as a member of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) in September 2020.

In addition, the Company provides opportunities for all groups of stakeholders to report or file complaints on matters that may cause damage to the Company. including corruption and to protect and impart fairness to complainants by assigning the Audit Committee to be the recipient of those reports or complaints through the Office of Compliance and Internal Audit for reviewing and reporting to the Board of Directors.

3.10 Non-violation of human rights

The Company supports and respects the human rights of all stakeholders without committing any acts that cause human rights violations and does not discriminate between gender, age, race, or religion, and gives employees the opportunity to receive knowledge from training and receive welfare equally and fairly.

3.11 Non-infringement of intellectual property and copyrights

The Company has complied with the laws relating to intellectual property rights. Without infringement of intellectual property or copyright, whether it is design, use of computer programs and other matters related to the various software to be used within the company must be licensed and the copyright is valid. Under the Computer Crime Act B.E. 2550, copyright laws or other related laws. The company does not allow employees to install pirated software systems.

3.12 Safety and hygiene in the workplace

In 2021, employees had an average rate of sick leave of 4.77 working days, and no accidents

or infections caused by their work were found. Employee turnover rate for the year 2021 is 1.57%. In addition, the Company has cooperated with the management of Chamchuri Square Building. In sending representatives of employees to participate in fire evacuation drills for the year 2021

3.13 Channels to contact the Company for whistle blowing, information, complain and suggestion.

Any stakeholders can contact the Company for information, news, included whistle blowing and suggestion through the following channels:

- The Company's website: www.airafactoring.co.th, go to "Contact us" and select item "Internal Audit Committee or Internal Audit and Compliance Office"
E-mail: - auditcommittee@airafactoring.co.th, address to Audit Committee
- internalaudit@airafactoring.co.th, address to Internal Audit and Compliance Office
Telephone: 0 2657 6222
Fax: 0 2657 6244
- Mail address to: Internal Audit Committee or Internal Audit and Compliance Office Aira Factoring Public Company Limited
319 Chamchuri Square, 17th Floor, Payathai Road, Pathumwan, Bangkok, Thailand, 10330

Employees can file complaints or make suggestions to the Board of Directors and executives directly via the Company's internal e-mail.

Additionally, all employees are obliged to report incidents or behaviors in the workplace that are inaccurate, or suspected to be inappropriate, or affecting other stakeholders, or of fraud and corruption. or violates the corporate governance policy, or violates

the corporate governance, rules or any laws against the supervisor

The Company will investigate without disclosing the name of the whistleblower to protect the potential impact on the whistleblower or allegation.

If found that the offense was committed by an employee, report the offense under the chain of command and impose penalties for that offense. fairly in accordance with the Company's regulations

If the offense is committed by a person who is not an employee, the Company will continue to take legal action.

In 2021, the Company does not have any disputes in relation to stakeholders.

4. Disclosure and Transparency

The Company places importance on publicizing transparent completion of the Company in the correct matter, included financial and non-financial information, within reasonable time frame by different means of communication.

4.1 Disclosure Information

The company has disclosed different information. through the Company's website so that all groups of stakeholders can easily access the Company's information and comply with relevant laws and regulations as follows:

1. Corporate Governance Policy business ethics and anti-corruption and corruption policies
2. Annual financial statements that have been audited by the auditor This will be done within 60 days from the end of the Company's fiscal year. and the quarterly financial statements that have been reviewed by the auditor, which will be processed within 45 days of the end of the quarter. In this regard, the Company has prepared a Management Discussion and Analysis (MD&A) to provide investors with clear information and better understanding of the operating results.

3. Various information about shareholders such as annual information form (Form 56-1 One Report) and documents related to the shareholders' meeting, etc.

4. Powers and duties of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Executive Committee, the credit committee and the management team, as well as disclose information about the directors and executives. on the Company's website, including name, position, education and training shareholding in the company and work experience

6.2 Business ethics

The Board of Directors realizes the importance of establishing a Code of Conduct which is an important tool for enhancing transparency in the Company's operations. and for the company have action in accordance with the concrete good corporate governance policy and anti-corruption in all cases

The Board of Directors therefore has established the Company's Code of Business Conduct. be in writing and disseminate to the relevant parties for acknowledgement and disclosed on the Company's website as the duty of directors, executives and employees, who must study, understand and comply with both written compliance and in accordance with the intent of the Code of Business Conduct and reviewed annually

The Board of Directors expects the Code of Business Conduct to be a manual or guideline for all directors, executives and employees to perform duties and assignments with honesty, integrity and fairness in both treatment of the Company and all groups of stakeholders.

Full Code of Business Conduct Appears in Attachment 5.

6.3 Significant changes and developments in policies, practices and governance systems

6.3.1 Significant changes and developments related to the review of policies, practices and the corporate governance system or the Board of Directors' charter in the past year

In 2021, Board of Directors' meeting of the year 2021 no.7 /2021, dated December 14, 2021, reviewed the Company's corporate governance policy to be appropriate and consistent with the guidelines of the company's supervisory authority. Registration and Good Corporate Governance Principles for Listed Companies Year 2017, with the goal of moving towards international corporate governance standards and for the Company to grow strong and sustainably in the long term.

In this regard, Board of Directors' meeting of the year 2021 no.7 /2021 also reviewed the charter of all sub-committees, namely the Audit Committee Charter. Charter of the Nomination and Remuneration Committee Executive Board Charter and the Charter of the Credit Committee

6.3.2 Other practices according to the principles of good corporate governance

In 2021, the Company has reviewed other practices in accordance with the principles of good corporate governance as follows:

1. The Board of Directors has approved the term of office of the chairman of the sub-committees to be able to hold office for no more than 2 consecutive terms with effect from April 2, 2021, and agreed to amend the charter of the sub-committees to to be consistent

This was to create a rotation in the performance of duties and for the Board to review and select the appropriate person to hold the position of chairman of the sub-committees (from the above policy) resulting in

a change in the position of the Chairman of the Board of Directors and the Chairman of the Credit Committee. During the year 2021

2. The Board of Directors has reviewed the annual performance evaluation form of the Board of Directors and sub-committees. 2021 in order to be consistent with the current situation and in the same direction as AIRA Capital Company, the parent company

3. During the year 2021, the Board of Directors meeting Has reviewed the composition of the Executive Committee, which the Board of Directors' meeting resolved to recruit qualified, experienced and

legal expertise to appoint one more Executive Director to make the performance of the Executive Committee more effective.

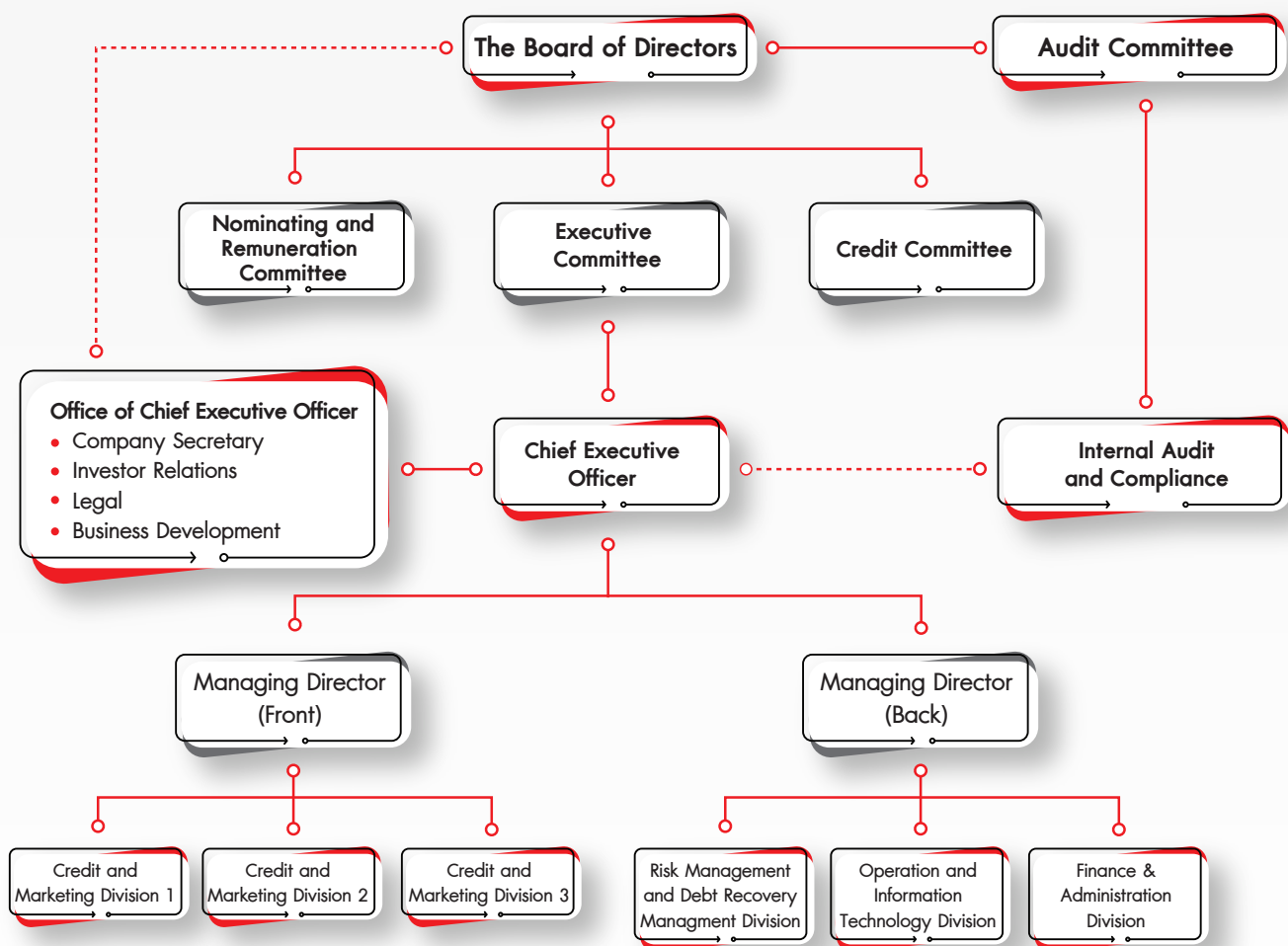
In this regard, the Board of Directors Meeting no.7 for the year 2021 has resolved to appoint Mr. Ekawat Piriyawarasakul as the Executive Director on December 14, 2021.

4. The Board of Directors has considered the meeting schedule for the whole year in advance for the year 2022 for the meeting of the Board of Directors and sub-committees so that all directors can allocate time to attend meetings in all committees.

7. Corporate governance structure and material facts related to the board, subcommittees, executives, employees and others

7.1 Corporate Governance Structure

The Company's Organization Chart as of 31 December 2021 as follows;



7.2 Information on the Board of Directors

7.2.1 The composition of the Board of Directors and the total number of directors

The Company has a total of 10 directors, of which 5 are independent directors (equivalent to

50.00%) as follows: Mr. Sorasit Soontornkes, Mr. Kunakorn Makchaidee, Mrs. Yajai Pattanasukwasun, Mr. Poonsak Thiapairat and Admiral Navapol Damrongpong. The Company has 9 non-executive directors, representing 90% of the total directors.

The Board of Directors has appointed the Nomination and Remuneration Committee to consider qualified persons based on their professions, expertise, skills, and knowledge necessary for the Company's business operations. the have more strength.

For internal management to be balanced, accurate, fair and for the maximum benefit of shareholders, the Company has a policy that each director can hold positions in other listed companies not more than 5 companies.

In this regard, the Company does not have a director who holds a position for the Company. registered more than 5 places in any way Details of tenure appear in the heading. "Annexure 1"

The Board of Directors has appointed independent directors to be the Chairman of the Board of Directors, separating duties from the Chief Executive Officer and the Chief Executive Officer to ensure efficient and transparent management of the Company's Board of Directors.

The Company focuses on transparency in the recruitment and selection of persons to take the position of the Company's directors.

The Company has a policy to give shareholders the right to nominate a list of suitable candidates to be directors, with the Nomination and Remuneration Committee acting to screen the qualifications and suitability of applicants or directors who have completed their term. or resign and propose an opinion to the Board of Directors for approval to propose to the meeting shareholders to appoint as the Company's directors

Qualification of the Independent Director

1. Must not hold more than 1% of the shares with voting rights of the total stake of the Company. Parents companies, subsidiaries, Joint Ventures, Major Shareholders or Controlling Shareholder are considered when calculating the total shares held by the Independent Director.

2. The Independent Director must not be or have previously been a director related to the management of the employees, staffs, a consultant who receives a salary, or someone with authority. Parent companies, subsidiaries, Joint Venture, subsidiaries of the same parent company, Major Shareholders or Controlling Shareholders, in which the Independent Director is not positioned as Director or previously been a director related to the management of the employees, staffs, a consultant with a salary, or someone with authority must wait at least 2 years before the intention to formally register as an Independent Director. If the Independent Director was previously a government official or a consultant for the Government for which the Government was a Major Shareholder or Controlling Shareholder, such waiting time would be null.

3. The Independent Director must not be blood related or registered legally with the following individuals: father, mother, spouse, brothers, sisters, children, spouse of children, spouse of Management, spouse of Major Shareholders, spouse of someone with the authority to control, or spouse of a nominee for the position of Management, someone with the authority to control, or subsidiaries.

4. The Independent Director does not have or previously have a business relationship with the parent company, subsidiaries, Joint Ventures, Major Shareholders or Controlling Shareholders, in which such relationship will effect on the independent decision making of the Independent Director. The Independent Director does not own or have previously own a significant portion of stocks or have significant business control over parent company, subsidiaries, Joint Venture, Major Shareholders or Controlling Shareholders, unless the Independent Director has waited at least 2 years before the intention to formally register as an Independent Director.

The definition of a business relationship is defined as the follow: transactions that are in accordance with normal business operations, to lent or rent property,

transactions of assets or of service, giving or receiving financial aid from lending or borrowing, guarantees, offering assets to be collateral, and other actions with similar objectives. Such business transactions will result in either the Independent Director or the partner in the business transaction to be in debt and will need to repay the other party in the amount of 3% of the net tangible assets of the Independent Director or an amount higher than 20 Million Baht, whichever is lower. The calculation of such debt will be in accordance with the appraised value of the related transactions announced by the Capital Market Commission in relation to the guidelines of related transactions complied. The verification of such debt will be 1 year prior to such business relationship.

5. The Independent Director must not be or has previously been an Auditor of a parent company, subsidiaries, Joint Venture, Major Shareholder or Controlling Shareholders, and not a Partner of these companies or have authority to control. The Independent Director must also not be a stakeholder of such auditing firms in which audits the parent company, subsidiaries, Joint Venture, Major Shareholders or someone with the authority to control unless the Independent Director has waited at least 2 years before the intention to formally register as an Independent Director.

6. The Independent Director must not be or have previously offered professional services which includes legal and financial consultant receiving more than 2 million Baht per year from the parent company, subsidiaries, Joint Venture, Major Shareholders or controlling shareholders, and not be a Partner or controlling shareholders of such companies that offer professional services unless the Independent Director has waited at least 2 years before the intention to formally register as an Independent Director.

7. The Independent Director must not be appointed to be the representative of other Directors, Major Shareholder or shareholders that are related to the Major Shareholders.

8. The Independent Director must not operate any company with the same business as the Company or any company that significantly competes with the Company or subsidiaries. The Independent Director must also not hold a significant stake of such companies, take the role of Director, Management, Employee, Staffs, or Consultant of such company, and must not hold more than 1% of the total voting rights of the company in which operates in the same business as the Company or significantly competes with the Company or subsidiaries.

9. The Independent Director must not have other characteristics that will not allow the Independent Director to have an independent judgment.

After the appointment of the Independent Director according to (1) to (9), the Independent Director may be given responsibility by the Board of Directors to allow judgment and management of parent company, subsidiaries, Joint Venture, subsidiaries with the same parent company, major shareholders or Controlling shareholders, in which the decision will be regarded as a collective decision.

Qualification of the Director

The person who takes the position of director shall be a person with knowledge, ability, and readiness to take the position as well as the following points:

- The potential director must be qualified and must not have any nature that goes against the Law of Public Companies as well as any nature that shows a lack of confidence to manage the Company in the shareholders' stead according to the Securities and Exchange Commission.
- The potential director must be knowledgeable, skillful, or experienced in accordance with the operations of the Company.
- The potential director must fully dedicate themselves, especially on making important decisions, for the interest of the Company,

and to attend meetings of the Board of Directors and shareholders' meeting unless of unprecedented circumstances.

- The potential director must have morality, ethics, and other qualifications according to the law or the suitability of a director.

7.2.2 The information on each director and controlling person

Details of the Company's directors and the number of years in office as of December 31, 2021 are as follows:

Name - surname	position	Date of appointment as a director	Number of years holding directorship
1. Mr. Sorasit Soontornkes	Chairman and Independent Director	May 14, 2018	3 years 7 months
2. Mr. Kunakorn Makchaidee	Independent Director and Chairman of Audit Committee	April 5, 2005	16 years 8 months
3. Mrs. Yajai Pattanasukwasun	Independent Director, Audit Committee and Chairman of Nomination and Remuneration Committee	August 14, 2014	7 years 4 months
4. Mr. Poonsak Thiapairat	Independent Director, Audit Committee and Nomination and Remuneration Committee	February 25, 2004	17 years 10 months
5. Mrs. Ladavan Tanatanit	Director and Executive Committee	March 1, 2011	10 years 9 months
6. Mr. Visit Vongruamlarp	Director and Credit Committee	29 April 2011	10 years 8 months
7. Mrs. Nalinee Ngamsetthamas	Director, Nomination and Remuneration Committee and Executive Committee	March 1, 2011	10 years 9 months
8. Mrs. Nongluk Chantarasombat	Director and Chairman of Credit Committee	May 14, 2018	3 years 7 months
9. Admiral Navapol Damrongpong	Independent Director	May 12, 2020	1 year 7 months
10. Mr. Akrawit Sooksai*	Director, Executive Committee, Credit Committee and Chief Executive Officer	July 5, 2018	3 years 5 months

Note: *Executive director

The authorized directors of the Company are as follows: Mrs. Nalinee Ngamsetthamas, Mrs. Ladavan Tanatanit, Mrs. Nongluk Chantarasombat, Mr. Akrawit Sooksai, two of these four directors sign jointly and affix the Company's seal.

Term of Directorship

One-third of the Board of Directors must retire by rotation at every annual general meeting of shareholders. The director who has been in office for the longest time will retire. In the event that the retiring directors cannot be divided exactly by one-third, the number closest to one-third shall be used. However, the retiring directors may be re-elected for another term.

7.2.3 Information related to the roles and duties of the Board of Directors

The Company has separated the position and authority of the Chairman of the Board of Directors, Executive Chairman and the Chief Executive Officer clearly for the benefit of the governance and transparency of internal operations which are detailed as follows

Chairman of the Board of Directors -

Chairman of the Board of Directors is an independent director and is not the same person as the Chairman of the Executive Committee and Chief Executive Officer. Including not taking part in the Company's routine management which is in accordance with the principle of separation of management duties and corporate governance policy.

The Chairman of the Board of Directors plays an important role and duty in overseeing the Board of Directors meeting to be effective, to ensure that there are meeting agendas that are important and necessary for the Company's business operations, especially on corporate strategy, allocate time for the management to present clear and timely information, and provided opportunities for directors attending the meeting to express their opinions and inquire thoroughly as well as to ensure that the meeting resolutions are clear and that the minutes of the meeting are recorded accurately and completely including acting as the chairman of the shareholders' meeting.

In addition, the chairman of the board also has important duties to ensure that the corporate

governance of the Company is in accordance with the specified policies such as the composition of the Board of Directors, the performance of directors and the succession plan of the top executives.

Chief Executive Officer - The Board of Directors appoints one director to be the Executive Chairman with the authority to supervise the Company as assigned by the Board of Directors.

The Chairman of the Executive Committee is assigned by the Board of Directors to be responsible for developing and implementing strategies and important policies related to the Company's business.

Chief Executive Officer - The Chief Executive Officer is primarily responsible for formulating the Company's policies and strategies, including various administration to be in accordance with the work plans set forth under the principles of good corporate governance so that the company can achieve its vision and become a sustainable growth organization.

In the event that the Chief Executive Officer holds a position in other companies, approval must be obtained from the Board of Directors.

Roles, duties and responsibilities of the Board of Directors

1. The Board of Directors is responsible for reviewing and approving the vision and mission of the Company annually to ensure that executives and employees have the same aims in the same direction and set guidelines for participation as follows:

1.1 Determine the vision, mission, strategy, goals, business plan and annual budget of the Company by providing independent opinions to jointly determine the organization's direction between the Board of Directors and senior management every year.

1.2 Determine that operational plans are reviewed and regularly monitored for the management to implement the plans in accordance with the direction and strategy of the organization.

1.3 Provide recommendations, opinions and organization management guidelines for use in formulating a clear work plan to meet the organization's goals.

1.4 Communicate policies, goals, and operational directions to employees at all levels throughout the organization through activities for the Chief Executive Officer to meet employees at least twice a year.

2. The Board of Directors is responsible for establishing an internal control system that covers finances, operations, and operation to be in accordance with the laws, regulations and related regulations as well as providing adequate and appropriate risk management, as well as establishing effective checks and balances mechanisms to protect, maintain and take care of assets.

The Company has an Internal Audit and Supervision Office under the supervision of Ms. Somjai Amornchainophakun, Head of the Internal Audit and Compliance Office, which is an independent agency, reports directly to the Audit Committee and prepares the Audit Committee report accurately. Quality contains all important information, and has clearly defined risk management policies

3. The Board of Directors is responsible for ensuring that the Company has an adequate risk management system and regular monitoring of risk management.

Therefore, the Company has set up the Risk Management Department to consider the risk factors affecting the Company's operations and strategic goals by carefully considering all aspects of risks, both in quantity and quality, and make recommendations that are relevant benefits to prevent and monitor risks from current situations and monitor and analyze risk management at the management level and report the risk management results to the Board of Directors for acknowledgment.

4. The Board of Directors is responsible for evaluating the performance of the Chief Executive Officer and Managing Director at every year-end by the

Nomination and Remuneration Committee to assess and present to the Board of Directors for approval.

However, the assessment results of the Chief Executive Officer and Managing Director are confidential information that cannot be disclosed to individuals. There are two assessment criteria as follows:

Part 1: Assessment based on performance indicators Company's performance

Part 2: Evaluate Leadership Team building, communication, success focus, management, change

In this regard, the assessment results will be taken into consideration to determine the salary increase rate of the Chief Executive Officer, subject to approval from the Board of Directors.

5. Preparation of a succession plan for the Chief Executive Officer and Managing Director to ensure that the Company has knowledgeable executives capable enough to perform duties as follows:

5.1 The Board of Directors prescribes a plan to develop executive potential to prepare a succession plan consisting of the Chief Executive Officer and the Managing Director.

5.2 The Nomination and Remuneration Committee considers the determination of knowledge Competency (Competency) experience of each position to select executives who have the corresponding qualifications and can in 5.3 The Nomination and Remuneration Committee reviews and summarizes the results of the succession plan of the Chief Executive Officer and Managing Director by reporting to the Board of Directors for acknowledgment.

5.4 Assign the Human Resources and Administrative Department to oversee the training and development of knowledge and abilities of the successor to the Chief Executive Officer and Managing Director.

5.5 The Nomination and Remuneration Committee reviews and summarizes the results of the succession plan of the Chief Executive Officer and Managing Director by reporting to the Board of Directors

for acknowledgment.

6. Employee Potential Development: The Company has a policy to develop the potential of employees at all levels to support future business growth by sending employees to train to enhance their skills, knowledge, and abilities and focus on employees as the main mechanism in Developing the Company to become a successful organization in the future

7. Anti-Corruption: The Board of Directors has approved the anti-corruption and corruption policy and encourages all groups of stakeholders to work together

to comply with the said policy. Anti-Corruption and Corruption Policy by the Board of Directors Meeting No. 7/21 on December 14, 2021

7.3 Information on Sub-Committees

The structure of the Board of Directors of the Company consists of the Board of Directors. and various sub-committees such as Audit Committee, Nomination and Remuneration Committee, Executive Committee and the credit committee

List of Board of Directors and sub-committees as of December 31, 2021 are as follows:

ชื่อ	คณะกรรมการบริษัท	คณะกรรมการตรวจสอบ	คณะกรรมการสรรหาและพิจารณาแต่งตั้ง	คณะกรรมการบริหาร	คณะกรรมการสินเชื่อ
1. Mr. Sorasit Soontornkes ^{(1), (3)}	<input checked="" type="checkbox"/>	-	-	-	-
2. Mr. Kunakorn Makchaidee ^{(1), (3)}	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	-	-
3. Mrs. Yajai Pattanasukwasun ^{(1), (3)}	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	-
4. Mr. Poonsak Thiapairat ^{(1), (3)}	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	-
5. Mrs. Ladavan Tanatanit ⁽³⁾	<input checked="" type="checkbox"/>	-	-	<input checked="" type="checkbox"/>	-
6. Mr. Visit Vongruamlarp ⁽³⁾	<input checked="" type="checkbox"/>	-	-	-	<input checked="" type="checkbox"/>
7. Mrs. Naline Ngamsettam ⁽³⁾	<input checked="" type="checkbox"/>	-	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-
8. Mrs. Nongluk Chantarasombat ⁽³⁾	<input checked="" type="checkbox"/>	-	-	-	<input checked="" type="checkbox"/>
9. Admiral Navapol Damrongpong ^{(1), (3)}	<input checked="" type="checkbox"/>	-	-	-	-
10. Mr. Akrawit Sooksai	<input checked="" type="checkbox"/>	-	-	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
11. Mr. Chanon Chotvijit ^{(2), (3)}	-	-	-	<input checked="" type="checkbox"/>	-
12. Mr. Ekawat Piriwarasakul ^{(2), (3)}	-	-	-	<input checked="" type="checkbox"/>	-
13. Mr. Suthiporn Tanthikul ^{(2), (3)}	-	-	-	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
14. Mr. Watana Sangvongmai ^{(2), (3)}	-	-	-	-	<input checked="" type="checkbox"/>
15. Mr. Virut Danarthikhom ^{(2), (3)}	-	-	-	-	<input checked="" type="checkbox"/>
Total number of directors for each committee	10	3	3	5	6

Note: ☒ Chairman ☒ Director

(1) Independent Director

(2) a director who is not member of Board of Director

(3) non-executive directors

Sub-Committees

The Company has 4 sub-committees to help consider and screen specific tasks as assigned by the Board of Directors. The sub-committees consist of the Audit Committee, the Nomination and Remuneration Committee, Executive Committee and the credit committee.

The term of office of the sub-committees:

The roles and duties of the sub-committees are in accordance with the rules stipulated in the charter of each sub-committee and the corporate governance policy. At the meetings of the sub-committees, the meeting dates of each committee are set in advance throughout the year. The term of office of the sub-committees for the Company's directors is equal to the term of office of the Company's directors.

The term of office of the sub-committees does not exceed two consecutive terms according to the resolution of the Board of Directors Meeting No. 2/21 dated April 1, 2021, effective from April 2, 2021 onwards.

The sub-committees have the scope of duties and responsibilities as follows:

● Audit Committee

The Board of Directors has set up an Audit Committee since the year 2547 to perform duties and responsibilities as follows

- Review of the Company's financial reports
- Review the adequacy of the internal control system and the risk management system and its compliance with relevant laws, rules and regulations.
- Prepare reports or give opinions to the Board of Directors for approval or to propose to the shareholders' meeting as follows:
 1. Review to ensure that the Company has accurate and sufficient financial reporting.
 2. Review the Company's internal control system (Internal Control) and Internal Audit (Internal Audit) that are appropriate and effective and consider the independence of the Office of the Compliance and

Internal Audit, as well as approve the Appointment, transfer, dismissal of the head of Compliance and Internal Audit or any other department responsible for internal audits, including considering and evaluating the annual performance of the Head of the Bureau of Compliance and Internal Audit.

3. Review the Company's compliance with the Securities and Exchange Act. stock exchange requirements or laws related to the company's business

4. Consider, select and propose to appoint an independent person to act as the Company's auditor and propose the auditor's remuneration, including attending a meeting with the auditor without at least the management's attendance. once a year

5. Consider connected transactions or transactions that may have conflicts of interest in accordance with the laws and regulations of the Stock Exchange of Thailand to ensure that such transactions are reasonable and in the best interests of the Company.

6. Review the compliance with the corruption policy according to the anti-corruption and corruption policy.

7. Review the compliance with the corruption policy according to the anti-corruption and corruption policy.

(a) An opinion on the accuracy, completeness and reliability of the Company's financial reports.

(b) Opinions on the adequacy of the Company's internal control system

(c) opinions on compliance with the law on securities and exchange stock exchange requirements or laws related to the company's business

(d) an opinion on the suitability of the auditor

(e) Opinions on transactions that may have conflicts of interest

(f) Number of Audit Committee Meetings

and the attendance of each audit committee

(g) opinions or overall observations received by the Audit Committee in the performance of its duties in accordance with the Charter;

(h) Other items that shareholders and general investors should be aware of under the scope of duties and responsibilities assigned by the Board of Directors.

8. To perform any other tasks as assigned by the Board of Directors with the approval of the Audit Committee.

In addition, the Audit Committee is directly responsible to the Board of Directors. The Board of Directors remains responsible for the Company's operations to outsiders.

As of December 31, 2021, the Audit Committee consists of 3 independent directors whose term is equal to the term of the Company's directorship, consisting of:

Name	position
1. Mr. Kunakorn Makchaidee *	Chairman of the Audit Committee
2. Mrs. Yajai Pattanasukwasun*	Audit Committee
3. Mr. Poonsak Thiapairat	Audit Committee

Ms. Somjai Amornchainophakun is the secretary of the Audit Committee.

Note* Mr. Kunakorn Makchaidee and Mrs. Yajai Pattanasukwasun have knowledge and experience in accounting and finance sufficient to review the reliability of the Company's financial statements.

● **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee is responsible for the following matters:

1. mine various policies to propose to the Board of Directors for consideration as follows:

1.1 Policies, rules and procedures for nomination of directors and senior management

1.2 Policy, criteria, method of payment of remuneration and other benefits paid to the Board of Directors, Sub-Committees, Chief Executive Officer and senior management

2. Select and nominate qualified persons to propose to the Board of Directors Consider the following

2.1 Directors

2.2 Directors in various sub-committees who are assigned powers, duties and responsibilities directly from the Board of Directors.

2.3 Chief Executive Officer and Managing Director For the position of Managing Director, the Chief Executive Officer is assigned to preliminary consideration to propose to the Nomination and Remuneration Committee for approval and to propose to the Board of Directors for approval.

3. Ensuring that the Board of Directors has the appropriate size and composition for the organization. including adjustments in accordance with the changing environment

4. Consider the appropriate monetary and non-monetary remuneration of the Board of Directors and sub-committees. and propose to the Board of Directors for consideration and submission for approval from the shareholders' meeting

5. Set guidelines, present and approve the results of the performance appraisal of the Chief

Executive Officer and senior executives to consider the annual compensation and incentive pay adjustments.

6. Consider the criteria for determining the appropriate remuneration of directors and high-level executives and propose them to the Board of Directors for approval.

7. Prepare a succession plan and follow up on management continuity suitable for the position of Executive Chairman, Chief Executive Officer, Managing Director and person with management authority to recommend to the Board of Directors for acknowledgment and/or approval. (Depending on the case)

8. Prepare a director development plan to develop knowledge of current directors and new directors to understand the business in which the directors hold office, roles and duties of directors and important developments, including organizing an orientation and distributing useful documents and information. to the performance of duties of the directors in the case of new directors

9. Report the performance to the Board of Directors at least once a year.

10. Perform other tasks as assigned by the Board of Directors.

As of December 31, 2021, the Nomination and Remuneration Committee consists of 3 members whose term is equal to the term of the Company's directorship, consisting of:

Name	position
1. Mrs. Yajai Pattanasukwasun	Chairman of the Nomination and Remuneration Committee
2. Mr. Poonsak Thiapairat	Nomination and Remuneration Committee
3. Mrs. Naline Ngamsetthamas	Nomination and Remuneration Committee

Mr. Pattawut Veerapradit is the secretary of the Nomination and Remuneration Committee.

● Executive Committee

The Executive Committee is appointed by the Board of Directors, comprising several Company Directors and may consist of one or more other persons holding positions as executives of the Company or several other third parties. An executive director who is a director of the company has a term of office equal to the term of office as a director of the company.

The Executive Committee has the powers, duties and responsibilities in the management of normal business operations and the Company's administration, formulating policies, business plans, budgets, management structures. and various management powers of the Company, as well as prescribing rules for conducting business in accordance with the economic conditions for submission to the Board of Directors' meeting for

consideration and approval. and/or give approval, participate in the audit and follow up on the Company's performance in accordance with the policy set

The powers, duties and responsibilities of the Executive Committee are summarized as follows:

1. Operate and manage the company's business in accordance with the objectives, regulations, policies, rules, regulations, orders and resolutions of the Board of Directors' meeting and/or the resolutions of the shareholders' meeting of the Company in all respects

2. Consider and determine the policies, directions and strategies of the Company's business operations, financial plans and budgets to be presented to the Board of Directors as well as to supervise the operations of the appointed working group to achieve the goals.

3. Consider the annual budget allocation as proposed by the management before submitting it to the Board of Directors for consideration and approval.

4. Consider and approve expenses in the normal course of business of the Company.

5. Approve significant investment expenditures as specified in the annual expenditure budget as assigned by the Board of Directors or as previously approved by the Board of Directors in principle.

6. Consider and approve any lending or credit granting of the Company under the Company's credit approval authority.

7. Consider and approve borrowing money, procurement of credit lines, debt restructuring or issuing debt instruments including providing collateral, guaranteeing loans or credits, or applying for any credit under the criteria as assigned by the Board of Directors.

8. Scrutinize and review credit approval requests approved by the Credit Committee.

9. Serve as the management's advisory team in matters of financial policy, marketing, personnel management, and other operational aspects.

10. Perform any other actions as assigned by the Board of Directors from time to time. However, the power and/or delegation of authority to other persons as he deems appropriate shall not include the power and/or delegation of authority to approve any item that may have conflicts of interest, interests, or interests in any other manner contrary to the Company, or subsidiaries according to the rules of the Stock Exchange of Thailand. Approval of such transactions must be submitted to the Board of Directors and/or the shareholders' meeting for approval in accordance with the Company's Articles of Association, or the relevant laws.

As of December 31, 2021, the Executive Committee consists of 6 members as follows:

Name	position
1. Mr. Chanon Chotvijit	Executive Chairman
2. Mrs. Naline Ngamsetthamas	Executive Director
3. Mrs. Ladavan Tanatanit	Executive Director
4. Mr. Suthiporn Tanthikul	Executive Director
5. Mr. Akrawit Sooksai	Executive Director
6. Mr. Ekawat Piriawarasakul	Executive Director

Mr. Pattawut Veerapradit is the secretary of the Executive Committee.

● Credit Committee

The credit committee is responsible for the following matters.

1. Consider and approve the following matters as assigned by the Board of Directors and/or the Executive Committee beyond the approval authority of the Management to comply with the credit policy, including other relevant orders and announcements.

a) Credit factoring, money lending, other types of loans

b) Management of credit-related risks

c) collateral

d) debt restructuring

2. Scrutinize and review the request for approval on the subject in item 1 before submitting it for approval to the Executive Committee, and/or the Board

of Directors in order of authorization

3. Providing advice or advice on credit risk management to the management for the benefit of building a quality customer base and debtor of the

Company.

4. ดำเนินการอื่น ๆ ตามที่ได้รับมอบหมายจากคณะกรรมการและ/หรือ คณะกรรมการบริหาร

As of December 31, 2021, the Credit Committee consists of 6 members. The credit committees who are directors of the Company have a term of office equal to the term of the Company's directorship, consisting of:

Name	position
1. Mrs. Nongluk Chantarasombat	Chairman of Credit Committee
2. Mr. Visit Vongruamlarp	Credit Committee
3. Mr. Watana Sangvongmai	Credit Committee
4. Mr. Virut Danarthikhom	Credit Committee
5. Mr. Suthiporn Tanthikul	Credit Committee
6. Mr. Akrawit Sooksai	Credit Committee

Ms. Kasira Sri loimuang is the secretary of the Credit Committee.

Remarks * The credit committee who is not member of Board of Director

● Orientation for new directors

The Company requires an orientation for all new directors to prepare them for the performance of their duties. The topics for the new director orientation are business knowledge, company operating direction, business conditions, office visits, meeting with directors and top executives of the company, etc.

Development of Directors and Executives

The Company has promoted, supported, provided training and related knowledge to directors and executives to continually improve their practices such as Encourage meetings between directors and senior management to exchange opinions with each other, encourage development plans for senior executives

In 2021, the directors and executives of the Company have attended various training and seminar courses as follows

1. Mr. Akarawit Sooksai Director and Chief Executive Officer Attend training and seminars as follows:

- Seminar Trust in Tris "Maturity in Privacy" organized by Tris Corporation Co., Ltd.
- Seminar "Thailand next normal" organized by Prachachat Business
- Training seminar on AI & IOT Summit 2021 organized by Thai Digital Users Association (DUGA)

2. Mr. Pattawut Veerapradit Assistant Managing Director Finance and Administration Attend the training course for INCUBATION PROGRAM, EMBRYO, Class 1, organized by the Stock Exchange of Thailand. together with the academic service center University of the Thai Chamber of Commerce

7.4 Information about the management

7.4.1 List and position of management

The Management in accordance with the notification of the SEC on 31 December 2021 is as follows;

Name	Position
1. Mr. Akawit Sooksai	Chief Executive Officer
2. Mrs. Pornpilai Burasai	Managing Director
3. Mr. Pattawut Veerapradit	Assistant Managing Director, Finance & Administration Division
4. Mr. Pipob Jirawongsakorn	Assistant Managing Director, Operation and Information Technology Division
5. Mr. Perayot Ketchat	Assistant Managing Director, Risk Management and Debt Recovery Division
6. Mr. Vuthipong Anurattada	Assistant Managing Director, Credit and Marketing Group 1

7.4.2 Director's Remuneration Policy Chief Executive Officer and Executive

● Remuneration for Executive Directors and Executives

Directors and Executives Remuneration

The Board of Directors has established a policy and criteria for considering the remuneration of the Company's Directors and Chief Executive Officer by requiring the Nomination and Remuneration Committee to consider and determine the remuneration according to the following guidelines:

1. Directors' remuneration: To consider the obligations Scope of roles and responsibilities (Accountability and Responsibility) of the Board.

The Nomination and Remuneration Committee considers the type of remuneration, method of payment of remuneration, amount of directors' remuneration and proposes it to the Board of Directors for approval and to propose to the shareholders' meeting for approval.

The Nomination and Remuneration Committee will determine the remuneration in accordance with the practices used by listed companies and in accordance with the principles of good corporate governance. Including considering the operating results,

size of business, responsibilities, performance of the Board of Directors and economic reasons of the country, including comparative information, references to other companies in the same industry. similar in size and the same or similar business characteristics, the results of the Director's Remuneration Survey of the Thai Institute of Directors Association (IOD)

The consideration of such remuneration should be at an appropriate level and sufficient to motivate and retain qualified directors for the benefit of the Company and the Nomination and Remuneration Committee shall consider and determine the remuneration. Chief Executive Officer as an executive as well.

2. Type of compensation: consists of 2 parts

2.1 Attendance Fee: to reflect the performance of the directors and to motivate the directors to perform their duties by attending meetings regularly. It is paid only to the directors who attend the meeting.

2.1.1 Meeting allowance for sub-committees

Sub-committees receive meeting allowances for attending meetings of sub-committees

by setting the meeting allowances at a lower level than the general committees. Due to the scope of duties of the sub-committees is more limited than the board.

2.1.2 Meeting allowance of the Chairman of the Board of Directors, Chairman of the Sub-Committees: Receive meeting allowance in a higher ratio than the directors and sub-committees.

2.1.3 Level of Directors' Meeting Allowances: Directors' meeting allowances, when accounted for overall value, should be at an appropriate level and sufficient to allow directors to limit the number of companies holding directorships to the extent that they are confident that they can devote their time. Attending meetings and performing duties of directors efficiently.

2.2 Incentive Fee: It is a special remuneration that is considered to the directors once a year.

In this regard, the determination of such remuneration considers the operating results of the Company, or dividends paid to shareholders. This compensation will be at an appropriate level, not too high.

2.3 Remuneration method

2.3.1 Meeting allowance To be paid to all directors attending the meeting.

If the chairman and directors of the Board of Directors or sub-committees are from the executives, the remuneration will be reduced by half from the remuneration received by the chairman and directors from outsiders.

2.3.2 Remuneration based on performance The Nomination and Remuneration Committee proposes such remuneration based on the Company's performance or dividends paid to shareholders. It will be proposed to the Board of Directors for approval and presented to the shareholders' meeting for further approval.

However, the remuneration paid to the directors must be approved by the shareholders by the 2021 Annual General Meeting of Shareholders held on April 21, 2021 has approved the determination of remuneration for the Company's directors and sub-committees by fixing the remuneration in attendance Details are as follows

Board of Directors meeting allowance

position	receive meeting allowance
Chairman of the Board	25,000 baht per meeting
Directors	15,000 baht per meeting

Audit Committee meeting allowance

position	receive meeting allowance
Chairman of Sub-Committees	25,000 baht per meeting
Directors	15,000 baht per meeting.

Meeting allowance for other committees

position	receive meeting allowance
Chairman of Sub-Committees	15,000 baht per meeting
Directors	10,000 baht per meeting

Note:

1. If the chairman and directors of the Board of Directors or sub-committees are from the executives, the remuneration will be reduced by up to one from the remuneration received by the chairman and directors from outsiders.
2. Other sub-committees are: Nomination and Remuneration Committee, Executive Committee, Credit Committee

In 2021, the Board of Directors received a total meeting allowance of 2,753,500 baht, details as follows:

Board of Directors and sub-committees	Number of meetings (times)	Meeting allowance (Baht)
1. Board of Directors	7	1,067,500
2.. Audit Committee	6	330,000
3. Nomination and Remuneration Committee	5	175,000
4. Executive Committee	12	420,000
5. Credit Committee	14	770,000

Details of the remuneration of the individual committees of the Company

Name - Surname	Meeting allowance	Director's Bonus	Non-monetary compensation	Total
1. Mr. Sorasit Soonthornket	175,000	112,500	-None-	287,500
2. Mr. Kunakorn Mekjaidee	255,000	75,000	-None-	330,000
3. Mrs. Yajai Pattanasukwasan	270,000	75,000	-None-	345,000
4. Mr. Poonsak Thiapairat	245,000	75,000	-None-	320,000
5. Mrs. Ladawan Thanatanit	240,000	75,000	-None-	315,000
6. Mr. Visit Vongruamlarp	265,000	75,000	-None-	340,000
7. Mrs. Nalinee Ngamsetthamas	155,000	75,000	-None-	230,000
8. Mrs. Nongluck Chanthasombat	295,000	75,000	-None-	370,000
9. Admiral Nawapon Damrongpong	105,000	46,875	-None-	151,875
10. Mr. Akarawit Suksai	52,500	75,000	-None-	127,500
11. Mr. Chanon Chotiwiwit	165,000		-None-	165,000

Name - Surname	Meeting allowance	Director's Bonus	Non-monetary compensation	Total
12. Mr. Ekawat Piriaworasakul	0	-	-None-	0
13. Mr. Suthiporn Tantikul	260,000		-None-	260,000
14. Mr. Wattana Sangwongmai	140,000		-None-	140,000
15. Mr. Wirut Danatikom	140,000		-None-	140,000
total	2,762,500	759,375		3,521,875

Note: Mr. Ekawat Piriaworasakul has been appointed as an Executive Director. By the Board of Directors Meeting No. 7 / 2021 on December 14, 2021.

The monetary remuneration of the Company's management as of December 31, 2020 and 2021 in the form of salary, bonus and other benefits, details are as follows:

(Unit: Baht)

Compensation type	Amount	
	2021	2020
Salary and bonus	14,257,378.90	13,141,503.60
Provident fund contributions	799,571.24	756,245.36
Other welfare	866,486.03	740,118.24
Total	15,923,436.17	14,637,867.20
Number of Executives	6	6

7.5 Information about employees

As of December 31, 2021, the Company has a total of 82 employees, all of which are full-time employees. Employees can be divided into different fields as follows:

Department / Division	Number of employees (person)		
	2021	2020	2019
Finance and Administration	24	24	31
Credit and Marketing Division	19	20	24

Department / Division	Number of employees (person)		
	2021	2020	2019
Operations and Information Division	22	25	23
Risk Management and Debt Resolving Division	8	8	9
Office of the Chief Executive Officer	7	9	9
Bureau of Compliance and Internal Audit	2	2	2
Total number of employees	82	88	98

The Company has no labor disputes in the past 3 years.

Company's Personnel Management Policy

The Company places importance on human resource management and personnel learning, with the belief that the growth of the organization depends on the quality personnel.

Therefore, the company has a policy to improve the management and development of personnel to be up to date, in line with technology and in accordance with business standards to strengthen and develop into potential people. Able to respond to the expectations of the organization in business (High Performance Organization)

In addition, the Company also attaches importance to the development of personnel to take part in taking care of society, community and environment (Corporate Social Responsibility), which is divided into specific policies as follows:

- **Personnel Development :** The Company places importance on personnel development to have the knowledge and skills necessary to perform their duties to achieve business success for the Company, including preparation for future business expansion. Therefore, the company has arranged for employees to receive training both internally and externally.

In addition, the Company aims to develop its personnel to be moral and ethical, along with being experts in their work to apply good knowledge and

experience, which will strengthen and support the growth of the Company and the sustainability growth of the company.

- **Knowledge Development for Directors :**

The Company attaches importance to knowledge development for the Company's directors by aiming to provide directors with knowledge and skills necessary to perform their duties to achieve business success for the Company, including Prepare for future business expansion

Therefore, the company has arranged for employees to receive training both internally and externally.

- **Performance Management :** The Company has established a Performance Management system by setting up an annual budget plan, setting performance goals and performance indicators. There is also a system for reviewing and evaluating performance at both the departmental and individual level to ensure that work is developed and improved to achieve the goals set.

In addition, in the preparation of the performance management and evaluation system, the company has applied a combination of principles of goal setting, performance indicators, quantitative and qualitative assessment of performance, consideration of competence, discipline, qualifications and behavior. demonstrated in their work, including leadership potential and management abilities.

- **Remuneration and Welfare :** The Company provides a system and clear rules and regulations in the recruiting and hiring process that are transparent and fair. To obtain competent personnel suitable for the desired position by organizing an appropriate compensation system and motivating work in the form of regular salary, performance-based bonuses and good performance, incentives, benefits and benefits other than those required by law.

- **Remuneration and Welfare :** The Company provides a system and clear rules and regulations in the recruiting and hiring process that are transparent and fair. To obtain competent personnel suitable

for the desired position by organizing an appropriate compensation system and motivating work in the form of regular salary, performance-based bonuses and good performance, incentives, benefits and benefits other than those required by law

The company adheres to the principle of determining benefits and compensation by considering the knowledge, abilities, and performance of the employees. Responsibilities, experience, qualifications and expertise by considering together with the labor market compensation rate, financial status and company performance, business customs, and the current social and economic environment.

- **Compensation and benefits of employees**

The Company has paid employee compensation in the past 3 years as follows:

(Unit: Baht)

ค่าตอบแทน	ปี 2564	ปี 2563	ปี 2562
- Salary and bonus	45,162,731.92	46,599,655.02	44,109,432.85
- Other welfare	2,205,017.75	2,884,050.51	6,565,522.69
Total	47,367,749.67	49,483,705.55	50,674,955.54

- **Provident Fund**

The Company has established a registered provident fund, SCB Master Fund. Managed by SCB Securities Co., Ltd., with the main objective to build employee morale and to motivate employees to work with the company in the long term. In 2021, the company has a provident fund contribution of 2,512,321.99 baht.

- **Other employee compensation**

The Company provides welfare and other compensation other than salary, bonus and provident fund contributions to employees as appropriate in accordance with the economic conditions and the Company's operating results both in the short and long term.

The Company provides a project to manage

talents, good people, and high potential (Talent Management) to enable the organization to drive missions to achieve goals. And there is a concrete succession process that helps employees to be satisfied and bonded with the organization as they receive more challenging job opportunities.

- **Personnel development**

Human resource development policy and human resource management practices have been linked to the Company's strategy and business direction.

The company believes that the growth of the organization depends on quality employees. Therefore, the company has a policy to focus on developing and improving the management system and personnel development system to be up-to-date, consistent

with technology and in accordance with international standards in order to strengthen and develop employees to be both good and talented people as well as participating in the development and contribution to society as a whole and focus on employees as the main engine in the development of the company to become a successful organization and to increase competitiveness.

In addition, the position has been adjusted for potential and suitable employees. To be in line with career advancement growth plans. The Company has adopted Key Performance Indicators (KPIs) as a framework for performing and evaluating the performance of each individual employee, as well as improving the assessment of employee competency in accordance with the organization and aiming to achieve the same destination effectively.

In 2021, the company has organized training for employees at all levels, both inside and outside the organization as follows:

External Training

1. Course: PDPA for HR 2021 by Top Gun Co., Ltd.
2. Course: The use of HRIS (Prosoft HRMI) system by Prosoft Comtech Co., Ltd.
3. Course: Trust in Tris "Maturity in Privacy" by Tris Corporation Co., Ltd.
4. Course: How to comply PDPA in 30 Days by Metro Systems Corporation Plc.
5. Course: Thailand next normal by Prachachat Business
6. Course: The next generation diverse perspectives by Metro Systems Corporation Plc.
7. Course: Business crime in the organization and guidelines for disciplinary action and in personnel management by Tileke&Gubbins.
8. Course: HROD Turn Around, turn fast, go fast A seminar on the presentation of key issues in human resources by SHRD Faculty of Human

Resource Development National Institute of Development Administration

9. Course: AI&IOT Summit 2021 by Thai Digital Users Association (DUGA)
10. Course: INCUBATION PROGRAM, EMBRYO Class 1 by Academic Service Center University of the Thai Chamber of Commerce
11. Course: Privacy & Security Summit 2021 by Absolute Alliances (Thailand) Co., Ltd.
12. Course: Unlock Organization Lock to Sustainable Growth Women's Empowerment Principles by Academic Service Center University of the Thai Chamber of Commerce
13. Course: TFRS Year 65 by NYC Management Co., Ltd.
14. Program: Digital Performance Management (DPM: Digital Performance Management) by National Institute of Development Administration
15. Course: Salary Survey and Trend 2021/2022 by Thai Skill Plus Consulting Group.
16. Course: Cash Flow Statement Preparation and Cash Flow Statement Analysis by NIDA Professional Training
17. Course: Experience the Fortinet Security in Action by Fortinet office Central World.

In-house Training:

New Employee Orientation Program is a course that all new employees at all levels must be trained so that new employees are aware of the nature and guidelines of business operations, related rules and regulations, anti-corruption policies. Good corporate governance policy and other necessary information

A summary of the number of training hours for employees in 2021 is as follows:

- An average of 1.94 hours of external training per person per year
- An average of 0.33 hours of in-house training per person per year

7.6 Other important information

7.6.1 List of persons assigned to be responsible as follows:

- **Company Secretary**

Ms. Watara Arun, Company Secretary, resigned during the year 2021.

The Board of Directors Meeting No. 7/21, dated 14 December 2021, resolved to appoint Mr. Pattawut Veerapradit to be the Company's secretary during the period of nomination of suitable persons to hold the position of Company Secretary.

The roles and responsibilities of the company secretary are in accordance with the Securities and Exchange Act Section 89/15 as follows:

1. To be a center for document preparation/keeping
2. Register of Directors
3. Organize a shareholders' meeting, notice of meeting and the minutes of the shareholders' meeting
4. Report on the interests of directors and executives
5. Organize activities between directors and executives
6. Coordinate the implementation of the Board of Directors' resolutions.
7. Comment on the law and various announcements
8. Other matters assigned by the Board of Directors

Details of the person holding the position of company secretary Appears in Attachment 1

- **Persons who are directly responsible for accounting supervision.**

The Company has assigned Mrs. Paisri Phakcharoenphon as Senior Vice President of Accounting and Finance to be directly responsible for overseeing bookkeeping since August 25, 2004.

Qualifications of those who are directly responsible for accounting supervision appear in Attachment 1.

- **Person holding the position of Head of the Office of Compliance and Internal Audit**

In the Audit Committee Meeting No. 3/2006 held on August 7, 2006, Ms. Somjai Amornchainophakun was appointed as the head of the Internal Audit and Compliance Office of the Company since July 14, 2006 due to her experience. in performing internal audit work and having a good understanding of the Company's operating activities. appears in attachment 3.

Any consideration for approval, appointment, removal, transfer of the head of the Office of Internal Audit and Supervision of the Company must be approved by the Audit Committee.

7.6.2 List of Head of Investor Relations

The Company attaches great importance to the disclosure of the Company's information and requires "Investor Relations" is the person who communicates and disseminates information that is accurate, timely and transparent.

Head of Investor Relations is Mr. Pattawut Veerapradit, Assistant Managing Director. Finance and Administration (CFO)

Interested parties can contact Investor Relations at Investor Relations Section

Aira Factoring Public Company Limited
319 Chamchuri Square Building, 17th Floor,
Phayathai Road, Pathum Wan, Pathum Wan,
Bangkok 10330

Phone: 0 2657 6222

Fax: 0 2657 6244

Electronic mail: ir_af@airafactoring.co.th

Website: www.airafactoring.co.th

In 2021, the company has publicized the company's information through various media. Mr. Akarawit Suksai gave interviews through various media to provide information about the operating results and business policies of the company such as online news agencies, info Quates and newspapers, etc.

7.6.3 Auditor's Remuneration

The Audit Committee has considered the qualifications of the auditors by taking into account their independence, suitability, the performance of duties responsibly, including no relationship or interest or transactions that may cause conflicts of interest with the Company, management, major shareholder or those related to such persons and is an auditor approved by the Securities and Exchange Commission.

In addition, the Audit Committee also determines the amount of audit fees each year to be

appropriate for the scope of the audit.

The Audit Committee will present the qualified auditors together with the amount of audit fees to the Board of Directors for approval and propose to the shareholders' meeting to consider appointing the auditors and determining the audit fees in the Annual General Meeting of Shareholders

For the year 2021, the Annual General Meeting of Shareholders has considered appointing EY Office Company Limited as an auditor who has qualifications in accordance with the rules of the Securities and Exchange Commission and has no relationship or interest in the Company, executives, major shareholder or related persons of such persons

Audit fee for the year 2021 in the amount of 1,010,000 baht, equal to the year 2020, excluding other service fees (Non-audit fees), which the Company will actually pay.

Audit fees for the year 2019-2021 are as follows:

(Unit: Baht)

audit fee	2021	2020	2019
Audit Fee	1,010,000	1,010,000	930,000
Other service charges	-none-	-none-	-none-
Total	1,010,000	1,010,000	930,000

8. Report on key performance in corporate governance

8.1 Performance of the Board of Directors in the past year

8.1.1 Selection, development and evaluation of the performance of duties of directors

(1) Criteria for selecting independent directors

The Board of Directors has appointed the Nomination and Remuneration Committee to consider qualified persons based on the profession. Expertise, skills and knowledge that are essential to the Company's business operations to strengthen the company

The Company's directors consist of 1 shareholder representative, 5 independent directors and 1 executive director to ensure balance of internal management, fairness and maximum benefit to shareholders.

The Company has a policy that each director can hold positions in other listed companies not more than 5 companies. In this regard, the Company does not have directors who hold positions for more than 5 other listed companies. Details of tenure appear in the heading. "Board of Directors and Executives."

The Company has a policy that each director can hold positions in other listed companies not more than 5 companies. In this regard, the Company does not have directors who hold positions for more than 5 other listed companies. Details of tenure appear in the heading. "Board of Directors and Executives"

The Board of Directors appoints independent directors to be the Chairman of the Board of Directors. The Company has segregated duties from the Chief Executive Officer and the Chief Executive Officer in

order to manage the Company's operations with efficiency and transparency.

Selection of directors: The company focuses on transparency in the selection of persons to take the position of the company's directors.

The Company has a policy to give shareholders the right to nominate a list of suitable candidates as directors, with the Nomination and Remuneration Committee acting to screen the qualifications and suitability of applicants or company directors who hold office upon complete the term or resign and propose an opinion to the Board of Directors for approval to propose to the shareholders' meeting for appointment as a director of the Company.

Qualifications of Independent Directors: It complies with the guidelines of the Office of the Securities and Exchange Commission as follows:

1. Holding shares not more than one percent of the total number of shares with voting rights of the Company, parent company, subsidiary, associated company, major shareholder, or controlling person of the Company.

In this regard, the shareholding of related persons of that independent director shall also be counted.

2. Not being or used to be a director who participates in management, employee, employee, advisor who receives a regular salary, or controlling person of the Company, parent company, subsidiary, associated company, same-level subsidiary, major shareholder, or of the company's controlling authority unless having been discharged from the foregoing for not less than two years prior to the date of taking office.

However, such prohibited characteristics do not include the case where the independent director used to be a government official or advisor of a government agency which is a major shareholder or person with controlling power of the Company.

3. Not being a person who is related by blood or legally registered in the manner of parents, spouses, siblings, and children including the spouses of the children, of executives, major shareholders, shareholders controlling power, or a person who will be nominated as an executive or controlling person of the applicant or its subsidiary.

4. Does not have or had a business relationship with the Company, parent company, subsidiary company, associated company, major shareholder or controlling person of the Company in a manner that may obstruct the exercise of his independent judgment, including not being or having been a significant shareholder or controlling person of any person having a business relationship with the Company, the parent company, subsidiary, associated company, major shareholder or controlling person of the company unless having been discharged from the foregoing for not less than two years prior to the date of taking office.

Business relationship under the first paragraph including the normal trading transactions for the purpose of doing business Renting or renting out real estate Items about assets or services or giving or receiving financial assistance by accepting or lending, guaranteeing, and placing assets as collateral for liabilities including other similar behaviors As a result, the company or the counterparty has debt obligations to be paid to the other party from three percent of the Company's net tangible assets or from twenty million baht or more whichever is lower.

However, the calculation of such indebtedness shall be in accordance with the method for calculating the value of connected transactions under

the Notification of the Capital Market Supervisory Board Re: Rules for Connected Transactions mutatis mutandis. In considering such debt burden shall include debt obligations incurred during one year prior to the date of business relationship with the same person.

5. Not or used to be an auditor of the Company, parent company, subsidiary company, associated company, major shareholder or the person who has the power to control the company and is not a significant shareholder controller or a partner of the audit firm which has auditors of the Company, parent company, subsidiary companies, associated companies, major shareholders or the person with the controlling power of the Company is affiliated with, unless the foregoing relationship has been terminated for not less than two years prior to the date of taking office.

6. Not or have been a professional service provider of any kind, including legal or financial advisory services. which receives service fees of more than two million baht per year from the Company, parent company, subsidiary company, associated company, major shareholder or the person who has the power to control the company and is not a significant shareholder controller or a partner of that professional service provider unless having been discharged from the foregoing for not less than two years prior to the date of taking office.

7. Not being a director appointed to represent the Company's directors, major shareholders or shareholders who are related to major shareholders.

8. Not operating a business with the same nature and a significant competition with the Company's business. or a subsidiary or not being a significant partner in the partnership or being a director who takes part in the management, an employee, an employee, a consultant who receives a regular salary or holding more than one percent of the total number of shares with voting rights of other companies which operates businesses with the same condition and is a significant competition with

the Company's business or a subsidiary.

9. Not having any other characteristics that prevent the inability to express independent opinions on the Company's operations.

After being appointed as an independent director with the characteristics specified in Clauses 1 to 9, the independent director may be assigned by the Board of Directors. to decide on the operation of the Company, parent company, subsidiary company, associated company, same-level subsidiary major shareholder or the person who has the power to control the company with a decision in the form of a collective decision.

Board performance appraisal and senior management

- **Director's Self-Assessment**

The Board of Directors has assessed its own performance in performing duties of the Board of Directors and all sub-committees as a whole and on

individual basis at least once a year to review whether the supervisory duty is set and/or take various actions sufficiently and be used as information to support the management to improve / develop the management to be more efficient. The Board's self-assessment form was applied from the sample form of the Stock Exchange of Thailand.

The Board's self-assessment form was applied from a sample of Self- Assessment of Board of Director form of the Stock Exchange of Thailand, which was applied as appropriate and in accordance with the characteristics of each committee.

In this regard, the results of the assessment are analyzed and the results of the assessment are notified to the Board of Directors in the Board of Directors meeting to lead to management's actions.

The results of the self-assessment of the Board and all sub-committees both as a whole and individual basis for the year 2021 performance with an evaluation score higher than 90%.

Details of the committee's self-assessment results are as follows:

Self - Assessment Result	Score
Board of Directors Self - Assessment (as a whole)	94.9%
Nomination and Remuneration Committee Self - Assessment (as a whole)	89.5%
Executive Committee Self - Assessment (as a whole)	93.9%
Credit Committee Self - Assessment (as a whole)	98.6%
Audit Committee Self - Assessment (as a whole)	93.6%
Board of Directors Self - Assessment (by individual)	96.3%
Nomination Committee Self - Assessment (by individual)	90.8%

- **Performance Assessment : Chief Executive Officer and Managing Director.**

The Board of Directors assigns the Nomination and Remuneration Committee to assess the performance of the Chief Executive Officer and Managing Director on an annual basis.

The assessment form was applied from the sample self-assessment form of the Board of Directors of the Stock Exchange of Thailand, along with the performance appraisal form for senior management, adjusted in accordance with the goals and criteria linked to the Company's strategic plan. The results of the assessment will be presented to the Board of Directors for determination of attractive and appropriate compensation and rewards.

(2) Nomination of directors and senior management

The Nomination and Remuneration Committee independently acts in the selection and consideration of directors and high-ranking executives in order to obtain qualified persons in accordance with the Company's business strategy for the position of directors and executives. various committees

The Nomination and Remuneration Committee will consider based on knowledge, ability, expertise. and past work experience that can meet the needs of the vacant position.

Nomination of directors: The Company has principles for selecting directors to represent major shareholders as follows:

Major shareholders will nominate persons to be elected as directors as they deem appropriate and/or the Nomination and Remuneration Committee will consider nominations from the list of suitable persons from the Director Pool database of Thai Institute of Directors Association and/or nominated by directors and/or nominated by shareholders

In this regard, the Nomination and Remuneration Committee will be responsible for screening the

qualifications of such persons in order to comply with the relevant laws and regulations for submission to the Board of Directors for approval and to propose to the shareholders' meeting. share for further appointment

The Company allows shareholders to nominate a list of qualified persons to be considered for election as the Company's director in advance of the 2021 Annual General Meeting of Shareholders from October 1, 2020 to December 31, 2020 by disseminating the criteria, nomination method, and consideration process on the Company's website. It appears that no shareholder nominated a person to be considered for election as a director of the Company.

In The recruiting and selection process was carried out without discrimination on race, religion, sex, marital status. or impairments in physical fitness.

Director's Qualifications

A person who will be a director of the Company must possess knowledge, abilities, and readiness to perform duties and possess the following qualifications:

- Having qualifications and not having any prohibited characteristics as stipulated in the law governing public limited companies and must not have characteristics that indicate a lack of suitability to be entrusted with managing the company from shareholders according to the announcement of the Board of Directors Member of the Securities and Exchange Commission.
- Have knowledge, skills or experience suitable for the company's business operations.
- Able to devote himself fully, especially in making important decisions and in performing duties for the Company's benefit and attending the Board of Directors' meetings and the shareholders' meeting every time unless there is a force majeure.
- Being a person with integrity, ethics and any other qualifications that may be prescribed by law or as appropriate by the Board of Directors.

Succession Plan Policy

The Company has a systematic and continuous management development plan that will prepare personnel to be able to perform their duties in accordance with the vision and mission.

The preparation of personnel for vacancies or new positions is prepared as well as individual development plans (IDP's) to motivate and retain high-performing personnel. Excellent (High Performance) and high potential (High Potential) to remain with the organization

The company has set goals in preparing a succession plan for 2 senior executives, namely the Managing Director (MD) and the Chief Executive Officer (CEO). In the event that the said position is vacant, the Company will recruit and select internal personnel according to the succession plan or the succession planning as specified.

If there are no available or suitable internal personnel The Company may consider recruiting outside personnel as appropriate. The consideration of the nomination, selection and appointment of personnel to replace high-level executives is the discretion and authority of the Nomination and Remuneration Committee and the Board of Directors.

8.1.2 Meeting attendance and remuneration of the Board of Directors (individuals)

● Meeting of Board of Directors and sub-committees

The Company has set a schedule for meetings of the Board of Directors and sub-committees throughout the year by convening at least one meeting of

the Board of Directors per quarter and may hold additional special meetings as necessary. In each meeting, a clear agenda has been set for consideration, for acknowledgment, for discussion and opinions, with complete and sufficient supporting documents and delivered to the directors at least 7 days in advance for the directors to attend. had enough time to study the information before attending the meeting. In the meeting, the chairman of the meeting allocated sufficient time for all directors to express their opinions freely.

The chairman of the meeting will be the one who collects opinions and summarizes the issues raised from the meeting. The minutes of the meeting are taken by the company secretary and after the approval of the meeting the reports are kept in the legal room. If directors want to know more information, they can request information by contacting the company secretary. In every meeting of the Board of Directors, the executives are invited to attend the meeting on matters related to themselves to provide detailed information to the directors. It also gives directors an opportunity to get acquainted with the management, which is useful in considering the succession plan in the management position.

In addition, the Board of Directors has clearly set a policy that if a meeting has an agenda that requires a resolution, there must be no less than two-thirds of the total number of directors at the meeting and at the meeting via electronic media. All directors attending the meeting do not have to reside in the Kingdom. And the directors attending the meeting do not need to be in the same meeting place.

For the year 2021, the Company has one meeting between the directors without the management and a meeting of the Board of Directors and each sub-committee. The summary of meeting attendance of each director is as follows:

list	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Executive committee	Credit committee	Annual General Meeting of Shareholders Year 2021
1. Mr. Sorasit Soonthornket	7/7	-	-	-	-	1/1
2. Mr. Kunakorn Mekjaidee	7/7	6/6	-	-	-	1/1
3. Mrs. Yajai Pattanasukwasan	7/7	6/6	5/5	-	-	1/1
4. Mr. Poonsak Thiapairat	7/7	6/6	5/5	-	-	1/1
5. Mrs. Ladawan Thanatanit	7/7	-	-	12/12	-	1/1
6. Mr. Wisit Wongruamlarp	7/7	-	-	-	14/14	1/1
7. Mrs. Nalinee Ngamsetthamat	7/7	-	5/5	12/12	-	1/1
8. Mrs. Nongluck Chanthasombat	7/7	-	-	-	14/14	1/1
9. Admiral Nawapon Damrongpong	7/7	-	-	-	-	1/1
10. Mr. Akarawit Suksai	7/7	-	-	11/12	13/14	1/1
11. Mr. Chanon Chotiwijit	-	-	-	12/12	-	-
12. Mr. Ekawat Piriaworasakul*	-	-	-	-	-	-
13. Mr. Suthiporn Tantikul	-	-	-	12/12	14/14	-
14. Mr. Wattana Sangwongmai	-	-	-	-	14/14	-
15. Mr. Wirut Danatikom	-	-	-	-	14/14	-

Note : * Mr. Ekawat Piriaworasakul was appointed as an Executive Director by the Board of Directors Meeting No. 7/21 on December 14, 2021.

● Remuneration for Executive Directors

Remuneration structure of each committee in monetary form is in the form of meeting allowances as follows:

(Unit: Baht)

List of committees	Chairman of the Committee	Member of Committee
Board of Directors ¹	25,000	15,000
Audit Committee	25,000	15,000
Nomination and Remuneration Committee ¹	15,000	10,000
Executive Committee ²	15,000	10,000
Credit Committee ²	15,000	10,000

Note: 1. Executive Directors receive half of the meeting allowance.
2. Executive directors do not receive meeting allowances.

The Board of Directors' remuneration in the form of meeting allowance in monetary terms for the year 2021 can be summarized as follows:

List	Position	Meeting allowance (Unit: Baht)					Directors' bonus	Total
		Board of Directors	Audit Committee	Executive Committee	N&R Committee	Credit Committee		
1. Mr. Sorasit Soonthornket	chairman and Independent Director	175,000	-	-	-	-	112,500	287,500
2. Mr. Kunakorn Mekjaidee	Independent Director and Chairman of the Audit Committee	105,000	150,000	-	-	-	75,000	330,000
3. Mrs. Yajai Pattanasukwasan	Independent Director, Audit Committee and Chairman of the Nomination and Remuneration Committee	105,000	90,000	-	75,000	-	75,000	345,000
4. Mr. Poonsak Thiapairat	Independent Director, Audit Committee and Nomination and Remuneration Committee	105,000	90,000	-	50,000	-	75,000	320,000
5. Mrs. Ladawan Thanatanit	Director, Executive Director and Authorized Directors	105,000	-	135,000	-	-	75,000	315,000
6. Mr. Visit Vongruamlarp	Director and Credit Committee	105,000	-	-	-	160,000	75,000	340,000
7. Mrs. Naline Namsattamas	Director, Executive Director, Nomination and Remuneration Committee and Authorized Director	105,000	-	did not receive meeting allowance	50,000	-	75,000	230,000
8. Mrs. Nongluck Chanthasombat	Director, Chairman of the Credit Committee and Authorized Directors	105,000	-	-	-	190,000	75,000	370,000
9. Admiral Nawapon Damrongpong	Independent Director	105,000	-	-	-	-	46,875	151,875
10. Mr. Akarawit Suksai	Director, Executive Director, Credit Committee and Authorized Directors	52,500	-	did not receive meeting allowance	-	did not receive meeting allowance	75,000	127,500
11. Mr. Chanon Chotiwijsit	Chairman of Executive Committee	-	-	165,000	-	-	-	165,000
12. Mr. Ekawat Piriyaworasakul	Executive Director (Appointed on 14 December 2021)	-	-	-	-	-	-	-
13. Mr. Suthiporn Tantikul	Executive Director and Credit Committee	-	-	120,000	-	140,000	-	260,000
14. Mr. Wattana Sangwongmai	Credit Committee	-	-	-	-	140,000	-	140,000
15. Mr. Wirut Danatikom	Credit Committee	-	-	-	-	140,000	-	140,000
Total		1,067,500	330,000	420,000	175,000	770,000	759,375	3,521,875

- **Other Directors' Remuneration**

-None-

8.1.3 Supervision of Subsidiaries and Associated Companies

- The Company has no subsidiaries and associates -

8.1.4 Monitoring to ensure compliance with corporate governance policies and practices

(1) Prevention of conflicts of interest and prevention of use of inside information of directors and employees

The Board of Directors has emphasized on internal control to prevent directors, executives and employees from using inside information for illegal gain. In addition, the Company has set guidelines for entering into connected transactions to prevent conflicts of interest, including requiring reporting of conflicts of interest under relevant laws as follows:

1) The Board of Directors has a policy to prevent the use of inside information by stipulating measures prohibiting the use of opportunities or information obtained from being directors, executives or employees for personal gain or doing business that competes with the company or related businesses, including not using inside information for their own benefit in trading the company's shares or providing inside information to other people for the benefit of trading in the company's shares by setting a trading prohibition period. The Company's securities for a period of 1 month prior to the announcement of quarterly and annual financial statements or the release of the Company's status and other important information, and should wait at least 24-48 hours after the disclosure to the public before trading shares of the company and set in writing in the corporate governance policy. However, directors and executives are required to report

their holdings for the first time, and reports on changes in securities holdings in accordance with Section 59 of the Securities and Exchange Act B.E. and executives to the Board of Directors meeting for acknowledgment every quarter

2) In the event that the Company enters into any contracts or has any related transactions with subsidiaries, associated companies, related companies, third parties and/or persons who may have conflicts of interest for the Company's benefit, the Board of Directors is obliged to consider and approve, including requiring compliance with the regulations of the Stock Exchange of Thailand's board of directors' notification. Re: Disclosure of information and operations of listed companies on connected transactions and to have prices and conditions similar to transactions with third parties. Directors who have interests in such transactions must not participate in the approval process.

3) The Board of Directors prescribes rules for directors and executives to report their interests and related persons in accordance with Section 89/14 of the Securities and Exchange Act B.E. 2551 and/or every time there is a change in information. By submitting a report to the Company Secretary Department within 3 days when there is a change in securities holdings.

(2) Anti-corruption

The Company aims to be a transparent and corruption-free organization including not involved in corruption. The company supports all groups of stakeholders together against corruption. The company has established policies and scope of action to be enforced within the organization. The anti-corruption and corruption policy is regularly reviewed and updated at least once a year. During the year 2021, the policy for the year 2022 was reviewed at the Board of Directors' meeting No. 7/2021 on the 14th December 2021.

The Company's past anti-corruption operations

Year 2018 : The Company submitted a declaration of intent to join Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) and communication and dissemination to employees and various stakeholder groups

cember 2019 : The Company submitted an application for membership of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC).

September 2020 : The Company has been certified as a member of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC).

Year 2021 : The company has communicated to employees and executives to acknowledge the anti-corruption policies and guidelines.

In addition, the Company provides opportunities for all groups of stakeholders to report or file complaints on matters that may cause damage to the Company, including corruption. and protect and provide fairness to complainants

The Company assigns the Audit Committee to receive those reports or complaints through the Office of Compliance and Internal Audit for reviewing and reporting to the Board of Directors.

(3) Whistleblowing

All groups of stakeholders can use the mechanism to contact, get information, report information to the company including whistleblowing or complaints about wrongdoing and suggestions through various channels as follows:

➤ Company website: www.airafactoring.co.th
Subject "Contact Us" Select contact "Audit Committee" or "Office of Supervision and Internal Audit"

➤ Send an e-mail or contact the Office of Compliance and Internal Audit.

Email : - auditcommittee@airafactoring.co.th to the Audit Committee
- internalaudit@airafactoring.co.th to the Office of Supervision and Internal Audit

➤ Phone: 0 2657 6222

➤ Fax: 0 2657 6244

➤ Post office : Dear Bureau of Internal Supervision and Audit
Aira Factoring Public Company Limited,
319 Chamchuri Square Building,
17th Floor, Phayathai Road,
Pathum Wan,
Pathumwan District,
Bangkok 10330

Employees can file complaints or make suggestions to the Board of Directors and executives directly via the Company's internal e-mail. In addition, all employees are obliged to report incidents or behaviors in the workplace that are inaccurate or suspected to be inappropriate or affecting other stakeholders or constitute corruption and corruption. or violates the corporate governance policy or violates the Company's good governance, rules or any laws against the supervisor The Company will conduct an investigation without disclosing the name of the whistleblower. To protect the potential impact on the complainant or allegation. If the company finds that the offense was caused by the employee, it can report the offense under the chain of command. The company stipulates penalties for wrongdoing fairly, according to the company's regulations.

If the offense is committed by a person who is not an employee, the Company will continue to take legal action.

In 2021, the Company does not have any disputes in relation to stakeholders.

8.2 Report on the performance of the Audit Committee

Appears in the report of the Audit Committee, Attachment 6.

8.3 Summary of the performance of other sub-committees

(1) Nomination and Remuneration Committee

Nomination and Remuneration Committee has performed duties in accordance with the scope and authority assigned by the Board of Directors. under the charter of the Nomination and Remuneration Committee

In considering the nomination of qualified persons to hold the position of the Company's directors, directors in various sub-committees and high-level executives to propose to the Board of Directors. as well as prepare rules and policies for determining remuneration to propose to the Board of Directors' meeting for approval or to propose to the shareholders' meeting, as the case may be.

In 2021, the Nomination and Remuneration Committee held 5 meetings to consider important matters.

The minutes of the meeting together with opinions and recommendations to the Board of Directors for consideration. which can be summarized as follows:

1. Recruitment

- Consider appointing directors to replace those retiring by rotation to propose to the Board of Directors Meeting and the Annual General Meeting of Shareholders for the year 2021 respectively.
- Consider appointing an additional Executive Director

2. Compensation

- Consider the annual remuneration of the Board of Directors and sub-committees. 2021 and the director's bonus for the

year 2020 performance to propose to the Board of Directors' meeting and the Annual General Meeting of Shareholders for the year 2021 respectively

- Consider the performance of the Chief Executive Officer
- Consider the payment of bonuses for the 2020 and 2021 performance of executives and employees.
- Consider the salary adjustments for the year 2021 and the year 2022 of executives and employees.

3. Others

- Consider reviewing the term of office of the chairman of the sub-committees
- Consider the qualifications and experience of the Chief Executive Officer and Chairman of the Credit Committee
- Consider, review and update the Nomination and Remuneration Committee Charter
- Consider reviewing the performance appraisal form of the Board of Directors and sub-committees for the year 2021.
- Evaluate the performance of the Nomination and Remuneration Committee for the year 2021 to report the assessment results to the Board of Directors' meeting.

In this regard, the Nomination and Remuneration Committee has performed duties as assigned with prudence, transparency, fairness and independence from the management in accordance with the principles of good corporate governance taking into account the best interests of the company and all groups of stakeholders are important.

(2) Executive Committee

The Executive Committee has performed its duties in accordance with the scope and authority

assigned by the Board of Directors under the Executive Board Charter. The Executive Committee has the powers, duties and responsibilities in the management of normal operations and the Company's management, setting policies, business plans, budgets, management structures. and various administrative powers of the Company; rules for conducting business in accordance with the economic conditions to propose to the Board of Directors' meeting for consideration and approval. and/or give approval

In 2021, the Executive Committee held 12 meetings to consider important matters, which can be summarized as follows:

1. Consider the annual budget allocation as proposed by the management before submitting it to the Board of Directors for approval.
2. Consider and approve the expenditure of money for the normal business operations of the Company under the approval authority.
3. Consider and approve the lending or granting of credit. under the company's credit approval authority
4. Review and update the Executive Committee Charter for the year 2022

5. Follow up on the monthly performance of the company.

(3) Credit Committee

The credit committee has responsibilities as assigned by the Board of Directors and/or the Executive Committee beyond the management's approval authority to comply with the credit policy, including any other relevant orders and announcements.

In 2021, the Credit Committee holds 14 meetings to consider and approve credit factoring, lending, and credit-related risk management. collateral and debt restructuring under the credit approval authority rules, including screening and reviewing credit approval requests before submitting them for approval to the Executive Committee and reviewing and updating the 2022 Credit Committee Charter

All sub-committees have performed their duties as assigned with prudence, transparency, fairness and independence from the management in accordance with the principles of good corporate governance. taking into account the best interests of the company and all groups of stakeholders are important

9. Internal Control and Related transaction

9.1 Internal Control

9.1.1. Adequacy and appropriateness of the Company's internal control system

The Company realized and stressed the important of internal control system because the good internal control shall make system work properly, transparently, being accountable and prevent against damage that may be occurred. The Company then developed the internal control system to be efficiency and effectiveness continuously. The Board of Directors appointed the Audit Committee consisting of the three independent directors. All three members are knowledgeable, have experiences in verifying the accuracy of financial statement and complete qualifications following by the Securities and Exchange Act as well as the notice and/or the regulation of the Stock Exchange of Thailand.

The Board of Directors meeting No.1/2022 was held on February 22, 2022. Three of Audit Committee also attended this meeting. The meeting assessed the sufficiency of the Company's internal control system in several aspects such as internal control system in respect of organization, risk assessment, management operation control, information system, data communication and follow-up process. After taking into a consideration, the meeting deemed that the Company has adequate and appropriate internal control systems that make the operation and management efficient and transparent.

The Audit Committee assigned the internal audit and compliance department which is independent from the management to perform any audit task within organization, to have a clear approach in working according to all the regulations which are relevant to the Company's business, to act as the secretary of the

Audit Committee in order to support any activities of the Audit Committee as assigned by the Board of Director as well as to represent as the adviser to give any beneficial suggestion.

9.1.2 Deficiencies related to the internal control system in any matter over the years.

-None-

9.1.3 Specify the opinion of the Audit Committee in case of differences in opinion with the Board of Directors and auditor related to internal control matter.

-None-

9.1.4 Specify the opinion of the Audit Committee regarding the suitable and sufficient for such duty performance of the head of the internal audit

On August 7, 2006, the 3/2006 of Audit Committee has appointed Miss Somjai Amornchainoppakun as the Head of the internal audit and compliance department since July 14, 2006 due to her internal audit experiences and well understanding of internal operations. Detail of Head of Internal Audit and Compliance has shown in attachment 3.

9.1.5 The Company's guidelines for the appointment, discharge and transfer of the head of the internal audit unit

The consideration and approval of appointment or removal of rotation change position or termination of the Head of the internal audit and compliance department shall be proposed and approved by the Audit Committee.

9.2 Connected Transactions

During the past 3 years, the Company has the connected transactions which are strictly adhere to and abide by the related laws and regulations with reasons and appropriate condition for all shareholders and stakeholders to be taken care of benefits with fairness and equality under the Company's good corporate governance policy. The connected transactions are treated on the same basis as the Company does with the external parties in order to prevent any conflict of interest as manipulated in the regulations of the Securities Exchange of Thailand.

(1) 1. Received Financial Support Transaction

Individual / Juristic Person Who may be in Conflict	Relationship	Transaction Type	Credit Line for approve in 2021	Transaction Value						Audit Committee's Opinion
				2021		2020		2019		
				Credit Line	Transaction Value	Credit Line	Transaction Value	Credit Line	Transaction Value	
AIRA Capital Public Company Limited	AIRA Capital Public Company Limited is a major shareholder holds 71.55% of total shares of AIRA Factoring Public Company Limited as of December 31, 2021.	Received financial support to be reserve funding for business operations during Covid-19 Interests are paid to connected persons as follows: On June 4, 2021, the Company issued Promissory Note (P/N) No. AF 001/2021 with the value of 50 million baht and the interest rate of 2.50 % per annum. The maturity date is within 59 days which will be on August 1, 2021. On August 2, 2021, the Company issued Promissory Note (P/N) No. AF 002/2021 with the value of 50 million baht and the interest rate of 2.45 % per annum. The maturity date is within 90 days which will be on October 29, 2021. The Company has no approval for new credit line during year 2019-2020.	90.00		-	-	-	-	Such connected transaction is a beneficial transaction for the Company by enhancing the financial liquidity of the Company. As for the interest rate, it is the same rate as the Company has with other financial institutions. Reason and necessity of the transaction is to manage the liquidity of the Company.	
					0.20					
					0.21					

Individual / Juristic Person Who may be in Conflict	Relationship	Transaction Type	Credit Line for approve in 2021	Transaction Value						Audit Committee's Opinion
				2021		2020		2019		
				Credit Line	Transaction Value	Credit Line	Transaction Value	Credit Line	Transaction Value	
Mrs. Hatairata Jurangkool	Mrs. Hatairata Jurangkool is a major shareholder of AIRA Capital Public Company Limited. AIRA Capital Public Company Limited is a major shareholder holds 71.55% of total shares of AIRA Factoring Public Company Limited as of December 31, 2021.	Received financial support to be funding reserve for business oper- ations during Covid-19 The Company was not drawdown this credit line in 2021 and 2020 and not approved credit line in 2019	400.00	-	400.00	-	-	-	Such connected transaction is a beneficial transaction for the Company by enhancing the financial liquidity of the Company. As for the interest rate, it is the same rate as the Company has with other financial institutions. Reason and necessity of the transaction is to manage the liquidity of the Company.	

- (2) The rental of immovable property transaction for not exceeding 3 years

บุคคลที่อาจมีความขัดแย้งกัน	ความสัมพันธ์	ลักษณะรายการ	วงเงินที่ขออนุมัติในปี 2564	มูลค่ารายการ			ความเห็นของคณะกรรมการตรวจสอบ
				2564	2563	2562	
AIRA Securities Public Company Limited	AIRA Capital Public Company Limited is a major shareholder holds 71.55% of total shares of AIRA Factoring Public Company Limited as of December 31, 2021.	lease the office space at the 17 th floor, Chamchuri Square, by sublease the office space of AIRA Securities Public Company Limited	-	4.47	2.23	-	Such connected transaction is a beneficial transaction for the Company due to having more working space for support future business expansion.

Potential transactions between connected parties in the future and policy

In case the Company has transactions between connected parties in the future. The connected transactions are treated on the same basis as normal business course and all transaction must be complied with regulations of the Securities Exchange of Thailand and other related offices, rules, announcements, orders or requirements. The Company will disclose all connected transactions on notes to financial report and annual information (Form 56-1 One Report)

Necessary and reasonable connected transactions.

In case the Company agrees to contracts or having connected transactions between the Company, subsidiary companies, related companies and/or external parties. The Company will carefully deliberate the necessary and reasonable course to agree on contracts for the benefit of the Company.

Measures or approval procedures on connected transactions.

In case the Company agrees to contracts or having connected transactions between the Company, subsidiary companies, related companies and/or conflicted of interest parties for the benefit of the Company. The Board of Directors must be considered, approved and determined in compliance with procedures and announcements of the Board of Stock Exchange of Thailand on disclosure and registers all connected transactions with details, prices and conditions, as same as do any transactions with external parties. Any directors who have conflicted interest must no participation on approval processes.

ส่วนที่

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**Financial
Statements**

Board of Directors' Responsibility for Financial Reporting

The management has prepared the financial statement ended on 31 December 2021 according to the generally certified accounting standard by choosing to use the appropriate and regularly used policy including using judgment carefully and reasonably in preparation of financial statement and disclose the important information adequately in the remarks of the financial statement.

The Board of directors realized the responsibility for supervising the financial report to be efficient by appointing an audit and corporate governance committee consisting of qualified persons to be responsible for supervision of the quality of the financial report to be accurate and complete, using appropriate and regularly used policy including validation to have the company got sufficient and appropriate internal control system and participation in evaluation of risk for the company. In order to protect and reduce risks which may occur from fraudulent or abnormal operation significantly and adequacy to maintain the company asset.

From the practical methods and supervision mentioned above, the committee agreed that the financial of AIRA Factoring Public Company Limited as at 31 December 2021 has shown the financial statement and operational results correctly, reliably, compliance with the generally certified accounting standard and practiced in accordance with the laws and related regulations



(Mr. Sorasit Soontornkes)

Chairman of the Board of Directors



AIRA Factoring Public Company Limited

Report and financial statements

31 December 2021

Independent Auditor's Report

To the Shareholders of AIRA Factoring Public Company Limited

Opinion

I have audited the accompanying financial statements of AIRA Factoring Public Company Limited (the Company), which comprise the statement of financial position as at 31 December 2021, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of AIRA Factoring Public Company Limited as at 31 December 2021, and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matter

Key audit matter is the matter that, in my professional judgement, was of most significance to my audit of the financial statements of the current period. This matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to this matter. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matter below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond to the matter are described below.

Allowance for expected credit losses on factoring receivables and loan receivables

As described in Note 8 and 9 to the financial statements, as at 31 December 2021, the Company had total factoring and loan receivables (before deducting allowance for expected credit losses) of Baht 2,272 million and allowance for expected credit losses of Baht 97 million (representing 94% of total assets), which are material to the financial statements.

The calculation of the expected credit loss on loan receivables requires the development of a complex calculation model, which involves significant use of management judgement to be in accordance with the Thai Financial Reporting Standard. The key management's judgments are identification of criteria for assessing that there has been a significant increase in credit risk since initial recognition, probability that the receivables will default, damage that may occur when the debtor defaults on payment and the selection of future economic variables to be incorporated in the model. Therefore, I consider this an important matter in the key audit matter.

My audit procedures included the assessment of the appropriateness of calculation models of expected credit losses by comparing with the principles of the Thai Financial Reporting Standard No. 9, randomly testing the accuracy and completeness of data used to develop such models, and assessing the appropriateness of assumptions of future forward-looking information. In addition, I gained an understanding, tested and assessed the effectiveness of internal control systems in relation to credit provision, debt collection and debt settlement processes, which ensured the reliability of the data used for the development of the models.

I tested the classification of receivables according to changes in credit risk and tested the calculation of expected credit losses. I considered the disclosures relating to allowance for expected credit losses on loans to debtors.

Other Matter

The financial statements of AIRA Factoring Public Company Limited (the Company) for the year ended 31 December 2020 were audited by another auditor who, under his report dated 23 February 2021, expressed an unmodified opinion on those financial statements.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Company, but does not include the financial statements and my auditor's report thereon. The annual report of the Company is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Company, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance 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 those charged with governance 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 those charged with governance, I determine that matter that was of most significance in the audit of the financial statements of the current period and is therefore the key audit matter. I describe this matter 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.

I am responsible for the audit resulting in this independent auditor's report.



Poonnard Paocharoen

Certified Public Accountant (Thailand) No. 5238

EY Office Limited

Bangkok: 22 February 2022

AIRA Factoring Public Company Limited

Statements of financial position

As at 31 December 2021

		(Unit: Baht)	
	Note	2021	2020
Assets			
Current assets			
Cash and cash equivalents	7	99,985,362	62,519,815
Factoring receivables	8	1,901,366,247	1,822,422,763
Current portion of loan receivables	9	217,731,773	169,185,198
Other receivables		1,474,139	731,180
Other current assets		1,000,055	1,295,698
Total current assets		2,221,557,576	2,056,154,654
Non-current assets			
Loan receivables - net of current portion	9	56,415,594	75,642,541
Equipment	10	678,700	1,386,841
Right-of-use assets	14	2,821,152	8,022,107
Intangible assets	11	7,063,050	8,313,074
Deposits and guarantees		286,818	292,818
Deferred tax assets	19	22,716,586	27,025,101
Total non-current assets		89,981,900	120,682,482
Total assets		2,311,539,476	2,176,837,136

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

AIRA Factoring Public Company Limited
Statements of financial position (continued)
As at 31 December 2021

(Unit: Baht)

	<u>Note</u>	<u>2021</u>	<u>2020</u>
Liabilities and shareholders' equity			
Current liabilities			
Short-term loans from financial institutions	12	1,648,000,000	1,523,000,000
Retentions from factoring		51,113,521	41,862,181
Current portion of long-term loan	13	12,000,000	-
Current portion of lease liabilities	14	2,372,991	5,204,748
Dividend payables		-	33,600,000
Excess receipts awaiting to repay		34,760,794	21,919,654
Other payables		5,364,540	4,528,597
Income tax payables		4,300,278	4,794,389
Other current liabilities		2,989,423	1,201,766
Total current liabilities		1,760,901,547	1,636,111,335
Non-current liabilities			
Lease liabilities, net of current portion	14	563,168	2,936,160
Provision for long-term employee benefits	15	19,319,302	16,550,611
Total non-current liabilities		19,882,470	19,486,771
Total liabilities		1,780,784,017	1,655,598,106

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

AIRA Factoring Public Company Limited

Statements of financial position (continued)

As at 31 December 2021

		(Unit: Baht)	
	Note	2021	2020
Shareholders' equity			
Share capital			
Registered			
1,600,000,000 ordinary shares of Baht 0.25 each		400,000,000	400,000,000
Issued and fully paid-up			
1,600,000,000 ordinary shares of Baht 0.25 each		400,000,000	400,000,000
Share premium		75,844,889	75,844,889
Capital contribution from parent company		406,077	406,077
Retained earnings			
Appropriated-statutory reserve	16	34,700,000	32,200,000
Unappropriated		19,804,493	12,788,064
Total shareholders' equity		530,755,459	521,239,030
Total liabilities and shareholders' equity		2,311,539,476	2,176,837,136
		-	-

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

Directors

AIRA Factoring Public Company Limited

Statement of comprehensive income

As at 31 December 2021

(Unit: Baht)

	Note	2021	2020
Revenues			
Interest income from factoring		139,099,512	159,620,727
Fee and service income		40,106,368	41,071,587
Interest income from loans		17,131,416	7,718,004
Other income		1,494,983	1,510,643
Total revenues		197,832,279	209,920,961
Expenses			
Administrative expenses		100,368,261	109,867,909
Expected credit losses (reversal)		(1,884,358)	7,703,980
Total expenses		98,483,903	117,571,889
Operating profit		99,348,376	92,349,072
Finance income		4,398	19,491
Finance costs	17	(34,767,643)	(42,057,964)
Profit before income tax expenses		64,585,131	50,310,599
Income tax expenses	19	(15,068,702)	(7,597,375)
Profit for the year		49,516,429	42,713,224
Other comprehensive income:			
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>			
Loss on remeasurement of defined benefit plans		-	(4,292,056)
Add: Income tax effect	19	-	858,411
Other comprehensive income for the year		-	(3,433,645)
Total comprehensive income for the year		49,516,429	39,279,579
Earnings per share	20		
Basic earnings per share		0.0309	0.0267

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

AIRA Factoring Public Company Limited

Statement of changes in shareholders' equity

For the year ended 31 December 2021

	Note	Issued and fully paid-up share capital	Share premium	Capital contribution from parent company	Retained earnings		Total shareholders' equity
					Appropriated	Unappropriated	
Balance as at 1 January 2020		400,000,000	75,844,889	406,077	30,000,000	9,308,485	515,559,451
Profit for the year		-	-	-	-	42,713,224	42,713,224
Other comprehensive income for the year		-	-	-	-	(3,433,645)	(3,433,645)
Total comprehensive income for the year		-	-	-	-	39,279,579	39,279,579
Dividend paid	23	-	-	-	-	(33,600,000)	(33,600,000)
Transfer to statutory reserve	16	-	-	-	2,200,000	(2,200,000)	-
Balance as at 31 December 2020		400,000,000	75,844,889	406,077	32,200,000	12,788,064	521,239,030
Balance as at 1 January 2021		400,000,000	75,844,889	406,077	32,200,000	12,788,064	521,239,030
Profit for the year		-	-	-	-	49,516,429	49,516,429
Other comprehensive income for the year		-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	49,516,429	49,516,429
Dividend paid	23	-	-	-	-	(40,000,000)	(40,000,000)
Transfer to statutory reserve	16	-	-	-	2,500,000	(2,500,000)	-
Balance as at 31 December 2021		400,000,000	75,844,889	406,077	34,700,000	19,804,493	530,755,459

(Unit: Baht)

AIRA Factoring Public Company Limited**Cash flow statement****As at 31 December 2021**

(Unit: Baht)

	2021	2020
Cash flows from operating activities		
Profit before tax	64,585,131	50,310,599
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	8,661,392	7,962,002
Expected credit losses (reversal)	(1,884,358)	7,703,980
Loss on impairment of assets held for sale	-	2,947,200
Gain on write-off of equipment	-	(17,410)
Gain on disposal of assets held for sale	(1,000,000)	(828,200)
Provision for long-term employee benefits	2,768,691	1,020,502
Finance cost	34,767,643	42,057,964
Profit from operating activities before changes in operating assets and liabilities	107,898,499	111,156,637
Operating assets (increase) decrease		
Factoring receivables	(77,035,537)	558,410,585
Loan receivables	(29,295,515)	(184,930,587)
Other receivables	(190,661)	(247,615)
Other current assets	295,643	4,152,650
Deposits and guarantees	6,000	1,842,182
Operating liabilities increase (decrease)		
Retentions from factoring	9,251,339	1,570,663
Excess receipts awaiting to repay	12,841,140	(45,326,947)
Other payables	(211,105)	(1,393,883)
Other current liabilities	1,787,657	(433,517)
Other non-current liabilities	-	(578,794)
Cash flows from operating activities	25,347,460	444,221,374
Cash paid for interest	(34,148,595)	(42,619,223)
Cash paid for corporate income tax	(11,254,300)	(12,784,151)
Net cash flows from (used in) operating activities	(20,055,435)	388,818,000

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

AIRA Factoring Public Company Limited

Cash flow statement (continued)

As at 31 December 2021

	(Unit: Baht)	
	2021	2020
Cash flows from investing activities		
Cash paid for acquisition of equipment	(432,270)	(203,115)
Cash paid for acquisition of intangible assets	(642,000)	(6,470,436)
Proceeds from disposal of equipment	-	652,300
Proceeds from disposal of assets held for sale	400,000	1,500,000
Net cash flows used in investing activities	(674,270)	(4,521,251)
Cash flows from financing activities		
Increase (decrease) in short-term loans from financial institutions	125,000,000	(329,000,000)
Increase in short-term loans from related party	50,000,000	-
Decrease in short-term loans from related party	(50,000,000)	-
Increase in long-term loans	12,000,000	-
Payment of liabilities under lease agreements	(5,204,748)	(3,916,678)
Cash for dividend paid	(73,600,000)	(40,000,000)
Net cash flows from (used) in financing activities	58,195,252	(372,916,678)
Net increase in cash and cash equivalents	37,465,547	11,380,071
Cash and cash equivalents at beginning of year	62,519,815	51,139,744
Cash and cash equivalents at end of year	99,985,362	62,519,815
	-	
Non-cash item		
Increase in payable for intangible assets	428,000	-

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

AIRA Factoring Public Company Limited

Notes to interim financial statements

For the year ended 31 December 2021

1. General information

1.1 General information of the Company

AIRA Factoring Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company was listed on the Market for Alternative Investment (MAI) on 25 August 2004. Its parent company is AIRA Capital Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in receivable factoring. The registered office of the Company is at No. 319, Chamchuri Square, 17th floor, Phayathai Road, Pathumwan Sub-District, Pathumwan District, Bangkok.

1.2 Coronavirus Disease 2019 Pandemic

The Coronavirus disease 2019 (“COVID-19”) pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Company operate. Nevertheless, the management of the Company will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities.

2. Basis of preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

3. New financial reporting standard

3.1 Financial reporting standards that became effective in the current year

During the year, the Company has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.

4. Significant accounting policies

4.1 Revenue and expense recognition

Interest income from factoring and loan receivables

Interest income from factoring and loan receivable is recognised in the profit or loss using the effective interest rate method, over the period of contracts.

When receivables are subsequently credit-impaired, the Company continues to recognise interest income using the effective interest method, based on the net book value (gross book value net of allowance for expected credit losses) of the receivables. When receivables are not credit-impaired any more, the Company then switches to calculate interest income based on the gross book value.

Fees and services income

Fees and services income are recognised point in time upon completion of the service.

Other income

Other income is recognized in the statement of comprehensive income on an accrual basis.

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Expenses

Operating expenses are recognized on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Factoring and loan receivables

Factoring receivables are stated net of allowance for expected credit losses and discount on factoring in advance.

Loan receivables are stated at principal amount net of allowance for expected credit losses.

The allowance for expected credit losses has been disclosed in Note 4.13.

4.4 Troubled debt restructuring

In cases where the debt restructuring involves modifications of the terms, the fair value of the receivables after restructuring is based on the net present value of expected future cash flows, discounted by the interest rate under the modified terms which forms the basis for making collection from the debtor. Differences between the fair values of receivables as of the restructuring date and their previous book values is recorded in "Revaluation allowance for debt restructuring", and recognized as an expense in profit or loss in the statements of comprehensive income in the year in which the restructuring takes place.

4.5 Equipment/Depreciation

Equipment is stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of equipment is calculated by reference to their costs, on the straight-line basis over the following estimated useful lives:

Computers	-	3 years
Equipment	-	5 years
Furniture and fixtures	-	5 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on work under installation.

4.6 Intangible assets

Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any). Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Intangible assets with finite useful lives is computer software, which the useful lives is 5 years.

4.7 Leases

At inception of contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

The Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Buildings	2	years
Motor vehicles	4	years

If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Company discounted the present value of the lease payments by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

4.8 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

4.9 Impairment of non-financial assets

At the end of each reporting period, the Company performs impairment reviews in respect of the equipment, right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.10 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

4.11 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.12 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.13 Financial instruments

The Company initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, receivables, that do not contain a significant financing component or for which at contract inception the Company expected payment by the customer less than one year and the Company has applied the practical expedient regarding not to adjust the effects of a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Company measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Classification and measurement of financial liabilities

At initial recognition, the Company's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Company takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Recognition and Derecognition of financial instruments

Financial assets are recognised or derecognised on the trade date which the Company becomes a party to contractual provisions of the instrument. This includes regular way trades.

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Company has transferred substantially all the risks and rewards of the asset, or the Company has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Company recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

The Company recognises expected credit losses of factoring receivables and loan receivables using the General Approach. The Company determines the changes in credit risk since initial recognition and groups its receivables into 3 stages as follow:

- Stage 1: Receivables where there has not been a significant increase in credit risk (Performing) - The Company recognises allowance for expected credit losses at the amount equal to the expected credit losses in the next 12 months. The Company will use a probability of default that corresponds to remaining maturity for the receivables with a remaining maturity of less than 12 months.
- Stage 2: Receivables where there has been a significant increase in credit risk (Under-Performing) - The Company recognises allowance for expected credit losses at the amount equal to the lifetime expected credit losses of the receivables.

- Stage 3: Receivables that are credit-impaired (Non-Performing) - The Company recognises allowance for expected credit losses at the amount equal to the lifetime expected credit losses of the receivables.

The Company considers a significant increase in credit risk to have occurred when contractual payments are more than 60 days (for factoring receivables) or 30 days (for loan receivables) past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, The Company may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information.

If the credit quality of a receivable improves in a subsequent period and the assessment is that it is no longer a receivable whose credit risk has significantly increased since initial recognition, as assessed in a previous period, the Company will change the basis for recognising expected credit losses from the lifetime expected credit losses to the 12-month expected credit losses, or the remaining period if that is less than 12 months.

In order to calculate the expected credit loss above. The Company considers its historical loss experience, adjusts this for current observable data and plus on the reasonable and supportable forecasts of future economic conditions, including appropriate use of judgement, to estimate the amount of an expected credit losses. The Company has established the process to review and monitor methodologies, assumptions and forward-looking macroeconomics scenarios on a yearly basis. Moreover, expected credit losses include management overlay for the factors which are not captured by the model (if any).

Increase (decrease) in an allowance for expected credit losses is recognised as expenses during the period in profit or loss.

For other receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.14 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Allowance for expected credit losses of factoring and loan receivables

The management is required to use judgement in determining the allowance for expected credit losses of factoring and loan receivables. The calculation of allowance for expected credit losses of the Company are based on the development of complex expected credit losses model with a series of underlying assumptions, the probability of default, estimated losses arising from the default including the choice of inputs the forecasted macroeconomic variables.

Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future taxable profits.

Post employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. Related party transactions

The nature of the relationships between the Company and its related parties are summarised below:

Name of related parties	Relationship
J R K Holdings Co., Ltd.	Major shareholder of parent company
AIRA Capital Public Company Limited	Parent company
AIRA Securities Public Company Limited	Common parent company
AIRA International Advisory (Singapore) Pte. Ltd.	Common parent company
AIRA Property Public Company Limited	Common parent company
AIRA Leasing Public Company Limited	Common parent company
AIRA Venture Capital Co., Ltd.	Common parent company
AIRA Asset Management Co., Ltd.	Common parent company
AIRA Advisory Co., Ltd.	Common directors
Aspiration One Co., Ltd.	Common directors
Aspiration Two Co., Ltd.	Common directors
AIRA & AIFUL Public Company Limited	Associated company of parent company and having common directors
Travelex (Thailand) Limited	Associated company of parent company and having common directors
Summit Windmill Golf Club Co., Ltd.	Common major shareholder
Private funds managed by AIRA Securities Public Company Limited	Managed by AIRA Securities Plc.

As at 31 December 2021 and 2020, the balances of the accounts between the Company and those related parties are as follows:

	(Unit: Thousand Baht)	
	2021	2020
Other payables - related party		
Parent company	-	5
Related company (related by common shareholders)	13	12
Total other payables - related party	13	17
Dividend payables		
Parent company	-	24,040
Lease liabilities - related party		
Related company (related by common shareholders)	1,481	5,838

Directors and management's benefits

During the year ended 31 December 2021 and 2020, the Company had employee benefit expenses payable to its directors and management as below.

	(Unit: Thousand Baht)	
	2021	2020
Short-term employee benefits	19,160	17,563
Post-employment benefits	829	705
Total	19,989	18,268

7. Cash and cash equivalents

Cash and cash equivalents as at 31 December 2021 and 2020 were as follows:

	(Unit: Thousand Baht)	
	2021	2020
Cash	20	20
Savings and current deposits at banks	99,965	62,500
Total cash and cash equivalents	99,985	62,520

As at 31 December 2021 and 2020, bank deposits in savings accounts carried interests 0.05% - 0.125% and 0.05% - 0.125% per annum, respectively.

8. Factoring receivables

Factoring receivables as at 31 December 2021 and 2020 are as follows:

	(Unit: Thousand Baht)	
	2021	2020
Factoring receivables	2,484,451	2,408,360
Accrued interest income from factoring	12,710	9,128
Total	2,497,161	2,417,488
<u>Less:</u> Factoring payables	(513,458)	(496,309)
Unearned interest income	(14,846)	(17,484)
Total	1,968,857	1,903,695
<u>Less:</u> Allowance for expected credit losses	(67,491)	(81,272)
Factoring receivables - net	1,901,366	1,822,423

As at 31 December 2021 and 2020, the balances of factoring receivables were classified by stage of credit risk as follows:

	(Unit: Thousand Baht)		
	As at 31 December 2021		
	Factoring receivables - net	Receivables amount for setting up allowance for expected credit losses	Allowance for expected credit losses
Receivables where there has not been a significant increase in credit risk	1,897,687	3,069,110	4,763
Receivables where there has been a significant increase in credit risk	-	-	-
Receivables that are credit - impaired	71,170	71,170	62,728
Total	1,968,857	3,140,280	67,491

(Unit: Thousand Baht)

As at 31 December 2020

	Factoring receivables - net	Receivables amount for setting up allowance for expected credit losses	Allowance for expected credit losses
Receivables where there has not been a significant increase in credit risk	1,817,424	2,842,263	3,444
Receivables where there has been a significant increase in credit risk	-	-	-
Receivables that are credit - impaired	86,271	86,271	77,828
Total	1,903,695	2,928,534	81,272

Allowance for expected credit loss of factoring receivables for the year ended 31 December 2021 and 2020 is as follows:

(Unit: Thousand Baht)

Allowance for expected credit losses

	Receivables where there has not been a significant increase in credit risk (Stage 1)	Receivables where there has been a significant increase in credit risk (Stage 2)	Receivables that are credit - impaired (Stage 3)	Total
Balance as at 1 January 2021	3,444	-	77,828	81,272
Changes due to transfer of loan classification	-	-	-	-
Changes due to remeasurement of loss allowance	421	-	(3,227)	(2,806)
New financial assets purchased or acquired	898	-	-	898
Written-off	-	-	(11,873)	(11,873)
Balance as at 31 December 2021	4,763	-	62,728	67,491

(Unit: Thousand Baht)

Allowance for expected credit losses

	Receivables where there has not been a significant increase in credit risk (Stage 1)	Receivables where there has been a significant increase in credit risk (Stage 2)	Receivables that are credit - impaired (Stage 3)	Total
Balance as at 1 January 2020	4,522	-	75,255	79,777
Changes due to transfer of loan classification	775	-	(775)	-
Changes due to remeasurement of loss allowance	(4,147)	-	9,376	5,229
New financial assets purchased or acquired	399	-	-	399
Financial assets derecognized	1,895	-	-	1,895
Written-off	-	-	(6,028)	(6,028)
Balance as at 31 December 2020	3,444	-	77,828	81,272

9. Loan receivables

Loan receivables as at 31 December 2021 and 2020 are as follows:

(Unit: Thousand Baht)

	Current portion of loan receivables		Loan receivable - net of current portion		Total	
	2021	2020	2021	2020	2021	2020
Loan receivables	247,127	198,608	56,478	75,702	303,605	274,310
<u>Less</u> Allowance for expected credit losses	(29,395)	(29,423)	(63)	(59)	(29,458)	(29,482)
Loan receivables - net	217,732	169,185	56,415	75,643	274,147	244,828

As at 31 December 2021, the Company has 3 loan receivables balances (31 December 2020: 3 loan receivables balances) which were restructured from factoring receivables by means of modification of terms amounting to Baht 36.42 million (31 December 2020: Baht 36.42 million).

As at 31 December 2021 and 31 December 2020, the balances of loan receivables were classified by stage of credit risk as follows:

(Unit: Thousand Baht)

31 December 2021			
	Loan receivables	Receivables amount for setting up allowance for expected credit losses	Allowance for expected credit losses
Receivables where there has not been a significant increase in credit risk	267,182	293,966	152
Receivables where there has been a significant increase in credit risk	-	-	-
Receivables that are credit - impaired	36,423	36,423	29,306
Total	303,605	330,389	29,458

(Unit: Thousand Baht)

31 December 2020			
	Loan receivables	Receivables amount for setting up allowance for expected credit losses	Allowance for expected credit losses
Receivables where there has not been a significant increase in credit risk	237,887	259,439	176
Receivables where there has been a significant increase in credit risk	-	-	-
Receivables that are credit - impaired	36,423	36,423	29,306
Total	274,310	295,862	29,482

Allowance for expected credit losses of loan receivables for the years ended 31 December 2021 and 2020 is as follows:

(Unit: Thousand Baht)

	Allowance for expected credit losses			
	Receivables where there has not been a significant increase in credit risk (Stage 1)	Receivables where there has been a significant increase in credit risk (Stage 2)	Receivables that are credit - impaired (Stage 3)	Total
Balance as at 1 January 2021	176	-	29,306	29,482
Changes due to remeasurement of loss allowance	(124)	-	-	(124)
New financial assets purchased or acquired	100	-	-	100
Balance as at 31 December 2021	152	-	29,306	29,458

(Unit: Thousand Baht)

	Allowance for expected credit losses			
	Receivables where there has not been a significant increase in credit risk (Stage 1)	Receivables where there has been a significant increase in credit risk (Stage 2)	Receivables that are credit - impaired (Stage 3)	Total
Balance as at 1 January 2020	42	-	29,306	29,348
Changes due to remeasurement of loss allowance	(5)	-	-	(5)
New financial assets purchased or acquired	139	-	-	139
Balance as at 31 December 2020	176	-	29,306	29,482

10. Equipment

Equipment as at 31 December 2021 and 2020 consist of the following:

(Unit: Thousand Baht)

	Balance as at 31 December 2020	Increase	Decrease	Transfer between accounts	Balance as at 31 December 2021
Cost					
Computer	7,271	394	-	-	7,665
Furniture and fixture	10,352	-	-	-	10,352
Office equipment	1,175	38	-	-	1,213
Motor vehicles	3,219	-	-	-	3,219
Total cost	22,017	432	-	-	22,449
Accumulated depreciation					
Computer	(6,710)	(505)	-	-	(7,215)
Furniture and fixture	(10,069)	(215)	-	-	(10,284)
Office equipment	(942)	(111)	-	-	(1,053)
Motor vehicles	(2,909)	(309)	-	-	(3,218)
Total accumulated depreciation	(20,630)	(1,140)	-	-	(21,770)
Equipment	1,387				679

(Unit: Thousand Baht)

	Balance as at 31 December 2019	Increase	Decrease	Transfer between accounts	Balance as at 31 December 2020
Cost					
Computer	7,120	151	-	-	7,271
Furniture and fixture	13,705	-	(3,353)	-	10,352
Office equipment	1,286	52	(163)	-	1,175
Motor vehicles	9,020	-	(2,381)	(3,420)	3,219
Total cost	31,131	203	(5,897)	(3,420)	22,017
Accumulated depreciation					
Computer	(5,812)	(898)	-	-	(6,710)
Furniture and fixture	(12,280)	(508)	2,719	-	(10,069)
Office equipment	(998)	(106)	162	-	(942)
Motor vehicles	(5,285)	(342)	2,381	337	(2,909)
Total accumulated depreciation	(24,375)	(1,854)	5,262	337	(20,630)
Equipment	6,756				1,387

Depreciation for the years ended 31 December

2021

1,140

2020

1,854

As at 31 December 2021, certain equipment items were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 22 million (2020: Baht 17 million).

11. Intangible assets

Intangible assets as at 31 December 2021 and 2020 are as follows

(Unit: Thousand Baht)			
	Balance as at 31 December 2020	Increase	Decrease
Balance as at 31 December 2021			
Cost			
Computer software	12,091	-	-
Intangible assets under installation	1,445	1,070	-
Total cost	13,536	1,070	-
Amortization			
Computer software	(5,223)	(2,320)	-
Total accumulated amortization	(5,223)	(2,320)	-
Intangible assets	8,313		

(Unit: Thousand Baht)			
	Balance as at 31 December 2019	Increase	Decrease
Balance as at 31 December 2020			
Cost			
Computer software	10,222	1,869	-
Intangible assets under installation	-	1,445	-
Total cost	10,222	3,314	-
Amortization			
Computer software	(3,124)	(2,099)	-
Total accumulated amortization	(3,124)	(2,099)	-
Intangible assets	7,098		

Amortization for the years ended 31 December

2021	2,320
2020	2,099

12. Short-term loans from financial institutions

Short-term loans from financial institutions as at 31 December 2021 and 2020 are as follows:

(Unit: Thousand Baht)

	Interest rate (% per annum)			
	2021	2020	2021	2020
Promissory notes	2.28 - 5.59	1.90 - 4.05	1,648,000	1,523,000

As at 31 December 2021 and 2020, the Company had credit facilities for short-term loans from financial institutions. Under these credit facilities, the Company has to comply with certain terms and conditions prescribed in the agreements such as not to mortgage, pledge or create of commitment over any fixed assets (Negative pledge) or maintain the financial ratio, etc.

As at 31 December 2021, the credit facilities of the Company which have not yet been drawn down amounting to of Baht 1,042 million (31 December 2020: Baht 1,217 million).

13. Long-term loans from financial institutions

On 21 April 2021, the Company entered into a loan agreement with a financial institution with the objective of accommodating a short-term financing business. Long-term loans from the financial institution were unsecured loans.

The Company agreed to make principal repayments in 36 monthly installments to the bank, with the first instalment due in June 2021. The loans carried interest at the minimum loan rate (MLR) minus 4.10% per annum for the first 6 instalments from the date the first drawdown was made and at the minimum loan rate (MLR) minus 3.10% per annum for the remaining installment. However, the Company expects to be able to repay all principal within 2022.

Under the loan agreement, the Company was required to comply with certain terms and conditions prescribed in the agreement, e.g. the Company shall not default on loan payments to the bank and other creditors and not take any action leading to the Company's dissolution, liquidation or winding-up, including the use of the loan where funds are granted for a specific intended purposes only, etc.

As at 31 December 2021, the Company has already drawn down the long-term credit facilities in full amount.

14. Leases

14.1 The Company as a lease

The Company has lease contracts for various items of assets used in its operations. Leases generally have lease terms between 2 - 4 years.

a) Right-of-use assets

Movements of right-of-use assets during the years ended 31 December 2021 and 2020 were summarised below.

	(Unit: Thousand Baht)		
	Buildings	Vehicles	Total
1 January 2020	5,764	3,083	8,847
Additions	7,967	-	7,967
Disposal	(5,764)	-	(5,764)
Depreciation for the year	(2,173)	(855)	(3,028)
31 December 2020	5,794	2,228	8,022
Depreciation for the year	(4,346)	(855)	(5,201)
31 December 2021	1,448	1,373	2,821

b) Lease liabilities

	(Unit: Thousand Baht)	
	2021	2020
Lease payments	3,009	8,427
Less: Deferred interest expenses	(73)	(286)
Total	2,936	8,141
Less: Portion due within one year	(2,373)	(5,205)
Lease liabilities - net of current portion	563	2,936

Movements of the lease liability account during the years ended 31 December 2021 and 2020 are summarised below:

	(Unit: Thousand Baht)	
	2021	2020
Balance at beginning of year	8,141	8,875
Increase	-	7,967
Decrease	-	(4,785)
Accretion of interest	213	330
Repayments	(5,418)	(4,246)
Balance at end of year	2,936	8,141

c) Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	<u>2021</u>	<u>2020</u>
Depreciation expense of right-of-use assets	5,201	3,028
Interest expense on lease liabilities	213	330
Expense relating to short-term leases	348	374

d) Others

The Company had total cash outflows for leases for the year ended 31 December 2021 of Baht 5.8 million (2020: Baht 4.6 million), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate.

15. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

(Unit: Thousand Baht)

	<u>2021</u>	<u>2020</u>
Provision for long-term employee benefits at beginning of year	16,551	11,238
Included in profit or loss:		
Current service cost	2,638	834
Interest cost	130	187
Included in other comprehensive income:		
Actuarial (gain) loss arising from		
Demographic assumptions changes	-	(507)
Financial assumptions changes	-	947
Experience adjustments	-	3,852
Benefits paid during the year	-	-
Provision for long-term employee benefits at end of year	19,319	16,551

The Company expects to pay Baht 6.3 million of long-term employee benefits during the next year (2020: Baht 1.3 million).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit is 5.10 years (2020: 5.10 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)	
	2021	2020
Discount rate	1.22%	1.22%
Salary increase rate	5%	5%
Staff turnover rate (depending on age)	16%	9% - 27%

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

	(Unit: Thousand Baht)	
	2021	
	Increase 0.5%	Decrease 0.5%
Discount rate	(436)	458
Salary increase rate	532	(509)
Staff turnover rate	(527)	580

	(Unit: Thousand Baht)	
	2020	
	Increase 0.5%	Decrease 0.5%
Discount rate	(416)	439
Salary increase rate	442	(423)
Staff turnover rate	(452)	496

16. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a legal reserve at least 5% of its net profit after deducting accumulated deficit brought forward, if any, until the reserve reaches 10% of the registered capital. The legal reserve is not available for dividend distribution.

17. Finance cost

	(Unit: Thousand Baht)	
	2021	2020
Interest expenses on borrowings	34,555	41,728
Interest expenses on lease liabilities	213	330
Total	34,768	42,058

18. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)	
	2021	2020
Salaries, wages and other employee benefits	70,760	69,367
Depreciation and amortization	8,661	7,962
Expected credit losses (reversal)	(1,884)	7,704
Specific business tax expenses	6,479	6,878
Examination fees on factoring documents	1,638	1,879

19. Income tax

Income tax expenses for the years ended 31 December 2021 and 2020 are made up as follows:

	(Unit: Thousand Baht)	
	2021	2020
Current income tax:		
Current income tax charge	10,760	10,946
Deferred tax:		
Relating to origination and reversal of temporary differences	4,309	(3,349)
Income tax expense reported in profit or loss	15,069	7,597

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2021 and 2020 are as follows:

	(Unit: Thousand Baht)	
	2021	2020
Deferred tax on actuarial gains and losses	-	858
	-	858

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)	
	2021	2020
Accounting profit before tax	64,585	50,311
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by income tax rate	12,917	10,062
Unrecognised temporary differences	1,067	(3,179)
Effects of:		
Non-deductible expenses	1,094	890
Additional expense deductions allowed	(9)	(176)
Total	1,085	714
Income tax expense reported in profit or loss	15,069	7,597

The components of deferred tax assets are as follows:

	(Unit: Thousand Baht)	
	2021	2020
Deferred tax assets		
Allowance for expected credit losses	18,830	21,691
Allowance for impairment of asset held for sales	-	2,000
Provision for long-term employee benefits	3,864	3,311
Lease liabilities	23	23
Total	22,717	27,025

As at 31 December 2021 and 2020, the Company has deductible temporary differences totaling Baht 4.9 million and 4.4 million, on which deferred tax assets have not been recognised as the Company believes that it is unlikely that the tax benefits can be utilized.

20. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

21. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Board of Directors of the Company.

The one main reportable operating segment of the Company is the factoring business and the single geographical area of their operations is Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

Major customers

For the year ended 31 December 2021 and 2020, the Company has no major customer with revenue of 10 percent or more of an entity's revenues.

22. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company contributes to the fund monthly at the rate of 5% - 10% of basic salary and employees contribute to the fund monthly at the rate of 5% - 15% of basic salary. The fund, which is managed by SCB Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules.

For the years ended 31 December 2021 and 2020, the Company's contributions included in administrative expenses in the statements of comprehensive income amounting to Baht 2.5 million and Baht 2.5 million, respectively.

23. Dividends

Dividends	Approved by	Total dividend (Thousand Baht)	Dividend per share (Baht)
Interim dividend No. 1 for the net profit of the operation results during 1 January 2021 to 30 September 2021 and the retained earnings	Meeting of the Company's Board of Directors on 9 November 2021	40,000	0.0250
Total for 2021		<u>40,000</u>	<u>0.0250</u>
Interim dividend No. 1 for the net profit of the operation results during 1 January 2020 to 30 September 2020 and the retained earnings	Meeting of the Company's Board of Directors on 15 December 2020	33,600*	0.0210
Total for 2020		<u>33,600</u>	<u>0.0210</u>

* The interim dividend No. 1 for 2020 is to be paid to the Company's shareholders on 11 January 2021. As at 31 December 2020, the Company separately presented this transactions as "Dividend payables" in the statement of financial position.

24. Commitments and contingent liabilities

24.1 Capital commitments

As at 31 December 2021, the Company had capital commitments of approximately Baht 2.1 million (31 December 2020: Baht 3.2 million), relating to software computer improvements.

24.2 Service commitments

As at 31 December 2021 and 31 December 2020, the Company has future minimum lease payments required under service agreements as follows:

	(Unit: Million Baht)	
	2021	2020
Within 1 year	1	2

25. Financial Instruments

Financial risk management objectives and policies

The Company's financial instruments principally comprise cash and cash equivalents, factoring receivables, loan receivables, other receivables, short-loans from financial institutions, retentions from factoring, lease liabilities, excess receipts awaiting to repay and other payables. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company is exposed to credit risk primarily with respect to factoring receivables, loans receivable and other receivables and cash at bank.

The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

The Company prepared expected credit losses model under TFRS 9 that requires the Company to determine impairment of the Company's financial assets. The Company reconsiders expected credit losses model by periodically reviews of the parameters and the data used in order to ascertain appropriateness of the model.

Factoring receivables and loans receivables

The Company managed the risk by adopting appropriate credit control policies and procedures whereby the Company analyses credit details of customers and follows up customers with overdue accounts in accordance with credit control practices, and considers the amount of retentions from factoring, and other obligation assets as collateral for each customer according to the assessed credit risk. Therefore, the Company does not expect to incur material financial loss. In addition, the Company does not have high concentrations of credit risk since it has a large customer base.

Cash deposits

The Company manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Risk on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

Interest rate risk

The Company's exposure to interest rate risk relate primarily to cash at banks, factoring receivables, loans receivables, other receivables and short-term from financial institutions. The Company mitigates this risk by matching the sources of borrowings with factoring receivables to ensure that the Company maintains an accumulated average spread of interest under the Company's policy. Moreover, the Company analyses the term of interest rate movement of factoring receivables, borrowings and the Company adjusts the interest rate charge to receivables when the interest rate changes. Thus, the Company is flexible in its response to interest rate fluctuations. In addition, since most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date (if this occurs before the maturity date).

(Unit: Million Baht)

As at 31 December 2021

	Fixed interest rates			Floating interest rate	Non-interest rate bearing	Total	Effective interest rate
	Within 1 year	1-5 years	bearing 5 years				
							(% per annum)
Financial assets							
Cash and cash equivalents	-	-	-	5	95	100	0.05 - 0.125
Factoring receivables	1,901	-	-	-	-	1,901	5.50 - 15.00
Loan receivables	218	56	-	-	-	274	4.50 - 12.00
Other receivables	-	-	-	-	1	1	-
	<u>2,119</u>	<u>56</u>	<u>-</u>	<u>5</u>	<u>96</u>	<u>2,276</u>	
Financial liabilities							
Short-term borrowings							
from financial institutions	1,648	-	-	-	-	1,648	2.28 - 5.59
Retentions from factoring	-	-	-	-	51	51	-
Lease liabilities	2	1	-	-	-	3	4.26 - 5.99
Excess receipts awaiting to repay	-	-	-	-	35	35	-
Other payables	-	-	-	-	5	5	-
Long-term loans from financial institutions	-	-	-	12	-	12	MLR - 4.1
	<u>1,650</u>	<u>1</u>	<u>-</u>	<u>12</u>	<u>91</u>	<u>1,754</u>	

(Unit: Million Baht)

As at 31 December 2020

	Fixed interest rates			Floating interest rate	Non-interest rate bearing	Total	Effective interest rate
	Within 1 year	1-5 years	bearing 5 years				
							(% per annum)
Financial assets							
Cash and cash equivalents	-	-	-	6	56	62	0.05 - 0.125
Factoring receivables	1,822	-	-	-	-	1,822	5.50 - 15.00
Loan receivables	169	76	-	-	-	245	4.50 - 13.25
Other receivables	-	-	-	-	1	1	-
	<u>1,991</u>	<u>76</u>	<u>-</u>	<u>6</u>	<u>57</u>	<u>2,130</u>	

(Unit: Million Baht)

As at 31 December 2020

	Fixed interest rates			Floating interest rate	Non- interest rate bearing	Total	Effective interest rate
	Within 1 year	1-5 years	bearing 5 years				
							(% per annum)
Financial liabilities							
Short-term loans from financial institutions	1,523	-	-	-	-	1,523	1.90 - 4.05
Retentions from factoring	-	-	-	-	42	42	-
Lease liabilities	5	3	-	-	-	8	3.20 - 4.26
Dividend payables	-	-	-	-	34	34	-
Excess receipts awaiting to repay	-	-	-	-	22	22	-
Other payables	-	-	-	-	4	4	-
	1,528	3	-	-	102	1,633	

Liquidity risk

Liquidity risk is the risk that the Company will be unable to liquidate its financial assets and/or procure sufficient funds to discharge its obligations in a timely manner, resulting in the Company incurring a financial loss.

The Company has established a liquidity management policy, to ensure that the Company has sufficient liquidity to meet debt and other obligations when due in normal circumstances, and has the liquidity contingency plans in place to handle crisis situations, as well as to ensure that management of liquidity strikes an appropriate balance between costs and benefits.

The table below summarises the maturity profile of the Company's financial liabilities as at 31 December 2021 and 2020 based on contractual undiscounted cash flows:

(Unit: Million Baht)

As at 31 December 2021

	At call	Within 1 year	1 - 5 years	Total
Financial liabilities				
Short-term loans from financial institutions	-	1,655	-	1,655
Retentions from factoring	51	-	-	51
Lease liabilities	-	2	1	3
Excess receipts awaiting to repay	-	35	-	35
Other payables	-	5	-	5
Long-term loans from financial institutions	-	12	-	12
Total financial liabilities	51	1,709	1	1,761

(Unit: Million Baht)

As at 31 December 2020

	At call	Within 1 year	1 - 5 years	Total
Financial liabilities				
Short-term loans from financial institutions	-	1,526	-	1,526
Retentions from factoring	42	-	-	42
Lease liabilities	-	5	3	8
Dividend payables	-	34	-	34
Excess receipts awaiting to repay	-	22	-	22
Other payables	-	4	-	4
Total financial liabilities	42	1,591	3	1,636

Foreign currency risk

The Company is not exposed to foreign currency risk because no trading transactions are denominated in foreign currency.

Fair value of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

26. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2021 and 2020, the Company's debt-to-equity ratios are 3.36 and 3.18, respectively.

27. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 22 February 2022.



Attachment

Details of directors, executives, controlling persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision, the Company's secretary

- (1) Information on directors, executives, controlling persons

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
1. Mr. Sorasit Soontornkes Chairman of the Board of Directors and Independent Director Date of appointment: May 14, 2018 Age 69 years Shareholding proportion (%) : none Number of meetings attended / Total meetings held : 7/7 Relationship with Directors and Management : none Illegal Record in the past 10 years : None	Education / Training: <ul style="list-style-type: none"> ■ Master of Business Economics, Thammasat University ■ Master of Accounting, Chulalongkorn University ■ Bachelor of Accounting, Chulalongkorn University ■ Senior Executive Program, Sasin Graduate Institute of Business Administration of Chulalongkorn University ■ Executive Development Program (Wharton School) University of Pennsylvania, U.S.A. ■ Capital Market Academy Leader Program Class 8 ■ Advanced Army Academics Program (regular class 46), Army War College Director Training from Thai Institute of Directors Association (IOD): <ul style="list-style-type: none"> ■ Director Certification Program (DCP) Class 91/2007 ■ Advanced Audit Committee Program Class 33/2019 	Board member / Management in Listed Company – The Stock Exchange of Thailand: 1 company 2018 – present Chairman of the Board of Directors and Independent Director AIRA Factoring Public Company Limited 2018 – 2020 Independent Director & Chairman of the Audit Committee Allianz Ayudhya Capital Public Company Limited 2017 - 2020 Advisor to Board of Director & Chairman of the Risk Oversight Committee Nok Air Public Company Limited Board member / Management in Non-Listed Company – The Stock Exchange of Thailand: 1 company 2018 - present Independent Director and Chairman of the Audit Committee J.D. Food Products Company Limited 2018 - 2020 Independent Director and Chairman of the Audit Committee Allianz Ayudhya General Insurance Public Company Limited Position in other organization / Institutions: 3 places 2018 - Present Audit Committee / Eastern Economic Corridor office of Thailand 2017 - Present Audit Committee / Bank of Thailand 2017 - Present Director of Internal Audit Office / Chulalongkorn University 2012 - 2016 President and Director / Deposit Protection Agency Position in conflict of interest to the company: -None- History of potential conflict of interest with the Company in the past year: -None-

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
<p>2. Mr. Kunakorn Makchaidee Independent Director and Chairman of Audit Committee</p> <p>Date of appointment: November 10, 2016</p> <p>Age 66 years</p> <p>Shareholding proportion (%) : 16,000,000 shares (1.00%)</p> <p>Number of meetings attended / Total meetings held : 7/7</p> <p>Relationship with Directors and Management : none</p> <p>Illegal Record in the past 10 years : None</p>	<p>Education / Training:</p> <ul style="list-style-type: none"> ■ Master of Business Administration (Finance), Delta State University, U.S.A. ■ Bachelor of Accounting, University of the Thai Chamber of Commerce ■ Certificate of Attendance, Capital Market Academy Leader Program from Capital Market Academy (CMA), The Stock Exchange of Thailand Class 8 <p>Director Training from Thai Institute of Directors Association (IOD):</p> <ul style="list-style-type: none"> ■ Certificate of Attendance, Chartered Director Class 5/2009 ■ Certificate of Attendance, Audit Committee Program Class 17/2007 ■ DCP Re-Refresher Course Class 7/2005 ■ Diploma of Director Certificate Program and Australian Institute of Company Directors (AICD) Class 7/2001 ■ Certificate of Attendance, Chairman 2001 and Australian Institute of Company Directors (AICO) Class 5/2001 	<p>Board member / Management in Listed Company – The Stock Exchange of Thailand: 3 companies</p> <p>2021 – Present Independent Director, Audit Committee and Nomination and Remuneration Committee</p> <p>Surapon Foods Public Company Limited</p> <p>2020 – Present Independent Director, Chairman of Audit Committee and Risk Management Committee</p> <p>Bangkok Ranch Public Company Limited</p> <p>2016 - Present Independent Director and Chairman of Audit Committee</p> <p>AIRA Factoring Public Company Limited</p> <p>2011 - 2016 Director</p> <p>AIRA Factoring Public Company Limited</p> <p>2005 – 2011 Director and Executive Director</p> <p>AIRA Factoring Public Company Limited</p> <p>Board member / Management in Non-Listed Company – The Stock Exchange of Thailand: 1 company</p> <p>2002 - Present Director / Chao Khun Agro Products Company Limited</p> <p>1991 - December 2019 Director / Business Venture Promotion Company Limited</p> <p>2018 - October 2019 Independent Director, Audit Committee and Chairman of the Nomination and Remuneration Committee</p> <p>Hydroquip Company Limited</p> <p>2018 - April 2019 Independent Director and Audit Committee</p> <p>Eastern Energy Plus Company Limited</p> <p>2002 - January 2019 Director / BVP Business Consultants Company Limited</p> <p>Position in other organization / Institutions: 4 places</p> <p>2001 - Present Audit Committee /</p> <p>The Thai Chamber of Commerce and Board of Trade of Thailand</p> <p>2001 - Present Fellow Member / Thai Institute of Directors Association (IOD)</p> <p>2000 - Present Founder member / Thai Factoring Association</p> <p>1955 - Present Founder member / Thai Venture Capital Association</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
<p>3. Mrs. Yajai Pattanasukwasun Independent Director, Audit Committee and Chairman of Nomination and Remuneration Committee</p> <p>Date of appointment: August 14, 2014</p> <p>Age 62 years</p> <p>Shareholding proportion (%) : none</p> <p>Number of meetings attended / Total meetings held : 7/7</p> <p>Relationship with Directors and Management : none</p> <p>Illegal Record in the past 10 years : None</p>	<p>Education / Training:</p> <ul style="list-style-type: none"> ■ Master of Public Administration, Chulalongkorn University ■ Bachelor of Accountancy, Thammasat University ■ Bachelor of Laws, Sukhothai Thammathirat Open University ■ Certification of Public Law, Thammasat University <p>Director Training from Thai Institute of Directors Association (IOD):</p> <ul style="list-style-type: none"> ■ IT Governance and Cyber Resilience Program Class 18/2021 ■ Boards that Make a Difference (BMD) Class 6/2018 ■ Risk Management Program for Corporate Leader Class 16 ■ Advanced Audit Committee Program (AACP) Class 22/2016 ■ Audit Committee Program (ACP) Class 4/2005 ■ Director Certification Program (DCP) Class 43/2004 	<p>Board member / Management in Listed Company – The Stock Exchange of Thailand: 1 company</p> <p>2014 - Present Independent Director, Audit Committee and Chairman of Nomination and Remuneration Committee AIRA Factoring Public Company Limited</p> <p>Board member / Management in Non - Listed Company – The Stock Exchange of Thailand: 5 companies</p> <p>2020 – Present Director of Audit Committee and Office Evaluation Office of the National Anti-Corruption Commission</p> <p>Jun 2021- Present Director, Audit Committee and Director of Corporate Governance / Thai Credit Guarantee Corporation (TCG)</p> <p>Aug 2021 – Present Chairman of the Board of Directors</p> <p>Islamic Bank Asset Management Company Limited</p> <p>Aug 2020 – Present Director, Audit Committee</p> <p>The Market Organization Under the Ministry of Interior</p> <p>Aug 2019 - Present Director, Chairman of Audit Committee</p> <p>AIRA Asset Management Company Limited</p> <p>Jan 2019 - Sep 2019 Director, Chairman of Risk Management Committee, Remuneration and Nomination Committee</p> <p>Small and Medium Enterprise Development Bank of Thailand</p> <p>Apr 2019 - Sep 2019 Inspector for Ministry of Finance</p> <p>Office of Permanent Secretary Ministry of Finance</p> <p>2018 - Sep 2019 Director , Audit Committee / Sports Authority of Thailand</p> <p>2016 - Apr 2019 Advisor on Policy and Strategy / Office of Permanent Secretary for Finance, Ministry of Finance</p> <p>2014 - Sep 2019 Director, Director of Executive Committee and Legal Advisor Government Pharmaceutical Organization</p> <p>Position in other organization / Institutions: 1 place</p> <p>2012 - Present Director and CFO</p> <p>Institute of Research and Development for Public Enterprises</p> <p>2015 - 2019 Secretary</p> <p>Thammasat University Commerce and Accountancy Alumni</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
<p>4. Mr. Poonsak Thiapairat Independent Director, Audit Committee and Nomination and Remuneration Committee</p> <p>Date of appointment: February 25, 2004</p> <p>Age 57 years</p> <p>Shareholding proportion (%) : 4,440,000 shares (0.28%)</p> <p>Number of meetings attended / Total meetings held : 7/7</p> <p>Relationship with Directors and Management :: none</p> <p>Illegal Record in the past 10 years : None</p>	<p>Education / Training:</p> <ul style="list-style-type: none"> ■ MBA (Finance and International Business), Sasin Graduate Institute of Business Administration of Chulalongkorn University ■ Master of Science Program in Logistics, Chulalongkorn University <p>Director Training from Thai Institute of Directors Association (IOD):</p> <ul style="list-style-type: none"> ■ Finance for Non-Finance Director (FN) class 23/2005 ■ Directors Accreditation Program (DAP) class 11/2004 	<p>Board member / Management in Listed Company – The Stock Exchange of Thailand: 1 company 2004 - Present Independent Director, Audit Committee and Nomination and Remuneration Committee AIRA Factoring Public Company Limited</p> <p>Board member / Management in Non - Listed Company – The Stock Exchange of Thailand: 3 companies 2021 – Present Chief Executive Officer The Bricket Company Limited Director Poons Group of companies 2015 - Present Director Bellugg Group Company Limited 2014 – Present Director and Senior Executive Advisor 2014 - 2020 Eternity Grand Logistics Public Company Limited and the subsidiaries company</p> <p>Position in other organization / Institutions: -None- Position in conflict of interest to the company: -None- History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
<p>5. Mrs. Ladavan Tanatanit Director, Authorized Director and Executive Committee</p> <p>Date of appointment: March 1, 2011</p> <p>Age 76 years</p> <p>Shareholding proportion (%) : none</p> <p>Number of meetings attended / Total meetings held : 7/7</p> <p>Relationship with Directors and Management :: none</p> <p>Illegal Record in the past 10 years : None</p>	<p>Education / Training:</p> <ul style="list-style-type: none"> ■ Master of Business Administration, Finance and Banking, Eastern New Mexico University, U.S.A. ■ Bachelor of Business Administration, Finance, Thammasat University ■ Advanced Bank Management Program (ABMP), Asian Institute of Management, Republic of the Philippines ■ Diploma, National Defence College, The Joint State - Private Sector Course Class 9 ■ Certificate of the Capital Market Leadership Program, Capital Market Academy, Class 6 ■ Politics and Governance in Democratic Systems for Executives, King Prajadhipok's Institute, Class 13 ■ The Program for Senior Executives on Justice Administration, National Justice Academy, Office of Judiciary, Class 17 <p>Director Training from Thai Institute of Directors Association (IOD):</p> <ul style="list-style-type: none"> ■ Director Certification Program (DCP) Class 96/2007 	<p>Board member / Management in Listed Company – The Stock Exchange of Thailand: 1 company April 2021 - Present Director, Authorized Director and Executive Committee AIRA Factoring Public Company Limited</p> <p>2011 – April 2021 Director, Authorized Director and Chairman of Executive Committee AIRA Factoring Public Company Limited</p> <p>Board member / Management in Non - Listed Company – The Stock Exchange of Thailand: 1 company 2012 - Present Finance and Real Estate Business Advisor DTGO Corporation Limited</p> <p>Position in other organization / Institutions: 1 place 2014 - Present Associate Justice The Central Intellectual Property and International Trade Court</p> <p>Position in conflict of interest to the company: -None- History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
<p>6. Mr. Visit Vongruamlarp Director and Credit Committee</p> <p>Date of appointment: 29 April 2011</p> <p>Age 72 years</p> <p>Shareholding proportion (%) : none</p> <p>Number of meetings attended / Total meetings held : 7/7</p> <p>Relationship with Directors and Management : none</p> <p>Illegal Record in the past 10 years : None</p>	<p>Education / Training:</p> <ul style="list-style-type: none"> ■ Bachelor of Accounting, Thammasat University ■ Politics and Governance in Democratic Systems for Executives Class 1, King Prajadhipok's Institute ■ Improving the Quality of Finance Reporting <p>Director Training from Thai Institute of Directors Association (IOD):</p> <ul style="list-style-type: none"> ■ Director Accreditations Program (DAP) Class 14/2004 ■ Director Certification Program (DCP) Class 44/2004 	<p>Board member / Management in Listed Company – The Stock Exchange of Thailand: 2 companies</p> <p>2017 - Present Independent Director</p> <p>Don Muang Tollway Public Company Limited</p> <p>Director and Credit Committee</p> <p>April 2021 - Present</p> <p>AIRA Factoring Public Company Limited</p> <p>2011 – April 2021</p> <p>Director and Chairman of Credit Committee</p> <p>AIRA Factoring Public Company Limited</p> <p>2015 - 2018</p> <p>Director</p> <p>Bangchak Corporation Public Company Limited</p> <p>2007 - 2015</p> <p>Director</p> <p>D.T.C. Industries Public Company Limited</p> <p>Board member / Management in Non - Listed Company – The Stock Exchange of Thailand: -None-</p> <p>2016 - 2017</p> <p>Director, the Property Management Office</p> <p>Thammasat University</p> <p>2008 - 2016</p> <p>Director and Audit Committee, Property Management Office</p> <p>Thammasat University</p> <p>Position in other organization / Institutions: -None-</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
<p>7. Mrs. Naline Ngamsetthamas Director, Authorized Director, Nomination and Remuneration Committee and Executive Committee</p> <p>Date of appointment: March 1, 2011</p> <p>Age 62 years</p> <p>Shareholding proportion (%) : none</p> <p>Number of meetings attended / Total meetings held : 7/7</p> <p>Relationship with Directors and Management : none</p> <p>Illegal Record in the past 10 years : None</p>	<p>Education / Training:</p> <ul style="list-style-type: none"> ■ Ph.D. (Honorary Degree) in Finance, Sripatum University ■ Certificate Master Marketing, Thammasat University and University of Gutenberg ■ Master of Business Administration (Finance Management), National Institute of Development Administration (NIDA) ■ Bachelor of Science, Srinakharinwirot University ■ Advanced Master of Management Program (AMM Batch#1), The National Institute of Development Administration (NIDA) ■ Thailand Insurance Leadership Program (OIC Batch#7), Office of Insurance Commission ■ Thammasat World Leadership Program (TWLP Batch# 1), Thammasat University Alumni Association ■ Leadership Succession Program (LSP Batch#4) Institute of Research and Development for Public Enterprises (IRDP) ■ Thammasat Leadership Program (TLP Batch# 3), Thammasat University Alumni Association ■ Advanced Security Management Program (ASMP Batch# 3), Thailand National Defense College ■ Capital Market Academy Leadership Program (CMA Batch#8), The Capital Market Academy, The Stock Exchange of Thailand (SET) 	<p>Board member / Management in Listed Company – The Stock Exchange of Thailand: 2 companies 2011 - Present Director, Authorized Director, Member of the Executive Committee, Member of the Nomination and Remuneration Committee AIRA Factoring Public Company Limited Director, Authorized Director, Chairman of Investment Committee and Chief Executive Officer AIRA Capital Public Company Limited</p> <p>Board member / Management in Non - Listed Company – The Stock Exchange of Thailand: 9 companies October 2020 – Present Authorized Director Aspiration Two Company Limited Authorized Director AIRA Venture Capital Company Limited Authorized Director AIRA Asset Management Company Limited Authorized Director Travelex (Thailand) Company Limited Chairman of the Board of Directors, Authorized Director and Chairman of Executive Committee AIRA Leasing Public Company Limited Authorized Director, Chairman of Executive Committee and Chief Executive Officer AIRA Property Company Limited Chairman of the Board of Directors and Authorized Director Aspiration One Company Limited Authorized Director, Chairman of Nomination and Remuneration Committee AIRA & AIFUL Public Company Limited Authorized Director AIRA Securities Public Company Limited</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
	<p>Director Training from Thai Institute of Directors Association (IOD):</p> <ul style="list-style-type: none"> ■ Director Forum 2017 “The Board’s role in CEO Succession Planning ■ CAC Conference 2017 “Bright Spots: Lighting the way to a corruption free society” ■ Corporate Governance for Capital Market Intermediaries (CGI) Class 15/2016 ■ IOD Exclusive Event (M-IEE) Class 1/2015 ■ Role of Chairman Program (RCP) Class 31/2013 ■ Director Accreditation Program (DAP) Class 61/2007 	<p>2013 – June 2020 Chairman of the Board of Directors and Authorized Director AIRA International Advisory (Singapore) Pte., Ltd. Executive Committee</p> <p>2017 – 2019 Nok Airline Public Company Limited</p> <p>2017 – 2019 Chairman of the Board of Directors and Authorized Director Nok Scoot Airline Company Limited</p> <p>2014 – 2019 Chairman of Executive Committee AIRA & AIFUL Public Company Limited</p> <p>2017 – 2018 Director Nok Mangkang Company Limited</p> <p>2012 - 2016 Chairman of the Board of Directors and Authorized Director AIRA Advisory Company Limited</p> <p>2007 - 2016 Executive Committee AIRA Securities Public Company Limited</p>
		<p>Position in other organization / Institutions: -None-</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
<p>8. Mrs. Nongluk Chantarasombat Director, Authorized Director and Chairman of Credit Committee</p> <p>Date of appointment: May 14, 2018</p> <p>Age 65 years</p> <p>Shareholding proportion (%) : none</p> <p>Number of meetings attended / Total meetings held : 7/7</p> <p>Relationship with Directors and Management : none</p> <p>Illegal Record in the past 10 years : None</p>	<p>Education / Training:</p> <ul style="list-style-type: none"> ■ Master of Business Administration, Kasetsart University ■ Bachelor of Economics, Ramkhamhaeng University ■ Situational Leadership for Top Leaders ■ Digital Banking & Inspirational Leadership ■ Executive Leadership Development Program (ELDP) Compass Institute, LEAD Business & Cornell University ■ Business Strategy ■ Strategic Management for Growth ■ The 7 Habits of Highly Effective <p>Director Training from Thai Institute of Directors Association (IOD):</p> <ul style="list-style-type: none"> ■ Director Accreditation Program (DAP) Class 152/2018 	<p>Board member / Management in Listed Company – The Stock Exchange of Thailand: 1 company</p> <p>April 2021 – Present Director, Authorized Director and Chairman of Credit Committee</p> <p>2018 – April 2021 AIRA Factoring Public Company Limited Director, Authorized Director and Credit Committee</p> <p>2014 - 2017 AIRA Factoring Public Company Limited Executive Vice President, Group Management, the credit restructuring group 2</p> <p>2015 Krung Thai Bank Public Company Limited Executive Vice President, Group Management, the credit restructuring group 2 and Acting Group Management of Property forSale</p> <p>2013 Krung Thai Bank Public Company Limited Senior Vice President, Group Management, the credit restructuring group 2</p> <p> Krung Thai Bank Public Company Limited</p>
		<p>Board member / Management in Non - Listed Company – The Stock Exchange of Thailand: -None-</p> <p>Position in other organization / Institutions: -None-</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
<p>9. Admiral Navapol Damrongpong Independent Director</p> <p>Date of appointment: May 12, 2020</p> <p>Age 63 years</p> <p>Shareholding proportion (%) : none</p> <p>Number of meetings attended / Total meetings held : 7/7</p> <p>Relationship with Directors and Management : none</p> <p>Illegal Record in the past 10 years : None</p>	<p>Education / Training:</p> <ul style="list-style-type: none"> ■ Master of Public and Private Management Program, National Institute of Development Administration (NIDA) ■ Naval Cadet Program Class #75, Royal Thai Naval Academy ■ Cadet Program Class #18, Armed Forces Academies Preparatory School ■ FO MW CO/XO Designate Course, Australia ■ Royal Thai Marine Air Delivery Course Class 4 ■ Surface Warfare and Commanding Officer Course ■ Executive Relationship Development Course (ERDC) Class 7 ■ Naval Staff Program Class #53, Naval Command and Staff College ■ Naval War Program Class #36, Naval War College, Royal Thai Navy ■ The National Defence Course Class #55, National Defence College ■ Capital Market Leader Program Class #25, Capital Market Academy ■ Advance Master Management Program (AMM) Class #1, National Institute of Development Administration (NIDA) <p>Director Training from Thai Institute of Directors Association (IOD)</p> <ul style="list-style-type: none"> ■ Director Accreditation Program (DAP) Class 177/2020 	<p>Board member / Management in Listed Company – The Stock Exchange of Thailand: 4 companies</p> <p>2021 – Present Director / Singer Thailand Public Company Limited</p> <p>2019 – Present Consultant / BTS Group Holdings PCL</p> <p>2020 – Present Independent Director, Audit Committee and Nomination and Remuneration Committee / Raja Ferry Port Public Company Limited</p> <p>2020 – Present Independent Director / AIRA Factoring Public Company Limited</p> <p>Board member / Management in Non - Listed Company – The Stock Exchange of Thailand: 2 companies</p> <p>2021 - Present Director / Muangthong Assets Company Limited</p> <p>2020 – Present Consultant / U-Tapao International Aviation Company Limited</p> <p>Position in other organization / Institutions: -None-</p> <p>2018 – 2019 Deputy Chief of Defence Forces</p> <p>Royal Thai Armed Forces Headquarters</p> <p>2017 – 2018 Assistant Commander- In-Chief</p> <p>Royal Thai Navy</p> <p>2016 – 2017 RTN Advisory Group</p> <p>Royal Thai Navy</p> <p>2015 – 2016 Board</p> <p>Malaysia -Thailand Joint Authority (MTJA)</p> <p>2015 – 2016 Assistant secretary</p> <p>Special Economic Zone policy committee</p> <p>2015 – 2016 Advisor to Chairman</p> <p>Industrial Estate Authority of Thailand</p> <p>2014 – 2016 Commander-in-Chief of the military</p> <p>Royal Thai Armed Forces Headquarters</p>
	<p>Director Training from Thai Institute of Directors Association (IOD)</p> <ul style="list-style-type: none"> ■ Director Accreditation Program (DAP) Class 177/2020 	<p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
<p>10. Mr. Akrawit Sooksai Director, Executive Committee, Credit Committee, Authorized Director and Chief Executive Officer</p> <p>Date of appointment: July 5, 2018</p> <p>Age 48 years</p> <p>Shareholding proportion (%) : none</p> <p>Number of meetings attended / Total meetings held : 7/7</p> <p>Relationship with Directors and Management : none</p> <p>Illegal Record in the past 10 years : None</p>	<p>Education / Training:</p> <ul style="list-style-type: none"> ■ Master of Economics, Thammasat University ■ Digital Banking Transformation & Framework ■ Enterprise Risk Management for Financial Institutions ■ Certificate for Credit Underwriting, OMEGA (Financial Accounting for Banker & Credit Policy for Banker) <p>Director Training from Thai Institute of Directors Association (IOD)</p> <ul style="list-style-type: none"> ■ Director Certification Program (DCP) Class 286/2019 ■ Director Accreditation Program (DAP) Class 152/2018 	<p>Board member / Management in Listed Company – The Stock Exchange of Thailand: 1 company 2018 - Present Director, Executive Committee, Credit Committee, Authorized Director and Chief Executive Officer AIRA Factoring Public Company Limited</p> <p>2011 - 2018 Vice President - Credit Underwriting Department Vice President - Credit Policy & Credit Risk Department Kasikorn Bank Public Company Limited</p> <p>Board member / Management in Non - Listed Company – The Stock Exchange of Thailand: -None-</p> <p>Position in other organization / Institutions: 1 place 2018 - Present President of Thai Factors Association Thai Factors Association</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
11. Mr. Chanon Chotvijit Chairman of Executive Committee Date of appointment: July 5, 2018 Age 62 years Shareholding proportion (%) : none Relationship with Directors and Management : none Illegal Record in the past 10 years : None	Education / Training: <ul style="list-style-type: none"> Master of Economic Law, Chulalongkorn University Master of Financial Economics, National Institute of Development Administration Bachelor of International Economics (2nd Class Honors), Chulalongkorn University National Defence College (NDC 51) Top Executive Program, Capital Market Academy (CMA 23) Top Executive Program in Commerce and Trade (TEPCoT 10) Director Training from Thai Institute of Directors Association (IOD): <ul style="list-style-type: none"> Financial Institutions Governance Program (FGP) Class 4/2012 Director Certification Program (DCP) Class 55/2005 Audit Committee Program (ACP) Class 4/2005 Directors Accreditation Program (DAP) Class 29/2004 	Board member / Management in Listed Company – The Stock Exchange of Thailand: 1 companies April 2021 – Present Chairman of Executive Committee 2018 – April 2021 AIRA Factoring Public Company Limited Executive Committee 2015 – 2021 AIRA Factoring Public Company Limited Independent Director, Chairman of Audit Committee, and Nomination and Remuneration Committee Chayo Group Public Company Limited Board member / Management in Non - Listed Company – The Stock Exchange of Thailand: 2 companies 2016 - Present Chairman of Executive Committee Brain Consultant International Company Limited 2012 – Present Chief Executive Officer Is Property Company Limited Position in other organization / Institutions: 1 place 2017 - Present Advisor Thai Valuers Association Position in conflict of interest to the company: -None- History of potential conflict of interest with the Company in the past year: -None-

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
<p>12. Mr. Suthiporn Tanthikul Executive Committee and Credit Committee</p> <p>Date of appointment: July 5, 2018</p> <p>Age 60 years</p> <p>Shareholding proportion (%) : none</p> <p>Relationship with Directors and Management : none</p> <p>Illegal Record in the past 10 years : None</p>	<p>Education / Training:</p> <ul style="list-style-type: none"> ■ Master of Economics program, National Institute of Development Administration ■ Bachelor of Economic, The University of the Thai Chamber of Commerce ■ Leadership Succession Program (Batch#5) Institute of Research and Development for Public Enterprises (IRDP) ■ Thammasat Leadership Program (Batch#4), Thammasat University ■ Risk Management Program (Batch#2), Chulalongkorn University <p>Director Training from Thai Institute of Directors Association (IOD):</p> <ul style="list-style-type: none"> ■ Director Certification Program (DCP) Class 215/2016 ■ Risk Management Committee (RMP) Class 4/2014 	<p>Board member / Management in Listed Company – The Stock Exchange of Thailand: 2 companies</p> <p>2019 - Present Executive Committee AIRA Factoring Public Company Limited</p> <p>2018 - Present Credit Committee AIRA Factoring Public Company Limited</p> <p>2013 - present Managing Director and Risk Management Committee AIRA Capital Public Company Limited</p> <p>Board member / Management in Non - Listed Company – The Stock Exchange of Thailand: 7 companies</p> <p>January 2021 – Present Executive Committee AIRA Securities Public Company Limited</p> <p>October 2020 – Present Authorized Director Aspiration Two Company Limited</p> <p>February 2018 – Present Leasing Committee Leasing Committee</p> <p>June 2016 - Present Authorized Director AIRA Leasing Company Limited</p> <p>2016 - present Authorized Director AIRA Asset Management Company Limited</p> <p>December 2016 – Present Authorized Director AIRA Venture Capital Company Limited</p> <p>2016 - Present Authorized Director and Executive Committee AIRA and AIFUL Public Company Limited</p> <p>2016 – January 2021 Executive Committee AIRA Leasing Company Limited</p> <p>2015 – November 2020 Authorized Director AIRA Property Public Company Limited</p> <p>Position in other organization / Institutions: -None-</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
<p>13. Mr. Ekawat Priyawarasakul Executive Committee</p> <p>Date of appointment: December 14, 2021</p> <p>Age 41 years</p> <p>Shareholding proportion (%) : none</p> <p>Relationship with Directors and Management : none</p> <p>Illegal Record in the past 10 years : None</p>	<p>Education / Training:</p> <ul style="list-style-type: none"> ■ Master of Laws, Master of Legal Institutions (M.L.I.), University of Wisconsin-Madison, the United States of America ■ Bachelor of Laws, LL.B., Thammasat University ■ Summer Program in United States Law and Legal Institutions, held by University of Wisconsin-Madison ■ Executive in Industrial and Investment Business Development Program (Class 4), held by Institute of Business and Industrial Development (IBID) ■ Labor Relations Consultant Program, held by the Employers' Confederation of Thai Trade and Industry (ECONTHAI) ■ Executive Program, held by the Capital Market Academy (CMA) (Class 31) <p>Director Training from Thai Institute of Directors Association (IOD)</p> <ul style="list-style-type: none"> ■ Directors Certification Program: DCP Class of 224/2016 ■ Role of the Chairman Program (RCP) Class of 41/2017 ■ Board Nomination and Compensation Program (BNCP) Class of 2/2017 	<p>Board member / Management in Listed Company - The Stock Exchange of Thailand: 1 Company December 2021 – Present Executive Director</p> <p>2015 – July 2021 AIRA Factoring Public Company Limited Audit Committee</p> <p>2016 – July 2021 IT Green Public Company Limited Audit Committee and Nomination and Remuneration Committee</p> <p>International Research Corporation Public Company Limited</p> <p>Board member / Management in Non - Listed Company – The Stock Exchange of Thailand: 2 companies 2014 – Present Director ES Counsel Company Limited</p> <p>2015 – Present Director Hirata Engineering (Thailand) Company Limited</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
<p>14. Mr. Watana Sangvongmai Credit Committee</p> <p>Date of appointment: April 1, 2020</p> <p>Age 61 years</p> <p>Shareholding proportion (%) : none</p> <p>Relationship with Directors and Management : none</p> <p>Illegal Record in the past 10 years : None</p>	<p>Education / Training:</p> <ul style="list-style-type: none"> ■ Master's degree: MS Finance and banking NIDA ■ Bachelor's degree: BC Economic Thammasat ■ Mini MBA, Chulalongkorn University ■ Financial Executive Development Program-FINEX 20, The Thai Institute of Banking and Finance Association <p>Director Training from Thai Institute of Directors Association (IOD) -None-</p>	<p>Board member / Management in Listed Company – The Stock Exchange of Thailand: 2 company</p> <p>2020 - Present Credit Committee AIRA Factoring Public Company Limited Executive Committee</p> <p>2020 – Present AIRA Leasing Public Company Limited FSVP SME Relationship Management Bangkok Division FSVP SME Control & Development</p> <p>2017 - 2019 FSVP SME Northeast Region</p> <p>2015 - 2017 SVP SME Bangkok Region</p> <p>2011 – 2015 Business Banking</p> <p>2006 – 2011 Agricultural and Commodity Division</p> <p>1995 – 2002 Siam Commercial Bank Public Company Limited</p> <p>1987 – 1995</p> <p>Board member / Management in Non - Listed Company – The Stock Exchange of Thailand: -None-</p> <p>Position in other organization / Institutions: -None-</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
15. Mr. Virut Danarthikhom Credit Committee Date of appointment: November 10, 2020 Age 64 years Shareholding proportion (%) : none Relationship with Directors and Management : none Illegal Record in the past 10 years : None	Education / Training: <ul style="list-style-type: none"> ■ Bachelor of Economics, Ramkhamhaeng University ■ Bachelor of Law Thammasat University ■ MBA, Sasun Graduate Institute of Business Administration of Chulalongkorn University Director Training from Thai Institute of Directors Association (IOD) <ul style="list-style-type: none"> ■ Ethical Leadership Program (ELP) Class 6/2016 	Board member / Management in Listed Company – The Stock Exchange of Thailand: 1 company 2020 - Present Credit Committee AIRA Factoring Public Company Limited 2015 - 2018 Executive Vice President of Risk Management and Debt Recovery AIRA Factoring Plc. 2007 - 2014 Head of Corporate RHB Bank Berhad, Bangkok Branch Board member / Management in Non - Listed Company – The Stock Exchange of Thailand: -None- Position in other organization / Institutions: -None- Position in conflict of interest to the company: -None- History of potential conflict of interest with the Company in the past year: -None-

- 2) Information of management, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision, the Company's secretary

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
<p>1. Mrs. Pornpilai Burasai Managing Director</p> <p>Date of appointment: March 1, 2019</p> <p>Age 59 years</p> <p>Shareholding proportion (%) : none</p> <p>Relationship with Directors and Management : none</p> <p>Illegal Record in the past 10 years : None</p>	<p>Education / Training:</p> <ul style="list-style-type: none"> ■ Master of Business Administration (MBA), National Institute of Development Administration (NIDA) ■ Mini MBA, Chulalongkorn University ■ Bachelor of Economic, Thammasat University ■ Graduated Diploma in English for Business and Management (EBM), Thammasat University ■ Peace Ambassadors Class, Mahachulalongkornrajavidyalaya University <p>Director Training from Thai Institute of Directors Association (IOD):</p> <ul style="list-style-type: none"> ■ Executive Director Program (EDP) Class 9/2011 	<p>Board member / Management in Listed Company – The Stock Exchange of Thailand: 1 company</p> <p>2019 - Present Managing Director AIRA Factoring Public Company Limited</p> <p>2018 Acting Managing Director AIRA Factoring Public Company Limited</p> <p>2011 - 2018 Executive Vice President of Credit and Marketing Department 2 AIRA Factoring Public Company Limited</p> <p>Board member / Management in Non - Listed Company – The Stock Exchange of Thailand: -None-</p> <p>Position in other organization / Institutions: -None-</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
<p>2. Mr. Pattawut Veerapradit Assistant Managing Director, Finance & Administration Division</p> <p>the person assigned to take the highest responsibility in Accounting and Finance</p> <p>Date of appointment: 16 December 2019</p> <p>Company Secretary</p> <p>Date of appointment: 14 December 2021</p> <p>Age 49 years</p> <p>Shareholding proportion (%) : none</p> <p>Relationship with Directors and Management :: none</p> <p>Illegal Record in the past 10 years : None</p>	<p>Education / Training:</p> <ul style="list-style-type: none"> Master of Business Administration: Corporate Finance, University of Dallas, TX, U.S.A. Bachelor of Business Administration: Finance & Banking, The Faculty of Commerce and Accountancy, Thammasat University Refreshment of the Role and Expectation of A CFO CFO's Orientation Course For New IPOs, Federation of Accounting Professions under the Royal Patronage of His Majesty King <p>Director Training from Thai Institute of Directors Association (IOD): None</p>	<p>Board member / Management in Listed Company – The Stock Exchange of Thailand: 1 company 2019 - Present Executive Vice President, Finance & Administration Division AIRA Factoring Public Company Limited</p> <p>Board member / Management in Non - Listed Company - The Stock Exchange of Thailand: None 2010 - 2019 Vice President: Finance Division and Manager of Thailand Representative Office TAEL Management Co. (Malaysia) SDN. BHD.</p> <p>Position in other organization / Institutions: -None- Position in conflict of interest to the company: -None- History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
3. Mr. Vuthipong Anurattada Executive Vice President Credit and Marketing Group 1 Date of appointment: 28 September 2018 Age 50 years Shareholding proportion (%) : none Relationship with Directors and Management : none Illegal Record in the past 10 years : None	Education / Training: <ul style="list-style-type: none"> ■ Master of Business Administration, University of the Thai Chamber of Commerce ■ Bachelor of Business Administration, University of the Thai Chamber of Commerce Director Training from Thai Institute of Directors Association (IOD): <ul style="list-style-type: none"> ■ Executive Development Program (EDP) Class 6 	Board member / Management in Listed Company - The Stock Exchange of Thailand: 1 company 2018 - Present Assistant Managing Director, Credit and Marketing Group 1 AIRA Factoring Public Company Limited 2001 - 2018 Senior Vice President of Credit and marketing 1 AIRA Factoring Public Company Limited Board member / Management in Non - Listed Company - The Stock Exchange of Thailand: -None- Position in other organization / Institutions: -None- Position in conflict of interest to the company: -None- History of potential conflict of interest with the Company in the past year: -None-
4. Mr. Perayot Ketchat Assistant Managing Director, Risk Management and Debt Recovery Division Date of appointment: 12 November 2019 Age 47 years Shareholding proportion (%) : none Relationship with Directors and Management : none Illegal Record in the past 10 years : None	Education / Training: <ul style="list-style-type: none"> ■ Master of Business Administration (M.B.A.), Burapha University ■ Bachelor of Finance, Dhurakijpundit University ■ Certificate, Banking and Finance Law Program (Batch#4), Thammasat University Director Training from Thai Institute of Directors Association (IOD): None	Board member / Management in Listed Company - The Stock Exchange of Thailand: 1 company 2019 - Present Executive Vice President, Risk Management and Debt Recovery Division AIRA Factoring Public Company Limited 2014 - 2018 Assistant Vice President, Corporate Credit Risk Analysis Office 2 Land and Houses Bank Public Company Limited Board member / Management in Non - Listed Company - The Stock Exchange of Thailand: -None- Position in other organization / Institutions: -None- Position in conflict of interest to the company: -None- History of potential conflict of interest with the Company in the past year: -None-

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
<p>5. Mr. Pipob Jirawongsakorn Assistant Managing Director, Operation, and Information Technology Division</p> <p>Date of appointment: 12 November 2019</p> <p>Age 51 years</p> <p>Shareholding proportion (%) : none</p> <p>Relationship with Directors and Management : none</p> <p>Illegal Record in the past 10 years : None</p>	<p>Education / Training:</p> <ul style="list-style-type: none"> ■ Bachelor of Business Administration (Accounting), Sukhothai Thammathirat Open University ■ Bachelor of Arts (General Management), Suan Dusit Teacher's College ■ Minis Master of Management, National Institute of Development Administration <p>Director Training from Thai Institute of Directors Association (IOD): None</p>	<p>Board member / Management in Listed Company - The Stock Exchange of Thailand: 1 company</p> <p>2019 - Present Executive Vice President, Operation, and Information Technology Division AIRA Factoring Public Company Limited</p> <p>Board member / Management in Non - Listed Company - The Stock Exchange of Thailand: None</p> <p>2017 - 2019 Vice President, Operation Southeast Capital Company Limited</p> <p>2011 - 2017 Vice President, Operation Bangkok Grand Pacific Lease Public Company Limited</p> <p>Position in other organization / Institutions: -None-</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>
<p>6. Ms. Paisri Phakcharoenpol Senior Vice President Accounting and Finance Department</p> <p>Date of appointment: 25 August 2004</p> <p>Age 59 years</p> <p>Shareholding proportion (%) : 905,000 shares (0.06%)</p> <p>Relationship with Directors and Management : none</p> <p>Illegal Record in the past 10 years : None</p>	<p>Education / Training:</p> <ul style="list-style-type: none"> ■ Bachelor of Accounting & Finance , University of the Thai Chamber of Commerce 	<p>Board member / Management in Listed Company - The Stock Exchange of Thailand: 1 company</p> <p>2001 - Present Senior Vice President Accounting and Finance Department AIRA Factoring Public Company Limited</p> <p>Board member / Management in Non - Listed Company - The Stock Exchange of Thailand: None</p> <p>Position in other organization / Institutions: -None-</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / Training record	Work experiences (5 years past experiences)
<p>7. Ms. Wattara Arun Company Secretary</p> <p>Date of appointment: 12 May 2020</p> <p>Age 53 years</p> <p>Shareholding proportion (%) : none</p> <p>Relationship with Directors and Management : none</p> <p>Illegal Record in the past 10 years : None</p>	<p>Education / Training:</p> <ul style="list-style-type: none"> ■ Master of Business Administration (M.B.A.), Indiana University of Pennsylvania ■ Bachelor of Accounting, University of the Thai Chamber of Commerce <p>Director Training from Thai Institute of Directors Association (IOD):</p> <ul style="list-style-type: none"> ■ Company Secretary Programme (CSP) class no. 59/2014 	<p>Board member / Management in Listed Company - The Stock Exchange of Thailand: 1 company</p> <p>2020 - Present Company Secretary AIRA Factoring Public Company Limited</p> <p>2017-2019 Advisor Company Secretary Planet Communications Asia Public Company Limited</p> <p>2013-2017 Company Secretary Planet Communications Asia Public Company Limited</p> <p>2012-2013 Company Secretary and Administration manager Krungthep Sophon Public Company Limited</p> <p>Board member / Management in Non - Listed Company - The Stock Exchange of Thailand: None</p> <p>Position in other organization / Institutions: -None-</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

1.2 Describe the duties and responsibilities of the Company's secretary

The Board of Director had approved the appointment of Mr. Pattawut Veerapradit to be the Company Secretary and contact person since 14 December 2021 instead of Ms. Wattara Arun who was resigned during the year 2021.

The duties and responsibilities of the Company Secretary are in accordance with the Securities and Exchange Act Section 89/15 as follows:

1. To be a center point for document preparation/keeping
2. Prepare / keep a register of directors
3. Organize a shareholders' meeting, prepare and keep the notice of meeting and the

minutes of the shareholders' meeting

4. Report on the interests of directors and executives
5. Organize activities between directors and executives
6. Coordinate with relevant departments to ensure compliance with the resolutions of the Board of Directors.
7. Give opinions on the law and various announcements
8. Other matters assigned by the Board of Directors

Details of the directors of subsidiaries

-None-

Detail of Head of Internal Audit and Compliance

The Audit Committee Meeting No. 3/2006 held on August 7, 2006 appointed Ms. Somjai Amornchainoppakun to be the head of the Internal Audit and Compliance Office because she is qualified, knowledgeable, experienced in internal audit work, financial reporting, accounting and securities and exchange law and well understanding of the activities and operations of the company, Therefore, it is appropriate to perform such duties appropriately and adequately. with a role and responsibilities as follows:

Internal Audit

1. To review and report of reliability, correctness, and completion of financial information.
2. To review working systems which have critical effect to operation and proving that all operations have been complied with all policies, objective, regulations, company rules and other relative laws and regulations to the company business.
3. To review an appropriate keeping of company assets and ensure the existence of assets.
4. To review working systems that having internal control and evaluation of risk control and utilization of company resources with efficiency and appropriateness.
5. To review quality of internal operations that have been done in compliance with working plan and in line with objective and company target.
6. To give advice, opinion, suggestion, and related activity information which have been reviewed for suitable improvement and more efficiency.
7. To advise Management for set up internal control system for efficiency of suitable and sufficient risk management.
8. To support all works of Internal Audit Committee, Directors, management and

operators in all units for added value purpose and improvement the company operation.

9. To review all operations have followed the Entire Anti-Corruption Policy and report of corruption matter to Internal Audit Committee to know.

Compliance

To supervise all working operations to be strictly complied with all rules and regulations including of company policies and all resolutions of BOD. To supervise operations to be complied with existing operation manuals

Profile of the Head of Internal Audit and Compliance Department as below;

Name:	Ms. Somjai Amornchainoppakun
Age:	49 Years
Position:	Head of Internal Audit and Compliance
Education:	<ul style="list-style-type: none"> ■ Master of Business Administration Program in Managerial Accounting, Graduate School of Commerce, Burapha University ■ Bachelor of Accounting, Siam University
Shareholding:	None
Work experience:	<p>การเงิน</p> <p>2006 - Present Head of Internal Audit and Compliance AIRA Factoring Public Company Limited</p> <p>2004 - 2006 Internal Audit and Compliance Manager Advance Finance Public Company Limited</p> <p>2001 - 2004 Internal Audit and Compliance Minor holding (Thailand) Company Limited</p>

Assets for business undertaking and details of asset appraisal

-None-

Policy and Guidelines on Corporate Governance & Code of Business Conduct

The company is reviewed annually and disclosed on the company's website at the link below.

Policy and Guideline on Corporate Governance:

https://airafactoring.co.th/wp-content/uploads/2021/04/01_Coreporate-Governance-Eng..pdf

Policy and Guideline on business conduct:

https://airafactoring.co.th/wp-content/uploads/2021/04/01_Code-of-Conduct-Eng.-1.pdf

REPORT OF THE AUDIT COMMITTEE

The Audit Committee of the AIRA Factoring Public Company Limited appointed by the Board of Directors has consisted of three members of the Board of Directors who are the independent director as follow:

1. Mr. Kunakorn Makchaidee
Chairman of the Audit Committee
2. Mr. Poonsak Thiapairat
Audit Committee
3. Miss Yajai Pattanasukwasun
Audit Committee

The Audit Committee performed its duties as assigned by the Board of Director and in compliance with the criteria governing the Charter of the Audit Committee. Throughout the year 2021, the Audit Committee held 6 meetings with the Company's Management and the Internal Audit and Compliance Department to acknowledge the result of internal audit operation, good governance practice and revise of the sufficiency and suitability of the internal control system and risk management procedure. Besides, the Committee also conducted the meeting together with the external auditor without the Management to consider the result of internal audit activities and review of both the quarterly and annual financial statements. The Audit Committee reported the essence conclusion of every meeting to the Board of Director on each issue summarized as follow;

- In coordination with the independent certified public auditors and the Management group, the Audit Committee had reviewed the Company's financial statements and expressed the opinion on the statement that the financial statements were prepared in accordance with generally accepted accounting principles with appropriate disclosure of information. The independent certified public auditors gave their opinion without any suspicion in their audit report which was proposed to the Board of Director, the shareholder and the stakeholder on following criteria.

- The Audit Committee had examined the internal control procedure and acknowledged the Internal Audit

and Compliance's report following with the annual audit plan as well as considered on the independence of the Internal Audit department to ensure that the Company provided sufficient and appropriate internal control environment and information system within organization and being developed continuously and join for risk management. Besides, the Audit Committee also considered on the transparency of the information disclosure, without the conflict of interest and followed up both the law and regulations of the other related organization and the anti-corruption policy, to the Board of Director to acknowledge on each matter. Overall in 2021, The Company is an adequate internal control however the Audit Committee had suggested the management as follow to improve system operating procedure (SOP) at least once a year or major change, to validate template as Thai Financial Reporting Standards No. 9 Financial Instruments have been consistent with the company's business, to develop core system have been able to use it within the specified period, to consider successor each department

- The Audit Committee had reviewed organization practice, conformed to the law and regulation of the Stock Exchange of Thailand and other related law and regulation via the audit procedure of the Internal Audit and Compliance Department. The Audit Committee expressed an opinion that there is no significant issue that might omit such law and regulation or any conflict of interest transaction unless declaring on the financial statement regarding the connected person or related transaction.

- The Audit Committee had provided a self assessment of its performance to ensure that the Committee performed its duties efficiently and effectively, achieved Company's objective as assigned by the Board of Director and led to continuous improvement and then reported the Board of Director to acknowledge the performance. For year 2021, the overall performance of self assessment was gratifying.

■ The Audit Committee considered and nominated the appointment and remuneration of the Company's independent auditor for 2022 and proposed to the Board of Director to present and seek for an approval from the shareholder annual general meeting afterward.

The Audit Committee has performed its duties following the Charter of the Audit Committee and expressed opinions independently. Throughout the year 2021, in the Audit Committee's opinion, we deemed that the information disclosed in the Company's financial reports has prepared in conformity with generally accepted accounting principles. Besides, the Good

Corporate Governance and risk management procedure was conducted sufficiently and appropriately under organization environment as well as the best practice in compliance with relevant rules and regulations.



(Mr. Kunakorn Makchaidee)
Chairman of the Audit Committee
February 15, 2022



AIRA Factoring Public Company Limited



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