

56 -1 One report

ANNUAL 2022

AIRA Factoring Public Company Limited



LEADER IN NON-BANK BUSINESS

with innovation, technology
and good governance

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● Vision

To be a financial institution (non-Bank) with excellence in providing financial services to meet all level of customers' need.

● Mission

Apply digital technology ,combine business expertise, develop end-to-end financial products and services for customers under efficient business operations for sustainable development with regard to Environment, Social and Good Governance (ESG) according to the business goals.



● Core Values



Message

from the Chairman
of the Board of Directors



Dear shareholders,

At present, the global is facing with a rapid and intense changes. Financial technology is now changing rapidly with higher efficiency in which can meet a variety of needs at lower costs. The growth of financial transactions via technology platform; an intermediary between buyers and sellers in their “New Normal” lifestyles transformation, can be a conspicuous example. The business sectors have adapted more innovative technologies for their services, for example, the financial business has developed their services forms into the Decentralized Finance also used various Blockchain technologies for developing a great customer experience.

In the past few years, AIRA Factoring Public Company Limited has planned to handle with the new technologies transformation by applying technologies for services. The company launched a primary financial service system “Core System” to support online credit process, developed e-Factoring system for electronic credit operations channel as well as e-Document management system for storing electronic document. We aim to develop the company to become a fully digital financial service provider in the near future.

In the past year, the company has faced a variety of challenges continuously, for instance, the expansion of world economy and inflation rate, and the competitive market of both direct and indirect competitors. However, the Board of Directors and Executives have closely monitored the situation and altogether

formulated the appropriate business strategies that leads to a better company performance.

Moreover, AIRA Factoring Public Company Limited has increased more new financial products which focusing on environmental care and clean energy. The company offers “Green Energy” loan for supporting energy and environmental conservation projects. Along with the new products, the company also creates business synergy with other companies in the AIRA group to expand the customer base as well as to increase the company’s revenue. This will support sustainable business growth according to the Environmental, social, and governance (ESG) guidelines which is one of the companies emphasizing.

Finally, on behalf of the Board of Directors of AIRA Factoring Public Company Limited, I would like to express my gratitude to all shareholders, financial partners, and clients, for your continued support over the years. Please trust that the company is still committed to running our business under the principles of good corporate governance for moving forward sustainably.

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

Mr. Sorasit Soontornkes
Chairman of the Board of Directors
Age : 70 Years



Type of Director : Independent Director / Non-Executive Director

Date of appointment : May 14, 2018

Shareholding as of December 31, 2022 :

Direct shareholding : -None-

Indirect shareholding (Spouse and children who are not yet of legal age) : -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 : 2 companies

year	Position	Company
2018 - Present	Independent Director ,Chairman of the Board of Directors	AIRA Factoring Public Company Limited
2018 - Present	Independent Director, Chairman of the Audit Committee and Risk Management Committee	J.D. Food Products 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 : -None-

year	Position	Company
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
2022 - Present	Director of Budget Sub - Committee	The National Broadcasting and Telecommunication Commission (NBTC)
2017 - Present	Director, Internal Audit Office	Chulalongkorn University
2017 - 2022	Audit Committee	Bank of Thailand
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
Chairman of Audit Committee
Age : 67 Years



Type of Director : Independent Director / Non-Executive Director

Date of appointment : November 10, 2016

Shareholding as of December 31, 2022 :

Direct shareholding : 15,500,000 หุ้น คิดเป็น 0.969%

Indirect shareholding (Spouse and children who are not yet of legal age) : -None-

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) :

- Director Leadership Certificate Program - DLCP Class 8/2022
- 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 , 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 - Dec. 2019	Director	Business Venture Promotion Company Limited
2018 - Oct. 2019	Independent Director, Audit Committee and Chairman of the Nomination and Remuneration Committee	Hydroquip Company Limited
2018 - Apr. 2019	Independent Director and Audit Committee	Eastern Energy Plus Company Limited
2002 - Jan. 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
Chairman of Nomination and Remuneration Committee
Member Audit Committee
Age : 63 Years



Type of Director : Independent Director / Non-Executive Director

Date of appointment : August 14, 2014

Shareholding as of December 31, 2022 :

Direct shareholding : -None-

Indirect shareholding (Spouse and children who are not yet of legal age) : -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) :

- Director Leadership Certification Program (DLCP) Class 4/2022
- Role of the Chairman (RCP) Class 49/2022
- 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 (AAP) 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, Chairman of Nomination and Remuneration Committee, Member of Audit Committee	AIRA Factoring Public Company Limited

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

year	Position	Company
2020 - Present	Director of Audit Committee and Office Evaluation	Office of the National Anti-Corruption Commission
Jun. 2021- Present	Director, 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. 2019 - Present	Director, Chairman of Audit Committee	AIRA Asset Management Company Limited
May. 2020 - Jan. 2021	Director, Audit Committee	The Market Organization Under the Ministry of Interior
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 places

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

Member of Audit Committee

Member of Nomination and Remuneration Committee

Age : 58 Years



Type of Director : Independent Director / Non-Executive Director

Date of appointment : February 25, 2004

Shareholding as of December 31, 2022 :

Direct shareholding : -None-

Indirect shareholding (Spouse and children who are not yet of legal age) : -None-

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, Member of Audit Committee Member of 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
Member of Executive Committee
Age : 77 years



Type of Director : Authorized Director /Non-Executive Director

Date of appointment : March 1, 2011

Shareholding as of December 31, 2022 :

Direct shareholding : -None-

Indirect shareholding (Spouse and children who are not yet of legal age) : -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
Apr. 2021 - Present	Authorized Director Member of Executive Committee	AIRA Factoring Public Company Limited
2011 - Apr. 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
Member of Credit Committee
Age : 73 years



Type of Director : Director / Non-Executive Director

Date of appointment : April 29, 2011

Shareholding as of December 31, 2022 :

Direct shareholding : -None-

Indirect shareholding (Spouse and children who are not yet of legal age) : -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 : 1 company

year	Position	Company
Apr. 2021 - Present	Member of Credit Committee Director / Non-Executive Director	AIRA Factoring Public Company Limited
2011 - Apr. 2021	Chairman of Credit Committee	AIRA Factoring Public Company Limited
2017 - 2022	Independent Director	Don Muang Tollway 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 Ngamsetthamas

Member of Executive Director

Member of Nomination and Remuneration Committee

Age : 63 years



Type of Director : Authorized Director / Non-Executive Director

Date of appointment : March 1, 2011

Shareholding as of December 31, 2022 :

Direct shareholding : -None-

Indirect shareholding (Spouse and children who are not yet of legal age) : -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 แห่ง

year	Position	Company
2011 - Present	Authorized Director, Member of the Executive Committee and Member of the Nomination and Remuneration Committee	AIRA Factoring Public Company Limited
2010 - Present	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 : 10 แห่ง

year	Position	Company
Oct. 2020 - Present	Authorized Director	Aspiration Two Company Limited
2019 - Present	Chairman of Executive Committee	AIRA Asset Management 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	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
2015 - Oct. 2022	Chairman of Executive Committee and Chief Executive Officer	AIRA Property Company Limited
2013 - Jun. 2020	Chairman of the Board of Directors and Authorized Director	AIRA International Advisory (Singapore) Pte., Ltd.
2017 - 2020	Authorized Director	Nok Airline Public Company Limited
2017 - 2019	Member of the Executive Committee	Nok Airline Public Company Limited
2014 - 2019	Chairman of Executive Committee	AIRA & AIFUL Public Company Limited
2017 - 2019	Chairman of the Board of Directors and Authorized Director	Nok Scoot Airline 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	Member of the 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
Chairman of Credit Committee
Age : 66 years



Type of Director : Authorized Director / Non-Executive Director

Date of appointment : May 14, 2018

Shareholding as of December 31, 2022 :

Direct shareholding : -None-

Indirect shareholding (Spouse and children who are not yet of legal age) : -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
Apr. 2021 - Present	Authorized Director and Chairman of Credit Committee	AIRA Factoring Public Company Limited
2018 – Apr. 2021	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

Director

Age : 64 years



Type of Director : Independent Director / Non-Executive Director

Date of appointment : May 12, 2020

Shareholding as of December 31, 2022 :

Direct shareholding : -None-

Indirect shareholding (Spouse and children who are not yet of legal age) : -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
- Surfacewarfare 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 : 3 companies

year	Position	Company
2021 - Present	Director	Singer Thailand Public Company Limited
2019 - Present	Consultant	BTS Group Holdings PCL
2020 - Present	Independent Director	AIRA Factoring Public Company Limited
2020 - Jun. 2022	Independent Director, Audit Committee and Nomination and Remuneration Committee	Raja Ferry Port Public Company Limited

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

year	Position	Company
2021 - Present	Director	Muangthong Assets Company Limited
2020 - Present	Consultant	U-Tapao International Aviation Company Limited
Jul. 2022 - Present	Chairman	Nakhonchai Co., Ltd.

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
Chief Executive Officer
Member of Executive Committee
Member of Credit Committee
Age : 49 years



Type of Director : Authorized Director / Executive Director

Date of appointment : July 5, 2018

Shareholding as of December 31, 2022 :

Direct shareholding : -None-

Indirect shareholding (Spouse and children who are not yet of legal age) : -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	Chief Executive Officer Authorized Director, Member of Executive Committee and Credit Committee	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 : 63 years



Type of Director : Non Executive Director

Date of appointment : July 5, 2018

Shareholding as of December 31, 2022 :

Direct shareholding : -None-

Indirect shareholding (Spouse and children who are not yet of legal age) : -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 company

year	Position	Company
Apr. 2021 - Present	Chairman of Executive Committee	AIRA Factoring Public Company Limited
2018 - Apr. 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 : 1 company

year	Position	Company
2012 - Present	Chief Executive Officer	Is Property Company Limited
2016 - 2021	Chairman of Executive Committee	Brain Consultant International Company Limited

Position in other organization / Institutions: -None-

year	Position	Company
2017 - 2021	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

Member of Executive Committee

Member of Credit Committee

Age : 61 years



Type of Director : Non Executive Director

Date of appointment : July 5, 2018

Shareholding as of December 31, 2022 :

Direct shareholding : -None-

Indirect shareholding (Spouse and children who are not yet of legal age) : -None-

Education / Training :

- Master of Economics program, National Institute of Development Administration (NIDA)
- Bachelor of Economic (1st Class Honors) 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	Member of Executive Committee	AIRA Factoring Public Company Limited
2018 - Present	Member of Credit Committee	AIRA Factoring Public Company Limited
2014 - present	Managing Director	AIRA Capital Public Company Limited
2015 - Present	Member of Risk Management Committee	AIRA Capital Public Company Limited
2013 - Jun. 2015	First Executive Vice President	AIRA Capital Public Company Limited

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

year	Position	Company
31 Aug. 2022 - Present	Chairman of of Executive Committee	AIRA Property Public Company Limited
Jan. 2021 - Present	Member of Executive Committee	AIRA Securities Public Company Limited
Oct. 2020 - Present	Authorized Director	Aspiration Two Company Limited
2019 - Present	Chairman of Risk Management Committee	AIRA Asset Management Company Limited
2019 - Present	Member of Executive Committee	AIRA and AIFUL Public Company Limited.
Feb. 2018 - Present	Member of Credit Committee	AIRA Leasing Public Company Limited
2017 - Present	Authorized Director	AIRA Asset Management Company Limited
2016 - Present	Authorized Director	AIRA and AIFUL Public Company Limited
Jun. 2016 - Present	Authorized Director	AIRA Leasing Company Limited
Dec. 2016 - Present	Authorized Director	AIRA Venture Capital Company Limited
2016 - Jan. 2021	Member of Executive Committee	AIRA Leasing Company Limited
2015 - Nov. 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
Member of Executive Committee
Age : 42 years



Type of Director : Non Executive Director

Date of appointment : December 14, 2021

Shareholding as of December 31, 2022 :

Direct shareholding : -None-

Indirect shareholding (Spouse and children who are not yet of legal age) : -None-

Education / Training :

- Master of Legal Institutions (M.L.I.) University of Wisconsin-Madison, U.S.A.
- Bachelor of Laws, Thammasat University

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
- 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)

Work Experience (5 years past experiences) :

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

year	Position	Company
Dec. 2021 - Present	Member of Executive Committee	AIRA Factoring Public Company Limited
2016 - Jul. 2021	Audit Committee and Nomination and Remuneration Committee	International Research Corporation Public Company Limited
2015 - Jul. 2021	Audit Committee	IT GREEN 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 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. Watana Sangvongmai

Member of Credit Committee

Age : 62 years



Type of Director : Non Executive Director

Date of appointment : April 1, 2020

Shareholding as of December 31, 2022 :

Direct shareholding : -None-

Indirect shareholding (Spouse and children who are not yet of legal age) : -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 companies

year	Position	Company
2020 - Present	Member of 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
Member of Credit Committee
Age : 65 years



Type of Director : Non Executive Director

Date of appointment : November 10, 2020

Shareholding as of December 31, 2022 :

Direct shareholding : -None-

Indirect shareholding (Spouse and children who are not yet of legal age) : -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	Member of 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-

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. Pongsakorn Sangvijit
Managing Director
Age : 41 Years



Shareholding as of December 31, 2022 :

Direct shareholding : -None-

Indirect shareholding (Spouse and children who are not yet of legal age) : -None-

Education / Training :

- Master of Financial Economics, National Institute of Development Administration (NIDA)
- MBA Finance, Ramkhamhaeng University
- Bachelor of Management Technology, King Mongkut's University of Technology Ladkrabang

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 : 1 company

year	Position	Company
Dec. 2022 - Present	Managing Director	AIRA Factoring Public Company Limited
2018 - 2022	Assistant Managing Director	Kasikorn Factory and Equipment Co., Ltd.
2014 - 2017	Business Development Vice President	Kasikorn Factory and Equipment Co., Ltd.

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
 Age : 50 years



Shareholding as of December 31, 2022 :

Direct shareholding : -None-

Indirect shareholding (Spouse and children who are not yet of legal age) : -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. Husachai Kaoklong
 Assistant Managing Director,
 Risk Management and Debt Recovery
 Age : 42 Years



Shareholding as of December 31, 2022 :

Direct shareholding : -None-

Indirect shareholding (Spouse and children who are not yet of legal age) : -None-

Education / Training :

- Master of Economics Program in Development Economics, National Institute of Development Administration
- Bachelor of Science, King Mongkut's Institute of Technology Ladkrabang
- Certificate, Credit Skills Assessment Exam by Omega Performance Corporation (FAB & CLB)
- Certificate, Leadership Acceleration program
- Certificate, Risk Management Program for Corporate Leaders (RCL 29/2022), Thai Institute of Directors Association

Work Experience (5 years past experiences) :

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

year	Position	Company
2022 - Present	Executive Vice President, Risk Management and Debt Recovery Division	AIRA Factoring Public Company Limited
2016 - 2022	Team Leader of Credit Process Improvement and Credit Quality	Kiatnakin Phatra Bank Public Company Limited
2014 - 2016	Credit Underwriter	KASIKORNBANK 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 : 52 years



Shareholding as of December 31, 2022 :

Direct shareholding : -None-

Indirect shareholding (Spouse and children who are not yet of legal age) : -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-

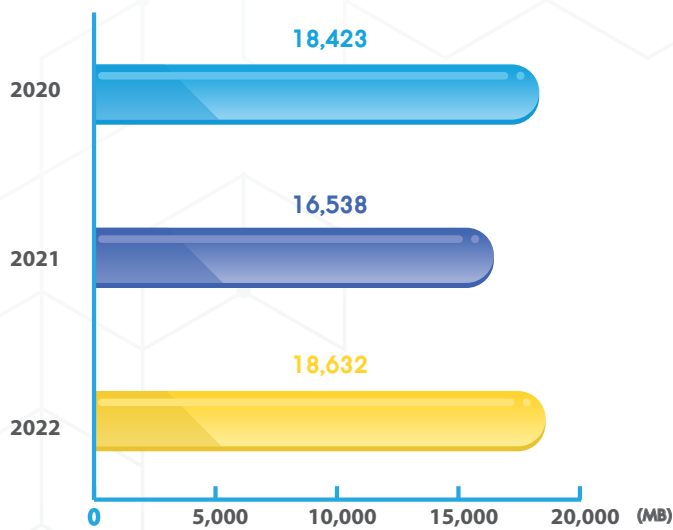
Criminal-Free Track Record for the past 10 years : -None-

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



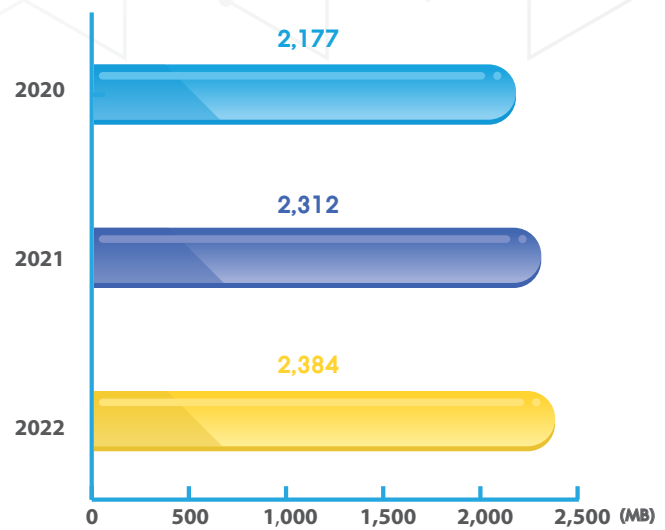
Financial Highlights

Financial Information	2020	2021	2022
Financial position (Baht)			
Cash and cash equivalents	62,519,815	99,985,362	69,148,621
Total assets	2,176,837,136	2,311,539,476	2,384,298,248
Total liabilities	1,655,598,106	1,780,784,017	1,858,674,459
Total shareholders' equity	521,239,030	530,755,459	525,623,789
Results of Operations (Baht)			
Interest income from factoring	159,620,727	139,099,512	158,141,816
Fee and services income	41,071,587	40,106,368	47,753,025
Interest income from loans	7,718,004	17,131,416	19,415,300
Total revenues	209,940,452	197,836,677	226,496,787
Financial costs	42,057,964	34,767,643	42,566,195
Operating expenses	117,571,889	98,483,903	127,155,255
Net Profit	39,279,579	49,516,429	46,068,330
Financial Ratio			
Quick Ratio (Time(s))	1.26	1.26	1.25
Gross Profit Margin (%)	79.04	80.60	81.11
Net Profit Margin (%)	20.35	25.03	19.98
ROE (%)	8.19	9.33	8.61
ROA (%)	1.96	2.14	1.9
Debt to asset ratio (Time(s))	0.76	0.77	0.78
Debt to equity ratio (Time(s))	3.18	3.36	3.54
Value per share (Baht per share)			
Earnings per share	0.0267	0.0309	0.0283
Book value per share	0.34	0.35	0.33



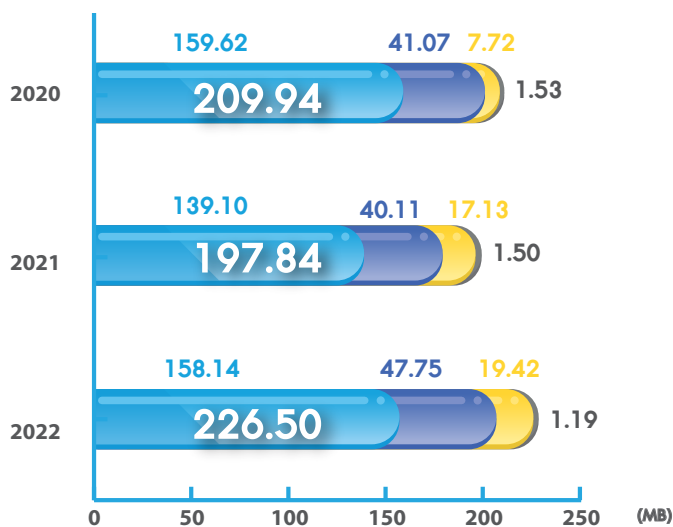
Volume

In the year 2022, the Company has purchase volume was 18,632 million Baht increased by 12.66% from the previous year



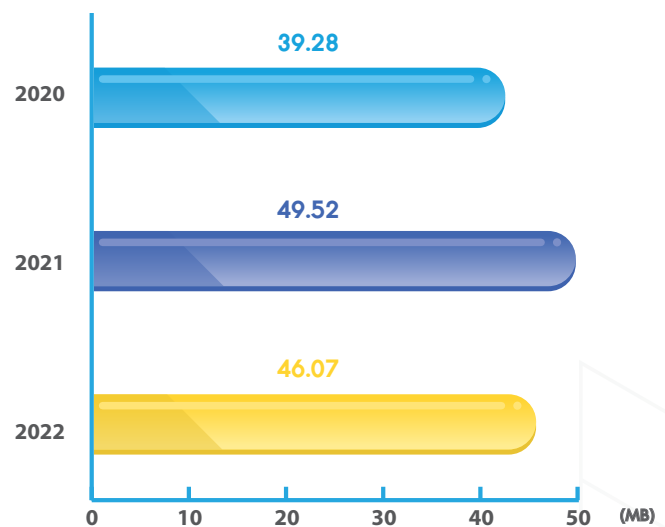
Assets

The ending year 2022, the Company's total assets was 2,384 million Baht increased by 72 million Baht or 3.11%.



Revenues

In 2022, the Company's revenues were 226.50 million Baht increased by 14.49% from the previous year.



Net Profit

In 2022, the Company's net profit was 46.07 million Baht decreased by 3.45 million Baht or 6.97% from the previous year.



Part 1

Business Operation and Operating Results

1

Company structure and operations

Relocation of establishment

2013

Formerly No. 444 Olympia Thai Tower, 6th Floor, Ratchadaphisek Road Samsennok Subdistrict, Huai Khwang District, Bangkok 10320
Moved the establishment to No. 319 Chamchuri Square Building, 20th Floor, Phayathai Road, Pathumwan Subdistrict, Pathumwan District, Bangkok 10330

2020

The establishment was moved to No. 319, Chamchuri Square Building, 17th Floor, Phayathai Road, Pathumwan Subdistrict, Pathumwan District, Bangkok 10330.

Company's par value

2015

Registered to change the par value of ordinary shares. from 5 baht per share to 0.25 baht per share Increased registered capital from 200 million baht to 400 million baht

Major shareholder structure

2013

Aira Capital Public Company Limited bought 6,420,000 shares from Summit Corporation Company Limited or 16.05% of paid-up capital. As a result, Aira Capital Public Company Limited is a major shareholder and holds 29,607,617 ordinary shares of the Company, representing 74.02 percent.

Chairman and Chief Executive Officer

2018

Mr. Sorasit Soonthornkes was appointed as the Chairman of the Board of Directors. Effective from 14 May 2018 onwards. (Resolution of the Board of Directors Meeting No. 2/2018)
Appointment of Mr. Akarawit Suksai as Director and Chief Executive Officer Effective from July 5, 2018 onwards. (Resolution of the Board of Directors Meeting No. 4/2018)

1.1 Policy and overview of business operations

Aira Factoring Public Company Limited (“the Company”), formerly known as Thanamit Factoring Company Limited, operates factoring business. Established registered on January 6, 1997 with a registered capital of 20 million baht as a joint venture of Central Retail Corporation Co., Ltd. (holding 50 percent), Siam Commercial Bank Public Company Limited (holding 38 percent) and a group of shareholders. another (Holds 12%) The company has registered the conversion from a limited company. It became a public limited company on March 2, 2004 and was listed on the Market for Alternative Investment (mai) in August 2004 with an initial public offering of 4 million shares, resulting in the company’s registered capital and paid-up capital of 100 million. Baht, divided into 20 million ordinary shares

Quality of AGM Arrangement : Ranked by Thai Investors Association

2020

Corporate governance of the organization
at an excellent level



2021

Corporate governance of the organization
at an excellent level



2022

Corporate governance of the organization
at an excellent level



**Certification as a
member of the
Thai Private Sector
Collective Action
Coalition Against Corruption**



2020

Company was certified as a member of the
Thai Private Sector Collective Action Coalition
Against Corruption.

Pride Award

2016

Best Innovation Organization Award 2016
by the Stock Exchange of Thailand
in collaboration with the National Innovation
Agency Under the project to promote innovation
capability through the innovation capability
assessment process

2021

It was selected as a security in the 2021
ESG Emerging Group by ThaiPat Institute

Quality of AGM Arrangement : Ranked by Thai Investors Association



2020

excellent level, full 100 points

2021

excellent level, full 100 points

2022

excellent level, full 100 points

Subsequently, on February 25, 2011, two groups of major shareholders, namely Chirathivat Group, And The Siam Commercial Bank Public Company Limited sold ordinary shares of the business to Aira Capital Public Company Limited in the amount of 11,470,200 shares, representing 57.35 percent of the total issued ordinary shares of the Company. and increased the registered capital from 100 million baht to 200 million baht in September 2011 and changed the company name from “Thanamit Factoring Public Company Limited” to “Aira Factoring Company Limited (public)”

Vision Goal Strategy

Vision : To be a financial institution (non-Bank) with excellence in providing financial services to meet all level of customers' need.

Mission : Apply digital technology ,combine business expertise, develop end-to-end financial products and services for customers under efficient business operations for sustainable development with regard to Environment, Social and Good Governance (ESG) according to the business goals.

- To have a complete range of financial products and services
- To make it easy to access the company's financial services
- To meet the needs of customers at all levels

Business Goals : The Company aims to become a financial service company (Non-Bank) with excellence in providing business loans in various forms by applying digital technology combined with business expertise.

- To have a complete range of financial products and services
- To make it easy to access the company's financial services
- To meet the needs of customers at all levels

Business Plan :

The company has an operating plan that is in line with the development of the organization towards sustainable growth in 3 dimensions as follows:

1) Economic Dimension and Good Corporate Governance

- 1.1 Continuous revenue growth
- 1.2 Manage the risk to be within the acceptable risk level.
- 1.3 Develop a variety of financial innovations that are safe in terms of IT security and confidentiality of customer personal information.
- 1.4 Maintain the strength of the financial structure, manage working capital to support future transaction volumes and support the company's growth.
- 1.5 Develop customer relationships to create increased satisfaction

2) Social Dimension

- 2.1 Strengthening employee engagement with the organization
- 2.2 Enhancing good quality of life for employees with safety and good occupational health.
- 2.3 Development of knowledge and competence for employees to be able to work more efficiently.
- 2.4 To add value to society

3) Environmental Dimension

- 3.1 Upgrading digital services to reduce wastage of resources
- 3.2 Supporting credit for environmentally friendly businesses
- 3.3 Creating awareness of environmental conservation for employees to realize the value of using resources which will affect the environment

The proceeds from the fundraising are used according to the objectives.

-None-

Obligations that the Company has committed in the registration statement for the sale of securities

-None-

Company Information

Company Name	: Aira Factoring Public Company Limited
Company name in English	: “AIRA Factoring Public Company Limited” abbreviation “AF”
Head office location	: 319 Chamchuri Square Building, 17 th Floor, Phayathai Road, Pathumwan Subdistrict, Pathumwan District Bangkok 10330
Nature of Business	: Providing credit facilities both short-term and long-term loan for businesses such as factoring credit (Discount trade receivable purchasing), Investment loan, and working capital financing for business activities.
Company registration number	: 0107547000141
Website	: www.airafactoring.co.th
Phone	: 0 2657 6222
Fax	: 0 2657 6244, 0 2657 6245
Registered capital	: 400,000,000 baht
Paid-up capital	: 400,000,000 baht
Par value per share	: 0.25 baht per share
Number of ordinary shares	: 1,600,000,000 shares

1.2 Nature of business operations

AIRA Factoring Public Company Limited (“AF” or “the Company”) is a company that operates mainly in the domestic factoring business (Domestic Factoring). The Company provide short term financial service which is discount trade receivable purchasing by transferring the claim from receiving money for goods or services to the Company.

1.2.1 Company’s Revenue structure

Revenue	2022		2021		2020	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Discount received from claim transfer	158,142	69.82	139,100	70.31	159,621	76.03
Fees and services	47,753	21.09	40,106	20.27	41,071	19.56
Interest income from loans	19,415	8.57	17,132	8.66	7,718	3.68
Other income	1,187	0.52	1,499	0.76	1,530	0.73
Total	226,497	100.00	197,837	100.00	209,940	100.00

note : Income from discounts received from the transfer of claims and fees and services comes is from providing Domestic Factoring.

Income from discounts received from the transfer of claims is from interest income

Fees and service income comes from the opening fee and purchase fee.

Interest income from loans from interest received on Promissory Notes

Other income comes from Interest received from bank deposits Profits from the sale of property and miscellaneous income

1.2.2. Information about the product

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

The company operates a loan service business. The products and services are divided into 3 categories as follows:

1. Factoring credit

The company provides short-term working capital services for entrepreneurs in their business operations. It is a discount purchase of trade receivables with no collateral but will use the transfer of claims to receive the money instead.

At present, the company's customers are medium and small entrepreneurs who need working capital for business operations and expansion. Factoring credit will help increase liquidity for customers' businesses.

The company will consider buying trade receivables, which are mostly government agencies, state enterprises and general private companies.

Procedure for purchase of trade receivables :

The purchase of trade receivables is a transaction between customers and debtors. Customers normally sell goods and services on credit in payments to debtors and when the customer requires cash before the debtor's payment period. Customers can bring trade documents such as delivery notes, invoices, billing slips to do factoring transactions with the company by selling trade documents at a discount and transferring the right to receive money to the company. The company will pay cash to customers approximately 80% of the amount according to trade documents (invoice). When the payment is due (normally within 180 days from the delivery date), the company will collect the debt from the debtor in the amount according to the trade documents. The Company shall refund the difference between the discounted purchase amount and the amount received from the collection of goods or services to the customer.



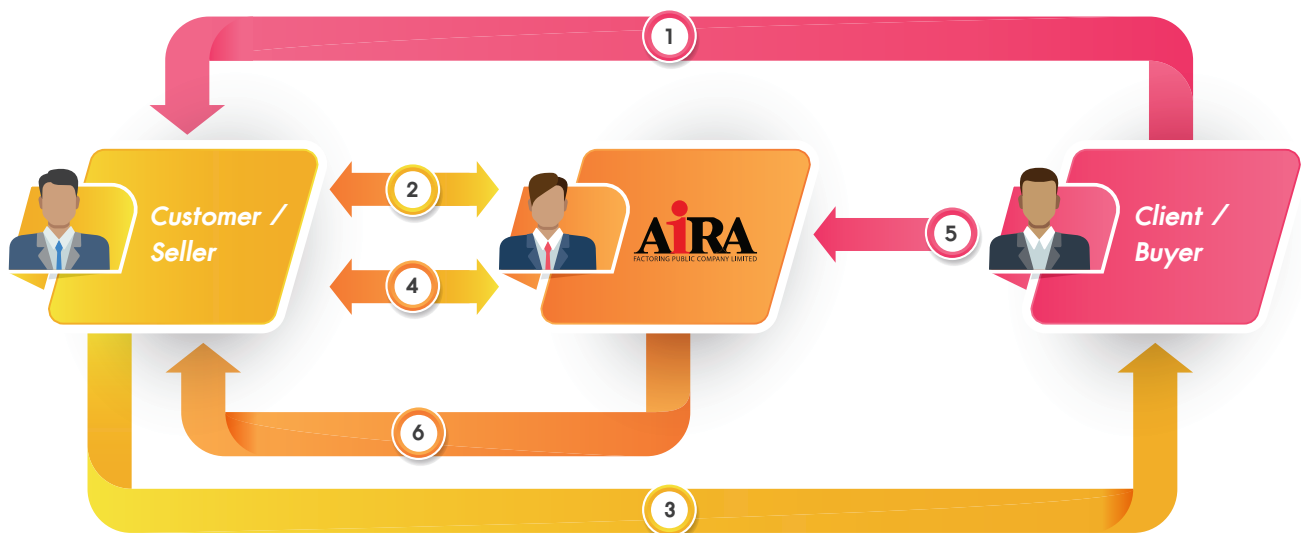
2. Short-term loans (Exclusive P/N)

Exclusive P/N is a short-term loan financing service providing to customers which has good payment record to enhance the liquidity of their business.

Procedure for providing short-term loan loans :

The customers submit commercial documents for short-term loan drawdown, such as purchase orders, contracts, etc. The company will consider providing P/N (Pre-Finance) to be a working capital for customers about 30 percent of the total amount of trade documents (period not more than 180 days). after customer delivers the goods and services, they shall submit relevant invoices to the Company. The company will discount purchase the trade documents which is transferred the right to claim for money (Post-Finance) and set off the debt with the PN (Pre-Finance) . When the payment was due, the company will collect and deduct all debt , then return the difference amount to customers.

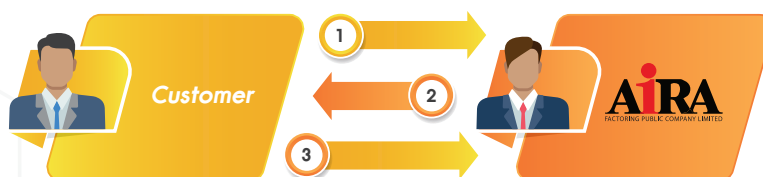
Procedures for providing short-term loan loans



1. Buyer issues purchase order or contract to seller
2. Seller submits purchase order or contract to AF for pre-financing, AF gives 30% of purchase order or contract value amount.
3. Seller delivers goods or services and placing bills to buyer.
4. Seller submits all commercial documents for factoring to AF, which is about 80% of invoice value, then AF will deduct 30% of pre-finance value amount and give the rest to seller
5. Buyer makes payment to AF upon invoices due date
6. AF will refund the remaining amount after deducting the amount of cash advancement

3. Long-term loans

It is a long-term loan financial service with collateral such as land, buildings, other real estate, etc. This financial service is for support customer's business expansion and various projects. The repayment term is specified base on project period and customer's requirement but not more than 5 years.



1. A customer provides the project feasibility to AF
2. AF makes a consideration for a long term loan with collateral.
3. AF makes a disbursement as the customer's request.

Business innovation development

from the spread of the corona virus 2019 has resulted in a change in people's behavior around the world, which has transformed the lifestyle into a digital society. There are more transactions and activities through online channels. Nowadays, many financial institutions have adapted by adopting digital technology to provide financial services to customers by developing financial applications that are more modern and convenient. Aira Factoring Public Company Limited is one of the financial institutions (Non-Bank) that has adapted to accommodate changing customer behaviors.

Currently, the company has improved its main information system to be more secure and more efficient in providing services, including developing work systems and streamlining work processes to support the needs of customers in the digital society, which requires fast and timely service.

For the Personal Data Protection Act B.E. 2562 that was announced in the past year. The company has developed work, document storage, including training to educate employees on disclosing customer information to support the announcement of the Act. Currently, the system is being developed to increase work efficiency and support data security and protect personal information better for future business expansion.

Document Storage : The Company has developed a document storage system in electronic format for easy storage and searching. The goal is to reduce the use of paper and reduce the cost of document storage.

In addition, the company has developed products and services in digital form, such as the e-Factoring project, which is a system development for purchasing documents through electronic channels. 24-hour online service and Online Factoring project, which is an online factoring loan application project.

Both of these projects are an environmentally friendly form of service as the e- Factoring project reduces the cost of document delivery, shortens the delivery time, reduces oil consumption and reduces paper usage.

For the Online Factoring project, it is an additional channel to facilitate customers to support the lifestyle of customers in the digital age who work anywhere. Customers can submit a loan application by themselves, easy access, convenient and fast in service.

Financial innovation

The rapid changes in technology in the past, the situation of the spread of the virus COVID-19, which requires social distancing, affects the lifestyle and use of financial services of customers. Companies must digitize their business operations and innovate products and services to meet this shift. This is to increase operational efficiency, increase competitiveness and to maintain market share and expand business base by developing innovations in the organization and seeking new technologies to use in business operations.

The company therefore focuses on creating business innovations that benefit all groups of stakeholders, which is one of the policies under the company's business operations to achieve the company's mission that "Applying digital technology to combine expertise in business, developing financial products and services for customers in a comprehensive manner under efficient business operations for sustainable development that takes into account the environment, society, and good governance (ESG) according to business goals"

The operating guidelines are as follows:

- Promote the development of innovations that will create value for business, economy, society and environment based on business operations based on good governance.
- Promote the development of innovations arising from the application of digital technology to bring about real business practices in line with the strategy of sustainable growth.
- Linking innovation, business goals and lifestyles of Thai society to create a balanced economic and social value.
- Listen to information and opinions of stakeholders about the impact of the innovation to improve.

Innovation roadmap

In 2022, the company has developed innovations in providing digital services to increase work efficiency, which are expected to be completed in 2023 as follows:

- Core Business System : Improve the core operating system to be more modern and efficient.
- E- Factoring : Develop services for buying trade documents (Invoice) via online system.
- Online Factoring : Develop credit factoring credit approval system. via online system

Results from innovation development

Society : Online Factoring system helps people in society to access financial services, reduce delivery costs, reduce paper usage, save time, convenient, fast and easy to access services.

Environment : Reduce the use of natural resources. Because no paper is needed to process.

Credit Policy

The Company has a policy to grant credit by emphasizing on the quality of customers and debtors. The Company has set various criteria in granting credit as follows:

The setting of credit limit

The Company considers credit limits in 2 ways:

- **Client Credit Line** : means The maximum amount each borrower can borrow. It is a revolving credit line. The Company will determine the credit limit by considering the customer's sales, duration, trade credit, business dealings between customers and debtors, purchase documents, financial status of customers and ability to pay debts of customers and debtors.

In this regard, the Company has used the Credit Rating system as a tool for credit approval consideration in order to make risk management and credit administration more efficient. In addition, the company has a policy to set Single Lending Limit and Single Lending Group for customers and has implemented in order to comply with the risk management policy and diversification of the customer base that is suitable for the Company's capital structure. However, the Company will consider the risks depending on the case at the discretion of the Board of Directors.

- **Customer Credit Line** : means The maximum limit of each trade receivable (single or multiple) which brings the right to receive payment for goods and services to be sold at a discount to the company. The determination of the credit line depends on the analysis of the accounts receivable's financial status and performance, including the history of debt repayment. Most of the trade receivables are large corporations whose credit limits per company and per group are not very high. (compared with the business status of each trade debtor). The Company does not have a policy to grant credit that mainly focuses on one trade debtor. Therefore, the limitation of trade receivables per person and per group is to be used as a risk management tool only.

Price policy

The Company's main income consists of

- income from discounts received from the transfer of claims.
- Fee and service income (Fee for credit line opening and income from purchase fee)

In determining the interest rates and fees mentioned above will consider from the following factors:

1. Qualifications and financial status of customers and guarantors, size of business/ type of business, experience in operating business of executives.
2. Qualifications of trade receivables, period of time that trade receivables are credited by customers, financial status of trade receivables.
3. Other operating costs, such as the cost of managing debt collection from trade accounts receivable preparation of various reports, etc.
4. Company's financial cost

The above criteria are combined with market interest rates, competitive market conditions, debt collection risks, as well as the difficulty in debt collection management in order to find suitable interest rates and fees offered to customers.

Authorization to approve credit limits

Credit limit approval must be reviewed and approved by the Board of Directors and in accordance with the Company's credit policy, with a framework of authorization for credit limit approval.

(2) Marketing and Competition

1. Marketing policy in the past year

The company has publicized through various media such as the company's website, digital media billboards, including booth activities in the financial expo. In 2022, the company has a public relations plan to cover a wider variety of media in order to reach more new customers.

Applying for credit services : Customers can request for factoring services through many channels, such as through AF Website, Digital Media (Facebook), Line OA, contacting the company directly or following recommendations from various sources.

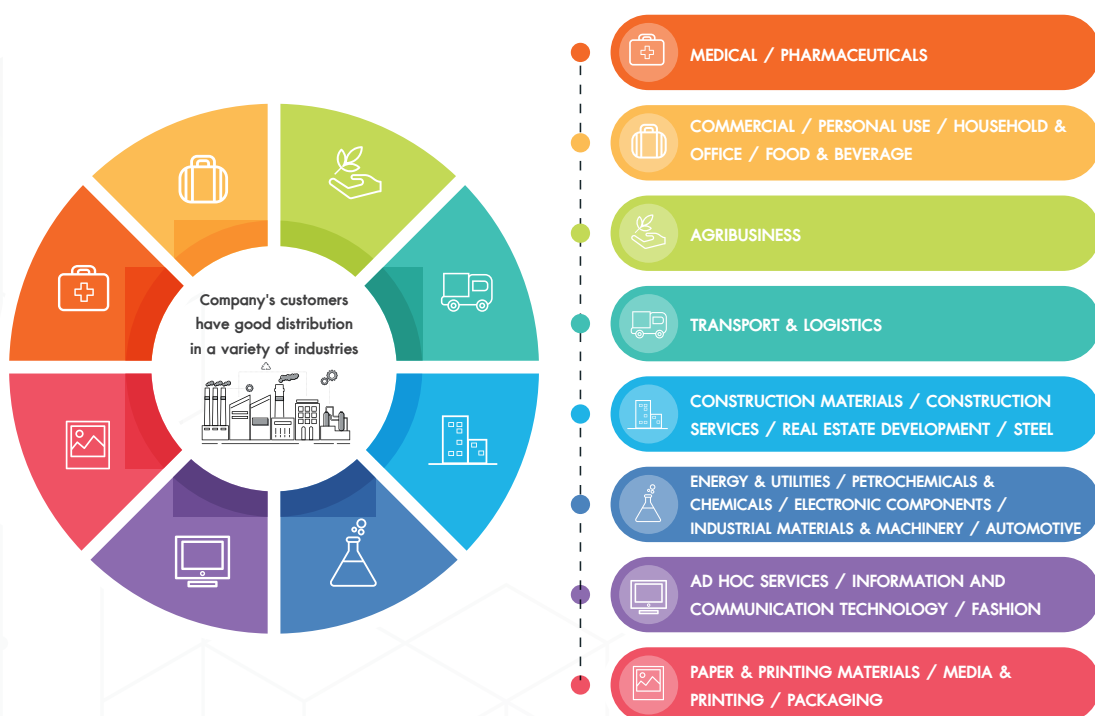
Target customers

The company has focused on the company's main customers, namely small and medium enterprises in the country who need factoring loans to enhance their financial liquidity during the business expansion. and to increase business sales

Currently, the company has considered target customers in industries with potential growth in the future, such as medical and health equipment, logistics, renewable energy, electronic components, etc. It is expected to be an opportunity to increase the Company's transaction volume.

The company's current customers are diverse in terms of business type, industry type and size of business. The company includes small, medium and large enterprises. Most of the customers are SME entrepreneurs.

Type of business of current customers



Trade receivable balance for claim right of debt repayment

(1) Trade receivable for claim right of debt repayment is the right transferring of customer for claim for debt repayment from the debtor to the Company. As of December 31, 2022, the company has a total debt of 2,783 million baht. The top 10 major customers (considering the outstanding debt) amounted to 718 million baht or 25.80 percent. The proportion of the top 10 major customers (considering the outstanding debt) between 2022 and 2020 are as follows:

Unit : Million Baht

Customer	2022		2021		2020	
	Outstanding	%	Outstanding	%	Outstanding	%
Top 10	718	25.80	637	25.65	652	27.06
Others	2,065	74.20	1,847	74.35	1,756	72.94
As of Dec 31	2,783	100.0	2,484	100.0	2,408	100.0
Number of cases	435		399		420	

(2) Claims receivable are diversified according to types of businesses in accordance with the concentration risk management policy of debtors. The company regularly reviews the financial status and performance of debtors and customers, including closely monitoring the results of contact between customers and debtors, as well as industry conditions in order to be able to adjust credit terms in a timely manner. The outstanding balance of customers classified by type of business, the top 3 as of December 31, 2021 are food and beverages, logistics, construction services and installation of telecommunication equipment, etc.

Loan receivables

The company has loan receivables as of December 31, 2022 in the amount of 245.58 million baht.

(หน่วย: ล้านบาท)

	2022	2021	2020
Current portion of loan receivables	173.82	217.73	169.19
Loan receivables - net	40.34	56.42	75.64
Total	214.16	274.15	244.83

The company has net loan receivables after deducting allowance for bad debts amounting to 214.16 million baht as of December 31, 2022.

Dependence on any customer or supplier plays an important role in the survival of the company.

For 2022 and 2021, the Company has no major customer with revenue equal to or greater than 10 percent of its channel operations' revenue.

Distribution channel

The company has contact channels for customers who are interested in applying for factoring credit, such as the website www.airafactoring.co.th where customers can fill out information for the company's staff to contact back to inform about loan details and inform the results of the preliminary assessment. There are also Line Official Account channels, including the company's credit and marketing officers contacting potential customers via telephone and meeting customers to explain details of the company's products and services.

2. Competition conditions

Industry

The overall picture of the Thai economy in 2022 was supported by many factors, including private consumption, private investment, service sector exports. and the recovery of food services and accommodation sectors.

As for the overall factoring business in 2022, it slightly improved. compared to the year 2021 due to the unfolding of the COVID-19 epidemic situation. In the past year, there has been extensive domestic vaccination and booster injections which has reduced the severity of the epidemic. And as a result of the announcement of opening the country, the country's economic activities and tourism have recovered. As a result, medium and small entrepreneurs who are the Company's target groups have increased trade and investment volumes.

Changes in financial technology are the main factors that financial institutions must recognize and adapt to as the world is currently in a trend of rapid and more severe changes. Financial technology is changing faster and more efficient, able to meet various needs at a lower cost. It can be seen from financial transactions through the growth of platform technology that acts as an intermediary between buyers and sellers to meet the lifestyles of people who have changed to a new way of life (New Normal). The business sector has adapted to use technology to provide more services, for example, the financial business has adapted to provide services in the form of Decentralized Finance and using various Blockchain technologies to create a good customer experience.

The competition in financial services is more competitive. There is a new emergence of financial business in the form of nano finance, causing the financial business to adjust to maintain the existing customer base and increase market share. Nowadays, financial service providers in the market, including banks, are increasingly interested in lending factoring, therefore increasing the number of competitors. The competition is fierce.

However, the company still focuses on maintaining its old customer base as well as constantly expanding new customer bases, mainly focusing on industry groups that have good trends. It also focuses on providing services to small and medium enterprises (SMEs) who need working capital to increase their cash flow flexibility and to expand their business.

At present, Factoring Entrepreneurs can be divided into 3 groups according to their nature of business as follows:

1. Factoring operators who are commercial banks and financial institutions with banks as shareholders

Competition of operators in this group : This group has advantages in the network of commercial banks in reaching customers, low cost of financing. However, there are limitations in granting loans that are inflexible and lack flexibility in considering factoring loans as they are unsecured loans.

2. Factoring operators listed on the stock exchange of Thailand

Competition of entrepreneurs in this group : This group has advantages in terms of experience as they have been in business for a long time, have flexibility in credit approval and have funding sources that can raise funds through the stock market.

3. Factoring operators including retail factoring operators

This group has more entrepreneurs than other groups.

The competition of entrepreneurs in this group : This group is diverse in the form of competition, which focuses on effective credit and marketing teams, able to reach various target customers, with high flexibility in providing services. and flexible credit guidelines But there are significant limitations, namely, capital and experienced personnel.

Market share

Consider the market share from the amount of the value of the transfer of the right to receive the trade transaction of the company, compared to the entrepreneurs in the factoring industry. It was found that the company has a market share of about 8%, with transaction volume ranked fourth in the industry. The company aims to drive business growth. In order to become the top 3 factoring operator in the country

Company strategy

The Company has a strategy to compete by focusing on expanding the business base in the form of B2B by building a customer base from seeking business partner or trade debtor (Sponsor) that the debtor cooperates in accepting the transfer of the right to receive money. The partners will recommend suppliers use the service with the company to strengthen the supply chain, which will benefit the company. The company has effective credit risk management due to the potential of financial status of trade accounts receivable as well as the cooperation in examining the amount of debt. It will reduce the risk of lending which can be verified for accuracy.

In 2022-2024, the company has a policy to expand the customer base to industrial such as private sectors accepting government projects, medical and health equipment, logistics, renewable energy, electronic components and the green industry group, etc.

The company has applied technology to provide services, for example, there is a project to develop the e-Factoring system in providing online services in order to reduce the transmission of documents in order to provide a more comprehensive service. In addition, the company places importance on Digital Transformation in many aspects to support technological changes customer behavior and trade accounts receivable to ensure that the ability to conduct business is consistent with the situation.

The company has development plans to increase the variety of services “Non-factoring product” to meet the needs of customers in a complete range. Therefore, there are additional services in various forms of credit such as Exclusive PN for good old customers, Supplier Chain Financing, credit for exporters, etc.

In addition, the company has a strategy to maintain the existing customer base. The company intends and strives to maintain the existing customer base and wants to expand the growth of the company’s credit portfolio because the database of existing customers will enable the company to control risk more than new customers. When customers are satisfied, they will introduce the company to be known, which is another marketing channel of the company.

The company has expanded digital marketing channels to respond to the new generation of customers and is also a way to create the image of the company to look modern and known among the new generation. And in addition, the company expects to gain more than 50% of new customers from digital marketing channels throughout 2023.

However, the company recognizes the importance of supporting alternative energy business operators by having products AF Green project to provide financial products of the company for entrepreneurs who have guaranteed energy saving results in order to invest in energy projects for the environment.

The strength of the company's business operations



(3) Procurement of products or services

Source of funds come from loans from various financial institutions details as follows

(Unit: Thousand Baht)

Source of Fund	2022		2021		2020	
	Amount	%	Amount	%	Amount	%
Bank overdrafts and short-term loans	1,690,000	70.88	1,648,000	71.30	1,523,000	69.96
current liabilities	152,166	6.38	112,902	4.88	113,112	5.20
current liabilities	16,508	0.69	19,882	0.86	19,486	0.90
Total Liabilities	1,858,674	77.95	1,780,784	77.04	1,655,598	76.06
Equity	525,624	22.05	530,756	22.96	521,239	23.94
Total	2,384,298	100.00	2,311,540	100.00	2,176,837	100.00

The source of funds in 2022 is proportionally from shareholders' equity 22.05% and from liabilities 70.88%. The company's funding source comes from loans from domestic financial institutions which is a credit line of bank overdrafts and short-term loans totaling 1,690 billion baht.

For financing in the future, the Company has a policy of financing in accordance with the objectives of using the proceeds, which takes into account the cost of capital raised and the repayment period in line with the factoring loan period.

(4) Assets used in business operations

Assets used in the business of the Company according to the net book value as of December 31, 2022 are as follows:

4.1 lease agreement

List	Counterparty	Rental period	Net Book value (Million Baht)	Obligation
Space rental agreement and utilities, 17 th floor	Aira Securities Public Company Limited (related parties)	2 years 9 months From 1 July 2020 to 31 March 2023	-	-None-
Car rental Vios model	Petra Company Limited (unrelated business)	4 years From 1 July 2019 to 30 June 2023	-	-None-
Car rental Altis model	Petra Company Limited (unrelated business)	4 years since October 1, 2019 Until 30 September 2023	-	-None-
Car rental Model Camry	Toyota Leasing (Thailand) Co., Ltd. (unrelated business)	4 years since September 21, 2022 Until 20 September 2026	-	-None-

The company has entered into a lease agreement for use in the business as follows:

1. Space rental : The Company has entered into a lease agreement for 1-storey space, and utilities with AIRA Securities Plc., which is related to the business. Details are as follows:

- Lease the building area on the 17th floor with the total area of 596.63 square meters for a total period of 2 years and 9 months without being able to terminate the contract. (Rates for rental space and common service fees for the year 2022, January - October period, 372,666.13 baht per month, November-December period, 476,866.13 baht per month, 12-month period, totaling 4,680,393.56 baht per year)

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

- Toyota brand cars, model Vios 1.5 High, 3 cars for a period of 4 years (rental rate 44,940.00 per month, totaling 539,280 baht per year)
- Toyota brand, model Altis 1.6 G A/T, 2 cars for a period of 4 years (rental rate 33,812.00 per month, totaling 405,744 baht per year)

3. Car rental : The company has entered into a car rental agreement with Toyota Leasing (Thailand) Co., Ltd., which is not related to the business, for 1 car, Toyota, Camry model, for a total of 4 years (33,330 monthly rental in 2022) pay the rental fee of 133,320 baht per year)

In In 2022, the company had expenses for renting office space for business operations in the amount of 4,680,393.56 baht and expenses in renting cars for business operations in the amount of 1,078,344.00 baht.

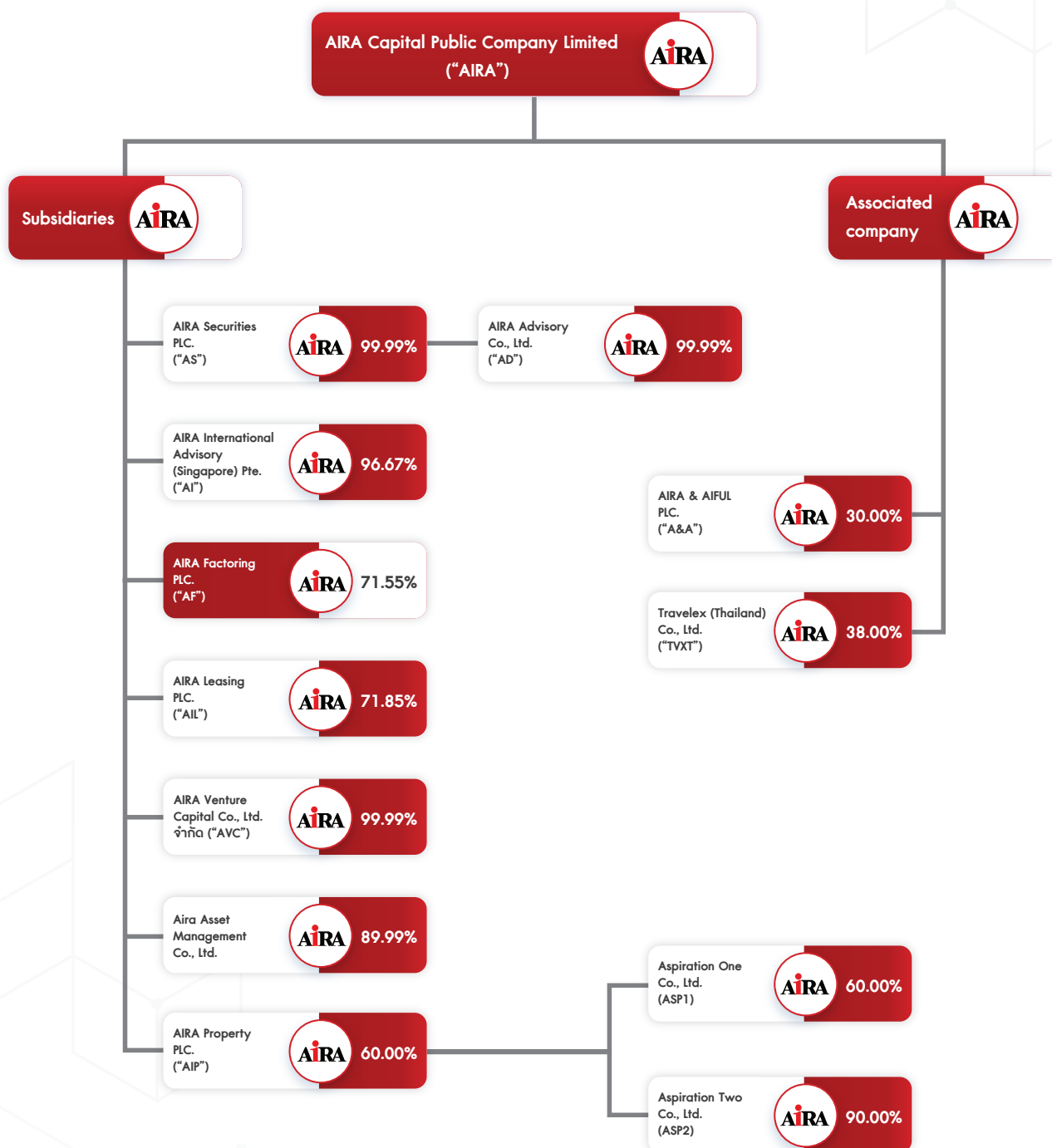
(5) Undelivered work

-None-

1.3 Shareholding structure of the group of companies

13.1. Shareholding Structure

The Company's factoring business is part of the AIRA Group. Aira Capital Public Company Limited is a holding company holding 71.55% of the paid-up capital as of December 31, 2022. There are important business structures as follows:



Policy on division of operations of companies in the group

Aira Capital Public Company Limited has a policy for each affiliated company to have its own policy and management since Aira Capital Public Company Limited operates by holding shares in other companies (Holding Company) and has no do business directly. Most of the revenue of Aira Capital Public Company Limited comes from its subsidiaries. as the following details

Aira Capital Public Company Limited is a core company by its core business group, which consists of 7 subsidiaries, namely

1. Aira Securities Public Company Limited (with Aira Advisory Company Limited as a subsidiary)
2. Aira International Advisory (Singapore) Limited
3. Aira Factoring Public Company Limited
4. Aira Leasing Public Company Limited
5. Aira Venture Capital Company Limited
6. Aira Property Public Company Limited (Aspiration One Company Limited and Aspiration Two Company Limited are subsidiaries)
7. Aira Asset Management Co., Ltd.

and has 2 other associated companies, namely

1. Aira and AIFUL Public Company Limited
2. Travelex (Thailand) Co., Ltd.

1.3.2 Persons who may have conflicts of interest hold more than 10% of shares with voting rights in subsidiaries or associated companies.

Aira Capital Public Company Limited is the main shareholder holding 71.55% of the paid-up capital.

1.3.3 Relationship with major shareholder's business group

Details in item 1.3.1 Shareholding Structure

1.3.4 Shareholders

List of major shareholders

List of the first 10 major shareholders as of 30 December 2022

Name	Number of shares held (shares)	percentage (of all shares)
1. Aira Capital Public Company Limited	1,144,751,099	71.55
2. Mr. Kulwut Wiratmalee	90,439,000	5.65
3. Mr. Thaweechat Jurangkoon	67,893,800	4.24
4. Mr. Nattaphon Jurangkool	65,820,100	4.11
5. Summit Corporation Company Limited	46,672,000	2.92
6. Mr. Natee Rongkratanakul	18,600,000	1.16
7. Mr. Kunakorn Makchaidee	15,500,000	0.97
8. Mrs. Duananong Pharadornchai	9,600,000	0.60
9. Mrs. Hathairat Jurangkoon	6,559,500	0.41
10. Mr. Wiwat Kongkongsai	4,100,000	0.26
Total	1,469,936,299	91.87
Other shareholders	130,063,701	8.13
Total number of shares	1,600,000,000	100.00

note: Restriction on foreign shareholding: Foreign shareholders are allowed to hold shares of the Company in aggregate not exceeding 49% of the issued and paid-up shares. As of December 30, 2022, the Company's shares held by foreigners accounted for 0.00001 percent of the total shares.

group of major shareholders who, by their behavior, have a significant influence on policy-making, management, or operations of the company.

Major shareholders have no such behavior but provides business support as well as promotes business synergy in the group.

1.4 Registered capital and paid-up capital

Registered capital	:	400,000,000 baht
Paid-up capital	:	400,000,000 baht
Par value per share	:	0.25 baht per share
Number of ordinary shares	:	1,600,000,000 shares
Stock exchange name	:	Market for Alternative Investment (MAI)

1.5 Issuance of other securities

-None-

1.6 Dividend Payment Policy

The Company has a policy to pay dividends each year at the rate of not less than 50% of net profit after deduction of reserves as specified in the Company's Articles of Association, as required by law and if there is no other necessity that the dividend payment significantly affects the normal operation of the Company.

Details of the Company's dividend payment in the past 3 years

Details of dividend payment	2022	2021	2020
Net profit (million baht)	45.26	49.52	42.71
Number of shares (million shares)	1,600	1,600	1,600
Dividend paid			
Interim dividend (baht/share)	0.032	0.025	0.021
Annual Dividend	-	-	-
Amount of dividend paid (million baht)	51.2	40.00	33.60
Dividend payout ratio (percent)	113.12	80.77	78.67

2

Risk Management

2.1 Policy & Risk Management Plan

The factoring business is a business that directly involves 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 a Risk Management Office to support business expansion in order to analyze and monitor operations in accordance with plans and manage operational risks in accordance with credit policies to help ensure potential risks are effectively managed and controlled to an acceptable level.

In addition to managing credit risk, the Company realizes the importance of risk management under changes that affect the business from both 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 interconnection at all levels. It is the responsibility of all departments to manage and control the 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 shown in this document. There may be other risks which the Company is currently unaware of or risks that the Company It is currently considered that there is no material impact on the Company's business operations. Therefore, when investing, investors should carefully consider the risk factors can be classified as follows.

1. Risk Governance Structure

In 2015, in order to make all aspects of risk management more efficient, the Company changed the Risk Management Office to the Risk Management and Debt Resolving Division and added 2 more divisions, namely the Credit Screening Division and the Debt Resolving Division.

In 2019, in order to have a process within the company to consider the facts when it is found that there is an offense or any mistake that causes damage to the company. Therefore, the risk management department was divided into 2 areas, namely credit and operations. Which started operating since 2020 and later on May 16, 2022, the company has restructured in this line of work again. In order to be consistent with the direction of the organization's management, at present, the Risk Management and Debt Resolving Division consists of 4 departments, namely

1. Credit Policy and Credit Underwriting
2. Operational Risk Management Department
3. Debt Resolving Department

In addition, the company has appointed the Enterprise Risk Management Sub-Committee complies with financial institution standards It serves to help the overall risk management of the company to be effective and risk management strategies, including the acceptable risk level in accordance with business guidelines based on sustainability principles.

2. Risk Management Process

The Company manages risks through 3 key processes :

1. Risk Identification

The following may occur :

- 1.1 Credit risk
- 1.2 Risk from financing for credit expansion
- 1.3 Risk from relying on customers and large debtors
- 1.4 Risk from interest rate volatility
- 1.5 Risk from competition

2. Risk monitoring and control

The Company has a policy to review the credit limit of customers and trade receivables every year to see trends in the performance of customers and debtors, whether the quality is better or there is an increased risk as a guideline for quality control of the portfolio.

In addition, when suspicious events are found and which are expected to cause damage to the Company's transactions, the risk must be reported through the Early Warning Signs system as specified by the Company as one of the tools. That helps detect customers with inappropriate behavior that may cause damage to the company in the future.

In this regard, the Company has established policies and regulations that are standardized with other financial institutions to increase the efficiency of the Company's risk management as follows:

- 2.1 Asset Classification and Provision Policy
- 2.2 Debt Restructuring Policy
- 2.3 Operating regulations on credit screening process
- 2.4 Operating regulations on debt resolving
- 2.5 Troubled Credit Monitoring Procedures and execution
- 2.6 Operating regulations on abnormal incident reporting process

3. Risk Reporting

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

2.2 Risk factors for the Company's business operations

2.2.1 Risks to the Company's business operations

(1) Credit risk

in the factoring business There will be three parties involved :

1. The company, as a company that buys accounts receivable
2. Customer, who is a seller of account receivable / goods seller
3. Trade accounts receivable which is a credit purchaser or goods buye

The customer will transfer the right to receive payment of the debt to the company.

Therefore, in analyzing the credit risk of the company, it must consider both the risk of trade accounts receivable and customers.

In this regard, the credit risks of the factoring business are as follows :

a. Ability to repay debts of customers/debtors The company, as the transferee of the right to receive payment for goods from customers (product sellers). When the payment period is due, if the payment cannot be collected from the trade accounts receivable (purchasers), the company can claim the customer to pay the debt instead, exceptional in the case of receiving notification of the transfer of claims with conditions, such as accepting the transfer of claims by without Recourse from customers. Therefore, the company has to consider the business status of both customers and trade accounts receivable.

The company has an efficient credit management information system that enables it to quickly review the status of customers and trade receivables. There is a follow-up report of outstanding debt regularly, which helps the company to identify problems and solve problems quickly in the event that customers default on debt payments. In addition, the Company emphasizes on granting credit to trade debtors with stable financial status and cooperating in accepting the transfer of rights and cooperating in checking the debt before purchasing, which can reduce the risk. Significantly reduced credit risk. In the past years 2020, 2021 and 2022, the company had debtors with credit impairment of only 3.58 percent, 2.86 and 2.73 of the total number of debtors with claims for debt repayment respectively.

b. Risks arising from debt reduction between customers and debtors or sellers and buyers of goods. From trade agreements between customers and trade receivables, which may occur in the event of defective goods, obsolete goods, deducting trade expenses such as freight, returns on sales, etc. may cause the buyer to has the right to deduct expenses incurred before paying for the goods to the seller, which is a risk of the factoring business since the Company will pay for the goods in advance on behalf of the buyer (Debtor) to the seller (customer) first, causing the company to not receive the full payment of the debt in the event of such an event. However, the company has a policy to prevent such risk by examining the results of contact between customers and trade debtors for at least 6 months.

The company will consider the type of product such as must not be easily obsolete or have a high chance of returning the product. and determine the appropriate trade document purchase ratio (The purchase value is calculated as a percentage compared to the value of commercial documents). In the event that the payment of goods is not fully paid according to the value of the document, the company has a risk prevention by setting a guarantee for the credit limit as well.

In this regard, the Company has established a credit risk management tool, namely Credit scoring, which is a tool to screen and classify the risk levels of both customers and trade debtors.

(2) Risk from financing for credit expansion

Since the factoring business is a short-term loan with an average duration of no more than 180 days, the source of funds for the business should be a short-term source of funds. At present, the Company has several financial institutions providing financial support with a total credit line of more than 2,690.00 million baht. The credit line consists of overdraft and short-term loans, which may be a risk of being called for repayment before the debt has been repaid.

However, the Company has liquidity management to prevent such risk by borrowing money for a period that corresponds to the period of purchase of trade receivables, enabling the Company to manage liquidity effectively and with flexibility. more flexible In terms of sources of funds for lending in the future.

At the end of 2020, 2021 and 2022, the Company's debt to equity ratio was 3.18, 3.36 and 3.54 times respectively.

(3) Risk of relying on customers and large debtors

Reliance on large customers in 2021, and in 2022, the company has diversified customers from various industries, the company has a proportion of income from the first 10 customers, accounting for 25.54 and 26.90 percent of the company's total revenue, respectively. The company mainly relies on customers in the food and beverage industry. At the end of 2021, the company has the outstanding balance of customers in the aforementioned industry (3 customers from the first 10 customers) totaling 175.63 million baht. or equivalent to 7.04 percent of the proportion of the outstanding customers and the outstanding value of such customers in the energy and utilities industry (2 customers from the first 10 customers) totaling 224.09 million baht or 7.04 percent 8.05 of the proportion of outstanding customers for the end of December 31, 2022

For reliance on large trade receivables in 2021 and in 2022, the company has the outstanding value of the first 10 trade receivables, accounting for 42.50% and 38.57% of the total trade receivables outstanding, respectively. Most of such receivables come from the group of commercial business receivables. The Company has the outstanding value of such group of trade receivables (4 debtors out of the first 10 debtors) totaling 651.35 million baht or % 27.07 of the proportion of outstanding trade receivables for the end of 2021 and the value (5 accounts receivable from the first 10 debtors) 540.35 million baht or 19.41% of the proportion of outstanding trade debt for the end of 2022. The Company relies on a large trade receivable in the commercial business whose outstanding balance is 10.95% and 9.30% of the outstanding trade receivable at the end of 2021 and 2022 respectively.

However, the company has a policy to conduct business by targeting more medium and small customers. Group of trade receivables The Company has a policy to conduct business by giving importance to group of trade receivables with stable financial status or good payment history as well as cooperating in accepting the transfer of claims. is an important business base. Thus, there will still be a concentration of trade receivables in the future.

(4) Risk from interest rate volatility

Since the loan interest rate, which is the main cost of the company, varies according to market interest rates and affects the determination of interest rates charged to customers and the ability to compete with competitors in the market.

Changes in interest rates may affect the Company's performance. However, the Company has measures to mitigate such risks by managing finance costs and lending interest rates to be consistent. The company has the right to consider the interest rate as appropriate. Able to maintain the cumulative average spread of interest rates in accordance with the Company's policy, allowing the Company to be flexible in adjusting in the event of fluctuating interest rates. This is an appropriate way to manage the risk of interest rate volatility.

(5) Risk from competition

Currently, there are about 15 companies and banks operating factoring and similar businesses in Thailand, each of which focuses on different customer groups. The competition affects the interest rate spread to some extent but results in an increase in the loan growth rate because it makes entrepreneurs know and understand the factoring business and are more interested in using the service.

For the company to focus on domestic factoring services only by focusing on small and medium industrial customers who are suppliers of trade receivables in various industries, most of which are debtors who cooperate in accepting the transfer of rights to receive money and cooperate in checking the debt before the Company buys trade documents which helps reduce the risk.

In addition, the company has focused on the development of services with technology to increase both credit efficiency and convenience in acquiring trade accounts receivable which is an adjustment of the service model according to the current customer behavior. Moreover, the company has a close relationship with customers, has sufficient information to give advice or suggestions that are beneficial to the customer's business. The company has efficient credit management information systems and low operating costs, which make it stand out in terms of long-term competitiveness.

(6) Information and Communication Systems Risk

The company has given importance to the development of information systems to be modern, quality, and able to effectively support operations in various departments of the company and at the same time, the company continues to develop operation system related to the company's transactions to be more efficient continuously, such as the Core System, Online Factoring and E - Factoring, where the company has talented and skilled personnel responsible for the structure. information systems and databases to be more efficient as information and tools for the management to make decisions

In addition, the company is aware of cyber threats which are diverse and have more serious impacts. The company has taken various actions to reduce information risk, starting from defining the security policy of information and communication technology systems and contingency plans which is in line with the evolution of IT Security as a standard and has established a contingency plan for information technology systems for business continuity (BCP), such as improving computer network systems to ensure availability to avoid system failures by backing up the network and server, so that the system can continue

to work with the least chance of failure. There is a computer security system (Firewall), backup and recovery from unexpected outages or disasters, etc.

(7) Risk of relying on personnel

The Company regards its employees as an important human resource in driving the Company's transactions to progress and grow according to the set goals. The company recognizes the importance of human resources development to have knowledge and ability, and set a succession plan for personnel (Successor Plan) and strengthen skills by organizing training programs in various courses so that employees can learn and be able to work efficiently and encourage them to participate in the growth of the company including create a working atmosphere and working as a team. This will reduce the risk of relying on a specific person.

(8) Risk of fraud and corruption

In order to prevent the risk of fraud and corruption, the Company has established a controlled operating system and clear operating procedures, customer identification, credit approval consideration based on Financial documents and information which is reliable

It is reviewed by the Risk Management Division and has an authorization authority. Once the credit line has been approved by the customer for each transfer of trade debt rights, the Credit Operations Department must verify trade documents and can confirm that there is a real trade debt until the trade debt is due for collection. The Company will inquire about the value of the goods and services paid and the Company has an officer to collect such goods and services.

The above processes are subject to the organization's risk due diligence, with the risk prevention framework set up by the Risk Management Subcommittee responsible for planning, setting guidelines for risk prevention. In addition to fulfilling the mission against corruption and using internal audit mechanisms to manage and control risks appropriately, the company has placed importance on cultivating a sense of honesty. There are channels for whistleblowing, complaints and suggestions through the company's website, along with creating a policy against and preventing corruption (Anti - Corruption Policy) to require directors, executives, all employees and related persons to adhere to the anti-corruption policy in business operations to promote the company to be an organization with efficient management, ethics and good business ethics.

(9) Risk from the spread of the Covid-19 virus infection

From the lesson of the situation of the outbreak of the Covid-19 virus, causing measures to control areas and operations, especially businesses in the construction industry, restaurants, entertainment and entertainment, resulting in business processes not working properly as usual.

Currently, in terms of business operations, the company has a business continuity plan (BCP) in order to reduce the impact on business operations in the event of an epidemic throughout the period of the epidemic, by allocating resources to manage business continuously and efficiently, such as being ready to operate as a Mobility, which is an operation from outside the operational site which enables transactions from customers, accounts receivable and partners. under normal conditions.

(10) Operational Risk

In 2022, the company continues to develop the Core System, which makes various operations more accurate, concise, faster, reduces human error and can be developed to increase capabilities. The company is ready to connect the system to develop business with partners or customers in order to support changes in technology according to customer behavior in the current era

2.2.2 Investment risks of securities holders

(1) Risk from the company's major shareholder holding more than 50 percent of the registered capital

Since the company has a major shareholder, Aira Capital Public Company Limited, which holds shares in the company in the amount of 1,144,751,099 shares or 71.55% of the paid-up capital of the Company and Summit Corporation Co., Ltd. (the same group of shareholders as Aira Capital Public Company Limited, Jurangkoon Family) holds 46,672,000 shares in the Company, representing 2.92 percent of the company's paid-up capital, making it possible to control almost all of the shareholders' resolutions on important matters such as the appointment of directors or requesting resolutions on other matters that require the majority of the shareholders' meeting holding shares, so other shareholders may not be able to counterbalance with the major shareholders. (Information of list of shareholders from Thailand Securities Depository Co., Ltd. as of December 30, 2022)

However, the Company has appointed 5 independent directors, all 3 of whom are also members of the Audit Committee. The audit committee is responsible for reviewing and considering transactions that may cause conflicts of interest in accordance 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 it is of the utmost benefit to the company and also makes the management of the company transparent and verifiable.

2.2.3 Risk of investing in foreign securities

-None-

2.2.4 Environmental, Social and Governance Risks

(1) Environment

The current environment is changing differently from before, mainly due to human behavior both directly and indirectly. The invention and development of technology in various forms causing physical and biological changes through natural resources energy use in various forms. Greenhouse effect, global warming, directly and indirectly affects the quality of life.

The company is aware of the importance of social and environmental responsibility in accordance with the company's mission according to ESG (Environmental Social Governance) principles, thus launching AF Green Project products to support credit lines for business operators that are friendly to the environment. environment such as solar energy system installers, clean energy, renewable energy, manufacturers of products from used materials, manufacturers and installers of water and air treatment equipment systems, etc.

(2) Social aspect

The company recognizes the importance of fair and equitable human resource management, respecting human rights, and establishes a policy to continuously develop personnel to have knowledge and competency, enhance operational potential as well as Employees' merits are evaluated fairly with concrete measurable KPIs.

(3) Good governance

Based on the concept of sustainable organizational development, the Company has formulated a corporate governance policy similar to the Company's constitution, setting a framework for practice for executives and employees to adhere to, giving importance to the fundamental rights of all shareholders equally including disclosure of correct, complete and transparent information both financial and general reports. For follow up with the rules of the Securities and Exchange Commission of Thailand. In addition, there are channels for accepting complaints and measures for the protection of complainants. whistleblowers or those who cooperate in the investigation under the supervision and internal audit office are responsible.

2.2.5 Emerging Risk

Uncertainties from the environment may cause events that affect business operations, such as emergency events that were never expected to occur, causing risks to transactions, such as business events that no one expected to occur such as Covid-19 virus pandemic, which has killed millions of people, caused economic disruption. Global economic recession has affected business transactions. In the future, one unexpected change may occur. Nobody has experience with such events. Businesses must learn and find solutions in order to minimize the impact on the business.

In the future, there may be unexpected events that will occur. and affect business operations. It may be caused by social, political, legal, technological, natural and environmental changes. Technological changes in the digital age have changed the way we work.

The company is aware and gives importance to the risks that may occur in the immediate manner. Therefore, a business continuity management (BCM) framework has been established and established so that businesses can continue without interruption. Regardless of encountering problems in unusual situations, both internal and external threats arise. The business continuity plan (BCM) has focused on the aspects of

- 1) Human Resource Management By developing potential and learning to be able to work on behalf of each other to reduce the risk of losing important people of the company
- 2) Management to prevent loss of important data, the company has backup systems both inside and outside the organization. Including system recovery (Disaster & Recovery DR Site) to support business continuity plans (Business Continuity Management: BCM) for storing and backing up operational systems. Software / work programs and data to be able to perform and recover data back to work as before at all times and support backup storage.

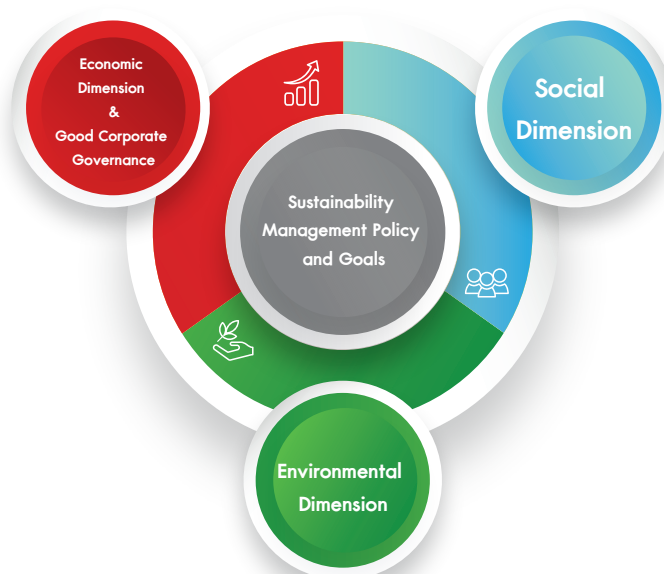
In addition to setting up the BCM plan, the executives and employees of the company must pay attention and understand the steps in implementing the plan (Business Continuity Management: BCM) in each situation that arises in order to be a good corporate culture of the company.




3

Business drive for sustainability

3.1 Sustainability Management Policy and Goals

The Board of Directors places great importance on operating a business with sustainable growth under good corporate governance. Therefore, a policy has been established to drive the company towards sustainability by taking into account all groups of stakeholders by adhering to good corporate governance principles, business ethics and compliance with laws and regulations of various regulatory agencies. The policy formulation is based on the principles of good corporate governance covering 3 dimensions, namely economic, social and environmental aspects.



 Economic Dimension & Good Corporate Governance	 Social Dimension	 Environmental Dimension
<ul style="list-style-type: none"> • Generate revenue and profit growth. • Develop innovative financial products and services. • Risk Management • Manage the company's working capital to be sufficient. • Conduct business in accordance with good governance principles. 	<ul style="list-style-type: none"> • Enhancing good quality of life for personnelw in the organization. • Create value for society. 	<ul style="list-style-type: none"> • Raise the level of service in digital format. • Support working capital for businesses that are friendly to the environment. • Cultivate awareness of caring for the environment.

In the 6th committee meeting, on December 15, 2022, the Board of Directors approved the establishment of a sub-committee, namely the Nomination and Remuneration Committee and Corporate Governance for Sustainability and delegate duty to supervise business operations in accordance with corporate governance principles and implement policies, goals and plans for sustainable growth.

Goals and strategies for sustainability

The company has set a sustainability framework that has been approved by the company's senior management, which has been defined as a 3-year sustainability operation plan (Sustainability Roadmap) starting from 2023 - 2025. Sustainability strategies and indicators are aligned with company KPIs. In this regard, the Company has a review and monitoring of the performance to ensure that it is in accordance with the specified plan, which can be considered that the company has clear and concrete guidelines to drive the organization towards sustainable development.

Economic Dimension Target	Social Dimension Target	Environmental Dimension Target
<ul style="list-style-type: none"> There is a continuous growth in the use of the service. The volume of credit transactions increases at least 10% per year under acceptable risk. There are innovative and secure financial products and services Manage risks to be within acceptable levels and in line with business practices based on sustainability principles Being a company with good governance according to CGR 2023 criteria There is a strong financial structure 	<ul style="list-style-type: none"> Personnel in the organization are safe, have good occupational health, have developed knowledge ability and appropriate welfare Participate in social responsibility 	<ul style="list-style-type: none"> There is a service to buy documents through the E Factoring system. Increase loans in the industry related to energy saving and renewable energy Raising awareness of environmental care

The quantitative indicators of the company's goal in line with the goal of sustainable business operation is to have continuous growth in service usage with an increase in the amount of credit transactions of not less than 10% per year under acceptable risk.

Goal Execution

In 2022, the Company is in the process of preparing a sustainable development policy and presenting it to the Board of Directors for approval and determining work plans, goals and strategies for sustainability, which is a 3-year roadmap starting from 2023 - 2025.

Business strategies for driving sustainability

Economic Dimension

- Recruiting business partners both from companies in the group and business partners that are beneficial in expanding the market base.
- Develop channels to access the company's products and services and develop a system to connect external data to the company's database.
- Adjust organizational structure and work system to support growth
- Develop integrated products and services and technological innovations
- Developing business operations and connecting information through digital systems
- Develop customer information security system
- Developing a system to prevent cyber theft.
- Manage financial costs to be at an appropriate level
- Comply with good governance and business ethics and communicated to all groups of stakeholders both internally and externally.

Social Dimension

- Develop learning skills for employees by setting an annual employee knowledge development plan.
- Organized CSR activities with business partners to develop the well-being of society, community
- Increase public relations channels and provide knowledge about working capital sources for small entrepreneurs who cannot access bank funding sources.

Environmental Dimension

- Develop the process of buying official transaction documents in digital format instead of purchasing documents that customers have to bring by themselves.
- Encourage credits to industries related to energy savings.
- Provide activities and promote knowledge on environmental conservation including efficient use of resources.

Plan to achieve the goals

In 2022, the Company will start implementing the plan in 2023. Therefore, in 2022, data collection and measurement have not yet been performed according to the objectives of each issue in a concrete way. However, data will be collected and processed according to the plan from 2023 onwards.

3.2 Managing the impact on stakeholders in the business value chain

3.2.1 Business value chain

The company has divided the main activities of the company's business operations into 8 groups of work, namely customer acquisition, financing, marketing, credit underwriting, credit operations, money transfer, customer care and after-sales service.



Stakeholder relationship analysis in each of the main business activities of the company.



The company has prepared information indicating stakeholders in each of the main activities of the company's business operations covering all dimensions both internally and externally, taking into account participation, impact on operations, including operating results in order to Maximum benefit for all parties.


Stakeholders are divided into 7 groups: 1) Shareholders, 2) Employees, 3) Business Partners, Account Payables and Banks, 4) Customers and Account Receivables, 5) Competitors, 6) Regulators. , 7) society and environment details as follows


Main activities	Operation	Stakeholders
Customer engagment activities	Finding customers Screen Target Customer	Employees, business partners Business partner
Funding activities	Find funding sources	Shareholders, customers and trade debtors, trade creditors and banks, employees
Marketing activities	Visiting, offering credit to meet the needs of customers.	Customers and trade debtors, employees, directors, competitors, social and environment
Credit approval activities	Credit approval process and risk management	Employees, directors, customers and trade debtors
Loan operation activities	Buying documents, contracting, contract, claiming rights, mortgage	Customers and trade debtors, employees, regulators
Money transfer Activity	Carry out and transfer money to customers	Customers and trade debtors, employees, regulators, trade creditors and banks
Customer care and after -sales service activities	Meeting and visiting customers Review the limit and credit requirement Credit service	Employees, customers and trade debtors, regulators, competitors, social and environment



Stakeholder Engagement


Due to the diversity of stakeholder groups, the Company has taken steps to respond differently to the expectations and interests of each stakeholder group in order to build relationships with stakeholders. according to the principles of good corporate governance through a variety of channels, such as the annual shareholders' meeting Annual Report (56-1 One Report), Stakeholder Satisfaction Survey, Complaint Channel or Company Advice, Visiting Customers, Meeting with Business Partners Partners include factoring business operators, system development, bringing new service innovations in line with customer needs, including training and development to enhance the potential of all sectors, providing Cooperation with the government, joining a network with the government, communicating through various channels which are detailed in the table below.

Stakeholders	Expectation / interest Of stakeholders	Proceeding to respond to expectations/interests of stakeholders	Communication channels	
Employee 	Acknowledge the policy, business direction, work guidelines develop knowledge and capacity of employee Progress and grow in work Work life balance Employee compensation is in line with both short-term and long-term performance. respect human rights Fair and equal treatment of employees	Treat employees fairly Create work motivation Take care of compensation Welfare and other benefits are appropriate to the needs of employees and organizations. The development of the work of employees through a variety of learning channels. Give importance to occupational health and continually promote the health of employees. Exchange experiences and knowledge between executives and employees. Bringing problems that arise from work to find a solution and develop to increase work potential.	New employee orientation	First time
			Public relations communication through newsletters to employees via Intranet, E mail and LINE.	Regularly
			Organize activities to strengthen good relationships Exchange and share experiences and knowledge between employees and executives.	Regularly
			Executive monthly meeting	Monthly
			CEO Town Hall Meeting	Monthly
			Company party to strengthen relationship	Annual / as appropriate
Customer 	Receive information about complete products Products and services can be easily accessible and responding to the needs of customers quickly, with reasonable prices. There is a system to maintain data / secrets and privacy of customers. Providing equal services	Disclose accurate and complete information about products and services. Develop systems and channels for accessing products and services through digital channels, which are easy to access and able to provide quick service, meeting the needs of customers in the digital society era. effective risk management in credit approval Have a business crime protection system Maintain customer information and confidentiality	Customer meeting	Regularly
			Visiting customers' business	Regularly
			Public relations through various channels such as company website, and other platforms	Regularly
			Suggestions or complaints	

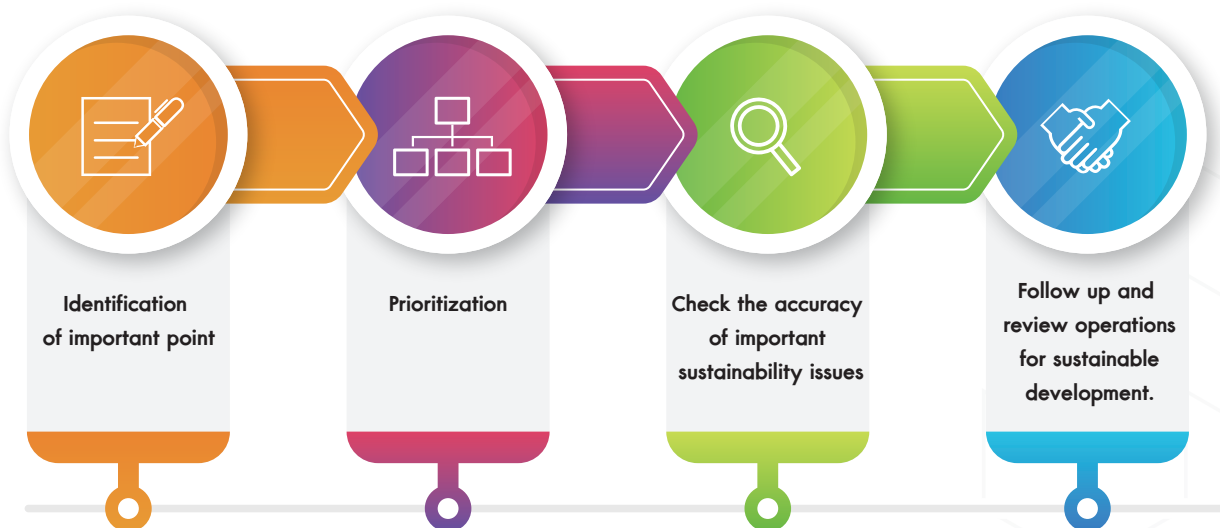
Stakeholders	Expectation / interest Of stakeholders	Proceeding to respond to expectations/interests of stakeholders	Communication channels	
Business partners / commercial creditors/Bank 	Select business partners with transparency and fairness.	Providing information to partners correctly and clearly	Joint meeting with partners and business partners	Regularly
	Treat all partners equally	Organize a meeting with partners to develop joint business relationships.	Discussions with affiliated companies	Regularly
	Comply with contractual requirements	Follow the trade conditions and bank agreements.	Suggestions or complaints	
	No corruption in procurement	Pay interest and repay the loan as scheduled.		
	Received compensation as agreed	Working with a subsidiary company in expanding marketing bases and making revenue for new businesses.		
	Receive interest payment and payment of the loan as scheduled			
	Accurate, clear and appropriate information is communicated.			

Stakeholders	Expectation / interest Of stakeholders	Proceeding to respond to expectations/interests of stakeholders	Communication channels	
Shareholders 	The performance has sustainable growth. Suitable dividend payment. Operate with transparency, fair and auditable. The shareholders receive the information of the company that is accurate in time and equally equally.	Business in accordance with good business supervision policies Pay compensation to shareholders at an appropriate rate. Revealing the accurate and timely information to shareholders. Inviting shareholders to attend an annual general shareholder meeting by providing opportunities to express their opinions and suggest to the company.	Shareholders meeting	Annually
			Join Opportunity Day	Quarterly /As appropriate
			Join MAI Forum	Regularly
			The television program interview about the performance	As appropriate
			Disclosure of data through the SET Portal system of the Stock Exchange of Thailand, publications and web-sites of the company	Regularly
			Providing information in annual report 56-1 One Report 56-1 one report	Annual
			Providing information in the form of reporting to the Stock Exchange of Thailand	Regularly
			Providing information in the form of descriptions and analysis of financial status and operating results	Quarterly
			Suggestions or complaints	

Stakeholders	Expectation / interest Of stakeholders	Proceeding to respond to expectations/interests of stakeholders	Communication channels	
Competitor 	Fairly and transparency business and competition Exchange useful ideas	Fair business with competitors	Attending the meeting and exchanging information between the factoring business through the Factoring Operators Association	Regularly
Regulator 	Follow relevant regulations and laws Be accurate, transparent and auditable	Prepare standard of practice (SOP) for employees which accordance with the rules, regulations and laws. There is an internal supervision and inspection agency to review the work in accordance with the specified SOP.	Communicate with organizations that supervise through regulator (Compliance) Communicate with agencies through relevant activities, such as inspection by organizations that supervise the meeting to discuss important matters.	Regularly As appropriate
			Providing information through news notifications to the Stock Exchange of Thailand	Regularly
			Providing information through annual report 56-1 One Report	Annually

Stakeholders	Expectation / interest Of stakeholders	Proceeding to respond to expectations/interests of stakeholders	Communication channels
Social and environment 	<p>The company is honest, doing a transparent business.</p> <p>Encourage people in the community to have a good quality of life.</p> <p>Promote social activities and take care of the community</p> <p>Not destroying the environment and conserving the environment</p>	<p>Be part of the organizations that encourage SMEs to easily access the funding source to drive the Thai economy to grow.</p> <p>Provide loans to business that is friendly to society, environment</p> <p>Join anti-corruption organization</p> <p>Participate in environmental conservation and supervision activities with the Stock Exchange of Thailand.</p> <p>Donate money to buy medical equipment with Thammasat Hospital</p>	<p>Public activities about social and the environment through the company website.</p> <p>Occasionally</p>

The process of assessing important issues in sustainability



Identification of important points

In 2022, the company brought the process of evaluating important issues in accordance with the Stock Exchange of Thailand to identify important issues by considering the risk factors and opportunities related to the main activities of the company's business.

Prioritization

The company has prioritized the importance of sustainability issues by analyzing and evaluating the importance of sustainability, risks and opportunities, which covers all 7 groups of stakeholders by considering the priorities of 2 dimensions are 1) The impact and opportunities that are significant to the company's business operations 2) The issue that the stakeholders are interested and give importance by dividing the priority into a low, medium and high level.

Setting important topics

The company has specified the topic of sustainability involves both internal and external stakeholders, which are the topics that the company and leading companies in the financial business give importance to the current situation and the world change trend (Mega Trend) in order to manage the sustainability topic that can meet the needs of the stakeholders appropriately as follows

Economic dimension

1. Company performance
2. The product has innovation to meet the needs of customers in the digital society.
3. Effective risk management
4. Compliance with trade conditions and bank conditions
5. Procurement of business partners that are beneficial to the company's business.
6. Labor management and labor relations
7. Prevent business crime
8. Customer information and secrets

Social dimension

1. Treatment of competitors with fairness
2. Encourage SMEs to access funds.
3. Enhance the good governance of the organization into an international level.
4. Anti - corruption

Environmental resolution

1. Credit services with business that are friendly to society and the environment.

Results of important sustainability assessment (Materiality Assessment)



Level of impact : High

1. Company performance
2. Innovative products
3. Effective Risk Management
4. Comply with trade terms and conditions of the bank.
7. Prevent business crime
8. Customer information and confidentiality

Level of impact : Midium

11. Raise the level of good governance of the Company to the international level.
6. Labor management and labor relations
9. Treat commercial competitors fairly.
5. Procurement of business alliances that benefit the Company's business
12. Anti-Corruption
13. Loan services for businesses that are socially and environmentally friendly.

Level of impact : Low

10. Encourage SMEs to have access to funding sources.

Validate key sustainability points

Key sustainability issues are reviewed and screened by senior management representatives. It has prioritized taking into account the level of influence on stakeholder assessment and decision-making, along with the level of significance on economic, social and environmental impacts. After conducting a sustainability assessment, the results of the assessment were presented to the senior management meeting to review and approve the company's important sustainability issues.

Monitoring and Reviewing Operations for Sustainable Development

Objectives are operations can achieve sustainability goals, the Company requires a review of sustainability issues and content, including reviewing priorities and listening to opinions from stakeholders to develop and use in determining the direction of the company's sustainability operations in the next phase.

The Company has a follow-up process by reporting sustainability performance to the Nomination and Remuneration Committee and Corporate Governance for Sustainability every 6 months.

3.3 Sustainability Management in Environmental Resolutions

Environmental policies and practices

Due to economic expansion, the demand for more resources has resulted in environmental impacts such as overflowing waste. Air pollution Water pollution Sudden climate change which causes global warming, drought and flooding, such environmental impacts that occur cannot be dealt with and can solve the problem alone, but it is imperative to build cooperation to solve the problem sustainably.

The company is aware of the importance of the problems that arise. Therefore, the policy has been established to drive business that is environmentally friendly. The company is committed to conducting business that is environmentally conscious and reduces greenhouse gas emissions, therefore, has established a 3-year main plan for environmentally friendly business operations.

The main goal in conducting business that is environmentally friendly.

1. Able to provide document purchasing service through the E Factoring system.
2. Increase the amount of credit in the industry related to energy saving, renewable energy
3. Raise awareness among employees in caring for the environment.

Guidelines for operation

- **Upgrade the service in the form of Digital :** to reduce costs, reduce energy consumption in the documentation process and document delivery, such as the cost of purchasing paper, toner, photocopying, electricity, cost of traveling, fuel and reduced the number of staff by developing the process of purchasing official documents in the form of Digital instead of buying documents that customers have to send by themselves
- **Supporting working capital to environmentally friendly businesses :** aiming to support working capital with the industry that is clean, not polluted to the environment including the business sector operating with environmental attention by supporting loans to the industry related to energy saving

- **Raise awareness of environmental care :** including in the company and campaign for energy conservation employees and reduce greenhouse gases, as well as promote the reduction and management of waste in the company by providing activities and promote knowledge about environmental conservation, including the use of resources efficiently

Significant environmental operations in 2022

1. The company campaigns for the use of resources worthlessly under the concept of 3Rs, namely

Reduce :

Reduce the use of customers' travel fuels and reduce paper use in operations by developing customer service through electronic channels and developing the process of purchasing official documents in the form of Digital instead of buying documents that customers have to send by themselves.

Apply technology for the company meeting to reduce the amount of paper for printing the meeting documents by sending soft file for the meeting documents

- Supporting the selection of environmentally friendly products and does not destroy nature, such as determining the properties of the purchased paper must be environmentally friendly. The source of raw materials in paper production must not support the deforestation.
- Develop innovation and use technology for customer service in order to reduce operating costs, increase revenue and increase business opportunities.
- Increase communication channels, public relations, news via online channels to reduce the use of littering paper and reduce the cost of printing.

Reuse :

Reduce the amount of waste by reuse by campaigning to use both paper and use the packaging that is used repeatedly

Recycle:

Promoting the recruitment of new use by separating waste that can be recycle, such as paper, plastic water bottle paper to sell to the relevant entrepreneurs

Promote waste reduction by campaigning for employees to see the value of the remaining coffee grounds in which the company encourages employees to use coffee grounds as fertilizer to put trees instead

2. Toxic waste management : The company cooperates with building owners in separating hazardous waste such as old light bulbs and expired batteries and discarded in the place that has been provided

3.4 Sustainability management in a social dimension

Social Policy and Practice

The company gives importance to sustainability management in a social dimension with various groups of stakeholders with a determination to provide business loans that meet the needs of customers at all levels under the mission of developing products and services and conduct business with environmental, social and governance (ESG) considerations.

The company realizes that employees are important resources in driving the company's business to success. The company therefore places importance on taking care of employees to have a good quality of life as well as providing opportunities for career advancement along with the company's growth including cooperation with partners and business partners in a fair, transparent and equitable way.

In addition, as a part of society Therefore, the Company has always intended to promote a good life for surrounding communities and people in society.

The Company operates its business by respecting human rights and complying with human rights laws including preventing and avoiding human rights violations for all stakeholders with respect for human values and without violating fundamental rights. treat each other equally

The company provides corporate governance including carefully planning business operations, careful not to create problems that may lead to violations of the rights of employees, communities and society by specifying issues related to respect for human rights that cover both internal and external stakeholders. The company has established guidelines for employees by adhering to the principles of fair labor treatment and respect for human rights For the treatment of stakeholders outside the company, such as customers, partners, shareholders, can be summarized as follows.

On the part of customers : The Company adheres to responsible business practices, with complete, accurate and accurate disclosure of information about products and services without distorting facts by taking into account the interests of customers is important, including providing services to customers fairly, maintain customer confidentiality as well as follow up and measure satisfaction and listen to comments and complaints about products and services to develop and raise the level of satisfaction and trust from customers.

On the part of shareholders : Information is disclosed transparently, fairly and equally to ensure that all groups of shareholders will receive equal treatment and fundamental rights protection.

In terms of partners All business partners : There are treated with equality and fairness in business operations, prepare appropriate contract forms Including complying with contracts or conditions strictly agreed, transparent, without bias, can be verified as well as establishing a control system to prevent the use of trade partners' confidential information Disclose or use it to conduct business by illegal means.

In addition, there are channels for receiving complaints and suggestions and recommendations on human rights to employees, customers, with management guidelines appropriate complaints as well as following up and providing appropriate remedies in case of problems.

Significant social performance in 2022

Staff :

- Provide knowledge training for all employees : The average number of hours for on-site training is 5.45 hours per person per year and the average number of hours for training within the organization is 3.32 hours per person per year.
- Set various safety measures to support collaboration in the workplace under the COVID-19 epidemic situation, as well as coordinating with the hospital to provide vaccines and hospitals for employees in case of infection.

Customer :

- Improving the working structure of the credit line and market to serve customers more efficiently.

Community and Society

- Donated money for charity to purchase a heart monitoring device worth 500,000 baht to Thammasat University Hospital.
- Participated in the Care the Wild project with the MAI Stock Exchange, joining forces to plant trees for forests and protect forests at Ban Oi Community Forest, Ban Boon Rueng Community Forest Rong Kwang District, Phrae Province

4

Management Discussion and Analysis (MD&A)

4.1 Financial Performance Explanation and Analysis

Overall

- **Thai economy and operating effect**

In quarter 4 ,2022 The Thai economy is likely to recover continuously. Due to the recovery in domestic demand and tourism sector following the return of foreign tourists. The impact of COVID-19 not having much impact on economic activities which is considered one of the positive factors for the economy in 4Q22. But there still uncertainly from higher inflation trends, including raising the policy interest rate of central banks around the world. This may affect interest rate trends in the future.

The company has adjusted its operating strategy by going to develop Online Factoring System beside of landing E-Factoring system, which can reduce operation, paper usage reduces global warming at present, this will allow for more efficient control over operations.

- **Operating outlook**

The Company factoring business in the 2022, Total revenues were 226.50 million Baht which increased by 28.66 million Baht or 14.5%, net profit 45.26 million Baht which decreased 4.26 million Baht or (8.6%) compared to the same period of the previous year. The decreasing of net profits resulted from increase of doubtful accounts and expected credit loss.

Performance and Profitability

During the year of 2022 and 2021, interest income from factoring were 158.14 million Baht and 139.10 million Baht or equivalent to 69.8% and 70.3% of total revenues respectively. Fees and services income were 47.75 million Baht and 40.11 million or 21.1% and 20.3% respectively. Interest received from loans amounted to 19.42 million Baht and 17.13 million Baht or 8.6% and 8.7% respectively. Total revenues were 226.50 million Baht and 197.84 million Baht respectively. Finance costs were 42.57 million Baht and 34.77 million Baht or 18.8% and 17.6% respectively. The Company's gross profits were 182.74 million Baht and 161.57 million Baht or 81.11% and 82.29% respectively.

(Unit: Thousand Baht)

Statement of compressive income	For the year ended 31 December 2022	Percent	For the year ended 31 December 2021	Percent	Changed	
					Value	Percent
Revenues						
Interest income from factoring	158,142	69.8%	139,100	70.3%	19,042	13.7%
Fees and services income	47,753	21.1%	40,106	20.3%	7,647	19.1%
Interest income from loan	19,415	8.6%	17,132	8.7%	2,283	13.3%
Other Income	1,187	0.5%	1,499	0.8%	(312)	-20.8%
Total revenues	226,497	100.0%	197,837	100.0%	28,660	14.5%

During the year of 2022 and 2021, the Company's administrative expenses were 107.81 million Baht and 100.37 million Baht or 47.6% and 50.7% of total revenues. Provision for doubtful account was 19.35 million Baht and (1.88) million Baht respectively or 8.5% and (1.0%) of total revenues. The Company have increase of provision for doubtful account by the calculation of Expected Credit Loss (ECL) based on TFRS9 increase from the same period last year. Resulted to the Net profit during the year of 2022 and 2021 were 45.26 million Baht and 49.52 million Baht respectively.)

(Unit: Thousand Baht)

Statement of compressive income	For the year ended 31 December 2022	Percent	For the year ended 31 December 2021	Percent	Changed	
					Value	Percent
Expenses						
Administrative expenses	107,808	47.6%	100,368	50.7%	7,440	7.4%
Finance cost	42,566	18.8%	34,768	17.6%	7,798	22.4%
Doubtful accounts	19,347	8.5%	(1,884)	-1.0%	21,231	1,126.9%
Total expenses	169,721	74.9%	133,252	67.4%	36,469	27.4%
Profit before income tax expenses	56,776	25.1%	64,585	32.6%	(7,809)	-12.1%
Income tax expense (Revenue)	11,515	5.1%	15,069	7.6%	(3,554)	-23.6%
Profit for the period	45,261	20.0%	49,516	25.0%	(4,255)	-8.6%

Basic earnings per share

0.0283

Baht/
share

0.0309

Baht/
share

Financial Status as at 31 December 2022

The Company's total assets as at December 31, 2022 were 2,384.30 million Baht which increased by 72.76 million Baht or 3.1% compared to as at December 31, 2021.

Current assets as at December 31, 2022 were 2,309.39 million Baht which increased by 87.83 million Baht or 4.0% compared to as at December 31, 2021. Largest proportion was Factoring Receivables as at December 31, 2022 were 2,064.53 million Baht or equivalent to 86.6% of total assets.

Non-current assets as at December 31, 2022 were 74.91 million Baht or equivalent to 3.1% of total assets which decreased 15.08 million Baht.

(Unit: Thousand Baht)

Statement of financial position	Q4/2022	Percent	Q4/2021	Percent	Changed	
					Value	Percent
Current Assets						
Cash and cash equivalents	69,149	2.9%	99,985	4.3%	(30,836)	-30.8%
Factoring receivable	2,064,534	86.6%	1,901,366	82.3%	163,168	8.6%
Current portion of loans receivable	83,960	3.5%	217,732	9.4%	(133,772)	-61.4%
Short-term loans to related party	89,862	3.8%	-	0.0%	89,862	100%
Other current assets	1,885	0.1%	2,474	0.1%	(589)	-23.8%
Total current assets	2,309,390	96.9%	2,221,557	96.1%	87,833	4.0%
Non-current assets						
Loan receivable	40,343	1.7%	56,416	2.4%	(16,073)	-28.5%
Equipment	989	0.0%	679	0.0%	310	45.7%
Right-of-use assets	3,344	0.1%	2,821	0.1%	523	18.5%
Intangible assets	5,396	0.2%	7,063	0.3%	(1,667)	-23.6%
Deposits and guarantees	287	0.0%	287	0.0%	-	0.0%
Deferred tax assets	24,549	1.0%	22,717	1.0%	1,832	8.1%
Total non-current assets	74,908	3.1%	89,983	3.9%	(15,075)	-16.8%
Total assets	2,384,298	100.0%	2,311,540	100.0%	72,758	3.1%

Total liabilities as at December 31, 2022 were 1,858.67 million Baht or equivalent to 78.0% of total liabilities and shareholders' equity which increased 77.89 million Baht or 4.4% compared to as at December 31, 2021 as a result of short-term loans from financial institutions which is in line with the increased in assets of loan receivable.

(Unit: Thousand Baht)

Statement of financial position	Q4/2022	Percent	Q4/2021	Percent	Changed	
					Value	Percent
Current liabilities						
Short-term loans from financial institutions	1,690,000	70.9%	1,648,000	71.3%	42,000	2.5%
Retention from factoring	61,506	2.6%	51,114	2.2%	10,392	20.3%
Current portion of long-term loan	-	0.0%	12,000	0.5%	(12,000)	-100.0%
Current portion of liabilities under finance lease agreements	2,382	0.1%	2,373	0.1%	9	0.4%
Dividend payables	51,200	2.1%	-	0.0%	51,200	100.0%
Excess receipt awaiting to repay	22,441	0.9%	34,761	1.5%	(12,320)	-35.4%
Other payables	6,433	0.3%	5,365	0.2%	1,068	19.9%
Income tax payable	6,188	0.3%	4,300	0.2%	1,888	43.9%
Other current liabilities	2,016	0.1%	2,989	0.1%	(973)	-32.6%
Total current liabilities	1,842,166	77.3%	1,760,902	76.2%	81,264	4.6%
Non-current liabilities						
Liabilities under finance lease agreements	1,028	0.0%	563	0.0%	465	82.6%
Provision for long-term employee benefits	15,480	0.6%	19,319	0.8%	(3,839)	-19.9%
Total non-current liabilities	16,508	0.7%	19,882	0.9%	(3,374)	-17.0%
Total liabilities	1,858,674	78.0%	1,780,784	77.0%	77,890	4.4%

Liquidity and Capital Adequacy

As at December 31, 2022, shareholder s' equity was 525.62 million Baht or equivalent to 22.0% of total liabilities which decreased by 5.13 million Baht or equivalent to (1.0%) from the same period last year.

As at December 31, 2022, the Company had current ratio 1.25 and debt to equity 3.54 with an available credit facilities which had not yet been drawn down amounted to 1,000 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	Q4/2022	Percent	Q4/2021	Percent	Changed	
					Value	Percent
Shareholders' equity						
Issued and fully paid-up	400,000	16.8%	400,000	17.3%	-	-
Share premium	75,845	3.2%	75,845	3.3%	-	-
Capital contribution from parent company	406	0.0%	406	0.0%	-	-
Retained earnings: Appropriated	36,970	1.6%	34,700	1.5%	2,270	6.5%
Unappropriated	12,403	0.5%	19,805	0.9%	(7,402)	-37.4%
Total shareholders' equity	525,624	22.0%	530,756	23.0%	(5,132)	-1.0%
Total liabilities and shareholders' equity	2,384,298	100.0%	2,311,540	100.0%	72,758	3.1%

Financial Ratios

Financial Ratios	As at 31 December 2022	
Liquidity Ratio		
Current Ratio	1.25	Times
Profitability Ratio		
Gross Profit Margin	81.11	%
Net Profit Margin	19.98	%
Return on Equity or ROE	8.61	%
Efficiency Ratio		
Return on Asset or ROA	1.90	%
Financial Ratio		
Debt to Asset Ratio	0.78	Times
Debt to Equity	3.54	Times

Financial Ratios

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

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 remaining is 3 months. Future minimum lease payments required under these non-cancellable operating leases.

4.2 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.

4.3 Financial Highlight

Auditor report

Statement of Financial Position As of 31 December 2022

To audit by Mrs. Poonnard Paocharoen, 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 31,2022 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 2021

To audit by Mrs. Poonnard Paocharoen, 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.

**Aira Factoring Public Company Limited Statement of Financial Position
As of 31 December 2022, 2021 and 2020**

(Unit: Baht)

Financial Statement	31-Dec-22	%	31-Dec-21	%	31-Dec-20	%
Current Assets						
Cash and cash equivalents	69,148,621	2.90	99,985,362	4.33	62,519,815	2.87
Factoring receivables	2,064,534,897	86.59	1,901,366,247	82.26	1,822,422,763	83.72
Current portion of loan receivables	83,960,159	3.52	217,731,773	9.42	169,185,198	7.77
Short-term loans to related party	89,861,617	3.77	-	0.00	-	0.00
Other current receivables	1,212,165	0.05	1,474,139	0.06	731,180	0.03
Other current assets	673,025	0.03	1,000,055	0.04	1,295,698	0.06
Total Current Assets	2,309,390,484	96.86	2,221,557,576	96.11	2,056,154,654	94.46
Non-Current Assets						
Loan receivables - net of current portion	40,342,762	1.69	56,415,594	2.44	75,642,541	3.47
Equipment	988,944	0.04	678,700	0.03	1,386,841	0.06
Right-of-use assets	3,343,850	0.14	2,821,152	0.12	8,022,107	0.37
Intangible assets	5,395,922	0.23	7,063,050	0.31	8,313,074	0.38
Deposits and guarantees	286,818	0.01	286,818	0.01	292,818	0.01
Deferred tax assets	24,549,468	1.03	22,716,586	0.98	27,025,101	1.24
Total Non-current Assets	74,907,764	3.14	89,981,900	3.89	120,682,482	5.54
Total Assets	2,384,298,248	100.00	2,311,539,476	100.00	2,176,837,136	100.00
Current Liabilities						
Short-term loans from financial institutions	1,690,000,000	70.88	1,648,000,000	71.29	1,523,000,000	69.96
Retentions from factoring	61,506,072	2.58	51,113,521	2.21	41,862,181	1.92
Current portion of long-term loan	-	0.00	12,000,000	0.52	-	0.00
Current portion of lease liabilities	2,382,402	0.10	2,372,991	0.10	5,204,748	0.24
Dividend payables	51,200,000	2.15	-	0.00	33,600,000	1.54
Excess receipts awaiting to repay	22,440,550	0.94	34,760,794	1.50	21,919,654	1.01
Other payables	6,432,795	0.27	5,364,540	0.23	4,528,597	0.21
Income tax payables	6,187,875	0.26	4,300,278	0.19	4,794,389	0.22
Other current liabilities	2,016,432	0.08	2,989,423	0.13	1,201,766	0.06
Total current liabilities	1,842,166,126	77.26	1,760,901,547	76.18	1,636,111,335	75.16
Non-current liabilities						
Lease liabilities, net of current portion	1,027,954	0.04	563,168	0.02	2,936,160	0.13
Provision for long-term employee benefits	15,480,379	0.65	19,319,302	0.84	16,550,611	0.76
Total non-current liabilities	16,508,333	0.69	19,882,470	0.86	19,486,771	0.90
Total Liabilities	1,858,674,459	77.95	1,780,784,017	77.04	1,655,598,106	76.06

**Aira Factoring Public Company Limited Statement of Financial Position
As of 31 December 2022, 2021 and 2020 (Continued)**

(Unit: Baht)

Financial Statement	31-Dec-22	%	31-Dec-21	%	31-Dec-20	%
Shareholders' equity						
Share capital :						
Registered 1,600,000,000 ordinary shares of Baht 0.25 each	400,000,000	16.78	400,000,000	17.30	400,000,000	18.38
Share premium	75,844,889	3.18	75,844,889	3.28	75,844,889	3.48
Capital contribution from parent company	406,077	0.02	406,077	0.02	406,077	0.02
Retained earnings :						
Appropriated-statutory reserve	36,970,000	1.55	34,700,000	1.50	32,200,000	1.48
Unappropriated	12,402,823	0.52	19,804,493	0.86	12,788,064	0.59
Total shareholders' equity	525,623,789	22.05	530,755,459	22.96	521,239,030	23.94
Total liabilities and shareholders' equity	2,384,298,248	100.00	2,311,539,476	100.00	2,176,837,136	100.00

**Statement of comprehensive income
As at 31 December 2022, 2021 and 2020**

(Unit: Baht)

Statement of comprehensive income	31-Dec-22	%	31-Dec-21	%	31-Dec-20	%
Revenues						
Interest income from factoring	158,141,816	69.82	139,099,512	70.31	159,620,727	76.03
Fee and service income	47,753,025	21.08	40,106,368	20.27	41,071,587	19.56
Interest income from loans	19,415,300	8.57	17,131,416	8.66	7,718,004	3.68
Finance costs	(42,566,195)	-18.79	(34,767,643)	-17.57	(42,057,964)	-20.03
Gross Profit*	182,743,946	81.11	161,569,653	82.29	166,352,354	79.82
Other income	1,186,646	0.53	1,499,381	0.76	1,530,134	0.73
Total revenues	226,496,787	100.00	197,836,677	100.00	209,940,452	100.00
Expenses						
Administrative expenses	(127,155,255)	-56.14	(98,483,903)	-49.78	(117,571,889)	-56.00
Profit before income tax expenses	56,775,337	25.07	64,585,131	32.65	50,310,599	23.96
Income tax expenses	11,514,621	5.09	15,068,702	7.62	7,597,375	3.62
Profit for the year	45,260,716	19.98	49,516,429	25.03	42,713,224	20.35
Other comprehensive income:						
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>						
Gain on remeasurement of defined benefit plans	1,009,518	0.45	-	0.00	(4,292,056)	-2.04
Less: Income tax effect	(201,904)	-0.09	-	0.00	858,411	0.41
Total comprehensive income for the year	46,068,330	20.34	49,516,429	25.03	39,279,579	18.71
Weighted Average Number of Ordinary Shares	1,600,000,000		1,600,000,000		1,600,000,000	
EPS	0.0283		0.0309		0.0267	

Cash flow statement
As at 31 December 2022, 2021 and 2020

(Unit: Baht)

Cash flow statement	31-Dec-22	31-Dec-21	31-Dec-20
Cash flows from operating activities			
Profit before tax	56,775,337	64,585,131	50,310,599
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating:			
Depreciation and amortization	8,580,928	8,661,392	7,962,002
Expected credit losses (reversal)	19,347,138	(1,884,358)	7,703,980
Gain on write-off of equipment	(811,997)	-	(17,410)
Write-off equipment	10	-	-
Gain on disposal of assets held for sale	-	(1,000,000)	(828,200)
Loss on impairment of assets held for sale	-	-	2,947,200
Provision for long-term employee benefits	2,432,477	2,768,691	1,020,502
Finance cost	42,566,195	34,767,643	42,057,964
Profit from operating activities before changes in operating assets and liabilities	128,890,088	107,898,499	111,156,637
Operating assets (increase) decrease			
Factoring receivables	(180,518,909)	(77,035,537)	558,410,585
Loan receivables	148,026,175	(29,295,515)	(184,930,587)
Short-term loans to related party	(90,000,000)	-	-
Other receivables	221,749	(190,661)	(247,615)
Other current assets	327,030	295,643	4,152,650
Deposits and guarantees	-	6,000	1,842,182
Operating liabilities increase (decrease)			
Retentions from factoring	10,392,551	9,251,339	1,570,663
Excess receipts awaiting to repay	(12,320,244)	12,841,140	(45,326,947)
Other payables	1,108,507	(211,105)	(1,393,883)
Other current liabilities	(972,991)	1,787,657	(433,517)
Other non-current liabilities	-	-	(578,794)
Cash flows from operating activities	5,153,956	25,347,460	444,221,374
Cash paid for interest	(42,375,140)	(34,148,595)	(42,619,223)
Cash paid for long-term employee benefits	(5,261,882)	-	-
Cash paid for corporate income tax	(11,661,809)	(11,254,300)	(12,784,151)
Net cash flows from (used in) operating activities	(54,144,875)	(20,055,435)	388,818,000
Cash flows from investing activities			
Cash paid for acquisition of equipment	(607,308)	(432,270)	(203,115)
Cash paid for acquisition of intangible assets	(1,241,253)	(642,000)	(6,470,436)
Proceeds from disposal of equipment	812,000	-	652,300
Proceeds from disposal of assets held for sale	-	400,000	1,500,000
Net cash flows used in investing activities	(1,036,561)	(674,270)	(4,521,251)

Cash flow statement
As at 31 December 2022, 2021 and 2020 (Continued)

(Unit: Baht)

Cash flow statement	31-Dec-22	31-Dec-21	31-Dec-20
Cash flows from financing activities			
Increase (decrease) in short-term loans from financial institutions	42,000,000	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)	12,000,000	-
Payment of liabilities under lease agreements	(5,655,305)	(5,204,748)	(3,916,678)
Cash for dividend paid	-	(73,600,000)	(40,000,000)
Net cash flows from (used in) financing activities	24,344,695	58,195,252	(372,916,678)
Net increase in cash and cash equivalents	(30,836,741)	37,465,547	11,380,071
Cash and cash equivalents at beginning of year	99,985,362	62,519,815	51,139,744
Cash and cash equivalents at end of year	69,148,621	99,985,362	62,519,815

Financial Ratios
As of 31 December 2022, 2021 and 2020

(Unit: Baht)

Financial Ratios		31-Dec-22	31-Dec-21	31-Dec-20
Liquidity Ratio				
Current Ratio	Times	1.25	1.26	1.26
Profitability Ratio				
Gross Profit Margin	%	81.11	80.60	79.04
Net Profit Margin	%	19.98	25.03	20.35
Return On Equity or ROE	%	8.61	9.33	8.19
Efficiency Ratio				
Return on Asset or ROA	%	1.90	2.14	1.96
Financial Ratio				
Debt to Asset Ratio	Times	0.78	0.77	0.76
Debt to Equity	Times	3.54	3.36	3.18
Interest Coverage Ratio	Times	2.33	2.86	2.20

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, 2022, 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-



Part 2

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 supporting the Company and society to grow together in a sustainable way, as well as to build confidence among all stakeholders, including shareholders, customers, debtors, competitors, business partners, employees, society, etc.

The Company’s Good Corporate Governance Policy and Code of Conduct in the business ethics are in line with the Good Corporate Governance Principles for listed companies in 2017 of the Securities and Exchange Commission.

The Company requires that the review of Corporate Governance Policy will occur annually, and the Good Corporate Governance Policy as well as Code of Conduct in the business ethics will also publish on the Company’s website www.airafactoring.co.th under the topic “Investor Relations”. In addition, it has been communicated to all employees and executives through the internal communication channels to acknowledge and strictly adhere to them.

In 2022, AIRA Factoring Public Company Limited received the rating of “Excellent” (5-star) on the corporate governance assessment in the Corporate Governance Report of Thai Listed Companies (CGR) of the year 2022 from the Thai Institute of Directors (IOD) and the Stock Exchange of Thailand. The Company has achieved a 5-star rating for the third consecutive year since 2020.

Moreover, the Company has also received a score of 100 percent for the third consecutive year on the quality assessment of organizing the Annual General Meeting of Shareholders for the year 2022 from Thai Investors Association in collaboration with the Securities and Exchange Commission, and Thai Listed Companies Association.

6.1.1 Policies and guidelines related to the Board of Directors

The Company has established the important policies, charters and guidelines which relating to the Board of Directors and requires that the review should be provided to ensure its appropriate and in line with the guidelines of the authorities who govern the Company, details are as follows below.

The Nomination and Appointment of Directors

The Board of Directors has appointed the Nomination and Remuneration Committee to responsible for considering the qualified and deserving persons to be nominated as Directors. Independent Director, Audit Committee and Sub-Committee. The consideration factors based on professions, expertise, skills, and essential knowledge to strengthen the Company’s business operations.

Source of information : The Nomination and Remuneration Committee recruits the qualified persons from various sources including the Board of Director recommendations, the shareholders nominations, information from external consulting firm, Director Pool, and the recruitment by Human Resource Department.

Recruitment Criteria : Based on transparency and in line with the Company's business strategy that emphasizing diversity in the structure of the Board of Directors, both in terms of the number of directors, directors' proportion of the major shareholders, independent director, and non-executive director, without the restrictions on race, language, age, gender, professional skills, specializations, experiences and necessary skills that the directors are still lacking.

In this regard, the Company still adheres to the equitable rights of shareholders to nominate suitable persons for the Company's Board of Directors.

Qualifications of Directors : The Company has determined the qualifications of directors and independent directors as follows.

Qualifications of the Board of Directors

- There are no prohibited characteristics as prescribed by the Law on Public Limited Companies and other related laws, moreover, no characteristics that indicate a lack of suitability to be entrusted by the shareholders to manage the Company as prescribed by the Office of the Securities and Exchange Commission
- Having knowledges, abilities, skills, or experiences that suitable for the Company's business strategy
- Having enough time to devote themselves in performing duties of the Company also be able to attend every Board of Directors' meeting and Annual General Meeting, excluding necessary case or unexpected event that may occurred.
- Being a person who has integrity, morality, business ethics and any other qualifications that may be further defined by law or as appropriate by the Board of Directors.

Qualifications of the Independent Directors

Independent Directors must meet all the qualifications required by the Capital Market Supervisory Board and must be able to protect the interests of all shareholders equally and to avoid conflict of interest. Independent Directors must attend Board of Directors' meetings and express their opinions independently. The Company has defined the qualifications of the Independent Directors as follow.

1) To hold shares not over 1% in paid up shares of the company, a Subsidiary, a Joint/ Associated Company with conflicting interest, by totally counting the shares held by relevant parties of the respective independent directors.

2) Independent Directors are not involved in the management, employees, staff, consultant with monthly salary or Entities with Controlling Authority over the Company, the Parent Company, a Subsidiary, a Joint/Associated Company, a Major Shareholder or an Entity with Controlling Authority, either at the present time or within two years prior to his/her appointment as an Independent Director. Such prohibitions shall not, however, include cases where the Independent Director previously served as a government officer or an advisor to a government agency which is a Major Shareholder or an Entity with Controlling Authority.

3) Independent Directors have no connection by blood or legal registration as father, mother, spouse, sibling, son/daughter or spouse of son/daughter of another Director. Further, an Independent Director has no such connection with an Executive, a Major Shareholder, and an Entity with Controlling Authority or an Individual who will be nominated as Director, Executive or Entity with Controlling Authority over the Company or the Subsidiary.

4) Independent Directors have no business relationship with the Company, the Parent Company, a Subsidiary, a Joint/Associated Company, a Major Shareholder or an Entity with Controlling Authority in such a manner that may obstruct their exercise of independent discretion. Further, an Independent Director is not a Significant Shareholder or an Entity with Controlling Authority over a party with business relationship with the Company, the Parent Company, a Subsidiary, a Joint/Associated Company, a Major Shareholder or an Entity with Controlling Authority, either at the present time or within two years prior to his/her appointment as Independent Director.

Business relationship mentioned above in no. (4) is inclusive of a trading transaction occurring on a conventional basis for the conduct of business; a rent or lease of property; a transaction involving assets or services; a provision or an acceptance of financial assistance through means of a loan, a guarantee, a use of an asset as collateral against debt; and, other similar actions which result in the Company or the party to the contract having a debt to be repaid to another party for the amount from 3% of net tangible assets (NTA) of the Company or from 20 Million Baht, whichever is lower. This amount is determined by the calculation of Related Transaction value as per the announcement of the Securities and Exchange Commission. It is inclusive of debt(s) arising within one year prior to the day of business relationship with the same party.

5) Independent Directors are not an auditor of the Company, the Parent Company, a Subsidiary, a Joint/Associated Company, a Major Shareholder or an Entity with Controlling Authority, and, not a Significant Shareholder, an Entity with Controlling Authority or a partner to the audit office which the auditors of the Parent Company, a Subsidiary, a Joint/Associated Company, a Major Shareholder or an Entity with Controlling Authority are associated at the present time or have been within two years prior to his/her appointment as an Independent Director.

6) Independent Directors are not a person rendering any professional service or a legal or financial consultant who is paid more than Two Million Baht in service fee per year by the Company, the Parent Company, a Subsidiary, a Joint Company, a Major Shareholder or an Entity with Controlling Authority, and, not a Significant Shareholder or an Entity with Controlling Authority over the Company or a partner to such professional service provider at the present time or within two years prior to his/her appointment as an Independent Director.

7) Independent Directors are not a person who were appointed to be a nominee of a Director of the Company, a Major Shareholder or a Shareholder who is connected to a Major Shareholder.

8) Independent Directors do not have any other characteristic which prevents him or her from opining freely on the operation of the Company.

9) Independent Directors do not engage in a business of the same nature as and which is significantly competitive to that of the Company, the Parent Company, or a Subsidiary. Independent Directors are not a significant partner to a partnership or a Director with involvement in the management, employees, staff, consultant with monthly salary, or, who holds more than 1% of all shares with voting rights of another company which is engaged in a business of the same nature as and which is significantly competitive to that of the Company or a Subsidiary.

10) Independent Directors are not appointed by the Board of Directors to decide on the operation of the company, a Subsidiary, a Joint/Associated Company, a Major Shareholder or an Entity with Controlling Authority, also are not a director of the company, or a Subsidiary of Equal Level.

11) After being appointed an independent director possessing the characteristics as defined in the first paragraph, they may be assigned by the Board of Directors to make collective decisions involving the business of the Company, the Parent Company, a Subsidiary, a Joint / Associated Company, a Subsidiary of Equal Level, a Major Shareholder or an Entity with Controlling Authority.

12) As mentioned in the above Clause (2) (4) (5) and (6) regarding the considerations of the Company Independent Director's qualifications during two years prior to the date of application filing with the Office, it shall be effective to the application for permission filed with the office from July 1, 2010, onwards.

13) In the case where the person appointed by the Company as an independent director has or used to have business relationship or provides or used to provide professional service in the amount exceeding the value specified in Clause 4 or Clause 6, the Company shall be granted a waiver of the prohibition from such business relationship or professional service which exceeds the specified value after the Company has sought the Board of Directors' opinion which is expressed in such a way that the appointment of such person has no impact on the discharge of his/her duty and the rendering of his/her independent opinion, and has disclosed the following information in the notice of the shareholders' meeting on the agenda item regarding the consideration and appointment of independent directors:

A. Nature of the business relationship or professional service which causes such person to fail to meet the specified qualifications.

B. Reasons and necessity to allow such person to remain or be appointed as the independent director.

C. The Board of Directors' opinion on the nomination of such person for appointment as the independent director.

Selection : The Nomination and Remuneration Committee will consider the qualifications of the Directors who they are looking for as well as the diversity of the current board structure. The considerations based on skills, experience, knowledge, and abilities that will benefit the company, as well as independence, age, gender, without discrimination on the racial differences. religion, gender, marital status, or physical disabilities.

Nomination Procedures :

For the new Directors : The Nomination and Remuneration Committee will assess the preliminary qualifications of the nominated candidates and nominate a list of the most suitable persons to the Board of Directors to propose in the shareholders' meeting for consideration and selection or to be appointed by the Board of Directors in case of the position that becomes vacant before the expiration of his/her term (on a case-by-case basis).

During 2021 - 2022, the Nomination and Remuneration Committee has selected and nominated a qualified person to serve as a member of Executive Committee of the Company; Mr. Ekawat Piriawarasakul, who has knowledgeable, competent, and good legal experience.

The Board of Directors has approved the appointment of Mr. Ekawat Piriawarasakul to be a member of Executive Committee on December 14, 2021, and to strengthen the duties of the Executive Committees. Mr. Ekawat has necessary skills that the current member of the committee till lacking; legal skills that in line with the company's business strategy.

For directors who complete their terms : The Nomination and Remuneration Committee will consider various factors such as performance of duties, attendance and participation in the meetings, as well as participation in various activities of the Board of Directors. The Nomination and Remuneration Committee will nominate name list to the Board of Directors for consideration and propose to the shareholders' meeting for election (on a case-by-case basis).

Moreover, The Company has provided the opportunity for shareholders to propose the names of qualified persons to be elected as Board of Directors before the date of the Annual General Meeting of Shareholders for a period of 3 months, from October 1 to December 31 of each year. The criteria, nomination methods, and procedures for candidate nomination have been published on the Company's website.

Orientation for new directors

The Company provides an orientation for all new directors in order to prepare them for their duties. The topics in new director orientation are overall business characteristics, company direction, business goals, business conditions and roles as directors. In addition, there was a visit to the office to meet the directors and senior executives of the company.

Assessment of the Board's Skill Matrix

The Board of Directors has established a guideline for creating diversity in the Board of Directors' skills with the Skills Matrix by considering the knowledge, skills, and expertise of Directors which necessary for the organization's strategic goals achievement, as well as considering the composition of the Directors in accordance with the company's strategy. The Board of Directors' essential skills have been defined into 7 areas as follows:

1. Business / Management
2. Strategic planning
3. Accounting - Finance / Internal Audit / Governance
4. Credit business / Financial institutions / Factoring business
5. Risk / Organizational Risk Management
6. Business Law
7. Information Technology

The results of assessments of the Boards' existing skills comparing to the key required skills

Board of Directors' Name	Business / Management	Strategic planning	Accounting - Finance / Internal Audit / Governance	Credit business / Financial institutions / Factoring business	Risk / Organizational Risk Management	Business Law	Information Technology
Mr. Sorasit Soontornkes	●	●	●	●	●		
Mr. Kunakorn Makchaidee	●	●	●	●	●		
Mrs. Yajai Pattanasukwasun	●	●	●	●	●	●	
Mrs. Ladavan Tanatanit	●	●	●	●	●	●	
Mr. Poonsak Thiapairat	●	●	●	●	●		
Mr. Visit Vongruamlarp	●	●	●	●	●		
Mrs. Nalinee Ngamsetthamas	●	●	●	●	●	●	●
Mrs. Nongluk Chantarasombat	●	●	●	●	●		
Admiral Navapol Damrongpong	●	●	●		●		
Mr. Akrawit Sooksai*	●	●	●	●	●		●
	10	10	10	9	10	3	2

Remark : Mr. Akrawit Sooksai is an Executive Director.

The result of assessment found that

- All Directors have the skills, knowledge, abilities and experience in business and management, strategic planning, accounting/ finance / internal audit / governance and risk aspects, as well as organizational risk management.
- There are 8 Non-Executive Director who have work experience related to credit services and/ or have experience working with financial institutions and/or have experience in factoring business, which is the main business.
- There are 3 Directors who have skills, knowledge, abilities and legal experience and 2 Directors with information technology skill.

In this regard, the Board of Directors have been acknowledged the results of the assessment and applied the results to determine a guideline and plans for the Directors' development and the nomination of new Directors as follows.

- | | | |
|--------------------------------------|---|---|
| For Directors' knowledge development | - | plan to develop knowledges for Directors on information technology matters |
| For the nomination of new Directors | - | Determine the qualifications of new directors who must be nominated in the future, he/she should have skills and knowledges on Information Technology expertise |

The Company Board Diversity Policy

The Company recognizes and embraces the importance of having a diverse board, so it has been formulated as part of the Company Corporate Governance Policy under the section of Board of Directors' composition by defining board diversity. Board diversity will be considered from several perspectives including professional skills, experience and specializations that are beneficial to the company's business operations, but not limited to gender, nationalities, ethnicity, or age.

The Company's Board Diversity goals are in accordance with the Board of Directors' composition that stipulated in Board of Directors which defining that at least one-third of the total number of directors, but not less than three directors, must be independent directors.

At present, the Company has more independent directors than required by law.

Policy on Holding Position of Director in Other Companies

The Company's Corporate Governance Policy has defined that the Company director may hold directorship positions in no more than 5 other listed companies, so they can allocate sufficient time to perform their duties on the Board of Directors and sub-committees of the Company. Currently, the Company does not have directors who hold positions in more than 5 other listed companies.

The Chief Executive Officer can hold director positions in other companies although it is not affecting the performance of his/her duties of the Chief Executive Officer. Moreover, other company must not be the same type of business or compete with the Company's business. Before becoming a director in another company, the request must be also approved by the Board of Directors.

Policy on Training and Knowledge Development of Directors and Executives

The company encourages directors, executives, and corporate governance practitioners of the Company to participate in trainings, seminars, and knowledge development courses that beneficial for their performing duties with various departments or institutions, for example, the Thai Directors Association (IOD), Stock Exchange of Thailand Thai Registered Association, etc. The Company also encourages continuous and regular training to promote the efficiency performance of Board of Directors.

At present, all Board of Directors participated in the IOD courses related to the director duties. Each director attended different courses that are appropriate and in line with his/her duties and responsibilities.

Directors 100% of the total number of members of the Board Trained in courses organized for directors

In the past, there were no instances of wrongdoing by the Company's directors due to ethical issues.

The details of Director's participation in the IOD courses are as follow.

- 6 members out of the 10 Directors attended the Directors Accreditation Program (DAP)
- 6 members out of the 10 Directors attended the Directors Certification Program (DCP)
- 2 members out of the 10 Directors attended the Audit Committee Program (ACP)
- 2 members out of the 10 Directors attended the Director Leadership Certificate Program (DLCP)
- 2 members out of the 10 Directors attended the Role of Chairman Program (RCP)
- 1 member out of the 10 Directors attended the Corporate Governance for Capital Market Intermediaries Program (CGI)
- 1 member out of the 10 Directors attended the Chartered Director Program
- 1 member out of the 10 Directors attended the IT Governance and Cyber Resilience Program
- 1 member out of the 10 Directors attended the Risk Management Program for Corporate Leader
- 1 member out of the 10 Directors attended the Finance for Non-Finance Director Program (FN)

However, the Company Secretary will regularly assist in informing all directors and new appointed directors of the additional necessary training courses.

In addition, the Company also encourages the Company's Secretary to attend various training courses and dialogue related to the current situation, which are organized by the Securities and Exchange Commission, Stock Exchange of Thailand, Thai Listed Companies Association, and other related sectors, for the Company operational benefits.

In this regard, the Company encourages directors to continuously develop knowledge in performing their duties. Nomination and Remuneration Committee therefore has planned to develop directors' skills in which still lacking or in the areas that need to gain more knowledge, for instance, information technology.

Determination of remuneration of directors

The Company has determined the remuneration of directors and executives at an appropriate level and sufficient to maintain qualified directors and executives. The remuneration of directors is also at an appropriate level comparable to the other company in the same area as well as in accordance with their business performance, business responsibility performance.

In this regard, the Nomination and Remuneration Committee shall consider the remuneration, payment of the Directors' remuneration is responsible for the approval of the Board of Directors and proposed to the shareholders meeting for approval.

In 2022, the Annual General Meeting of Shareholders for the year 2022 agreed on a resolution to fix remunerations of the Board of directors of the Company and Subcommittees in the form of the meeting allowances with the following details

(Unit: BATH)

Board of Directors and Subcommittees	Chairman	Other Directors
The 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

Remark :

1. Directors who are also the Executive Director receive one-half of the meeting allowances payable
2. Directors who are also the Executive Director does not receive the meeting allowances payable

Policy for directors to disclose their securities trading and holding of the Company

The Company set up the policy for directors and executives to report their holdings of the Company's ordinary shares in the Company as well as the ordinary shareholdings of their spouses, minor children, and partners in a de facto relationship, as defined in Section 59 of the Securities and Exchange Act B.E. 2559 (2016), to the Board of Director's every quarter. In 2022, all changes in the holding of securities of directors and executives were reported in every Board of Directors meeting.

In 2022, the company's shareholding of directors and executives were reported as follow.

Name of Directors	Ordinary Shares					
	As of 30 December 2021		As of 30 December 2022		Increase / Decrease	Shareholding proportion (%)
	Direct shareholding	Indirect shareholding	Direct shareholding	Indirect shareholding		
1. Mr. Sorasit Soontornkes	-	-	-	-	-	-
2. Mr. Kunakorn Makchaidee	16,000,000	-	15,500,000	-	(500,000)	0.97%
3. Mrs. Yajai Pattanasukwasun	-	-	-	-	-	-
4. Mr. Poonsak Thiapairat	4,440,000	-	-	-	(4,440,000)	-
5. Mrs. Ladavan Tanatanit	-	-	-	-	-	-
6. Mr. Visit Vongruamlarp	-	-	-	-	-	-
7. Mrs. Nalinee Ngamsetthamas	-	-	-	-	-	-
8. Mrs. Nongluk Chantarasombat	-	-	-	-	-	-
9. Admiral Navapol Damrongpong	-	-	-	-	-	-
10. Mr. Akrawit Sooksai	-	-	-	-	-	-
11. Mr. Chanon Chotvijit	-	-	-	-	-	-
12. Suthiporn Tanthikul	-	-	-	-	-	-
13. Mr. Ekawat Piriawarasakul	-	-	-	-	-	-
14. Mr. Pongsakorn Sangvijit	-	-	-	-	-	-
15. Mr. Pattawut Veerapradit	-	-	-	-	-	-
16. Mr. Pipob Jirawongsakorn	-	-	-	-	-	-
17. Mr. Husachai Kaoklong	-	-	-	-	-	-

Remark : Total number of shares 1,600,000,000 หุ้น

As of December 31, 2022, the Company's directors and executives held a combined shareholding 0.97% of the paid-up capital of the company.

Policy for Preventing Misuse of Internal Information

The Board of Directors responsible for monitoring the use of inside information to be in accordance with the law and good corporate governance principles. So, it was mentioned in the Company's Good Corporate Governance Policy and Code of Conduct in the business ethics, in order not to misuse it is to take advantage of other people. The summarized details of the policy are shown below.

Although the company may not lose any benefits, it is prohibited for directors, executives, and employees to use inside information of the Company as well as business partners, which has not been disclosed to the public to buy, sell, offer, or solicit other persons to buy/sell, the securities of the Company or its business partners for the benefit of oneself or others, as well as for running other business that competes with the Company.

Practical Guideline on the use of the Company's internal information

For the Company Directors, executives, and employees, it has been defined that when the inside information that may affect the price of securities has acknowledged. Trading of the Company's securities must be suspended. In the period prior to the financial statements or insider information being made public, such material information is prohibited from being disclosed to any other person.

It is prohibited for directors, executives, employees, their spouses and minor children, to use inside information, which has not been disclosed to the public to buy, sell, transfer or accept the transfer of the Company's shares 30 days prior to the disclosure of financial statements to the public.

The company secretary will notify the directors, executives, and related employees at least 30 days before the disclosure of the financial statements on a quarterly basis. This practical guideline will also be communicated to directors, executives, and employees through the various channels.

The Company's operations in preventing misuse of internal information in the past year

- The Company Secretary has sent an e-mail to notify all concerned persons of the blackout period.
- There are no directors, executives, and employees, found trading securities during the company's period of abstinence from trading.
- In 2022, two times of company's securities trading were proceeded by directors and executives. According to the auditing result, it was found that the company's policy has been followed correctly and completely.
- In the past year, the company has educated directors, executives and employees on preventing misuse of Internal information by dissemination through the Company's intranet system.
- All employees have signed to confirm their acknowledgment of obligations on the Company securities holding, which also including their spouses and minor children, as well as to report changes in holdings of the Company's securities to the Stock Exchange of Thailand and the Securities and Exchange Commission.

Policy for Preventing Conflicts of Interests and Reporting on Stakeholders

The Company realizes the importance of the conflict of interest between the personal interest and corporate interest. The company has defined the policy into a part of the Company's Good Corporate Governance Policy and the guidelines for directors. executives and employees have also established into the Company's Code of Conduct.

Directors, executives and employees must report the conflict of interest themselves and related persons by notifying the Company Secretary to present to the Board of Directors for acknowledgment to avoid taking the opportunity from their position for their own benefit.

Practical Guideline on the Preventing of Conflicts of Interests

The Company has formulated the guidelines for the Company Directors, executives, and employees, to disclose their personal and all related persons interest to the Company Secretary. Then, the Company Secretary shall present a copy of such report to the Board of Directors' meeting for acknowledgement and using as information to monitor the performance of directors and executives' duties in accordance with the principles of fiduciary duties. To ensure that there are no transactions which may cause conflicts of interest that may lead to the transfer of the company's interests.

In addition, the Company also defined that any director and executive, who may have a vested interest in any agenda item under consideration must not attend the meeting or must abstain from voting on such agenda item.

The Company's operations in preventing of conflicts of interests in the past year

- These are no actions that violated the Conflicts of Interest Policy.
- The Company has been communicated to all executives and employees through the intranet channels. All employees have signed to confirm their acknowledgment of obligations on the policy for preventing conflicts of Interests.

Practical Guideline for Entering into Connected Transactions

The Company's connected transactions processes are complied with the Notification of the Capital Market Supervisory Board no. 21/ B.E. 2551 (2008) regarding the criteria for making connected transactions, as well as the Notification of the Securities and Exchange Commission, Thailand, on Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003)

The Company's operations in making connected transactions in the past year

The Company has entered into a connected transaction of sublease agreement for not more than 3 years, for certain area of the office space lease transaction from AIRA Securities Public Company Limited ("AS") with a connected person of the Company, who is the joint major shareholder; AIRA Capital Public Company Limited.

Since it is a medium-sized transaction, the Company has approved the management authority and disclosed the information to the Stock Exchange of Thailand in which meets the certain criteria.

6.1.2 Policies and guidelines relating to shareholders and stakeholders

For details on compliance with the Company's corporate governance principles in 2022, it can be summarized as follows:

1. Rights of shareholders

The Company has supported every shareholder to enjoy their rights and exercise such rights in an equitable manner, such as the right to obtain the Company's information adequately, the right to attend shareholders meetings and express their opinions independently.

Then, 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 their owned shares, receiving dividends from the Company, and receiving information about the Company through easily accessible channels, etc.

In addition, shareholders also participated in the shareholder's meeting and took part in the importance 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. The principles adopted by the Company in respect of the shareholder's rights are shown in detail on the Company's website ([www. airafactoring.co.th](http://www.airafactoring.co.th)) under the sequence of menu headings "Investor Relations".

Shareholders' Meeting

Following the COVID-19 pandemic situation, In 2022 the Company held a Virtual Annual General Meeting of Shareholders (E-AGM) on 21 April 2022. The Company conducted the proceedings in a manner to ensure that the shareholders were able to exercise their rights in accordance with the law, relevant regulations, and good governance practices.

1) The Company set up the policy to ensure that shareholders have received clear and adequate information, also have sufficient time to consider agenda items of the E-AGM, and have easily accessed the Notice of the E- AGM and its accompanying documents

The Company published the Notice of the E-AGM, accompanying documents, and proxy forms in both Thai and English on its website 30 days prior to the meeting date.

Then, the aforesaid Notice of the E-AGM contained information such as date, time and venue of the meeting, and details of each agenda item (including factual background, purposes, rationale, and opinions or recommendations of the Board) as well as accompanying documents, details of meeting procedures on voting and proxy appointments, together with 56-1 One Report for the year 2021, were sent to all shareholders in QR Code format 30 days prior to the meeting date as well.

Moreover, the Meeting Notice was also advertised in newspapers in accordance with law. Shareholders were also entitled to receive the printed-out version of the 56-1 One Report from the company secretary upon request.

2) The Company provided the opportunity for shareholders to propose agenda as well as a list of qualified persons to be elected as Directors of the Company by sending a letter to the Company Secretary or sending an e-mail to ir_af@airafactoring.co.th during 1 October 2021 to 31 December 2021.

For all agendas proposed by shareholders, the Nomination and Remuneration Committee considered and then presented to the Board of Directors for further consideration.

3) According to the Company's policy, to encourage and facilitate participation of all shareholders (individuals, juristic persons and institutional investors) to attend the shareholder meeting and exercise their rights in an equitable manner, the Company delivered the Proxy Form B to shareholders. For those who were unable to attend the E-AGM in person, they can appoint their representatives to attend the meeting on their behalf.

4) The Company facilitated all shareholders and proxy holders to attend the meeting, the shareholder meeting was held during business hours and on a working day. Following the COVID-19 pandemic situation in 2022, the Company then held a Virtual Annual General Meeting of Shareholders (E-AGM). The online registration was open 3 weeks prior to the meeting day.

The Company also assigned staffs to verify the attendance documents and participants identities, as well as call centers to facilitate shareholders in case of any questions or any difficulties in registering occurred.

The Company opened the system for registered shareholders to log in and participate the virtual meeting 1 hour prior to the meeting time. In addition, shareholders were encouraged to join in the meeting at any time of the meeting to exercise their right to vote on an agenda that has not yet been voted on.

5) The chairman presided as the chairman of the shareholders' meeting and there were 10 of 10 directors attended the meeting.

In addition, the Chairman of other subcommittees together with the Company's senior executives and the external auditors also participated in the meeting, to clarify and respond to any questions or issues raised.

Before beginning the meeting agenda, the company secretary informed the meeting of the voting and vote counting practices for each agenda item.

Shareholder including proxy holders who attended the meeting, were entitled to cast their votes based on the one-share-one-vote basis.

To increase the efficiency and rapidity of the voting process, The company allows shareholders to vote against and abstain through the meeting system only.

The voting and counting of votes for each term were done openly. It was proceeded by an electronic meeting system to evaluate and report votes.

Mr. Prawut Pravparn: a representative from SPJ Law Office & Consulting Co., Ltd., was assigned by the Company to review and inspect the validity of the proxy appointments, adequacy of quorum, count and reporting of votes. Further, the voting results for each agenda item were reported to the meeting in a timely, accurate and transparent manner.

Moreover, the Company presented the 2021 operating performance and its business strategies for 2022 in summary to the shareholders' meeting.

In this regard, the chairman of the meeting allowed shareholders to ask questions and/ or make recommendations on an equitable basis while the comprehensive responses was provided to all questions or issues raised. The directors and management jointly responded to shareholders' questions and clarified the issues. The company secretary recorded minutes of the meeting and the votes cast under each agenda item.

During the meeting, it was proceeded in accordance with the announced agenda. The Company did not switch/ add/ revise any agenda items, or did not modify previously issued information at the meeting

6) After the meeting, the Company disclosed the voting results and resolutions for each agenda item both in Thai and English languages to the public via the Company's website.

The meeting's minute was also submitted to the Stock Exchange of Thailand and published on the Company's website within 14 days from the meeting date. The Company provided an opportunity for the shareholders to give opinions and make additional amendments to the minutes of the meeting in the period of 1 month and it was kept afterward as reference information.

The minutes of the meeting contained the specific names of directors and senior executives who attended the meeting, the voting procedures, abstracts of the questions and issues raised, the answers or clarifications provided by the Board and senior executives, the resolutions together with the totaling number of votes; approval, disapproval and abstention votes on each agenda item that required voting.

Election of Director on an Individual Basis

For the election of Director, the curriculum vitae of the candidates were disclosed in the notice of the AGM to support the shareholders' consideration. The information included age, shared holding, education background, work experience, positions in other listed and non-listed companies, date of appointment as director, attendance in both committee and sub-committee meeting in the previous year, and types of directors proposed for appointment, etc.

In the case of independent directors' appointment, the Company additionally provided its definition of independent directors and other information such as their relationship or conflicts of interest with the Company, Parent Company, an Entity with Controlling Authority, or juristic persons with potential conflicts of interest with the Company either at present or the past to their appointment as an independent director of the Company.

At every AGM, one-third of the directors retire by rotation. For the 2022 AGM, there are 4 directors retired by rotation. The Company then arranged the election of directors for shareholders to vote the individual directors to replace the positions.

Similar to the other agenda items, only disapproval and abstention ballots were collected and tabulated. The AGM minutes clearly disclosed the voting results for each director appointed by the shareholders.

Communication Among the Company's Shareholders

The Company has no policy to block the communication among shareholders. Shareholders can freely communicate and access information between each other, they can request a copy of the list of the Company's shareholders from the Business Development Department, Ministry of Commerce.

2. Equitable Treatment of Shareholders

As a part of the Company's Corporate Governance Policy, all shareholders, i.e., major, minor, institutional and foreign shareholders, are entitled to the same shareholder rights and are treated on an equitable and fair basis.

The principles of equitable treatment of shareholders, which the Company has adhered, are published on the Company's website; www.airafactoring.co.th under the sequence of menu headings "Investor Relations".

Shareholders rights to propose agenda items, nominate candidates for the election of Board members, and submit questions, before the date of the Shareholders' Meeting.

The Company provided opportunities for shareholders to propose matters to be included in the Meeting agenda and to nominate candidates for the election of Board members before the date of the Shareholders' Meeting

In this regard, the rules and procedures are clearly defined and published on the Company's website, whereby shareholders can propose agendas and nominate a qualified candidate(s) to be considered for election as a director of the Company through the channels specified by the Company or via email : ir_af@aifafactoring.co.th. The Company Secretary takes responsibility for screening the issues before presenting them to the Nomination and Remuneration Committee and the Board of Directors for further consideration, respectively. In case of the Board of Directors approves the proposed agendas, it will be included in the agenda of the AGM and the results of the consideration will be communicated back to the shareholders who propose such matters for acknowledgement.

For the 2022 AGM, the Company invited shareholders to propose agenda items and nominate a qualified candidate(s) to be considered for election as a director of the Company from 1 October 2018 to 31 December 2018. However, there was no shareholders proposed any agenda and no nominated candidate as well.

The shareholders proxy for attendance of AGM

In every AGM, for the convenience of shareholders unable to attend a meeting, the Company prepared the proxy forms for them.

For the 2022 AGM, the Proxy Form B, which indicates specific details of a proxy appointment, were delivered to shareholders together with the Notice of the Annual General Meeting of Shareholders. Shareholders were also received detail of 2 independent directors proposed by the Company to serve as proxies for shareholders. The independent directors are the persons who did not have any conflict of interest in the relevant agenda items of the AGM.

In this regard, with the complete biographical details of these independent directors, then the shareholders can appoint one of the independent directors or any other person to be their representatives.

Use of ballots in the shareholders meeting

In the 2022 Annual General Meeting of Shareholders, the Company allowed voting via the virtual meeting system for every agenda item and collected all voting results reports as evidence.

The Company used a real-time online voting system for virtual meeting as a tool to help counting votes and collecting votes. This process of counting votes was efficient, accurate, fast and verifiable. In this regard, the company secretary explained how to use the ballot and vote counting criteria before the beginning of the meeting.

3. Role of the stakeholders

All relevant stakeholders should be treated as required by law. The Board of Directors has promoted and supported the establishment of guidelines for treating all groups of stakeholders clearly and fairly.

The Board of Director has defined guidelines for treating different groups of stakeholders as follows:

Shareholders

The Company is committed to conducting business with caution and prudence for good performance, competitiveness and stable and sustainable growth, taking into account current and future risks in order to create value for long-term shareholders. The Company conducts its operations and discloses information with transparency and fairness to shareholders for the benefit of shareholders as a whole and strives to protect its assets and maintain its reputation.

Managements and Employees

The Company recognizes the importance of its employees, who are valuable resources and the key factor of success in business operations.

The company has provided training to promote the development of knowledge, skills and work abilities of employees thoroughly and regularly, as well as encouraging employees to attend training and seminars with external specialized institutes to develop the potential of employees to meet standards equal to the other leading companies in the business and is an important force in developing the organization to be a leading financial institution (non-bank) that can provide good service to customers.

The Company has a human resource management system in terms of appointment, transfer, reward and punishment which are conducted in good faith based on knowledge, competence and suitability of employees, respecting the human rights and privacy rights of all employees, treating all employees with dignity, keeping personal information of employees only as needed confidentially, and not tolerate discrimination based on race, nationality, religion, gender, age, disability or sexual orientation, and all forms of unlawful discrimination.

The Company has an appropriate and equal remuneration and welfare system comparable to other domestic operators in the same industry. The company determines employee remuneration in line

with both short-term and long-term performance. The company provides compensation upon retirement for employees to create stability in life. Employee welfare consists of provident funds, social security funds, group health insurance, group life insurance, group accident insurance, annual health check-ups and employee subsidies on various occasions, etc.

The company places importance on environmental care and workplace hygiene by managing the environment in the workplace to be safe, healthy and good environment to facilitate the work of employees and to facilitate customers. In addition, the company also announces that employees participate in fire drills organized annually by building owners.

The company manages and treats employees fairly, equitably, politely and with respect to work opportunities for employees at all levels. In addition, the company also focuses on the development of corporate culture and a good working atmosphere.

The company has communicated to employees to understand the objectives. Business goals, corporate strategies for employees to share the common goal of creating company value. The Company has established a policy on good corporate governance and business ethics as a framework for business operations that outlines guidelines for employees' performance. In addition, the Company has an anti-corruption policy for the benefit of establishing standards for employee behavior with honesty. The company has arranged to disseminate the policy of good corporate governance, business ethics and anti-corruption policy to all employees in order to adhere to the guidelines along with the regulations and employee regulations which the company has Follow up on the results regularly.

The company takes into account the respect for human rights and treats employees fairly, equally without discrimination against any individual employee and without violating human rights in various areas.

Competitors

The Company should treat its competitors in accordance with fair business competition based on standard framework and norms. The competitions are run without fraudulent methods for violating confidential information or knowing the trade secrets of competitor, to create unfair competitive advantages.

In 2022, there was no lawsuit dispute between the Company and its competitors.

Partners

The Company treats all partners with equality and fairness in business operations. There is an appropriate contract form, strict adherence to the contract or the agreed conditions, and a management and monitoring system to ensure that the conditions of the contract are fully complied with.

The Company has procurement rules and procedures which require the selection of vendors, contractors on the basis that it is in the best interests of the Company under a transparent, unbiased and verifiable selection process. The Company allows all contractors who meet the selection criteria to offer prices and strictly forbids employees to accept any benefits from those who are selected.

The company's procurement process consists of sourcing vendors/service providers, comparing prices and conditions to ensure fair competition. Prices and conditions are negotiated to maximize company benefits.

The company has criteria for selection of partners based on product / service quality, expertise and experience of sellers / service providers based on past performance, financial status, complaint history, risk name and credibility. as well as after-sales service and data security of the company, etc. Normal procurement, the company will examine and select at least 3 vendors / service providers to compare and select the most suitable seller / service provider.

For environmentally friendly procurement is part of the environmental policy plan. The company has determined the properties of paper purchased for use within the office must be environmentally friendly. The purchased paper comes from the tissues of trees that have been planted to replace deforestation.

Clients and receivables

The Company regards the highest satisfaction and confidence of the customers in the Company as extremely important. The company therefore strives to innovate in the design and development of products and services, as well as improve work processes in order to offer quality products and excellent services to customers.

The company takes into account the needs and benefits of customers as a priority. The Company provides information about products and services completely, accurately, without distorting facts, taking into account the interests of customers. Advertising is done responsibly without misleading or taking advantage of customers' misunderstandings.

The company provides fair services to customers without imposing unfair trading conditions. There is a system to supervise the compliance with the agreements given to the customers strictly and honestly, attentively and consistently, including keeping the customer's confidentiality without disclosing customer information unless authorized by the customer or have a duty to disclose as required by law.

The company has met customers to inquire about their satisfaction and listen to their opinions in order to develop and improve products and services in order to better meet the needs of customers. In addition, the Company also provides advice services using reasonable care to ensure that customers and trade debtors receive appropriate benefits and satisfaction.

Creditors

The Company is committed to conducting business with principles and discipline in order to build trust among all groups of creditors equally.

Based on the fair return to both parties in accordance with the contract or agreed conditions, which will strictly operate whether it is the purpose, use of money, repayment of loan debt, interest, management funds and any other matter that has been agreed upon with the creditor under any applicable law or other provisions.

In the event that one of the conditions cannot be complied with, the creditor must be notified in advance in order to find solutions together.

The Company regularly discloses financial information to creditors with accuracy and honesty. The Company is committed to maintaining sustainable relationship with creditors and mutual trust.

Government agencies

The Company complies with the laws, announcements, requirements, and regulations which issued by related government agencies such as Department of Business Development, Ministry of Commerce, Revenue Department, Ministry of Finance, the Securities and Exchange Commission and the Stock Exchange of Thailand, etc.

Society and environment

The Company takes into account its social responsibility by encouraging employees to use resources efficiently, promoting the employees' education and training on environmental matters, supporting public interest activities and contributing to social, community and environment development.

In addition, the Company supports the use of energy efficiently and efficiently by developing operational systems to reduce paper consumption in the work process and encouraging employees to jointly conserve global warming under the campaign of Think before Print or Re-use Paper.

The Company has also committed to integrate its business operations, in accordance with corporate governance principles along with social and environmental caring, by promoting and supporting sustainable growth based on ethical principles and transparency.

The Company therefore provides credit consideration by focusing on SME sector. The Company believes that economic stimulus measured by SME growth.

Non-infringement of intellectual property and copyrights

The company complies with the laws on intellectual property. without violating intellectual property or copyright whether in terms of design use of computer programs and other related matters. The use of various software within the company must be licensed and copyrighted in accordance with the Computer Crime Act B.E. 2550, the law relating to copyright or other relevant laws.

The company does not allow employees to install pirated software systems.

Data privacy protection

The Company realizes the importance of protecting personal information of all stakeholders such as shareholders, employees, customers, trade accounts receivable. business partners. The Company carefully manages, collects, and uses the information for its intended purposes and is committed to taking responsibility for the protection of personal information of all stakeholders.

The company has announced a privacy policy on the company website to show transparency in the operation on June 1, 2022.

There are 2 officers appointed according to the requirements of the Personal Protection Act 2019 who act as personal data protectors.

- Director of Information Technology Department is responsible for the protection of personal information in the information system.
- Legal director Responsible for legal and regulatory data protection and coordination with government agencies.

The framework for personal data protection is in line with the Personal Data Protection Act (PDPA).

Customer relationship building

Due to the epidemic situation of COVID-19 The way of life of Thai people turns to conduct transactions through online channels more. The company therefore aims to build relationships with customers by striving to develop excellent financial products and services to deliver to customers by focusing on customer satisfaction along with creating Assortment of innovative products and services to meet the needs of customers in the digital era.

The company has developed communication channels to publicize all financial products of the AIRA group through online media channels and upgraded the product service in digital form so that customers can access the company's products and services more conveniently and quickly. and are satisfied beyond expectations

In addition, the Company has set up various channels for receiving complaints about the Company's products and services in order to protect financial consumers to receive fair services and in the event that customers are not satisfied with the service.

The company will contact you back to obtain details and bring it back to improve the service.

Complaints management performance for the year 2022: The company did not find any complaints through various channels of the company.

Enhancing the ability to conduct business with business partners

The company has a plan to promote the potential of doing business together with business partners, which is to extend the business by combining the expertise in doing business of each company to connect to strengthen business operations and Providing services including making a plan to expand the customer base together.

At present, the company has a wide range of business partners such as companies in the AIRA group that operate financial and securities businesses, leading financial institutions, platform service providers. Including many leading companies

Business cooperation development plans include:

- Doing business synergic with companies that conduct financial business in the IRA group. In the past, all marketing staff in the Group have been trained to learn and understand all financial products and services of the Group and set goals and guidelines for the development of cooperation among the Group companies. The remuneration is set for recommending products and services of companies in the group.
- Business Partnership between the company and business partners who are not companies in the group The Company selects business partners that are related to the Company's operations in order to connect and enhance their business potential through mutual business agreements.

There is a clear determination of the return from doing business together.

4. Disclosure and Transparency

The Company has disclosed important information relating to the Company, both financial and non-financial information, accurately, completely and timely. The information has been disclosed through easy access channels.

Disclosure of Information

The Company has disclosed various information through the Company's website to make it easy for all stakeholders to access the Company's information in accordance with relevant laws and regulations, as follows.

1. Corporate Governance Policy, Business Ethics and Anti-corruption Policies

2. Annual financial statements that have been approved by the auditor, it will be done within 60 days from the end of the Company's fiscal year. 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 provided a Management Discussion and Analysis (MD&A) to acknowledge the investors with clear information and better understanding of the operating

3. Various information about shareholders such as 56-1 One Report and other documents related to the shareholders 'meeting, etc.

4. Authority and duties of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Executive Committee, Credit Committee and the management team. Also, the directors and executives' information including name, position, education, training, shareholding, and work experience. All information was published on the Company's website,

6.2 Code of Conduct in the business ethics

The Board of Directors recognizes the importance of establishment of Code of Conduct in the business ethics, which is an important tool for enhancing transparency in the Company's operations and for the Company to take action in accordance with the good corporate governance policy and anti-corruption in all cases.

Therefore, the Board of Directors has wrote the Company's Code of Conduct in the business ethics and disseminated to all relevant parties as well as published it on the Company's website. It shall be the duty of the directors, executives, and employees, to study and comply with both written policy and the spirit of the Code of Conduct in the business ethics. The Code of Conduct in the business ethics has been reviewed annually.

The Board of Directors aims that the Code of Conduct in the business ethics was a guideline for directors, executives, and all employees, to be used in performing duties and assigned tasks for both the Company and all stakeholders, with honesty, integrity, and fairness. The full version of the Code of Conduct in the business ethics as appears in Attachment 5.

Statistics of misconduct relating to the company's code of conduct

- There was no violation of the Company's code of conduct in the past year.

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

Following the announcement of Corporate Governance Report of Thai Listed Companies' new criteria for 2023, the Board of Directors recognized the importance of it and therefore assigned the Company Secretary to primary review and evaluate the company's operations, as well as to prepare for the upgrading of the Company's corporate governance in accordance with the new announced criteria.

During 2022, the Board of Directors has performed the following actions:

1. Assigned the working sub-committees
 - Assigned the Nomination and Remuneration Committee to responsible for corporate governance and sustainability operations. On 15 December 2022, the new name of the committee has been changed and approved to be "Nomination and Remuneration and Corporate Governance Committee for Sustainability.
 - Assigned the Audit Committee to responsible for corporate risk work. The Risk Sub-committee shall report to the Audit Committee on corporate risk performance. Moreover, the management has appointed a sub-committee on corporate risk management, to carry out corporate risk management tasks and report to the Audit Committee. The management committee has also appointed a sub-committee on sustainable development, to carry out the sustainability development work of the business and report to the Nomination and Remuneration Committee and Corporate Governance for Sustainability.
2. Approved the additional policies including policy of being a director in another company of the chief executive, policy of separation of duties between the director and management, policy on training and knowledge development of directors and executives.
3. Approved the policy framework on succession plan according to the approval of the Nomination and Remuneration Committee.
4. Approved the revision of the Corporate Governance Policy and appointed persons to be reports on the directors' interests. An amendment on clause 4, subsection 4.1, as follows: "4.1The Board of Directors has established guidelines for directors and executives of the Company to disclose information of their own interests and related persons to the Company Secretary. The information will be presented to the Board of Directors for use as information to monitor the performance of directors and executives in accordance with the principles that must be done with caution and honesty (Fiduciary duty). There are no transactions which may cause conflicts of interest also may lead to the transfer of the company's interests."
5. Approved the Board Skill Matrix assessment criteria and assigned the Company Secretary to conduct a skill diversity assessment of the Board of Directors as well as to acknowledge them about it.

6. Adapted the results of the assessment of Board Skill Matrix into the director development plan for 2022.
7. Reviewed the Charter of the Board of Directors and sub-committees in accordance with the criteria for evaluating corporate governance (new criteria)
8. The Board approves the Personal Data Protection Policy (PDPA) and the company arranges for the company's operations to comply with the requirements of the Personal Data Protection Act B.E. 2562 as follows:
 - Define the definition of the duty person. Data Protection Officer, Data Processing Officer and Data Controller
 - Appoint a person who acts as a data protection officer (Data Protection Officer) in the field of information systems and legal regulations.
 - Assign a government agency coordinator on personal data protection

6.3.2 Other operations in accordance with the Good Corporate Governance Principle

In 2022, the company has operated in other matters. according to the principles of good corporate governance as follows:

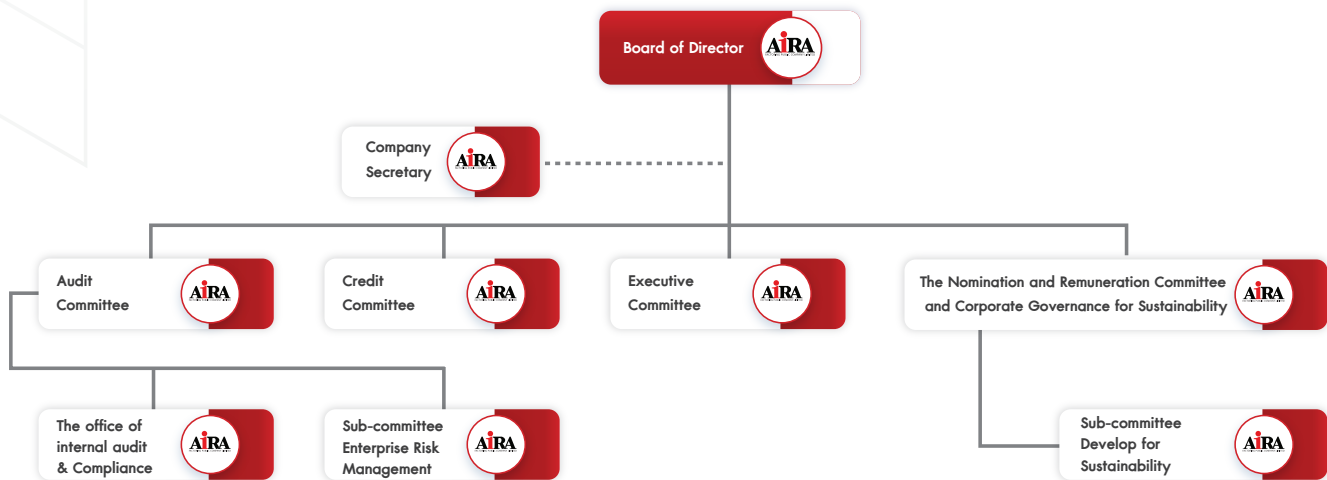
1. Arrange a meeting of non-executive directors and a meeting of independent directors on December 15, 2022, in accordance with the Company's corporate governance policy.
2. Organize an orientation for new directors in January.
3. The Board of Directors has reviewed the performance evaluation form of the Board of Directors and subcommittees for the year 2022 in order to be consistent with the current situation and in the same direction as the parent company AIRA Capital.
4. The Board of Directors has considered the meeting schedule for the whole year in advance for the year 2023 for the Board of Directors and sub-committee meetings so that all directors can allocate time to attend meetings in all committees.
5. The Nomination and Remuneration Committee reviewed the criteria for recruiting new directors and retiring directors.
6. The Board of Directors has reviewed the charter of the Board of Directors and sub-committees and has reviewed the Company's policies in various areas. Including corporate governance policies, anti-fraud and corruption policies and the company's code of conduct.

7

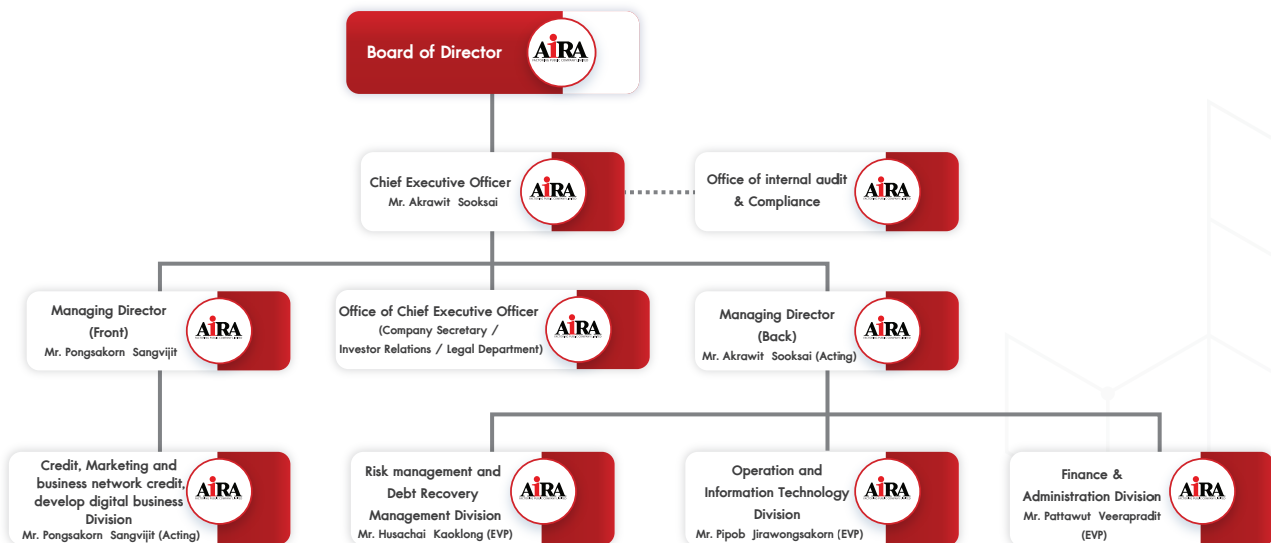
Corporate governance structure and material facts related to the board, subcommittees, executives, employees and others

7.1 Corporate Governance Structure

Level : Board of Director



Level : Management

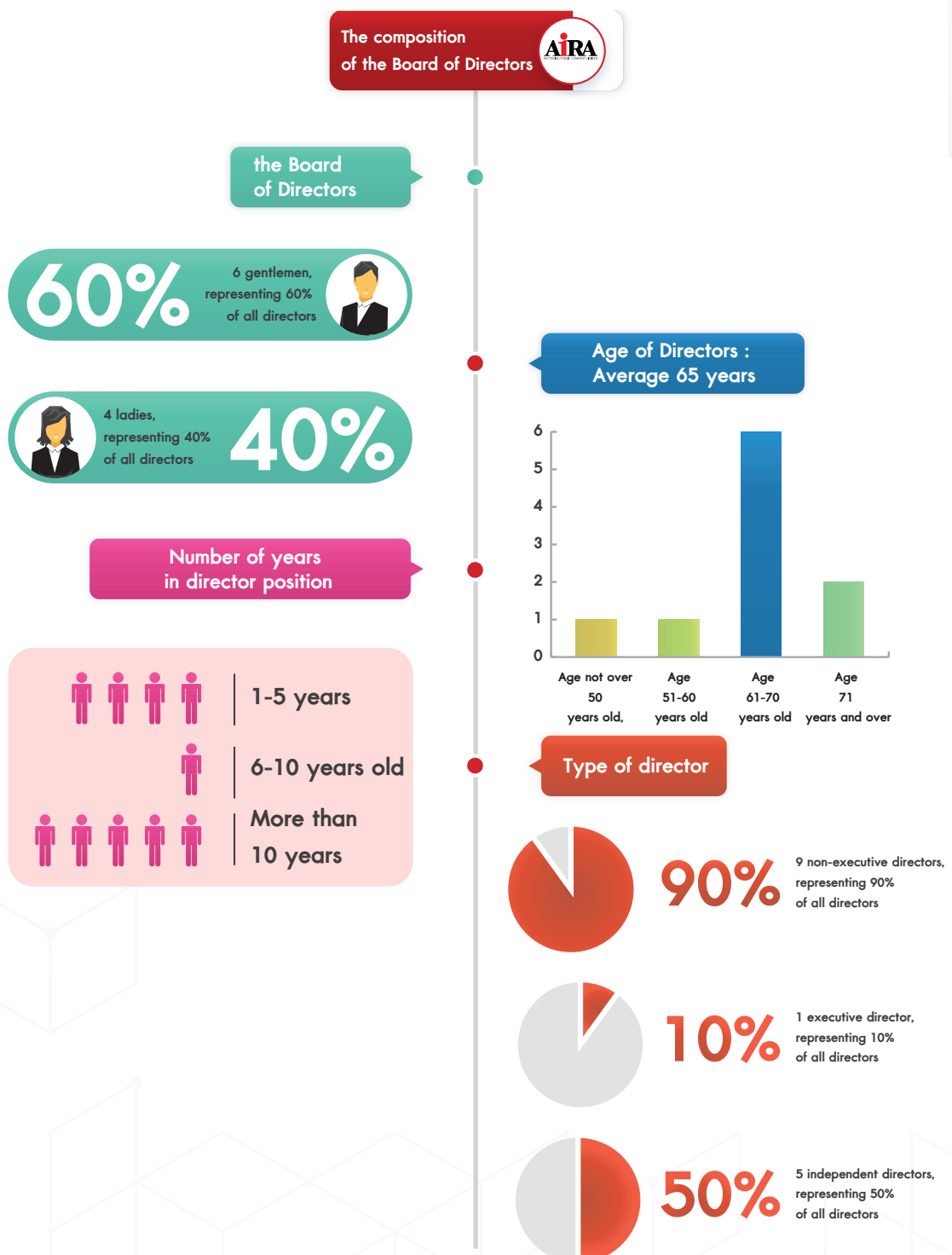


Note : The Board of Directors' Meeting No. 5/2022 held on December 15, 2022 resolved to approve the change of the name of the Nomination and Remuneration Committee to the Nomination and Remuneration and Corporate Governance Committee for Sustainability in accordance with assigned mission

7.2 Information on the Board of Directors

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

Board of Directors It consists of 10 qualified persons who have knowledge, ability, expertise and experiences that are useful and necessary for the Company's business operations such as finance and banking, accounting, finance, economics, strategy, law and information technology, etc. The composition of the Board of Directors is in line with announcement of the Capital Market Supervisory Board and regulations of the Stock Exchange of Thailand. The composition of the Board of Directors is diverse in terms of professional skills. Specific expertise, age, gender, experience and other important qualifications as follows :



In this regard, the independent committee meeting has an agenda to review the independence of each independent director. The result of the review found that all independent directors of the Company still possess the qualifications of independent directors in accordance with the specified announcement as follows:

1. General qualifications

- 1.1 Possess qualifications and do not have prohibited characteristics according to Section 68 of the Public Limited Companies Act B.E. 2535
- 1.2 Not having any characteristics that indicate a lack of suitability to be entrusted with being a director in a publicly listed company. Being a shareholder according to Section 89/3 of the Securities and Exchange Act B.E. 2535, amended by Securities and Exchange Act (No. 4) B.E. 255. The Notification of the Securities and Exchange Commission No. Kor Jor. 8/2553 Re: Determination of Untrustworthy Characteristics of Company Directors and Executives (Codified Edition) came into force on May 16, 2010 onwards.
- 1.3 Having qualifications and not having prohibited characteristics as specified by other laws specific to that type of business, such as the Financial Institutions Business Act B.E. 2551, etc.

2. Specifications

According to Clause 17 of the Notification of the Capital Market Supervisory Board No. TorJor. 39/2559 Re: Application for Permission and Approval for Offer for Sale of Newly Issued Shares (Codified Version), effective on November 16, 2016.



66.66%

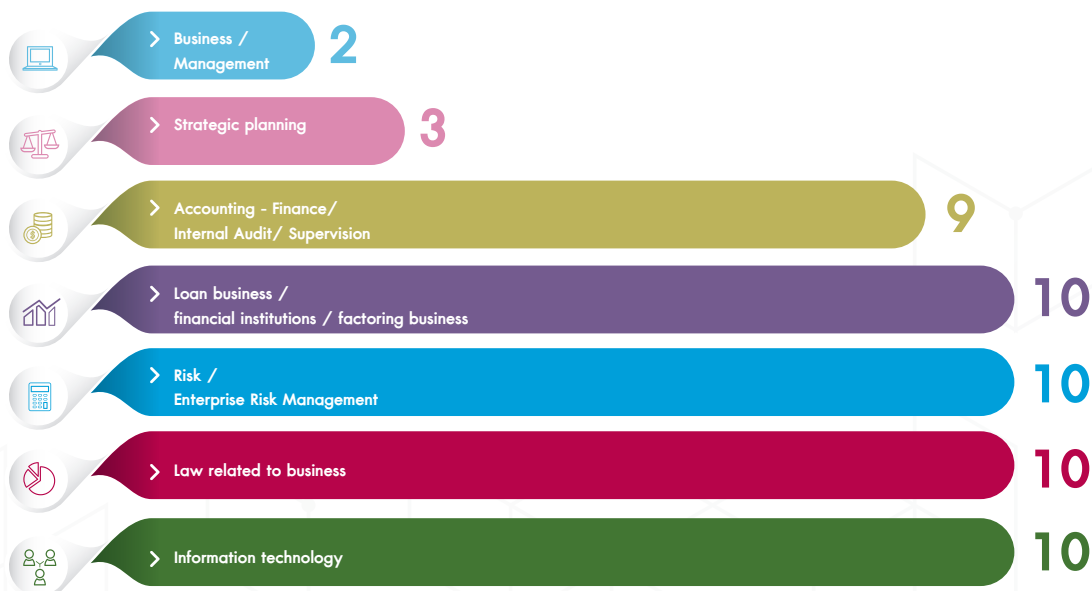
2 out of 3 members of the Audit Committee have sufficient knowledge and experience in accounting to be able to review the credibility of the Company's financial statements.



88.88%

8 out of 9 non-executive directors are knowledgeable. Work experience related to the company's business is diverse, skills of directors.

Current board skills compared to required skills



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, 2022 are as follows:

Name - surname	Position	Type of Director	Date of appointment as a director	Number of years holding directorship
1. Mr. Sorasit Soontornkes	Chairman	Independent Director / Non-Executive Director	May 14, 2018	4 years 7 months
2. Mr. Kunakorn Makchaid-ee	Chairman of Audit Committee	Independent Director / Non-Executive Director	April 5, 2005	17 years 8 months
3. Mrs. Yajai Pattanasukwasun	Member Audit Committee Chairman of Nomination and Remuneration and Corporate Governance Committee for Sustainability	Independent Director / Non-Executive Director	August 14, 2014	8 years 4 months
4. Mr. Poonsak Thiapairat	Member of Audit Committee Member of Nomination and Remuneration and Corporate Governance Committee for Sustainability	Independent Director / Non-Executive Director	February 25, 2004	18 years 10 months
5. Mrs. Ladavan Tanatanit	Member of Executive Committee	Authorized Director / Non-Executive Director	March 1, 2011	11 years 9 months
6. Mr. Visit Wongruamlap	Member of Credit Committee	Director / Non-Executive Director	April 29, 2011	11 years 8 months
7. Mrs. Nalinee Ngamsetthamas	Member of Executive Director Member of Nomination and Remuneration and Corporate Governance Committee for Sustainability Executive Committee	Authorized Director / Non-Executive Director	March 1, 2011	11 years 9 months
8. Mrs. Nongluk Chantarasombat	Chairman of Credit Committee	Authorized Director / Non-Executive Director	May 14, 2018	4 years 7 months
9. Admiral Navapol Damrongpong	Director	Independent Director / Non-Executive Director	May 12, 2020	2 ปี 7 เดือน

Name - surname	Position	Type of Director	Date of appointment as a director	Number of years holding directorship
10. Mr. Akrawit Sooksai	Chief Executive Officer Member of Executive Committee Member of Credit Committee	Authorized Director / Executive Director	July 5, 2018	4 years 5 months
11. Mr. Chanon Chotiwijit	Chairman of Executive Committee	Non Executive Director	July 5, 2018	4 years 5 months
12. Mr. Suthiporn Tantikul	Member of Executive Committee Member of Credit Committee	Non Executive Director	August 13, 2019 July 5, 2018	3 years 4 months 4 years 5 months
13. Mr. Wattana Sangwongmai	Member of Credit Committee	Non Executive Director	April 1, 2020	2 years 8 months
14. Mr. Wirut Danatikom	Member of Credit Committee	Non Executive Director	November 10, 2020	2 years 1 month
15. Mr. Ekawat Piriawarasakul	Member of Executive Committee	Non Executive Director	December 14, 2021	1 year

Conditions for signing to bind the company

Directors authorized to sign to bind the Company are Mrs. Naline Ngamsetthamas, Mrs. Ladavan Tanatanit, Mrs. Nonglak Chantrasombut and Mr. Akrawit Sooksai Two of these four directors jointly sign and affix the Company's seal.

Term of being a director of the Company

One-third of the Board of Directors shall retire by rotation at every annual general meeting of shareholders. The directors who have been in office the longest will be retired. In the case where the number of vacating directors cannot be divided by one-third, the number nearest to one-third shall be used. However, the retiring directors may be re-elected for another term.

7.2.3 Roles and Duties of Directors

Segregation of Duties between the Board of Directors and the Management

The company has clearly separated duties between the Board of Directors and the management by assigning the Board of Directors to be responsible for setting policies and supervising the operations of executives at the policy level.

For the management (executives), the management of the company in various fields is in accordance with the specified policies.

In this regard, the roles and duties of the Chairman of the Board of Directors, the Chairman of executive committee, Chief Executive Officer and the Board of Directors has been determined clearly for the benefit of performing supervisory duties and transparency of internal operations, which has the following frameworks.

Chairman of the Board

being an independent director and not the same person as the Chief Executive Officer and Chief Executive Officer including not participating in the routine management of the company.

Roles and responsibilities of the Chairman of the Board of Directors

For the Board of Directors' Meeting : Acting as the chairman of the meeting by setting the meeting agenda together with the Chief Executive Officer and conducting the meeting according to the agenda, company regulations and laws, including allocating sufficient time and encouraging all directors to discuss and exchange their opinions freely. It is independent and exercises prudent discretion with regard to stakeholders.

In addition, independent board and board meetings are held without the presence of a member of the management team.

For shareholders' meetings : Act as a leader in the shareholders' meetings to ensure that they are in line with the agenda, regulations of the company and the law by allocating time appropriately including giving the opportunity to shareholders to express their opinions equally and ensure that shareholders' inquiries are answered appropriately and transparently.

In addition, the Chairman of the Board of Directors is responsible for promoting and supporting directors to comply with the principles of corporate governance and performing duties according to the scope of duties and responsibilities of the Board of Directors in accordance with the law to achieve results, including strengthening good relations between the Board of Directors and the management.

Board of Directors

The Board of Directors is responsible for managing the Company's business for the best interest of the Company and stakeholders in all sectors (Fiduciary Duty) by performing duties responsibly, carefully and cautiously (Duty of Care) with honesty (Duty of Loyalty) in accordance with the law, objectives, regulations, resolutions of the Board of Directors and resolutions of the shareholders' meeting (Duty of Obedience) and ensure that information is disclosed to shareholders accurately, completely, transparently, verifiably and timely (Duty of Disclosure).

Roles and Responsibilities of the Board of Directors

- Manage the internal affairs of the company in accordance with the law on public limited companies, the law on securities and stock exchange, other relevant laws, objectives, regulations and resolutions of the shareholders' meeting of the company
- Define vision, mission, strategies, short-term and long-term strategic goals. Both financial and non-financial aspects, business plans, approval of operational plans and budgets of the Company proposed and set by the Executive Committee.
- Approve various policies as required by law or regulatory authorities and supervise the management through the executive committee to implement the approved policies with efficiency and effectiveness in order to maintain the interests of all stakeholders and sustainable business operations.
- Provide provisions on business ethics. Directors' ethics, authorized management and employees as a guideline for practice within the company.
- Supervise the Company to have effective supervision and audit mechanisms, adequate and appropriate internal control and internal audit systems, including reviewing the adequacy and suitability of the Company's internal control and risk management systems, establish an internal control system that covers finance, operations and action to comply with relevant laws, rules and regulations including providing appropriate and sufficient risk management as well as providing effective check and balance mechanisms to protect, maintain and look after the Company's assets.
- Approve annual financial reports that have been audited by the auditor and reviewed by the Audit Committee for approval at the shareholders' meeting and acknowledge the opinion of the auditor (Management Letter) and be responsible for the Company's financial statements and financial information.
- Ensure that the Company has an adequate risk management system and regular monitoring of risk management.
- Consider appointing and determining roles and responsibilities of other sub-committees as appropriate to help supervise the management in accordance with the specified policies, such as the Audit Committee, Nomination and Remuneration Committee Executive Committee, etc. and to review the roles and responsibilities of such sub-committees regularly at least once a year.
- Consider the appointment and determination of the authority and duties of the Chief Executive Officer and senior executives of the Company nominated by the Nomination and Remuneration Committee.
- Arranging a succession plan for senior executives of the Company, namely the Chief Executive Officer and Managing Director, etc.
- Assess the performance of the Board of Directors and sub-committees including the Chief Executive Officer annually.

- Regularly review the roles and responsibilities of the Board of Directors at least once a year to be consistent with the industry environment, various factors, rules and laws that have changed.
- Attend the Board of Directors' Meeting and Shareholders' Meeting.
- To authorize or assign any person or a group of persons to have the authority to carry out or act on various matters of the Company.

In addition, the management must present the following matters for approval from the Board of Directors.

- About company policy.
- Significant changes to the Company.
- Matters that the management deems appropriate to propose for approval on a case-by-case basis or in accordance with the criteria laid down by the Board of Directors.

Roles and Responsibilities of the Management

Executive Chairman : The Executive Chairman has the authority to supervise the Company as assigned by the Board of Directors. The Executive Chairman has been assigned by the Board of Directors to be responsible for developing and implementing strategies including important policies related to the business of the company.

Chief Executive Officer : Chief Executive Officer has the main responsibility for setting policies and strategies of the Company as well as managing various tasks in accordance with the specified plans under the principles of good corporate governance in order for the Company to be able to achieve its vision and become a sustainable growth organization, in case the Chief Executive Officer holds positions in other companies, approval must be obtained from the Board of Directors.

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 and Corporate Governance for Sustainability, Executive Committee and the credit committee

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

Name - Surname	Board of Directors	Audit Committee	Nomination and Remuneration and Corporate Governance Committee for Sustainability	Board of Directors	Credit Committee
1. Mr. Sorasit Soontornkes	☑	-	-	-	-
2. Mr. Kunakorn Makchaidee	✓	☑	-	-	-
3. Mrs. Yajai Pattanasukwasun	✓	✓	☑	-	-
4. Mr. Poonsak Thiapairat	✓	✓	✓	-	-
5. Mrs. Ladavan Tanatanit	✓	-	-	✓	-
6. Mr. Visit Wongruamlap	✓	-	-	-	✓
7. Mrs. Nalinee Ngamsetthamas	✓	-	✓	✓	-
8. Mrs. Nongluk Chantarasombat	✓	-	-	-	☑
9. Admiral Navapol Damrongpong	✓	-	-	-	-
10. Mr. Akrawit Sooksai	✓	-	-	✓	✓
11. Mr. Chanon Chotvijit	-	-	-	☑	-
12. Mr. Ekawat Piriawarasakul	-	-	-	✓	-
13. Mr. Suthiporn Tanthikul	-	-	-	✓	✓
14. Mr. Watana Sangvongmai	-	-	-	-	✓
15. Mr. Virut Danarthikhom	-	-	-	-	✓
Total number of directors for each committee	10	3	3	6	6

note : ☑ Chairman ✓ Director

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 and Corporate Governance Committee for Sustainability, Executive Committee and the credit committee.

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.

Term of office in a sub-committee is 3 years each. Sub-committee members who are the Company's directors are due to retire by rotation on the annual meeting date. For sub-committees who are not company directors The term of office is 3 years from the date of appointment by the Board of Directors.

The Board of Directors requires sub-committees to report the performance of each sub-committee to the Board of Directors at least once a year.

Require each sub-committee to assess their performance at least once a year and report to the Board of Directors for acknowledgment so that the assessment results can be used to improve the efficiency of operations and lead to the set objectives.

Audit Committee

As of December 31, 2022, 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.

Roles and Responsibilities of the 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. Prepare the Corporate Governance Report of the Audit Committee to disclose in the Company's annual report, which must be signed by the Chairman of the Audit Committee. and must contain at least the following information:
 - (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.

Nomination and Remuneration and Corporate Governance Committee for Sustainability

As of December 31, 2022, the Nomination and Remuneration Committee and Corporate Governance for Sustainability 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 and Corporate Governance Committee for Sustainability
2. Mr. Poonsak Thiapairat	Nomination and Remuneration and Corporate Governance Committee for Sustainability
3. Mrs. Nalinee Ngamsetthamas	Nomination and Remuneration and Corporate Governance Committee for Sustainability

Mrs. Pornsiri Kusolputchong is the secretary of the Nomination and Remuneration and Corporate Governance Committee for Sustainability.

Roles and Responsibilities of the Nomination and Remuneration and Corporate Governance Committee for Sustainability

Nomination and Remuneration

1. Determine the policy, criteria and process for recruiting qualified persons to hold the position of the Company's directors sub-committee Chief Executive Officer (CEO) and senior management including setting criteria methods for paying remuneration and other benefits to the Board of Directors subcommittee Chief Executive Officer (CEO) and senior management
2. Determine the structure, size, composition of the Board of Directors to have a variety of skills knowledge and experience (Board Skill Matrix), determine the qualifications of the Board of Directors and sub-committees to be suitable with the company's strategy Including conducting a diversity assessment Board skills to be appropriate and consistent with the company's strategy and to support business changes that occur in the future Roles and Responsibilities of the Nomination and Remuneration and Corporate Governance Committee for Sustainability
3. Consider the recruitment and selection of qualified persons to hold the position of the Company's directors by setting the criteria or method of recruitment and selection with transparency. Considered from experience, profession, diversity of skills (Board Skills Matrix) and specific qualifications necessary for the Company's business operation to be proposed to the Board of Directors' meeting. For consider approving or proposing for approval to the Shareholders' meeting, just in case.
4. Consider nominating qualified persons to serve as sub-committee members to the Board of Directors for approval.
5. Consider the recruitment and selection of qualified persons for the position of Chief Executive Officer by determining the criteria or method of recruitment and selection with transparency by considering experience, knowledge, ability, necessary skills, specific qualifications necessary for the Company's business operation. and proposed to the Board of Directors' meeting for approval.

6. Consider recruiting, selecting and approving qualified persons to hold senior management positions* based on experience, knowledge, abilities, necessary skills, specific qualifications necessary for the Company's business operations and consider approving it to present to the Board of Directors for further approval.
7. Prepare criteria, remuneration policy including determining the appropriate remuneration both in money and other benefits for the Chairman of the Board of Directors, Director, subcommittee taking into account appropriate to their responsibilities to attract, retain and motivate qualified individuals to propose to the Board of Directors' meeting for approval and propose to the shareholders' meeting for approval.
8. Prepare criteria, remuneration policy including determining appropriate compensation both in money and other benefits of Chief Executive Officer and senior executives of the company taking into account suitable for duties responsibility to attract, retain and motivate qualified individuals by proposing to the Board of Directors for approval
9. Consider paying annual bonuses (if any) and other compensation including adjusting the overall annual remuneration for senior executives and employees of the Company to propose to the Board of Directors for approval.
10. Prepare and review the succession plan of the Chief Executive Officer and directors, managers, and top executives in order to prepare a continuation plan to have a successor to enable the Company's management to continue. continually
11. Prepare a director development plan in order to develop knowledge of current directors and new directors to understand the business in which the company directors hold positions, director's roles and responsibilities and important developments, including providing orientation and distributing documents and information that are beneficial to the performance of duties of directors in case of new directors
12. Review and improve the suitability of the Nomination and Remuneration Committee Charter annually and present to the Board of Directors for approval.
13. Perform other tasks as assigned by the Board of Directors.

Corporate Governance for Sustainability

14. Formulate and review policies, principles of good corporate governance including requirements related to business ethics including anti-fraud and corruption to be presented to the Board of Directors with making recommendations on corporate governance practices and give advice to the Board of Directors
15. Supervise the establishment of policies, goals, strategies and framework for sustainable development of the Company and the implementation of activities for society, communities and the environment of the Company including reviewing the implementation of corporate governance and sustainable development to be presented to the Board of Directors.
16. Ensure that policies and guidelines related to sustainable development and good corporate governance are in place in line with international standards as well as supervising and monitoring to ensure compliance with the said policies and guidelines.
17. Review the Company's corporate governance policy and sustainable development policy annually.
18. Review the Company's Code of Conduct annually.

Executive Committee

The Executive Committee is appointed by the Board of Directors which consists of a number of directors and may consist of any one or more persons who hold the position of management of the Company or a number of other outsiders. As of December 31, 2022, 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

Mrs. Pornsiri Kusolputchong is the secretary of the Executive Committee.

Roles and Responsibilities of the Executive Committee

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.

Credit Committee

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. Chanjira Khongcharoen is the secretary of the Credit Committee.

Roles and Responsibilities of the Credit Committee

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. Perform other tasks as assigned by the Executive Committee and/or the Board of Directors.

Enterprise Risk Management Sub-committee

In 2022, the Company set up the Enterprise Risk Management Sub-Committee to help manage corporate risks and manage the Company's strategies efficiently and effectively with an acceptable level of risk in accordance to the guidelines for conducting business according to the principles of sustainability

The Enterprise Risk Management Sub-Committee consists of 1 representative from the Board of Directors and 3 employees who have expertise and work in the fields related to enterprise risk management, totaling 4 members. The organization as of December 31, 2022 consists of:

Name	position
1. Mr. Akrawit Sooksai	Chairman of Enterprise Risk Management Subcommittee
2. Mr. Husachai Kaoklong	Vice Chairman of Enterprise Risk Management Subcommittee
3. Ms. Nantapapas Pralongsil	Member of Enterprise Risk Management Subcommittee
4. Ms. Ratchaneeboon Chaiprasert	Member of Enterprise Risk Management Subcommittee

Ms. Nantapapas Pralongsil is the secretary of the Enterprise Risk Management Sub-committee

Roles and responsibilities

1. Operate according to the principles of risk management process which consists of the main steps i.e. risk identification, risk assessment, monitoring and controlling risks ,risk reporting
2. Set guidelines and risk management tools in line with the Company's risk governance framework.
3. Consider policies and the company's risk management guidelines which must cover important types of risks, such as strategic business risks credit risk liquidity risk operational risk and emerging risks, etc. There should be discussions and exchanges of opinions with assigned directors/committees to assess whether the risk management policies and guidelines cover all types of risks and emerging risks including working with efficiency and effectiveness.
4. Supervise and ensure that the Company has risk management according to the policy and risk management strategy.
5. Give opinions on the creation of work processes or new products of the company, including various operational improvements before the authors present to the authorized person in that matter.
6. Review the sufficiency of the policy and the risk management system, including the effectiveness of the system in accordance with the specified policy.
7. Evaluate the performance at least once a year and report to the Audit Committee for acknowledgment in order to use the assessment results to improve the efficiency of operations and lead to the specified objectives.

Sustainable Development Subcommittee

In 2022, the Company established a Sustainable Development Sub-Committee to act in accordance with policies, strategies and plans for sustainable development.

The Sustainable Development Sub-Committee consists of 1 representative from the Board of Directors and 3 executive and employee representatives, totaling 4 persons. The list of Sustainable Development Sub-Committee as of 31 December 2022 consists of:

Name	Position
1. Mr. Akrawit Sooksai	Chairman of Sustainable Development Subcommittee
2. Mr. Pongsakorn Sangvijit	Vice Chairman of Sustainable Development Subcommittee
3. Mr. Vutipong Kittichanteera	Member of Sustainable Development Subcommittee
4. Miss Pornsiri Kusolputchong	Member of Sustainable Development Subcommittee

Miss Pornsiri Kusolputchong is the secretary of the Sustainable Development Sub-committee

Roles and responsibilities

1. Operate according to policies, strategies and plans for sustainable development.
2. Develop and raise awareness among internal and external stakeholders on sustainability practices.
3. Prepare a sustainability report to present to the Nomination and Remuneration Committee and Corporate Governance for Sustainability.
4. Promote and support the creation of value for stakeholders through the integration of ethics and social and environmental responsibility into the activities of the organization.
5. Report performance to the Nomination and Remuneration Committee and Corporate Governance for Sustainability.
6. Perform duties or perform any other tasks assigned by the Nomination and Remuneration and Corporate Governance Committee for Sustainability.

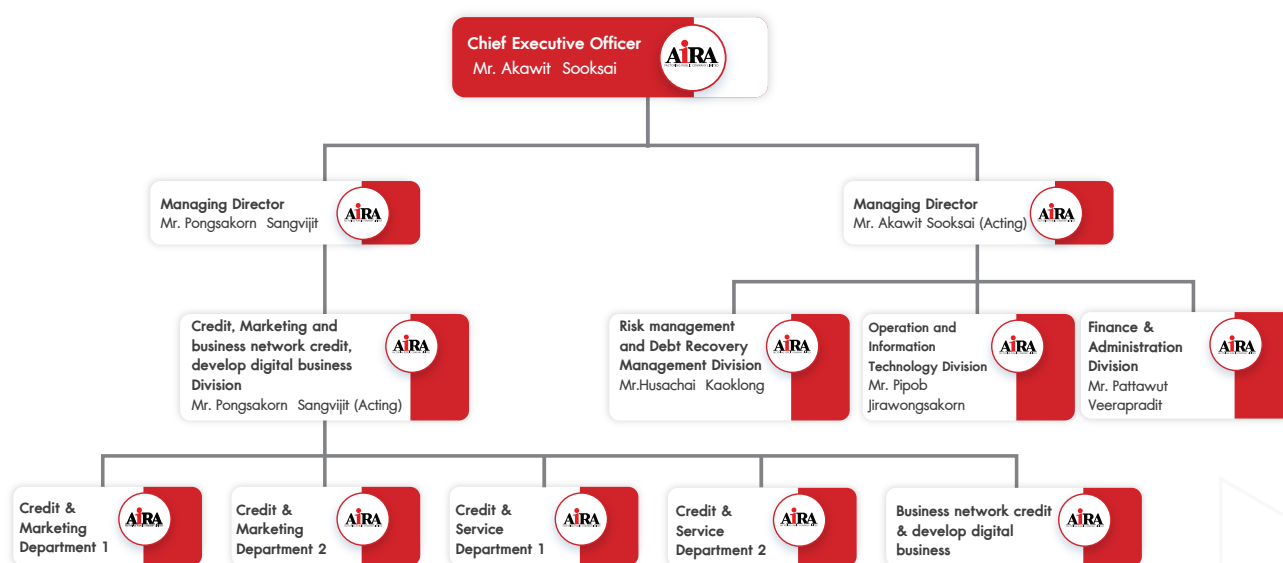
7.4 Information about the management

7.4.1 List and position of management

The Management in accordance with the notification of the SEC on 31 December 2022 is as follows;

Name	Position
1. Mr. Akawit Sooksai	Chief Executive Officer
2. Mr. Pongsakorn Sangvijit	Managing Director
3. Mr. Pattawut Veerapradit	Executive Vice President, Finance & Administration Division
4. Mr. Pipob Jirawongsakorn	Executive Vice President, Operation and Information Technology Division
5. Mr. Husachai Kaoklong	Executive Vice President, Risk Management and Debt Recovery Division

Management structure



7.4.2 Director's Remuneration Policy Chief Executive Officer and Executive

1. Remuneration for Executive Directors and Executives

The Board of Directors has established policies and criteria for consideration of remuneration for company directors and executives in accordance with the following guidelines:

- **Directors' remuneration**

Remuneration is determined based on duties, scope of roles and responsibilities. (Accountability and Responsibility) of the Board of Directors

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)

In this regard, the determination of such remuneration will be considered at an appropriate level and sufficient to motivate and maintain quality for the best interest of the company without paying excessive compensation.

Remuneration for directors consists of 2 parts

◆ **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.

- 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.

- 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.

◆ **Level of Directors' Meeting Allowances** : Directors' meeting allowances, accounted for overall value, should be at an appropriate level and sufficient for directors limit the number of companies holding directorships and confident that they can devote their time to attend meetings and perform their duties efficiently.

◆ **Director Bonus** : 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 considered at an appropriate level and not too high.

Remuneration method

- 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.

- - 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 2022 Annual General Meeting of Shareholders held on April 21, 2022 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	Receive a meeting allowance of 25,000 baht per meeting
Directors	Receive a meeting allowance of 15,000 baht per meeting

Audit Committee meeting allowance

Position	Receive meeting allowance
Chairman of Sub - Committees	Receive a meeting allowance of 25,000 baht per meeting
Directors	Receive a meeting allowance of 15,000 baht per meeting

Meeting allowance for other committees

Position	Receive meeting allowance
Chairman of Sub - Committees	Receive a meeting allowance of 15,000 baht per meeting
Directors	Receive a meeting allowance of 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 2022, the Board of Directors received a total meeting allowance of 2,452,500 baht, details as follows:

Board of Directors and sub-committees	Number of meetings (times)	Meeting allowance (Baht)
1. Board of Directors	5	762,500
2. Audit Committee	8	370,000
3. Nomination and Remuneration Committee	5	140,000
4. Executive Committee	12	530,000
5. Credit Committee	12	650,000

Details of the remuneration of the individual committees of the Company

(Unit: Baht)

Name - Surname	Meeting allowance	Director's Bonus	Non-monetary compensation	Total
1. Mr. Sorasit Soonthornket	125,000.00	176,900	-None-	301,900.00
2. Mr. Kunakorn Mekjaidee	250,000.00	117,900	-None-	367,900.00
3. Mrs. Yajai Pattanasukwasan	240,000.00	117,900	-None-	357,900.00
4. Mr. Poonsak Thiapairat	205,000.00	117,900	-None-	322,900.00
5. Mrs. Ladawan Thanatanit	195,000.00	117,900	-None-	312,900.00
6. Mr. Wisit Wongruamlarp	195,000.00	117,900	-None-	312,900.00
7. Mrs. Nalinee Ngamsetthamat	115,000.00	117,900	-None-	232,900.00
8. Mrs. Nongluck Chanthasombat	255,000.00	117,900	-None-	372,900.00
9. Admiral Nawapon Damrongpong	75,000.00	117,900	-None-	192,900.00
10. Mr. Akarawit Suksai	37,500.00	117,900	-None-	155,400.00
11. Mr. Chanon Chotiwijit	180,000.00	-	-None-	180,000.00
12. Mr. Suthiporn Tantikul	240,000.00	-	-None-	240,000.00
13. Mr. Wattana Sangwongmai	110,000.00	-	-None-	110,000.00
14. Mr. Wirut Danatikom	120,000.00	-	-None-	120,000.00
15. Mr. Ekawat Piriaworasakul	110,000.00	-	-None-	110,000.00
total	2,452,500.00	1,238,000		3,690,500.00

- **Executive Remuneration**

Remuneration of executives is in accordance with the principles and policies laid down by the company with consider duties responsibility and performance of each executive is evaluated from Key Performance Indications together with the Company's performance.

The company has set remuneration for executives at an appropriate level and is a rate that is sufficient for retaining quality executives without excessive compensation and at a level comparable to companies in the same industry group

The Nomination and Remuneration Committee also considers and determines the remuneration of the Chief Executive Officer as an executive.

Monetary remuneration of the Company's executives as of December 31, 2020 and 2021 in the form of salary, bonus and other benefits are as follows:

(Unit: Baht)

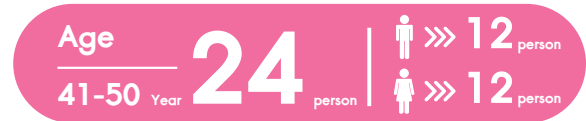
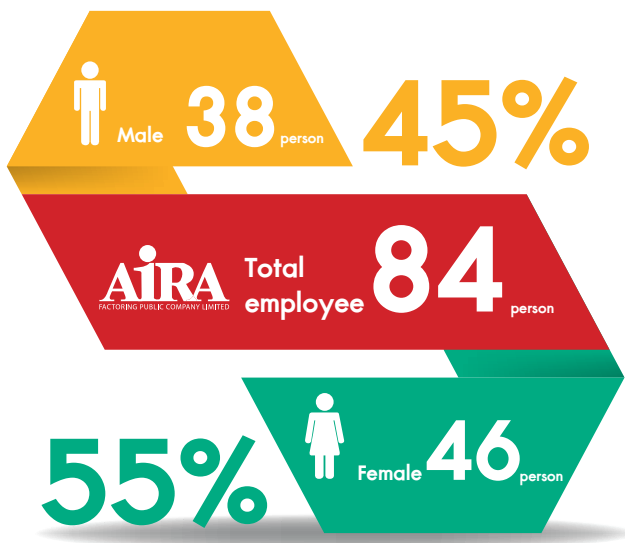
Compensation type	Amount		
	2022	2021	2020
Salary and bonus	13,489,564	14,257,378.90	13,141,503.60
Provident fund contribution	595,224	799,571.24	756,245.36
Other welfare	3,093,641	866,486.03	740,118.24
Total	17,178,429	15,923,436.17	14,637,867.20
Number of Executives	5	6	6

7.5 Information about employees

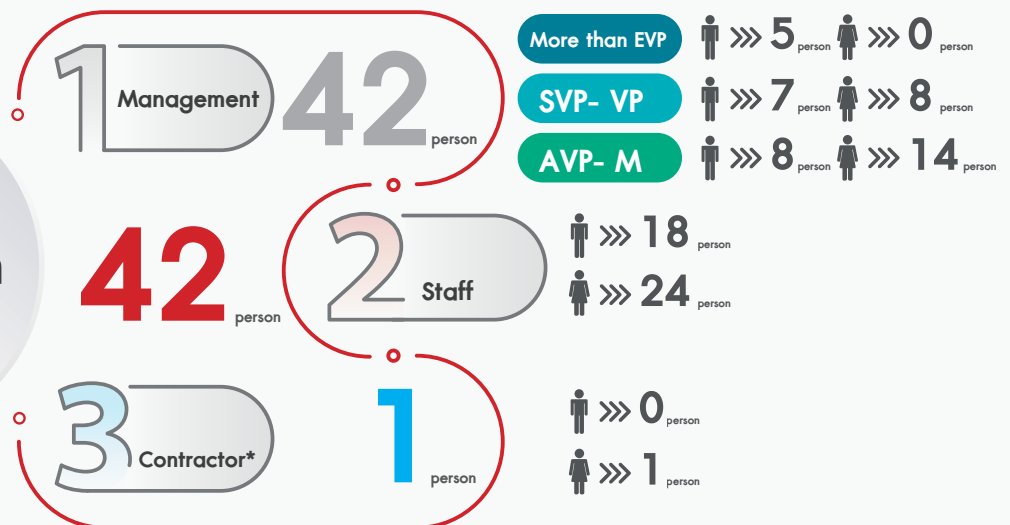
As of December 31, 2022, the Company has a total of 84 employees, all of which are full-time employees. Employees can be divided into different fields as follows:

Department / Division	Number of employees (person)		
	2022	2021	2020
Operations and Information Division	28	22	25
Finance and Administration	19	24	24
Credit and Marketing Division	21	19	20
Risk Management and Debt Resolving Division	8	8	8
Office of the Chief Executive Officer	6	7	9
Bureau of Compliance and Internal Audit	2	2	2
Total number of employees	84	82	88

Employee details by position and age



By Position



Labor dispute

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 selection and employment : The company has an employment policy that focuses on equality, no restriction or discrimination on gender, race, religion and culture.

Personnel selection is based on knowledge, competence, skills, experience suitable for the position. The company has a system and clear rules and regulations in the recruitment and hiring process that are transparent and fair.

The company has a policy to employ the elderly. The company recognizes the value of human resources that are employees who have retired but have knowledge, ability and experience that are beneficial to the company. The company therefore hired to work with the company. In 2022, the company hired a contract employee who is a retired employee, 1 person, to act as a consultant to the company.

Personnel Development : The Company has a policy to promote personnel development by giving 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.

The company encourages employees to receive appropriate training for advancement and stability in work by allocating training budgets and preparing employee training and development plans, focusing on training employees to acquire skills, exchange knowledge and exchange experiences including improving work efficiency by establishing a long-term human resource development plan to support future growth

In addition, the company has arranged a career advancement growth plan for employees so that employees have the opportunity to advance in their career according to their knowledge and abilities and fully utilize each person's potential.

In 2022, the company has put in place a strategy to enhance the capabilities of its employees in line with the business direction where all employees will receive a variety of trainings depending on the job description, job positions to develop work potential Leadership employee development

In 2022, the company provided employees with 35 training courses from various institutes and organizations as follows:

1. Executive Education Certificate Program in Cybersecurity (EEC-Cybersecurity) by the Office of the National Cyber Security Commission
2. CFO Refresher Course (Thai) E-Learning Course by SET Listed Company Classroom
3. Labor Law and Labor Management in the COVID-19 Situation by the Thai Chamber of Commerce
4. Upgrade to Automation Organization (RPA) for executives by the Ministry of Digital Economy and Society (MDES) and the Thai Digital Users Association (DUGA).
5. PDPA for Sales & Marketing, Class 2, Personal Data Protection Law for Sales and Marketing, by the Political Science Association of Kasetsart University
6. Windows Server 2019 Active Directory Domain Services Administration course by Future Personnel Development Institute
7. Course, seminar clarifying CGR survey criteria for the year 2023 by the Thai Institute of Directors Association and the Stock Exchange of Thailand.
8. Introduction to Facilitator Skill, Fa's basic skills by White Rabbit Management Co., Ltd.
9. Digital Asset and Business Growth Opportunities (New S-Curve) of listed companies by the Stock Exchange of Thailand (SET)
10. Preparing Business for the Metaverse Course (Preparing Business for the Metaverse Course) by the Ministry of Digital Economy and Society (MDES) and the Thai Digital Users Association (DUGA)
11. Data Analytics in Management Decision Making Course by Ministry of Digital Economy and Society (MDES) and Thai Digital Users Association (DUGA)
12. Road to Certify 3/2022 by the Thai Institute of Directors Association and the Stock Exchange of Thailand
13. Design Thinking for Business Strategy Class 2 by the Ministry of Digital Economy and Society (MDES) and the Thai Digital Users Association (DUGA)
14. Course Pac Rim Leadership Forum 2022 "Decoding The Great and Enduring : Wisdom from 30 Leaders" by Pac rim
15. Travel Tip for SHRM Annual Conference & Expo 2022 by SHRD NIDA
16. HR Forum 2022 course "Talent Management Trend 2023" by SHRD NIDA
17. Digital Transformation Course by the Stock Exchange of Thailand (SET)
18. EV ECOSYSTEM Course, Mega Trends in the Country by Fiscal Policy Research Institute Foundation
19. Course on how to search for business collateral contracts by the Department of Business Development
20. Digital Marketing Strategies Course and systematic data analysis, version 2 by the Ministry of Digital Economy and Society (MDES) and the Thai Digital Users Association (DUGA).
21. Power Apps for Business course by Nine Expert Co., Ltd.
22. Human Resource Organization Transformation Strategies for the Digital Age, Class 2, by the Ministry of Digital Economy and Society (MDES) and the Thai Digital Users Association (DUGA)
23. HR transformation course to Strategic HR Transformation by People Develop Center
24. Digital Transformation Course (Workshop) by The Stock Exchange of Thailand (SET)

25. New AGM Checklist course in preparation for the 2023 Annual General Meeting of Shareholders by the Thai Investors Association.
26. Risk Management Program for Corporate leaders by Thai Institute of Directors Association
27. Curriculum on corruption issues that you need to be aware of by the Federation of Accounting Professions
28. Corruption story telling course against accounting standards and the example of the (latest) financial statements of listed companies, Class 4/65 by the Federation of Accounting Professions
29. Human Resource Management Techniques for HR Beginners, Class 23 by People Develop Center
30. Course to raise the level of working paper professionally reviewed against corruption by the Federation of Accounting Professions
31. Program in Early Management Development by the National Institute of Development Administration
32. Personal Data Protection Law Course for information technology work by the Political Science Association of Kasetsart University
33. Basic Deferred Tax Preparation Course by Dharmniti Training and Seminar Co., Ltd.
34. Course on the topic “Internal control of significant legal compliance for the sustainability of the business” and the topic “Accounting for Derivatives and Hedging by the Faculty of Commerce and Accountancy Alumni Association of Chulalongkorn University.
35. TFRS 16 Lease Agreement and Deferred Tax Issue by Dharmniti Training and Seminar Co., Ltd.

In addition to the aforementioned projects, the company also offers a variety of training courses and employee skills development programs as follows:

Transformation Leadership Workshop is a course for VP, SVP and EVP level employees to develop leaders in the organization to become new generation leaders. Employees can also create strategies to deal with the impacted business situation in terms of communication, motivation and change management techniques to enable leaders to apply knowledge to develop organizations for efficiency in current situations.

The Selling Skill and Financial Statement Analysis course is a course for credit and marketing employees to provide participants with knowledge, understanding of sales strategy management and analysis of financial statements and can plan sales, create a plan to meet customers, can learn the process of strategic sales management, can set goals Sales planning and customer communication skills to achieve company goals.

In addition, the company organizes training to educate about business operations of the company related regulations Including anti-corruption policy Good Corporate Governance Policy and other necessary information on a regular basis

There are various forms of training to educate employees, including seminars (Workshop), sharing experiences from executives (Knowledge sharing), online lessons (E-Learning) and learning workshops, etc.

In 2022, every employee received an average of 5.45 hours of training or participation in external knowledge development activities per person per year. and training or participating in knowledge development activities from within the organization, an average of 3.32 hours per person per year.

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.

Safety and Occupational Health : The company has foreseen the importance of creating a culture of safety within the organization. The company has established a policy to support employees to work safely and have good hygiene in the workplace The company has improved the working environment to be safe and convenient while working including encouraging employees to have good hygiene, which will help create happiness and efficiency in work for employees.

Measures to prevent and mitigate risks from the COVID-19 epidemic situation

The company recognizes the importance of strategies to deal with and prevent the spread of the virus in the workplace to build employee confidence, business partner and all stakeholders. In 2022, the company has set operational regulations under the virus outbreak situation and announce guidelines for conducting oneself when being an infected person and being a person close to an infected person for employees to know and strictly follow to ensure the collaboration of employees in the company.

Activities that promote safety

Since the company's office is in Chamchuri Square Building, it is necessary to be prepared in case of fire. The company cooperates with the building management to conduct annual fire evacuation drills every year.

Accident Statistics / Morbidity Rate

In 2022, there were no accidents or infections caused by work. Employees have an average sick leave rate of 6 hours per day.

Plans and results to promote employee engagement and retention

The plan to promote commitment to the company is divided into 3 approaches as follows:

1. Create a good physical working atmosphere that is pleasant to work (Physical)
2. Create a good psychological feeling for employees. (psychological)
3. Build a good relationship between boss and employees and employees themselves. (Relationship)

Past activities

- Provide necessary news and information such as goals, business direction Strategies for each year for employees to acknowledge as a guideline for working with all departments.
- Executives are open to listening to opinions and suggestions from employees at all levels in order to improve their work by emphasizing on employee participation (co-thinking, co-creation) to create acceptance and compliance.
- Give employees the opportunity to show their full potential in their work and encourage them to learn and develop better.
- Organize activities to share useful knowledge and experiences
- Expand the work area with the office relocation scheduled in 2023 to provide employees with a more spacious and comfortable work space.
- The company organizes activities to promote employee engagement, including
 - o Organize sports activities to play football together between employees and executives within the company and the group of companies to create closeness between employees and executives. including getting to know the employees in the group
 - o Organize a New Year's party Dine and join entertainment activities between executives and employees at all levels.

Employee turnover rate (Turnover Rate) Turnover Rate for the year 2022 is 29.91%.

Fair Labor Practices : The Company has policies and practices to treat employees equally without exception and fairness to employees at all levels in terms of remuneration, employee transfer and relocation, training, occupational health, safety, work progress including labor protection by assigning the Human Resources Department to take care of labor relations which is responsible for conducting labor relations activities, coordinating with relevant agencies.

Non-violation of human rights : The company supports and respects the human rights of all stakeholders by not taking any action that causes violations of human rights and without discrimination between gender, age, race or religion.

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 determines employee compensation and welfare in line with both short-term and long-term performance, responsible position, experience, qualifications and expertise by considering the remuneration of the labor market, financial status , company performance, business practices, and the current social and economic environment.

The company determines to consider the annual salary increase for employees once a year based on the performance of the employees, which the company uses the Key Performance Indicator (KPI) system as a tool for considering performance of employee in each department.

The company provides welfare benefits to employees as required by law and other than what is required by law, such as accident insurance, life insurance, health insurance and medical expenses so that employees can reimburse medical expenses in addition to reimbursement from social security to help alleviate the burden of medical expenses of employees.

The company provides annual health check-ups once a year for employees to have good health. In addition, the company has provided other welfare such as marriage allowance, cremation allowance, training and seminars for employees both inside and outside the place, etc. It also provides a provident fund for employees who have reached the working age as specified by the company and also takes care of work safety by providing a safe and hygienic place to work as well.

Building a good relationship between executives and employees : The Company encourages employees to participate in building a good corporate culture, teamwork by respecting human rights and treating employees fairly and equally, not discriminating against any individual employee, not violating their rights. Humanity in various fields and organize activities within the company for employees at all levels to participate.

Various activities such as team building, New Year's party, etc. to create a good relationship between the directors senior management and employees, as well as providing opportunities for employees to participate in expressing different opinions Independently in order to take various suggestions into consideration and present to the management.

Compensation and benefits of employees

The Company has paid employee compensation in the past 3 years as follows:

(Unit: Baht)

Compensation	Year 2022	Year 2021	Year 2020
- Salary and bonus	47,583,368.00	45,162,731.92	46,599,655.02
- Other welfare	3,150,220.50	2,205,017.75	2,884,050.51
Total	50,733,588.50	47,367,749.67	49,483,705.55

In 2022, compensation for female employees accounted for 51.3% and compensation for male employees accounted for 48.7%

Provident Fund

The Company has established the SCB Master Fund which is registered and managed by SCB Securities Company Limited with the main objective to build morale and encourage employees to work with the Company in the long run.

In 2022, the company contributed to the provident fund in the amount of 4,835,978.83 baht.

In 2022, as of December 31, 2022, the proportion of employees participating in the provident fund is 35 people out of a total of 84 employees, representing the proportion of employees participating in the provident fund compared to the total number of employees, representing 41.67%.

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. There is a concrete succession process that helps employees to be satisfied and bonded with the organization as they receive more challenging job opportunities.

7.6 Other important information

7.6.1 List of persons assigned to be responsible as follows:

- **Company Secretary**

Since Mrs. Pornsiri Kusolputchong was appointed by the Board of Directors' meeting on May 10, 2022 as the 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 Miss. Cholathorn Chaidaengas, Assistance Vice President of Accounting and Finance to be directly responsible for overseeing bookkeeping since July 1, 2022.

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 Mrs. Pornsiri Kusolputchong

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 2022, 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 2022, 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 2022 in the amount of 1,060,000 baht, increase 50,000 baht from 2021, excluding other service fees (Non-audit fees), which the Company will actually pay.

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(Unit: Baht)

audit fee	2022	2021	2020
Audit Fee	1,060,000	1,010,000	1,010,000
Other service charges	-none-	-none-	-none-
Total	1,060,000	1,010,000	1,010,000

8

Report on key corporate governance performance

8.1 Summary of performance of the Board of Directors in the past year

Overview of changes in corporate governance in the past year

At the Board of Directors Meeting No. 4/2022 held on November 10, 2022, the Board of Directors resolved to assign corporate governance and sustainable development tasks to the Nomination and Remuneration Committee.

In the Board of Directors Meeting No. 5/2022 held on December 15, 2022, the Board of Directors had a resolution to change the name of the Nomination and Remuneration Committee. Member of the Nomination and Remuneration and Corporate Governance Committee for Sustainability

In 2022, the Company has set up a Sustainable Development Sub-Committee to implement the policies, plans and strategies for sustainability that have been defined and to report the performance to the Nomination and Remuneration Committee and Corporate Governance for Sustainability.

In addition, the Company has established the Enterprise Risk Management Sub-Committee to supervise and manage the enterprise risk to be at an acceptable level and report its performance to the Audit Committee of the Company.

The change in the management structure at the board level was made in order to support corporate governance operations in accordance with the Stock Exchange of Thailand's corporate governance principles and corporate governance assessment guidelines (new criteria) CGR 2023.

8.1.1 Recruiting, developing and evaluating the performance of directors

(1) Independent Director Selection Criteria (Qualifications) /nomination process)

The Nomination and Remuneration Committee considers and selects a person who has the qualifications to be a director as specified by the Public Company Limited Act and the Company's Articles of Association, as well as having no prohibited qualifications as announced by the Office. SEC regarding the qualifications of executives of listed companies and is independent according to the definition of an independent director and has qualifications in accordance with the requirements of the Securities and Exchange Commission.

In this regard, the Board of Directors will consider selecting independent directors from experts who have experience beneficial to the Company's operations to nominate to the shareholders' meeting for further consideration and election as directors.

(2) Nomination of Directors and Top Executives

Director selection method

The Board of Directors has assigned the duty of nominating directors to the Nomination and Remuneration Committee to consider qualified persons based on their profession. Expertise, skills, and

knowledge that are necessary for the Company's business operations by recruiting people from various sources such as the Company's directors as a recommendation, shareholders nominating names, information from external consulting firms, director database of the Thai Institute of Directors Association (Director Pool) and from the recruitment by the Human Resources Department.

The recruitment is based on transparency, fairness, adhering to the principle of equality and equality without discrimination, without restrictions on race, language, age and gender. It also places importance on diversity in the structure of the Board of Directors and considers the necessary skills that directors lack and considers that holding directorships in other listed companies must not exceed 5 companies.

The company has principles for recruiting directors who are representatives of major shareholders. Major shareholders will nominate persons to be elected as directors as they see fit and/or the Nomination and Remuneration Committee will consider selecting from the list of suitable candidates from the Director Pool of the Company from Thai Institute of Directors Association and/or nominated by directors and/or nominated by shareholders.

The Nomination and Remuneration Committee will screen the qualifications of such persons in order to comply with the law and related rules & regulations to present to the Board of Directors for approval and to propose to the shareholders' meeting for further appointment.

The Company has a policy to grant shareholders the right to nominate suitable candidates for the Board of Directors. The Nomination and Remuneration Committee is responsible for screening the qualifications and suitability of candidates or company directors who are in office upon completion of term or resignation, and present their opinions to the Board of Directors for approval to propose to the shareholders' meeting. holding shares for further appointment as a director of the Company.

The Company allows shareholders to nominate qualified persons to be considered for election as the Company's directors in advance of the 2022 Annual General Meeting of Shareholders from October 1, 2021 to December 31, 2021 by disseminating the criteria, nomination methods, and consideration procedures on the Company's website. It appeared that no shareholder nominated a person to be considered for election as the Company's director.

The recruitment and selection process are carried out without discrimination on the basis of race, religion, sex, marital status. or disabilities in physical fitness.

Qualifications of Company Directors

A person who will be appointed as a director of the Company must have the following qualifications:

1. Qualified as a director according to the Public Limited Companies Act and the Company's Articles of Association, including having no prohibited qualifications as announced by the Office. SEC regarding the qualifications of executives of listed companies
2. Be a person with knowledge and ability and experiences that are beneficial to business operations, leadership, wide vision, and understanding of the nature of the Company's business operations
3. All company directors must be able to perform their duties and express their opinions independently and must be able to devote sufficient time to perform their duties.

4. Company Directors Being a director of no more than 5 listed companies on the Stock Exchange of Thailand

Criteria for recruiting senior executives of the company

Focus on the recruitment and appointment of people for senior management positions on the basis of transparency and in line with the company's business strategies.

Qualifications of those who have been elected as executives of the company

- 1) Being a person with knowledge, competency, skills or experience that is appropriate and consistent with the Company's business strategy.
- 2) Having leadership, vision, being able to drive the organization to achieve its business goals in accordance with the policies received by the Board of Directors.
- 3) Be a person with honesty, integrity, morality and ethics in managing the organization without any characteristics that show a lack of suitability to be entrusted with managing the company.

Sources for recruiting senior executives

The Nomination and Remuneration Committee will consider recruiting persons with appropriate experience, knowledge and expertise from various sources, for example, recruitment by the Human Resources Department and recommended by the Company's directors.

Selection procedures and processes

The management selects suitable candidates for high-level executive positions and presents the list of candidates who pass the preliminary qualification assessment to the Nomination Committee. The Nomination Committee considers remuneration for acceptance to work as a probationary employee with a probationary period specified by law. When the said person can work according to the specified criteria and the results of the performance assessment pass the criteria. The management presents the matter to the Nomination and Remuneration Committee meeting for approval and presents to the Board of Directors for appointment as an employee of the Company.

Succession of senior management positions

The Company has prepared a succession plan by systematically and continuously developing executives to find successors for high-ranking executives in order to prepare personnel to support vacancies in various positions.

In 2022, the Nomination and Remuneration Committee has agreed on the establishment of the succession plan's framework. In this year 2023, the policy for succession plan will be presented to the Board of Directors' meeting for approval.

For the essence of the policy framework, the company has clearly defined procedures, processes and guidelines for the preparation of the plan and the positions that must be prepared for successors are the positions of Chief Executive Officer (CEO), Managing Director (MD), Executive Vice President in Finance.

and Administration (CFO), Executive Vice President of Risk Management and Debt Remediation (CRO), Executive Vice President of Operations and Information (COO) and Company Secretary (CS), etc.

Selection Criteria :

the consideration is based on knowledge, ability, educational background, working experience both inside and outside the organization, past and present performance, and the potential development in taking responsibility for the position that required successors. In addition, the selection is based on the evaluation of the performance of duties and the discretion of the management.

Guidelines for succession plan preparation :

1. Determine the position that requires a succession plan.
2. Specify skills, knowledge, and competencies, that necessary for the performance of the position requiring a successor.
3. Determine the period of the plan preparation, for example, at least 2-3 years in advance before the senior executive's retirement.
4. Determine the deadline for the plan preparation to acknowledge the successor at least
1 year in advance in preparing themselves for the position.
5. Prepare an individual personnel development plan and personnel development according to the plan
6. Follow up and evaluate the progress of the successor development

successor Development

After the company has recruited and selected internal personnel to succeed in the position is completed. The company will continue to develop such individuals by preparing individual development plans (IDP's) to motivate and retain personnel with excellent performance and high potential to remain with the company.

However, if there is no internal personnel that are ready or suitable The Company may consider recruiting external personnel as appropriate.

Progress reporting

As the Nomination and Remuneration Committee has established a policy framework for the preparation of the executive succession plan, the management section is required to periodically report the plan progress, in order to monitor the implementation of the company's succession plan. The progress of the succession plan will be presented to the Board of Directors' meeting for further acknowledgement at least once a year.

Guidelines for evaluating the performance of directors and Chief Executive Officer

Performance Evaluation of the Board of Directors

The Board of Directors has evaluated its own performance in performing duties on the Board of Directors and all sub-committees, individually and collectively, at least once a year to review whether the supervision of There are adequate determinations and/or actions and can be used as supporting information for the management to improve/develop management to be more efficient.

The self-assessment form of the Board of Directors has been adapted from the sample form of the Stock Exchange of Thailand which has been applied as appropriate and consistent with the specific characteristics of each committee.

In this regard, the evaluation results are analyzed and the evaluation results are reported to the Board of Directors at the Board of Directors' meeting in order to lead to the management's actions.

Assessment criteria

The Company requires that the performance assessment of the Board of Directors and all sub-committees (group and individual) and Chief Executive Officer will be conducted annually at least once a year

For assessment methods, there are 5 levels of evaluation criteria ranging from 0-4 as follows:

- | | | |
|-----|---|--|
| 0 | = | Strongly disagree / no implementation taken on that matter |
| 1 | = | Disagree / little implementation taken on that matter |
| 2 | = | Agree / some implementation taken on that matter |
| 3 | = | y much agree / well-implementation taken on that matter |
| 4 | = | Strongly agree / excellent- implementation taken on the matter |
| n/a | = | No information found / cannot be implemented |

Assessment Processes and Procedures

- Nomination and Remuneration Committee reviews the assessment form of the Director and the Chief Executive Officer performances, and it will be presented to the Board of Directors' meeting for approval. For the 2022 assessment, the Board of Directors approved the assessment form at the Board of Directors' Meeting (5th /2022) which held on December 15, 2022.
- The meeting secretary shall submit the assessment form to each director also summarize the results of the assessment. The result should be reported to the Board of Directors and sub-committees for their acknowledgement and further development planning.

Assessment Topics and Assessment Result

In 2022, there were topics on the assessment and evaluation of the Board of Directors, sub-committees and chief executive officers' performance, details as follows:

Performance Evaluation of the Board of Director (as a whole)

The evaluation considered on 6 categories of duties, 74 items, which consisting of: Structure and qualifications of the Board of Directors, roles, duties and responsibilities of the Board of Directors, Board meetings, performance, relationship with management section, personal development, and executive development.

Assessment result : Excellent, average score of 3.91 or equal to 97.67%

Performance Evaluation of the Board of Director (Individual)

The evaluation considered on 10 categories of duties, 44 items, which consisting of: Structure and qualifications of the Board of Directors, Board meetings, roles, duties and responsibilities of the Board of Directors, outstanding knowledge, independence, readiness to carry out missions, attention to duties and responsibilities, performance, vision to create long-term value added for the business, relationship with other committee and management section.

Assessment result : Excellent, average score of 3.92 or equal to 98.01%

Performance Evaluation of the Audit Committee (as a whole)

The evaluation considered on 6 categories of duties, 50 items, which consisting of: Composition of the Audit Committee, training and resources, meetings, activities of the Audit Committee, relationship with the Head of Internal Control and Audit Office, auditors, and executives, as well as role of the Audit Committee in the future.

Assessment result : Excellent, average score of 3.74 or equal to 97.40%

Performance Evaluation of the Audit Committee (Individual)

The evaluation considered on 3 categories of duties, 12 items, which consisting of: Structure and qualifications of the Audit Committee, meetings, roles, duties, and responsibilities.

Assessment result : Excellent, average score of 3.78 or equal to 98.55%

Performance Evaluation of the Nomination and Remuneration Committee (as a whole)

The evaluation considered on 3 categories of duties, 23 items, which consisting of: Structure and qualifications of the Nomination and Remuneration Committee, meetings, roles, duties, and responsibilities.

Assessment result : Excellent, average score of 3.77 or equal to 94.20%

Performance Evaluation of the Nomination and Remuneration Committee (Individual)

The evaluation considered on 3 categories of duties, 13 items, which consisting of: Structure and qualifications of the Nomination and Remuneration Committee, meetings, roles, duties, and responsibilities.

Assessment result : Excellent, average score of 3.79 or equal to 94.87%

Applying the assessment results for develop director's performance

The performance evaluations of the directors are applied to the development of the Board of Director's performance and plan for further development. The result of the performance evaluation is also used to determine the motivated and appropriate remuneration also used to plan further operational development.

Assessment of performance of the Chief Executive Officer

The Board of Directors assigns the Nomination and Remuneration Committee to evaluate the performance of the Chief Executive Officer and Managing Director annually. The assessment form has been adapted from the example of the self-assessment form of the board of directors of the Stock Exchange of Thailand, along with the performance assessment form for senior executives, in line with the goals and criteria linked to the company's strategic plan. The evaluation results will be presented to the Board of Directors for determination of appropriate and attractive remuneration and rewards.

Details of the assessment form and assessment results are as follows:

The evaluation is separated into two parts; Part 1 key performance indicator evaluation based on the Company's performance, and Part 2 Performance Evaluation. The evaluation also considered on 10 categories of duties, 55 items, which consisting of: Leadership, strategy formulation, strategy compliance, planning and financial performance, internal relation with director, external relation, management and relationship with staff, succession, knowledge on product and service, and personal attributes.

Assessment result : Excellent, average score of 3.62 or equal to 80.00%

Applying the assessment results for develop CEO's performance

Result of Performance Assessment of Chief Executive Officer Used to determine appropriate and attractive compensation and rewards and plan for further development of operations.

8.1.2 Meeting Attendance and Remuneration for Board of Directors (Individual)

● Board of Directors Meeting and sub-committees

The Company has scheduled the meeting schedule for the Board of Directors and sub-committees in advance for the whole year by scheduling the meeting of the Board of Directors at least once per quarter and may have additional special meetings as necessary.

In each meeting, a clear agenda is set for consideration, for acknowledgment, for discussion and opinion, with complete and sufficient supporting documents sent to the directors at least 7 days in advance so that the directors can had enough time to study the information before attending the meeting.

In the meeting, the chairman allocated sufficient time for all directors to express their opinions freely. The chairman of the meeting will collect comments and summarize issues from the meeting. The minutes of the meeting are taken by the company secretary and after approval of the meeting, the report is filed in the legal room.

If the directors would like to know more information, they can request information by contacting the company secretary. In every meeting of the Board of Directors, there will be executives invited to attend the meeting on the agenda related to themselves to provide detailed information to the directors. It also provides an opportunity for the directors to get to know the executives, which is helpful in considering the management succession plan.

In addition, the Board of Directors has clearly defined a policy that If the meeting has an agenda that requires a resolution, there must be at least two-thirds of the total number of directors in the meeting and meeting via electronic media. All directors attending the meeting do not have to reside in the Kingdom. And the directors who attend the meeting do not have to be in the same meeting place.

For the year 2022, the Company held one meeting between directors without management, one meeting with independent directors, and one meeting of the Board of Directors and each sub-committee. The meeting attendance of each director can be summarized as follows:

Name	Board of Directors			Audit Committee	Nomination and Remuneration Committee	Executive committee	Credit committee	Annual General Meeting of Shareholders Year 2023
	Total	In person	via electronic media					
1. Mr. Sorasit Soonthornket	5/5	-	5/5	-	-	-	-	1/1
2. Mr. Kunakorn Mekjaidee	5/5	-	5/5	8/8	-	-	-	1/1
3. Mrs. Yajai Pattanasukwasan	5/5	-	5/5	8/8	5/5	-	-	1/1
4. Mr. Poonsak Thiapairat	5/5	-	5/5	8/8	5/5	-	-	1/1
5. Mrs. Ladawan Thanatanit	5/5	-	5/5	-	-	12/12	-	1/1
6. Mr. Wisit Wongruamlarp	5/5	-	5/5	-	-	-	12/12	1/1
7. Mrs. Nalinee Ngamsetthamat	5/5	3/5	2/5	-	5/5	12/12	-	1/1
8. Mrs. Nongluck Chanthasombat	5/5		5/5	-	-	-	12/12	1/1
9. Admiral Nawapon Damrongpong	5/5		5/5	-	-	-	-	1/1
10. Mr. Akarawit Suksai	5/5	1/5	4/5	-	-	12/12	12/12	1/1
11. Mr. Chanon Chotiwiwit	-	-	-	-	-	12/12	-	-
12. Mr. Wattana Sangwongmai	-	-	-	-	-	-	11/12	-
13. Mr. Suthiporn Tantikul	-	-	-	-	-	12/12	12/12	-
14. Mr. Wirut Danatikom	-	-	-	-	-	-	12/12	-
15. Mr. Ekawat Piriaworasakul	-	-	-	-	-	11/12	-	-

● 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.

Remuneration of the Board of Directors in the form of monetary meeting allowances for the year 2022 can be summarized as follows:

Name	Remuneration for Directors (Meeting allowance) for the year 2022 (Baht)					Director's Bonus pay year 2022	total
	Board of Directors	Audit Committee	Executive Committee	Nomination Committee	Credit Committee		
Mr. Sorasit Soonthornket	125,000.00	-	-	-	-	176,900	301,900.00
Mr. Kunakorn Mekjaidee	75,000.00	175,000.00	-	-	-	117,900	367,900.00
Mrs. Yajai Pattanasukwasan	75,000.00	105,000.00	-	60,000.00	-	117,900	357,900.00
Mr. Poonsak Thiapairat	75,000.00	90,000.00	-	40,000.00	-	117,900	322,900.00
Mrs. Ladawan Thanatanit	75,000.00	-	120,000.00	-	-	117,900	312,900.00
Mr. Wisit Wongruamlarp	75,000.00	-	-	-	120,000.00	117,900	312,900.00
Mrs. Nalinee Ngamsetthamat	75,000.00	-	-	40,000.00	-	117,900	232,900.00
Mrs. Nongluck Chanthasombat	75,000.00	-	-	-	180,000.00	117,900	372,900.00
Admiral Nawapon Damrongpong	75,000.00	-	-	-	-	117,900	192,900.00
Mr. Akarawit Suksai	37,500.00	-	-	-	-	117,900	155,400.00
Mr. Chanon Chotiwiwitt	-	-	180,000.00	-	-	-	180,000.00
Mr. Wattana Sangwongmai	-	-	-	-	110,000.00	-	240,000.00
Mr. Suthiporn Tantikul	-	-	120,000.00	-	120,000.00	-	110,000.00
Mr. Wirut Danatikom	-	-	-	-	120,000.00	-	120,000.00
Mr. Ekawat Piriyaworasakul	-	-	110,000.00	-	-	-	110,000.00
Total	762,500.00	370,000.00	530,000.00	140,000.00	650,000.00	1,238,000.00	3,690,500.00

- **Other Directors' Remuneration**

-None-

8.1.3 Supervision of Subsidiaries and Associated Companies

-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 an organization that is transparent and free from corruption and is not involved in corruption. The company supports all groups of stakeholders to fight against corruption. The company has established a policy to apply within the organization, which will be reviewed and updated regularly at least once a year.

Anti-corruption activities in the past year

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

December 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 2022 : The company has communicated to employees and executives to acknowledge the policy and guidelines for anti-corruption. The policy has been reviewed in the Board of Directors Meeting No. 5/2022 on December 15, 2022.

Guidelines for anti-corruption practices :

- All directors, executives and employees of the Company are prohibited from participating directly or indirectly in corruption and corruption.
- Do not participate in corruption such as giving/receiving bribes to/from government officials, state enterprises and private individuals such as personnel of various companies. Any transactions with the Company, both directly and indirectly, in order to obtain or maintain business or competitive advantages.
- The Company has a policy of political neutrality by not giving financial or non-monetary support to political parties.
- There is no policy to pay for facilitating payments. Facilitating payments are bribes paid to government officials to speed up the performance of day-to-day or essential performance that officials are already obligated to perform.
- Employees of the company must not give/receive gifts and do not give/receive entertainment to/from any person as a result of performing their duties so as not to cause unfair persuasion or persuasion to do business.

Assessment of fraud and corruption risks

The company has conducted an internal corruption-related risk assessment, including preparing for a self-assessment in order to renew the Thai Private Sector Collective Action Coalition Against Corruption certificate.

Initially, there were no significant issues or shortcomings related to corruption and corruption, as well as no fines or penalties that were not fines due to operations that did not comply with the laws or regulations. related and violation of business ethics in any way.

Processes and measures to manage corruption risks

The company has channels for receiving complaints and whistleblowing acts that are considered fraudulent and misconduct, including measures to protect and maintain the confidentiality of complainants, including inspection, monitoring and control processes in order to send signals to monitor problems. corruption of the company seriously.

The company has a transparent, credible and fair investigation process and has set clear and strict punishments for directors, executives and employees at all levels. The company will seriously and continuously adhere to the anti-corruption policy. 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 ensure fairness to complainants.

The Company assigns the Audit Committee to receive those reports or complaints through the Internal Audit Office. to inspect and report to the Board of Directors.

Statistics of fraud and corruption

In 2022, there were no offenses related to corruption.

Promotion of anti-corruption knowledge

The company has communicated the anti-corruption policy and measures, including any other laws or regulations related to such matter to directors, executives and employees in order to create understanding and instill awareness in abstaining from corruption. corruption and aware of the dangers of such actions

In 2022, the company has published documents via E mail and intranet channels of the company for employees and executives to acknowledge and arrange to sign for acknowledgment and compliance with such policy.

In this regard, 100 percent of the Company's employees have already signed their acknowledgment.

(3) Whistleblowing

Contact channels for whistleblowing or complaints of wrongdoing and suggestions

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

In addition, all employees have a duty to report incidents or behaviors in the workplace that are inaccurate or suspected to be inaccurate or that affect other stakeholders or are subject to fraud and corruption or violating the corporate governance policy or violating the Company's good governance, any rules or laws to supervisors under the chain of command. The company stipulates penalties for wrongdoing fairly, according to the company's regulations.

Actions when receiving complaints

when the audit committee and Office of Supervision and Internal Audit receive whistleblowing or receive various complaints from the Company's stakeholders, the company will preliminarily consider the type of complaint received. If the complaint is related to good governance and business ethics, the department that receives complaints will collect information to present to the Audit Committee for consideration, gathering evidence, searching for information. and consider making decisions on that matter.

If such complaints fall within the scope of misconduct, fraud or corruption, the unit that receives the matter will coordinate and propose the matter to the internal audit department to jointly take action and present to the Audit Committee for further consideration.

Measures to protect and maintain the confidentiality of complainants

The Company has measures to protect and maintain the confidentiality of complainants. which will investigate without disclosing the name of the whistleblower To protect the impact that may occur to the complainant or the aforementioned allegation.

Punishment

If it is found that the offense is caused by an employee, the offender shall be reported according to the chain of command and impose a fair penalty for such offence in accordance with the Company's regulations. If the offense is caused by a person who is not an employee, the Company will take further legal action.

Statistics In 2022, the company has no disputes in relation to stakeholders whatsoever.

Anti-corruption actions in the past year

The company has assessed business risks related to corruption, which the company has established guidelines for preventing the occurrence of risky events that may occur in the scope of misconduct or corruption which appears in the anti-corruption policy. of the company

In 2022, the company has communicated public relations to employees and executives to acknowledge and have signed an acknowledgment of everyone, including the company has a supervisory and internal audit unit to monitor and monitor and assess. Results of implementation of such policies and guidelines and report results to the Audit Committee for approval.

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

The Nomination and Remuneration Committee has performed its duties in accordance with the scope and authority assigned by the Board of Directors under the Nomination and Remuneration Committee Charter in considering the nomination of qualified persons to serve as directors. , a member of various sub-committees and high-level executives to propose to the Board of Directors, as well as prepare criteria and policies for determining remuneration to be proposed to the Board of Directors' meeting for approval or proposed to the shareholders' meeting for approval, as the case may be.

In 2022, the Nomination and Remuneration Committee held 5 meetings to consider various important matters. The minutes of the meeting together with comments and recommendations were submitted to the Board of Directors for consideration. which can be summarized as follows

1. Recruitment

- Determine skills, knowledge, abilities, experiences, and key expertise that the Board of Directors should have that are necessary to achieve the Company's strategic goals.
- Determine the Board Skill Matrix assessment framework.
- Consider the policy framework for the preparation of the succession plan for the management (Succession Plan).
- To consider and approve the directors and sub-committees who have completed their term of office to be re-appointed for another term.
- Consider and select qualified persons to hold senior management positions such as Managing Director and Executive Vice President of Risk Management and Debt Resolving Division
- Consider and give opinions on the appointment of sub-committees to be responsible for corporate governance, business sustainability, and corporate risk management.
- Consider reviewing the criteria Methods for recruiting directors and senior executives

2. Compensation

- Considered the remuneration of the Board of Directors and sub-committees for the year 2022 and the directors' remuneration for the year 2021 performance to be proposed to the Board of Directors' Meeting and the Annual General Meeting of Shareholders for the year 2022, respectively.
- Consider the performance of the Chief Executive Officer
- Consideration of employee compensation for the performance of the year 2022

3. Others

- Consider reviewing the charter of the Nomination and Remuneration Committee.
- Consider reviewing the performance evaluation form of the Board of Directors, sub-committees and Chief Executive Officer for the year 2022
- Evaluate the performance of the Nomination and Remuneration Committee for the year 2022 in order to report the assessment results to the Board of Directors' meeting.

In addition, the Nomination and Remuneration Committee has been assigned tasks related to corporate governance and sustainable development. Therefore, the name has been changed from The Nomination and Remuneration Committee is the Nomination and Remuneration Committee and Corporate Governance for Sustainability according to the resolution of the Board of Directors' Meeting on December 15, 2022.

The Nomination and Remuneration and Corporate Governance Committee for Sustainability has performed its assigned duties with prudence, transparency, fairness and independence from the management in accordance with the principles of good corporate governance by taking into account the best interests of the Company. and all groups of stakeholders (2)

(2) Executive Committee

The Executive Committee has performed its duties according to the scope and authority assigned by the Board of Directors under the Executive Committee Charter, with powers, duties and responsibilities in the management of normal operations and tasks. management of the company

The Executive Committee is responsible for setting policies, business plans, budgets, management structures and various administrative powers of the Company, including determining criteria for business operations in line with economic conditions for submission to the Board of Directors' Meeting for consideration and approval. and/or give approval

In 2022, the Executive Committee held 12 meetings to consider important matters, which can be summarized as follows.

1. Consider annual budget allocation as proposed by the management before proposing to the Board of Directors for approval.
2. Consider and approve the expenditure of money for normal business operations of the Company according to the approval authority.
3. Consider approving loans or credits under the Company's credit approval authority criteria.
4. Review and update the Executive Board Charter for the year 2022
5. Follow up on the monthly performance of the company.

(3) Credit Committee

The credit committee is responsible for tasks assigned by the Board of Directors and/or the Executive Committee beyond the management's approval authority to comply with the credit policy, including other relevant orders and announcements.

In 2022, the Credit Committee held 12 meetings to approve credit factoring, lending, risk management related to credit and collateral, debt restructuring under credit approval authority criteria.

In addition, the Credit Committee is also responsible for screening and reviewing credit approval requests before submitting them for approval to the Executive Board and reviewing and revising the Credit Committee Charter for the year 2022.

In this regard, all sub-committees have performed their assigned duties with prudence, transparency, fairness and independence from the management in accordance with the principles of good corporate governance by taking into account the best interests of the Company. and all groups of stakeholders

9

Internal Control and Related transaction

9.1 Internal Control

Adequacy and appropriateness of the Company's internal control system

The company has realized the importance of the internal control system very much because a good internal control system will make the company's work system accurate, transparent and verifiable. It also prevents damage that may occur. The company therefore has developed the internal control system to be efficient and effective continuously. The Board of Directors has appointed the Audit Committee consisting of 3 independent directors, all 3 of whom are knowledgeable and experienced in reviewing the credibility of financial statements and are fully qualified in accordance with relevant laws and notifications, rules and regulations of the Stock Exchange of Thailand.

The Audit Committee has assigned the Office of Internal Audit and Supervision, which is an independent unit from the management to review various operations within the company including compliance with the rules of relevant external agencies and assigned to act as secretary to the Audit Committee to support the Audit Committee's operations as assigned by the Board of Directors to achieve the results and to be a consultant to give advice in various areas.

9.1.1 Adequacy and suitability of the internal control system

At the Board of Directors Meeting No. 1/2023 held on February 22, 2023, the Board of Directors, including 3 members of the Audit Committee attended the meeting, considered and assessed the adequacy of the Company's internal control system in various aspects such as internal control, risk assessment, operational control, information and communication systems and monitoring systems. According to the evaluation of the Company's internal control system, the Board of Directors was of the opinion that the Company's internal control system It is sufficient and appropriate to enable the management and operation of the Company to be accurate, transparent and verifiable.

9.1.2 Deficiencies in the internal control system

-None-

9.1.3 Opinions of the Audit Committee in case of differences from the opinions of the Board of Directors or auditors on internal control issues

The Audit Committee has no different opinions from the Board of Directors or the auditor on the issue of internal control system. In addition, EY Office Limited, the Company's auditor, has reviewed the efficiency of the Company's accounting control system for the year ended December 31, 2022. The results of the audit found that the Company's operations were in accordance with financial reporting standards. and has no additional opinions on the Company's internal control system in 2022.

9.1.4 Opinion of the audit committee on the suitability of the person holding the position of supervisor

The Audit Committee has appointed Ms. Somjai Amornchainoppakun to be the head of the Company's Internal Audit and Compliance Office because she has experience in internal auditing and has a good understanding of the Company's operational activities. as well, with the qualifications 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

9.2.1 Information on connected transactions with persons who may have conflicts

In the year 2022, the Company has related transactions that have occurred according to criteria and consideration process that are reasonable and have a fair price or transaction conditions that are in the best interests of the Company and its shareholders in general, it is similar to a transaction made with other persons in order to prevent conflicts of interest according to the regulations of the Stock Exchange of Thailand as follows:

(1) 1. Received Financial Support Transaction

Unit: million baht

Individual / Juristic Person Who may be in Conflict	Relationship	Transaction Type	Credit Line for approve in 2021	Transaction Value						Audit Committee's Opinion
				2022		2021		2020		
				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. During the year 2020, the company did not request a credit line approval and in the year 2022, the company did not draw down the said line. The said limit had terminated on May 11, 2022.	90.00	90.00	-	90.00	-	-	-	Such transactions are considered beneficial to the Company. This is to enhance the liquidity of the company's operations. The interest rate is the normal interest rate in the market that the company borrows from other financial institutions. The reason and necessity of doing such transactions is to manage liquidity in business operations.

Unit: million baht

Individual / Juristic Person Who may be in Conflict	Relationship	Transaction Type	Credit Line for approve in 2021	Transaction Value						Audit Committee's Opinion
				2022		2021		2020		
				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 operations during Covid-19 During the year 2020, the company did not request a credit line approval and in the year 2022, the company did not draw down the said line. The said limit had terminated on May 11, 2022.	400.00	-	400.00	-	-	-	Such transactions are considered beneficial to the Company. This is to enhance the liquidity of the company's operations. The interest rate is the normal interest rate in the market that the company borrows from other financial institutions. The reason and necessity of doing such transactions is to manage liquidity in business operations.	

(2) The rental of immovable property transaction for not exceeding 3 years

The Board of Directors has approved the transaction of renting office space by entering into a sublease agreement with AIRA Securities Public Company Limited. In 2020, the rental period is 22 months (July 1, 2020 - April 30, 2022). Later in 2022, the Board of Directors has approved the lease of office space with AIRA Securities Public Company Limited as follows:

No. 1: In the Board of Directors Meeting No. 1/2022 held on February 22, 2022, approved the renewal of the lease agreement for office space on the 17th floor of Chamchuri Square Building for a period of 6 months (May 1, 2022 - October 31, 2022). .

No. 2: In the Board of Directors Meeting No. 3/2022 held on August 10, 2022, approved the renewal of the lease agreement for office space on the 17th floor of Chamchuri Square Building for a period of 5 months (1 November 2022 - 31 March 2023).

Unit: million baht

Individual / Juristic Person Who may be in Conflict	Relationship	Transaction Type	Credit Line for approve in 2021	Transaction Value			Audit Committee's Opinion
				2022	2021	2020	
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	-	The transaction is considered beneficial to the Company in order to support the increasing number of employees and the expansion of the Company in the future.

9.2.2 Necessity and Reasonableness of Related Transactions

In the event that the Company enters into any contracts or transactions between the Company, its subsidiaries, affiliates, related companies and/or third parties, the Company will consider the necessity and suitability of entering into such contracts by taking into account to the interests of the company primarily

9.2.3 Policy or trend of future connected transactions

In the event that there will be related transactions in the future, the Company has a policy to proceed in accordance with the normal course of business of the Company and to comply with the law on securities and exchange and regulations, announcements, orders or requirements of the Stock Exchange of Thailand and other relevant agencies.

The company will disclose related party transactions in the notes to the financial statements.
Annual information disclosure form (Form 56-1 one report)

Measures or procedures for approval of related party transactions

In the event that the Company enters into any contract or has any transactions with subsidiaries, associated companies, related companies, third parties and/or persons who may have conflicts for the benefit of the Company.

The Board of Directors is responsible for considering and approving Including requiring that they must comply with the rules of the Notification of the Board of Governors of the Stock Exchange of Thailand on disclosure of information and actions of listed companies in connected transactions and have the same price and conditions as a transaction with a third party. Directors with vested interest in the transaction must not participate in the approval process.

9.2.4 Reasons why individuals who may have conflicts of interest hold shares in subsidiaries and associated companies more than 10% instead of holding shares directly in the company.

The Company has no subsidiaries, associated companies.



Part 3

Financial Statements



Report of the Board of Directors on Financial Statements

The management has compiled the financial statement for the year ended 31 December 2022 according to the general accounting standards, with selection of appropriate accounting policies and consistently applied. Reasonable care was considered when compiling the financial statements, and significant information was sufficiently disclosed in the accompanying notes.

The Board of directors has realized the responsibility on supervising the efficient financial report and appointed the Audit Committee which consisting of qualified persons to be responsible for supervision the accurate and complete financial report, using appropriate accounting policies and consistently applied.

The committee also be in charge of verification the adequate and appropriate internal control system and participation in the company risks evaluation in order to protect and reduce the risks which may occur because of unexpected corruption or unusual operation as well as to maintain the company asset.

From the practical methods and supervision mentioned above, the Board of Directors agreed that the financial statements of AIRA Factoring Public Company Limited as of 31 December 2022 correctly and reliably indicate the financial status and operational outcomes of the Company and with adherence to generally accepted accounting principles and in accordance with the relevant laws and regulations.

(Mr. Sorasit Soontornkes)

Chairman of the Board of Directors



AIRA Factoring Public Company Limited
Report and financial statements
31 December 2022

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 2022, 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 2022, 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 including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. 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 2022, the Company had total factoring and loan receivables (before deducting allowance for expected credit losses) of Baht 2,300 million and allowance for expected credit losses of Baht 111 million (representing 92% 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 Standards. 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, the selection of future economic variables to be incorporated in the model and management overlay for the factors which are not captured by 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 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 2023

AIRA Factoring Public Company Limited
Statements of financial position
As at 31 December 2022

(Unit: Baht)

	Note	2022	2021
Assets			
Current assets			
Cash and cash equivalents	7	69,148,621	99,985,362
Factoring receivables	8	2,064,534,897	1,901,366,247
Current portion of loan receivables	9	83,960,159	217,731,773
Short-term loans to related party	6	89,861,617	-
Other receivables		1,212,165	1,474,139
Other current assets		673,025	1,000,055
Total current assets		2,309,390,484	2,221,557,576
Non-current assets			
Loan receivables - net of current portion	9	40,342,762	56,415,594
Equipment	10	988,944	678,700
Right-of-use assets	14	3,343,850	2,821,152
Intangible assets	11	5,395,922	7,063,050
Deposits and guarantees		286,818	286,818
Deferred tax assets	19	24,549,468	22,716,586
Total non-current assets		74,907,764	89,981,900
Total assets		2,384,298,248	2,311,539,476

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 2022

(Unit: Baht)

	Note	2022	2021
Liabilities and shareholders' equity			
Current liabilities			
Short-term loans from financial institutions	12	1,690,000,000	1,648,000,000
Retentions from factoring		61,506,072	51,113,521
Current portion of long-term loan	13	-	12,000,000
Current portion of lease liabilities	14	2,382,402	2,372,991
Dividend payables	23	51,200,000	-
Excess receipts awaiting to repay		22,440,550	34,760,794
Other payables		6,432,795	5,364,540
Income tax payables		6,187,875	4,300,278
Other current liabilities		2,016,432	2,989,423
Total current liabilities		1,842,166,126	1,760,901,547
Non-current liabilities			
Lease liabilities, net of current portion	14	1,027,954	563,168
Provision for long-term employee benefits	15	15,480,379	19,319,302
Total non-current liabilities		16,508,333	19,882,470
Total liabilities		1,858,674,459	1,780,784,017

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 2022

(Unit: Baht)

	Note	2022	2021
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	36,970,000	34,700,000
Unappropriated		12,402,823	19,804,493
Total shareholders' equity		525,623,789	530,755,459
Total liabilities and shareholders' equity		2,384,298,248	2,311,539,476
		-	-

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 2022

		(Unit: Baht)	
	Note	2022	2021
Revenues			
Interest income from factoring		158,141,816	139,099,512
Fee and service income		47,753,025	40,106,368
Interest income from loans		19,415,300	17,131,416
Other income		1,179,239	1,494,983
Total revenues		226,489,380	197,832,279
Expenses			
Administrative expenses		107,808,117	100,368,261
Expected credit losses (reversal)		19,347,138	(1,884,358)
Total expenses		127,155,255	98,483,903
Operating profit		99,334,125	99,348,376
Finance income		7,407	4,398
Finance costs	17	(42,566,195)	(34,767,643)
Profit before income tax expenses		56,775,337	64,585,131
Income tax expenses	19	(11,514,621)	(15,068,702)
Profit for the year		45,260,716	49,516,429
Other comprehensive income:			
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>			
Gain on remeasurement of defined benefit plans		1,009,518	-
Less: Income tax effect	19	(201,904)	-
Other comprehensive income for the year		807,614	-
Total comprehensive income for the year		46,068,330	49,516,429
Earnings per share	20		
Basic earnings per share		0.0283	0.0309

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

AIRA Factoring Public Company Limited

Cash flow statement

As at 31 December 2022

	(Unit: Baht)	
	2022	2021
Cash flows from operating activities		
Profit before tax	56,775,337	64,585,131
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	8,580,928	8,661,392
Expected credit losses (reversal)	19,347,138	(1,884,358)
Gain on disposal of equipment	(811,997)	-
Write-off equipment	10	-
Gain on disposal of assets held for sale	-	(1,000,000)
Provision for long-term employee benefits	2,432,477	2,768,691
Finance cost	42,566,195	34,767,643
Profit from operating activities before changes in operating assets and liabilities	128,890,088	107,898,499
Operating assets (increase) decrease		
Factoring receivables	(180,518,909)	(77,035,537)
Loan receivables	148,026,175	(29,295,515)
Short-term loans to related party	(90,000,000)	-
Other receivables	221,749	(190,661)
Other current assets	327,030	295,643
Deposits and guarantees	-	6,000
Operating liabilities increase (decrease)		
Retentions from factoring	10,392,551	9,251,339
Excess receipts awaiting to repay	(12,320,244)	12,841,140
Other payables	1,108,507	(211,105)
Other current liabilities	(972,991)	1,787,657
Cash flows from operating activities	5,153,956	25,347,460
Cash paid for interest	(42,375,140)	(34,148,595)
Cash paid for long-term employee benefits	(5,261,882)	-
Cash paid for corporate income tax	(11,661,809)	(11,254,300)
Net cash flows used in operating activities	(54,144,875)	(20,055,435)

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

AIRA Factoring Public Company Limited
Cash flow statement (continued)
As at 31 December 2022

	(Unit: Baht)	
	2022	2021
Cash flows from investing activities		
Cash paid for acquisition of equipment	(607,308)	(432,270)
Cash paid for acquisition of intangible assets	(1,241,253)	(642,000)
Proceeds from disposal of equipment	812,000	-
Proceeds from disposal of assets held for sale	-	400,000
Net cash flows used in investing activities	(1,036,561)	(674,270)
Cash flows from financing activities		
Increase in short-term loans from financial institutions	42,000,000	125,000,000
Increase in short-term loans from related party	-	50,000,000
Decrease in short-term loans from related party	-	(50,000,000)
Increase (decrease) in long-term loans	(12,000,000)	12,000,000
Payment of liabilities under lease agreements	(5,655,305)	(5,204,748)
Dividend paid	-	(73,600,000)
Net cash flows from in financing activities	24,344,695	58,195,252
Net increase in cash and cash equivalents	(30,836,741)	37,465,547
Cash and cash equivalents at beginning of year	99,985,362	62,519,815
Cash and cash equivalents at end of year	69,148,621	99,985,362
	-	
Non-cash items		
Increase in payable for intangible assets	-	428,000
Increase in payable for payable for equipment	196,693	-
Increase in dividend payables	51,200,000	-
Increase in right-of-use assets from lease liabilities	6,129,502	-

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 2022

	Note	Issued and fully paid-up share capital	Share premium	Capital contribution from parent company	Retained earnings		Total shareholders' equity
					Appropriated	Unappropriated	(Unit: Baht)
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	23	-	-	-	-	49,516,429	49,516,429
Dividend paid		-	-	-	-	(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
Balance as at 1 January 2022		400,000,000	75,844,889	406,077	34,700,000	19,804,493	530,755,459
Profit for the year		-	-	-	-	45,260,716	45,260,716
Other comprehensive income for the year		-	-	-	-	807,614	807,614
Total comprehensive income for the year		-	-	-	-	46,068,330	46,068,330
Dividend paid	23	-	-	-	-	(51,200,000)	(51,200,000)
Transfer to statutory reserve	16	-	-	-	2,270,000	(2,270,000)	-
Balance as at 31 December 2022		400,000,000	75,844,889	406,077	36,970,000	12,402,823	525,623,789

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 2022

1. General information

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.

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 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 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 2023

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 2023. 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 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	3 - 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	1 - 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.

Derecognition of financial instruments

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
AIRA Capital Public Company Limited	Parent company
AIRA Securities Public Company Limited	Common parent company
AIRA Leasing Public Company Limited	Common parent company

During the years, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Thousand Baht)		
	2022	2021
<u>Transactions with related parties</u>		
Interest income from short-term loans	82	-
Rental expenses	4,680	4,472
Other expenses	176	189

As at 31 December 2022 and 2021, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)		
	2022	2021
Other payables - related party		
Related company (related by common shareholders)	1,003	13
Total other payables - related party	<u>1,003</u>	<u>13</u>
Dividend payables		
Parent company	36,632	-
Lease liabilities - related party		
Related company (related by common shareholders)	<u>1,452</u>	<u>1,481</u>

Short-term loans to related party

As at 31 December 2022 and 2021, the balances of loans to between the Company and those related parties and the movements are as follows.

(Unit: Thousand Baht)		
Loans to	Related by	31 December 2021
AIRA Leasing Public Company Limited	Common parent company	-
Total		-
Less: Allowance for expected credit losses		-
Short-term loans to related party - net		-

The outstanding balance as at 31 December 2022 of short-term loans to AIRA Leasing Public Company Limited are unsecured loans and are due in March 2023. They carry interest rate at 5.85% per annum.

Directors and management's benefits

During the year ended 31 December 2022 and 2021, the Company had employee benefit expenses payable to its directors and management as below.

	(Unit: Thousand Baht)	
	2022	2021
Short-term employee benefits	17,811	19,160
Post-employment benefits	650	829
Total	18,461	19,989

7. Cash and cash equivalents

Cash and cash equivalents as at 31 December 2022 and 2021 were as follows:

	(Unit: Thousand Baht)	
	2022	2021
Cash	20	20
Savings and current deposits at banks	69,129	99,965
Total cash and cash equivalents	69,149	99,985

As at 31 December 2022 and 2021, bank deposits in savings accounts carried interests at rates between 0.05 - 0.25% and 0.05 - 0.125% per annum, respectively.

8. Factoring receivables

Factoring receivables as at 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)	
	2022	2021
Factoring receivables	2,783,357	2,484,451
Accrued interest income from factoring	27,841	12,710
Total	2,811,198	2,497,161
<u>Less:</u> Factoring payables	(651,136)	(513,458)
Unearned interest income	(15,401)	(14,846)
Total	2,144,661	1,968,857
<u>Less:</u> Allowance for expected credit losses	(80,126)	(67,491)
Factoring receivables - net	2,064,535	1,901,366

As at 31 December 2022 and 2021, the balances of factoring receivables were classified by stage of credit risk as follows:

(Unit: Thousand Baht)

As at 31 December 2022

	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	2,068,564	3,325,069	12,472
Receivables where there has been a significant increase in credit risk	-	-	-
Receivables that are credit - impaired	76,097	76,097	67,654
Total	2,144,661	3,401,166	80,126

(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

Allowance for expected credit loss of factoring receivables for the year ended 31 December 2022 and 2021 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 2022	4,763	-	62,728	67,491
Changes due to transfer of loan classification	(24)	-	24	-
Changes due to remeasurement of loss allowance	6,974	-	8,877	15,851
New financial assets purchased or acquired	759	-	740	1,499
Written-off	-	-	(4,715)	(4,715)
Balance as at 31 December 2022	12,472	-	67,654	80,126

(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

9. Loan receivables

Loan receivables as at 31 December 2022 and 2021 are as follows:

(Unit: Thousand Baht)

	Current portion of loan receivables		Loan receivables - net of current portion		Total	
	2022	2021	2022	2021	2022	2021
Loan receivables	115,009	247,127	40,570	56,478	155,579	303,605
<u>Less</u> Allowance for expected credit losses	(31,049)	(29,395)	(227)	(63)	(31,276)	(29,458)
Loan receivables - net	83,960	217,732	40,343	56,415	124,303	274,147

As at 31 December 2022 and 2021, the Company has 3 loan receivables balances which were restructured from factoring receivables by means of modification of terms amounting to Baht 36.42 million.

As at 31 December 2022 and 31 December 2021, the balances of loan receivables were classified by stage of credit risk as follows:

(Unit: Thousand Baht)

31 December 2022

	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	113,938	122,762	179
Receivables where there has been a significant increase in credit risk	5,218	5,593	203
Receivables that are credit - impaired	36,423	36,423	30,894
Total	155,579	164,778	31,276

(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

Allowance for expected credit losses of loan receivables for the years ended 31 December 2022 and 2021 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 2022	152	-	29,306	29,458
Changes due to transfer to loan classification	(7)	7	-	-
Changes due to remeasurement of loss allowance	(57)	196	1,588	1,727
New financial assets purchased or acquired	91	-	-	91
Balance as at 31 December 2022	179	203	30,894	31,276

(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

10. Equipment

Equipment as at 31 December 2022 and 2021 consist of the following:

(Unit: Thousand Baht)

	Balance as at 31 December 2021	Increase	Decrease	Transfer between accounts	Balance as at 31 December 2022
Cost					
Computer	7,665	511	(219)	-	7,957
Furniture and fixture	10,352	8	-	-	10,360
Office equipment	1,213	89	-	-	1,302
Motor vehicles	3,219	-	(3,219)	-	-
Work under installation	-	197	-	-	197
Total cost	22,449	805	(3,438)	-	19,816
Accumulated depreciation					
Computer	(7,215)	(356)	219	-	(7,352)
Furniture and fixture	(10,284)	(65)	-	-	(10,349)
Office equipment	(1,053)	(73)	-	-	(1,126)
Motor vehicles	(3,218)	-	3,218	-	-
Total accumulated depreciation	(21,770)	(494)	3,437	-	(18,827)
Equipment	679				989

(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
Depreciation for the years ended 31 December					
2022					494
2021					1,140

As at 31 December 2022, 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 18 million (2021: Baht 21 million).

11. Intangible assets

Intangible assets as at 31 December 2022 and 2021 are as follows

(Unit: Thousand Baht)					
	Balance as at 31 December 2021	Increase	Decrease	Transfer between accounts	Balance as at 31 December 2022
Cost					
Computer software	12,091	-	-	2,140	14,231
Intangible assets under installation	2,515	814	-	(2,140)	1,189
Total cost	14,606	814	-	-	15,420
Amortization					
Computer software	(7,543)	(2,481)	-	-	(10,024)
Total accumulated amortization	(7,543)	(2,481)	-	-	(10,024)
Intangible assets	7,063				5,396

(Unit: Thousand Baht)				
	Balance as at 31 December 2020	Increase	Decrease	Balance as at 31 December 2021
Cost				
Computer software	12,091	-	-	12,091
Intangible assets under installation	1,445	1,070	-	2,515
Total cost	13,536	1,070	-	14,606
Amortization				
Computer software	(5,223)	(2,320)	-	(7,543)
Total accumulated amortization	(5,223)	(2,320)	-	(7,543)
Intangible assets	8,313			7,063
Amortization for the years ended 31 December				
2022				2,481
2021				2,320

As at 31 December 2022, certain intangible assets were fully amortised but are still in use. The gross carrying amount before deducting accumulated amortisation of those intangible assets amounted to approximately Baht 2 million (2021: Baht 1 million).

12. Short-term loans from financial institutions

Short-term loans from financial institutions as at 31 December 2022 and 2021 are as follows:

(Unit: Thousand Baht)			
	Interest rate (% per annum)		
	2022	2021	
Promissory notes	2.45 - 3.48	2.28 - 5.59	1,690,000
			1,648,000

As at 31 December 2022 and 2021, 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 2022, the credit facilities of the Company which have not yet been drawn down amounting to of Baht 1,000 million (2021: Baht 1,042 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 paid all principal in 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.

14. Leases

14.1 The Company as a lessee

The Company has lease contracts for various items of assets used in its operations. Leases generally have lease terms between 1 - 4 years.

a) Right-of-use assets

Movements of right-of-use assets during the years ended 31 December 2022 and 2021 were summarised below.

	(Unit: Thousand Baht)		
	Buildings	Vehicles	Total
1 January 2021	5,794	2,228	8,022
Depreciation for the year	(4,346)	(855)	(5,201)
31 December 2021	1,448	1,373	2,821
Additions	4,615	1,515	6,130
Depreciation for the year	(4,625)	(982)	(5,607)
31 December 2022	1,438	1,906	3,344

b) Lease liabilities

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Lease payments	3,499	3,009
Less: Deferred interest expenses	(89)	(73)
Total	3,410	2,936
Less: Portion due within one year	(2,382)	(2,373)
Lease liabilities - net of current portion	1,028	563

Movements of the lease liability account during the years ended 31 December 2022 and 2021 are summarised below:

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Balance at beginning of year	2,936	8,141
Increase	6,130	-
Accretion of interest	103	213
Repayments	(5,759)	(5,418)
Balance at end of year	3,410	2,936

c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Depreciation expense of right-of-use assets	5,607	5,201
Interest expense on lease liabilities	103	213
Expense relating to short-term leases	360	348

d) Others

The Company had total cash outflows for leases for the year ended 31 December 2022 of Baht 6.1 million (2021: Baht 5.8 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>2022</u>	<u>2021</u>
Provision for long-term employee benefits at beginning of year	19,319	16,551
Included in profit or loss:		
Current service cost	2,292	2,638
Interest cost	140	130
Included in other comprehensive income:		
Actuarial (gain) loss arising from		
Demographic assumptions changes	269	-
Financial assumptions changes	(1,198)	-
Experience adjustments	(80)	-
Benefits paid during the year	(5,262)	-
Provision for long-term employee benefits at end of year	<u>15,480</u>	<u>19,319</u>

The Company expects to pay Baht 5.4 million of long-term employee benefits during the next year (2021: Baht 6.3 million).

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefit is 8.35 years (2021: 5.10 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)	
	<u>2022</u>	<u>2021</u>
Discount rate	2.29%	1.22%
Salary increase rate	5.5%	5%
Staff turnover rate (depending on age)	8% - 27%	16%

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2022 and 2021 are summarised below:

	(Unit: Thousand Baht)			
	2022		2021	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(375)	393	(436)	458
Salary increase rate	361	(348)	532	(509)

	(Unit: Thousand Baht)			
	2022		2021	
	Increase 10.0%	Decrease 10.0%	Increase 10.0%	Decrease 10.0%
Staff turnover rate	(245)	264	(527)	580

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)	
	2022	2021
Interest expenses on borrowings	42,463	34,555
Interest expenses on lease liabilities	103	213
Total	42,566	34,768

18. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)	
	2022	2021
Salaries, wages and other employee benefits	73,480	70,760
Depreciation and amortization	8,581	8,661
Expected credit losses (reversal)	19,347	(1,884)
Specific business tax expenses	7,433	6,479
Examination fees on factoring documents	2,289	1,638

19. Income tax

Income tax expenses for the years ended 31 December 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)	
	2022	2021
Current income tax:		
Current income tax charge	13,549	10,760
Deferred tax:		
Relating to origination and reversal of temporary differences	(2,034)	4,309
Income tax expense reported in profit or loss	11,515	15,069

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)	
	2022	2021
Deferred tax on actuarial gains and losses	(202)	-
	(202)	-

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)	
	2022	2021
Accounting profit before tax	56,775	64,585
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by income tax rate	11,355	12,917
Unrecognised temporary differences	316	1,067
Effects of:		
Non-deductible expenses	106	1,094
Additional expense deductions allowed	(262)	(9)
Total	(156)	1,085
Income tax expense reported in profit or loss	11,515	15,069

The components of deferred tax assets are as follows:

	(Unit: Thousand Baht)	
	2022	2021
Deferred tax assets		
Allowance for expected credit losses	21,440	18,830
Provision for long-term employee benefits	3,096	3,864
Lease liabilities	13	23
Total	24,549	22,717

As at 31 December 2022 and 2021, the Company has deductible temporary differences totaling Baht 6.5 million and 4.9 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 2022 and 2021, 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 2022 and 2021, the Company's contributions included in administrative expenses in the statements of comprehensive income amounting to Baht 2.1 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 2022 to 30 September 2022 and the retained earnings	Meeting of the Company's Board of Directors on 15 December 2022	51,200*	0.0320
Total for 2022		51,200	0.0320
* The interim dividend No. 1 for 2022 is to be paid to the Company's shareholders on 13 January 2023. As at 31 December 2022, the Company separately presented this transactions as "Dividend payables" in the statement of financial position.			
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		40,000	0.0250

24. Commitments and contingent liabilities

24.1 Capital commitments

As at 31 December 2022, the Company had capital commitments of approximately Baht 4.3 million (31 December 2021: Baht 2.1 million), relating to the office building improvements and software computer improvements.

24.2 Service commitments

As at 31 December 2022 and 31 December 2021, the Company has future minimum lease payments required under service agreements as follows:

	(Unit: Million Baht)	
	2022	2021
Within 1 year	2	1
Over 1 and up to 5 years	1	-

25. Financial Instruments

Financial risk management objectives and policies

The Company's financial instruments principally comprise cash and cash equivalents, factoring receivables, loan receivables, short-term loans to related party, other receivables, short-loans and long-term 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, short-term loans to related party 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, short-term loans to related party, other receivables and short-term and long-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.

As at 31 December 2022 and 2021, 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 2022

	Fixed interest rates			Floating interest rate	Non-interest rate bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	bearing 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	4	65	69	0.05 - 0.25
Factoring receivables	2,065	-	-	-	-	2,065	5.50 - 14.50
Loan receivables	84	40	-	-	-	124	4.50 - 12.00
Short-term loans to related party	90	-	-	-	-	90	5.85
Other receivables	-	-	-	-	1	1	-
	<u>2,239</u>	<u>40</u>	<u>-</u>	<u>4</u>	<u>66</u>	<u>2,349</u>	
Financial liabilities							
Short-term borrowings							
from financial institutions	1,690	-	-	-	-	1,690	2.45 - 3.48
Retentions from factoring	-	-	-	-	62	62	-
Lease liabilities	2	1	-	-	-	3	2.70 - 5.99
Dividend payables	-	-	-	-	51	51	-
Excess receipts awaiting to repay	-	-	-	-	22	22	-
Other payables	-	-	-	-	6	6	-
	<u>1,692</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>141</u>	<u>1,834</u>	

(Unit: Million Baht)

As at 31 December 2021

	Fixed interest rates			Floating interest rate	Non- interest rate bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	bearing 5 years				
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>	

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 2022 and 2021 based on contractual undiscounted cash flows:

(Unit: Million Baht)

As at 31 December 2022				
	At call	Within 1 year	1 - 5 years	Total
Financial liabilities				
Short-term loans from financial institutions	-	1,690	-	1,690
Retentions from factoring	62	-	-	62
Lease liabilities	-	2	1	3
Dividend payables	-	51	-	51
Excess receipts awaiting to repay	-	22	-	22
Other payables	-	6	-	6
Total financial liabilities	62	1,771	1	1,834

(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

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 2022 and 2021, the Company's debt-to-equity ratios are 3.50 and 3.36, respectively.

27. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 22 February 2023.



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)
<p>1. Mr. Sorasit Soontornkes</p> <p>Position : Chairman of the Board of Directors</p> <p>Type of Director : Independent Director / Non-Executive Director</p> <p>Date of appointment : May 14, 2018</p> <p>Age : 70 years</p> <p>Shareholding proportion (%) : Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age) : -None-</p> <p>Number of meetings attended / Total meetings held : 5/5</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 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 <p>Director Training from Thai Institute of Directors Association (IOD) :</p> <ul style="list-style-type: none"> ■ Director Certification Program (DCP) Class 91/2007 ■ Advanced Audit Committee Program Class 33/2019 	<p>Board member / Management in Listed Company - The Stock Exchange of Thailand : 2 companies</p> <p>2018 - Present Chairman of the Board of Directors, Independent Director AIRA Factoring Public Company Limited</p> <p>2018 - Present Independent Director, Chairman of the Audit Committee and Risk Management</p> <p>2018 - 2020 Committee J.D. Food Products Public Company Limited</p> <p>2018 - 2020 Independent Director & Chairman of the Audit Committee Allianz Ayudhya Capital Public Company Limited</p> <p>2017 - 2020 Advisor to Board of Director & Chairman of the Risk Oversight Committee</p> <p>Nok Air Public Company Limited</p> <p>Board member / Management in Non-Listed Company - The Stock Exchange of Thailand : -None-</p> <p>2018 - 2020 Independent Director and Chairman of the Audit Committee Allianz Ayudhya General Insurance Public Company Limited</p> <p>Position in other organization / Institutions : 3 places</p> <p>2018 - Present Audit Committee</p> <p>2022 - Present Eastern Economic Corridor office of Thailand</p> <p>Director of Budget Sub - Committee</p> <p>The National Broadcasting and Telecommunication Commission (NBTC)</p> <p>2017 - Present Director, Internal Audit Office</p> <p>Chulalongkorn University</p> <p>2017 - 2022 Audit Committee</p> <p>Bank of Thailand</p> <p>2012 - 2016 President and Director</p> <p>Deposit Protection Agency</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. Kunakorn Makchaidee Position : Chairman of Audit Committee Type of Director : Independent Director / Non-Executive Director</p> <p>Date of appointment : November 10, 2016</p> <p>Age : 67 years</p> <p>Shareholding proportion (%) : Direct shareholding : 15,500,000 shares (0.969%) Indirect shareholding (Spouse and children who are not yet of legal age) : -None-</p> <p>Number of meetings attended / Total meetings held : 5/5</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 On March-July 2009 <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 ■ Director Leadership Certificate Program - DLCP Class 8/2022 	<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>2020 - Present Surapon Foods Public Company Limited</p> <p>Independent Director, Chairman of Audit Committee and Risk Management Committee</p> <p>2016 - Present Bangkok Ranch Public Company Limited</p> <p>Chairman of Audit Committee and Independent Director</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</p> <p>Chao Khun Agro Products Company Limited</p> <p>1991 - Dec. 2019 Director</p> <p>Business Venture Promotion Company Limited</p> <p>2018 - Oct. 2019 Independent Director, Audit Committee and Chairman of the Nomination and Remuneration Committee</p> <p>Hydroquip Company Limited</p> <p>2018 - Apr. 2019 Independent Director and Audit Committee</p> <p>Eastern Energy Plus Company Limited</p> <p>2002 - Jan. 2019 Director</p> <p>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>Fellow Member</p> <p>Thai Institute of Directors Association (IOD)</p> <p>2000 - Present Founder member</p> <p>Thai Factoring Association</p> <p>1955 - Present Founder member</p> <p>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</p> <p>Position : Chairman of Nomination and Remuneration Committee Member Audit Committee</p> <p>Type of Director : Independent Director / Non-Executive Director</p> <p>Date of appointment : August 14, 2014</p> <p>Age : 63 years</p> <p>Shareholding proportion (%) : Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age) : -None-</p> <p>Number of meetings attended / Total meetings held : 5/5</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"> Director Leadership Certification Program (DLCP) Class 4/2022 Role of the Chairman (RCP) Class 49/2022 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 (AAP) 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, Chairman of Nomination and Remuneration Committee, Member Audit Committee</p> <p>AIRA Factoring Public Company Limited</p> <p>Board member / Management in Non-Listed Company - The Stock Exchange of Thailand : 4 companies</p> <p>2020 - Present Director of Audit Committee and Office Evaluation</p> <p>Office of the National Anti-Corruption Commission</p> <p>Jun. 2021 - Present Director, Audit Committee and Director of Corporate Governance</p> <p>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. 2019 - Present Director, Chairman of Audit Committee</p> <p>AIRA Asset Management Company Limited</p> <p>May. 2020 - Jan. 2021 Director, Audit Committee</p> <p>The Market Organization Under the Ministry of Interior</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</p> <p>Sports Authority of Thailand</p> <p>2016 - Apr. 2019 Advisor on Policy and Strategy</p> <p>Office of Permanent Secretary for Finance, Ministry of Finance</p> <p>2014 - Sep. 2019 Director, Director of Executive Committee and Legal Advisor</p> <p>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</p> <p>Position : Member of Audit Committee Member of Nomination and Remuneration Committee</p> <p>Type of Director : Independent Director / Non-Executive Director</p> <p>Date of appointment : February 25, 2004</p> <p>Age : 58 years</p> <p>Shareholding proportion (%) : Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age) : -None-</p> <p>Number of meetings attended / Total meetings held : 5/5</p> <p>Relationship with Directors and Management : -None- 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</p> <p>2004 - Present Independent Director, Member of Audit Committee Member of 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</p> <p>2021 - Present Chief Executive Officer The Bricket Company Limited</p> <p>2015 - Present Director Poons Group of companies</p> <p>2014 - Present Director Bellugg Group Company Limited</p> <p>2014 - 2020 Director and Senior Executive Advisor 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 Position : Member of Executive Committee Type of Director : Authorized Director / Non-Executive Director</p> <p>Date of appointment : March 1, 2011</p> <p>Age : 77 years</p> <p>Shareholding proportion (%) : Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age) : -None-</p> <p>Number of meetings attended / Total meetings held : 5/5</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 Apr. 2021 - Present Authorized Director and Member of Executive Committee AIRA Factoring Public Company Limited</p> <p>2011 - Apr. 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-</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>6. Mr. Visit Vongruamlarp</p> <p>Position : Member of Credit Committee</p> <p>Type of Director : Director / Non-Executive Director</p> <p>Date of appointment : 29 April 2011</p> <p>Age : 73 years</p> <p>Shareholding proportion (%) :</p> <p>Direct shareholding : -None-</p> <p>Indirect shareholding (Spouse and children who are not yet of legal age) : -None-</p> <p>Number of meetings attended / Total meetings held : 5/5</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 : 1 company</p> <p>Apr. 2021 - Present Member of Credit Committee Director / Non-Executive Director</p> <p>2011 - April 2021 AIRA Factoring Public Company Limited Chairman of Credit Committee</p> <p>2017 - 2022 AIRA Factoring Public Company Limited Independent Director</p> <p>2015 - 2018 Don Muang Tollway Public Company Limited Director</p> <p>2007 - 2015 Bangchak Corporation Public Company Limited 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 Director, the Property Management Office Thammasat University</p> <p>2008 - 2016 Director and Audit Committee, Property Management Office 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)
7. Mrs. Naline Ngamsettam Position : Member of Executive Director Member of Nomination and Remuneration Committee Type of Director : Authorized Director / Non-Executive Director Date of appointment : March 1, 2011 Age : 63 years Shareholding proportion (%) : Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age) : -None- Number of meetings attended / Total meetings held : 5/5 Relationship with Directors and Management : -None- Illegal Record in the past 10 years : -None-		Education / Training : <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) 	Board member / Management in Listed Company - The Stock Exchange of Thailand : 2 companies 2011 - Present Authorized Director, Member of the Executive Committee and the Nomination and Remuneration Committee AIRA Factoring Public Company Limited 2010 - Present 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 : 10 companies Oct. 2020 - Present Authorized Director Aspiration Two Company Limited 202019 - Present Chairman of Executive Committee AIRA Asset Management Company Limited 2018 - Present Authorized Director AIRA Venture Capital Company Limited 202017 - Present Authorized Director AIRA Asset Management Company Limited 2016 - Present Authorized Director Travellex (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 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 Air and AIFUL Public Company Limited 2007 - Present Authorized Director AIRA Securities Public Company Limited 2015 - Oct. 2022 Chairman of Executive Committee and Chief Executive Officer AIRA Property Company Limited 2013 - Jun. 2020 Chairman of the Board of Directors and Authorized Director AIRA International Advisory (Singapore) Pte. Ltd.

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>2017 - 2020 Authorized Director Nok Airline Public Company Limited</p> <p>2017 - 2019 Member of the Executive Committee Nok Airline Public Company Limited</p> <p>2014 - 2019 Chairman of Executive Committee AIRA & AIFUL Public Company Limited</p> <p>2017 - 2019 Chairman of the Board of Directors and Authorized Director Nok Scoot Airline 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 Member of the 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 Position : Chairman of Credit Committee Type of Director : Authorized Director / Non-Executive Director</p> <p>Date of appointment : May 14, 2018</p> <p>Age : 66 years</p> <p>Shareholding proportion (%) : Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age) : -None-</p> <p>Number of meetings attended / Total meetings held : 5/5</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>Apr. 2021 - Present Authorized Director and Chairman of Credit Committee</p> <p>2018 - Apr. 2021 AIRA Factoring Public Company Limited</p> <p>2014 - 2017 Authorized Director and Credit Committee</p> <p>AIRA Factoring Public Company Limited</p> <p>Executive Vice President, Group Management, the credit restructuring group 2</p> <p>2015 Krung Thai Bank Public Company Limited</p> <p>Executive Vice President, Group Management, the credit restructuring group 2 and Acting Group Management of Property for Sale</p> <p>2013 Krung Thai Bank Public Company Limited</p> <p>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 Position : Director Type of Director : Independent Director / Non-Executive Director</p> <p>Date of appointment : May 12, 2020</p> <p>Age : 64 years</p> <p>Shareholding proportion (%) : Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age) : -None-</p> <p>Number of meetings attended / Total meetings held : 5/5</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 : 3 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 AIRA Factoring Public Company Limited</p> <p>2020 - June 2022 Independent Director, Audit Committee and Nomination and Remuneration Committee Raja Ferry Port Public Company Limited</p> <p>Board member / Management in Non - Listed Company – The Stock Exchange of Thailand : 3 companies</p> <p>2021 - Present Director Muangthong Assets Company Limited</p> <p>2020 - Present Consultant U-Tapao International Aviation Company Limited</p> <p>July 2022 - Present Chairman Nakhonchai Co., Ltd.</p> <p>Position in other organization / Institutions : -None-</p> <p>2018 - 2019 Deputy Chief of Defence Forces Royal Thai Armed Forces Headquarters</p> <p>2017 - 2018 Assistant Commander- In-Chief Royal Thai Navy</p> <p>2016 - 2017 RTN Advisory Group Royal Thai Navy</p> <p>2015 - 2016 Board Malaysia -Thailand Joint Authority (MTJA)</p> <p>2015 - 2016 Assistant secretary Special Economic Zone policy committee</p> <p>2015 - 2016 Advisor to Chairman Industrial Estate Authority of Thailand</p> <p>2014 – 2016 Commander-in-Chief of the military Royal Thai Armed Forces Headquarters</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>10. Mr. Akrawit Sooksai</p> <p>Position : Chief Executive Officer Member of Executive Committee Member of Credit Committee</p> <p>Type of Director : Authorized Director / Executive Director</p> <p>Date of appointment : July 5, 2018</p> <p>Age : 49 years</p> <p>Shareholding proportion (%) : Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age) : -None-</p> <p>Number of meetings attended / Total meetings held : 5/5</p> <p>Relationship with Directors and Management : -None- 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 ■ 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</p> <p>2018 - Present Chief Executive Officer , Authorized Director, Member of Executive Committee and Credit Committee</p> <p>2011 - 2018 AIRA Factoring Public Company Limited</p> <p> Vice President - Credit Underwriting Department</p> <p> Vice President - Credit Policy & Credit Risk Department</p> <p> 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 แห่ง</p> <p>2018 - Present President of Thai Factors Association</p> <p> 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 Position : Chairman of Executive Committee Type of Director : Non Executive Director Date of appointment : July 5, 2018 Age : 63 years Shareholding proportion (%) : Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age) : -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 4/20122 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 company Apr. 2021 - Present Chairman of Executive Committee AIRA Factoring Public Company Limited 2018 - Apr. 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 : 1 company 2012 - Present Chief Executive Officer Is Property Company Limited 2016 - 2021 Chairman of Executive Committee Brain Consultant International Company Limited Position in other organization / Institutions : -None- 2017 - 2021 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</p> <p>Position : Member of Executive Committee</p> <p>Type of Director : Non Executive Director</p> <p>Date of appointment : July 5, 2018</p> <p>Age : 61 years</p> <p>Shareholding proportion (%) :</p> <p>Direct shareholding : -None-</p> <p>Indirect shareholding (Spouse and children who are not yet of legal age) : -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 (NIDA) ■ Bachelor of Economic (1st Class Honors) 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 215/20169 ■ 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 Member of Executive Committee</p> <p>AIRA Factoring Public Company Limited</p> <p>2018 - Present Member of Credit Committee</p> <p>AIRA Factoring Public Company Limited</p> <p>2014 - present Managing Director</p> <p>AIRA Capital Public Company Limited</p> <p>2015 - Present Member of Risk Management Committee</p> <p>AIRA Capital Public Company Limited</p> <p>2013 - Jun. 2015 First Executive Vice President</p> <p>AIRA Capital Public Company Limited</p> <p>Board member / Management in Non-Listed Company - The Stock Exchange of Thailand : 7 companies</p> <p>31 Aug. 2022 - Present Chairman of Executive Committee</p> <p>AIRA Property Public Company Limited</p> <p>Jan. 2021 - Present Member of Executive Committee</p> <p>AIRA Securities Public Company Limited</p> <p>Oct. 2020 - Present Authorized Director</p> <p>Aspiration Two Company Limited</p> <p>2019 - Present Chairman of Risk Management Committee</p> <p>AIRA Asset Management Company Limited</p> <p>2019 - Present Member of Executive Committee</p> <p>AIRA and AIFUL Public Company Limited</p> <p>Feb. 2018 - Present Member of Credit Committee</p> <p>AIRA Leasing Public Company Limited</p> <p>2017 - Present Authorized Director</p> <p>AIRA Asset Management Company Limited</p> <p>2016 - Present Authorized Director</p> <p>AIRA and AIFUL Public Company Limited</p> <p>Jun. 2016 - Present Authorized Director</p> <p>AIRA Leasing Company Limited</p> <p>Dec. 2016 - Present Authorized Director</p> <p>AIRA Venture Capital 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>2016 - Jan. 2021 Member of Executive Committee AIRA Leasing Company Limited</p> <p>2015 – Nov. 2020 Authorized Director AIRA Property Public Company Limited</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>13. Mr. Ekawat Piriyawarasakul</p> <p>Position : Member of Executive Committee</p> <p>Type of Director : Non Executive Director</p> <p>Date of appointment : December 14, 2021</p> <p>Age : 42 years</p> <p>Shareholding proportion (%) :</p> <p>Direct shareholding : -None-</p> <p>Indirect shareholding (Spouse and children who are not yet of legal age) : -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 Legal Institutions (M.L.I.) University of Wisconsin-Madison, U.S.A. Bachelor of Laws, Thammasat University <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 Executive in Industrial and Investment Business Development Program (Class 4), held by Institute of Business and Industrial Developments (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>Board member / Management in Listed Company - The Stock Exchange of Thailand : 1 companies</p> <p>Dec. 2021 - Present Member of Executive Committee</p> <p>AIRA Factoring Public Company Limited</p> <p>2016 - Jul. 2021 Audit Committee and Nomination and Remuneration Committee</p> <p>2015 - Jul 2021 International Research Corporation Public Company Limited Audit Committee</p> <p>IT Green Public Company Limited</p> <p>Board member / Management in Non-Listed Company - The Stock Exchange of Thailand : 2 companies</p> <p>2014 - Present Director</p> <p>2015 - Present ES Counsel Company Limited</p> <p>Director</p> <p>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 : -ไม่มี-</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 Position : Member of Credit Committee Type of Director : Non Executive Director Date of appointment : April 1, 2020 Age : 62 years Shareholding proportion (%) : Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age) : -None- Relationship with Directors and Management : -None- 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 companies 2020 - Present Member of Credit Committee AIRA Factoring Public Company Limited 2020 - Present Member of 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 1995 - 2002 Siam Commercial Bank Public Company Limited Business Banking Siam Commercial Bank Public Company Limited 1987 - 1995 Agricultural and Commodity Division Siam Commercial Bank PCL)</p> <p>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-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / training record	Work experiences (5 years past experiences)
<p>15. Mr. Virut Danarthikhom Position : Member of Credit Committee Type of Director : Non Executive Director</p> <p>Date of appointment : November 10, 202</p> <p>Age : 65 years Shareholding proportion (%) : Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age) : -None-</p> <p>Relationship with Directors and Management : -None- Illegal Record in the past 10 years : -None-</p>	<p>Education / Training :</p> <ul style="list-style-type: none"> ■ Bachelor of Economics, Ramkhamhaeng University ■ Bachelor of Law Thammasat University ■ MBA, Sasin Graduate Institute of Business Administration of Chulalongkorn University <p>Director Training from Thai Institute of Directors Association (IOD) :</p> <ul style="list-style-type: none"> ■ Ethical Leadership Program (ELP) Class 6/2016 	<p>Board member / Management in Listed Company – The Stock Exchange of Thailand : 1 company</p> <p>2020 - Present Member of Credit Committee AIRA Factoring Public Company Limited</p> <p>2015 - 2018 Executive Vice President of Risk Management and Debt Recovery AIRA Factoring Plc.</p> <p>2007 - 2014 Head of Corporate RHB Bank Berhad, Bangkok Branch</p> <p>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-</p>

- 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. Mr. Pongsakorn Sangvijit Position : Managing Director</p> <p>Date of appointment : 15 December 2022</p> <p>Age : 41 years</p> <p>Shareholding proportion (%) : Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age) : -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 Financial Economics, National Institute of Development Administration (NIDA) ■ MBA Finance, Ramkhamhaeng University ■ Bachelor of Management Technology, King Mongkut's University of Technology Ladkrabang <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 Dec. 2022 - Present Managing Director AIRA Factoring Public Company Limited</p> <p>2018 - 2022 Assistant Managing Director Kasikorn Factory and Equipment Co., Ltd.</p> <p>2014 - 2017 Business Development Vice President Kasikorn Factory and Equipment Co.,Ltd.</p> <p>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-</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</p> <p>Position : Assistant Managing Director, Finance & Administration Division the person assigned to take the highest responsibility in Accounting and Finance</p> <p>Date of appointment : 16 December 2019</p> <p>Age : 50 years</p> <p>Shareholding proportion (%) : Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age) : -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, 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 <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, Finance & Administration Division AIRA Factoring Public Company Limited</p> <p>Board member / Management in Non-Listed Company - The Stock Exchange of Thailand : -None-</p> <p>2010 - 2019 Vice President: Finance Division and Manager of Thailand Representative Office TAEI Management Co. (Malaysia) SDN. BHD.</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>3. Mr.Husachai Kaoklong Position : Assistant Managing Director, Risk Management and Debt Recovery</p> <p>Date of appointment : 10 May 2022</p> <p>Age : 42 years</p> <p>Shareholding proportion (%) : Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age) : -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 in Development Economics, National Institute of Development Administration ■ Bachelor of Science, King Mongkut's Institute of Technology Ladkrabang ■ Certificate, Credit Skills Assessment Exam by Omega Performance Corporation (FAB&CLB) ■ Certificate, Leadership Acceleration program ■ Certificate, Risk Management Program for Corporate Leaders (RCL 29/2022), Thai Institute of Directors 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 : 1 บริษัท 2022 - Present Executive Vice President, Risk Management and Debt Recovery Division AIRA Factoring Public Company Limited</p> <p>2016 - 2022 Team Leader of Credit Process Improvement and Credit Quality Kiatnakin Phatra Bank Public Company Limited</p> <p>2014 - 2016 Credit Underwriter 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 : -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>4. Mr. Pipob Jirawongsakorn Position : Assistant Managing Director, Operation, and Information Technology Division</p> <p>Date of appointment : 12 November 2019</p> <p>Age : 52 years</p> <p>Shareholding proportion (%) : Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age) : -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 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>

Full name / record of positions in the Company and the appointment date	Educational qualifications / training record	Work experiences (5 years past experiences)
<p>5. Ms. Pornsiri Kusolputchong Position : Company Secretary</p> <p>Date of appointment : 10 May 2022</p> <p>Age : 51 years</p> <p>Shareholding proportion (%) : Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age) : -None-</p> <p>Relationship with Directors and Management : -None- Illegal Record in the past 10 years : -None-</p>	<p>Education / Training:</p> <ul style="list-style-type: none"> ■ Master of Business Economics, National Institute of Development Administration (NIDA) ■ Bachelor of Economics, Thammasat University <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>2022 - Present Company Secretary AIRA Factoring Public Company Limited</p> <p>2015 - 2021 Senior Group Finance Manager & Company Secretary BuilderSmart Public Company Limited (BSM Group)</p> <p>2018 - 2021 Director Teak Development Company Limited</p> <p>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-</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. Ms. Cholathorn Chaidang</p> <p>Position : Assistant Vice President of Accounting and Finance</p> <p>The person assigned to be directly responsible for supervising the accounting</p> <p>Date of appointment : 10 May 2022</p> <p>Age : 40 years</p> <p>Shareholding proportion (%) : Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age) : -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 (Finance and Banking), Mahanakorn University of Technology ■ Bachelor of Business Administration (Accounting), Rajamangala University of Technology Rattanakosin <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>2021 - Present Assistant Vice President of Accounting and Finance Aira Factoring Public Company Limited</p> <p>Board member / Management in Non-Listed Company - The Stock Exchange of Thailand : -None-</p> <p>2019 - 2021 Pace Interior Service Co.Ltd</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 Mrs. Pornsiri Kusolputchong to be the Company Secretary and contact person since 10 May 2022.

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-

Details about the head of the internal audit department and the head of the company's compliance department

The Audit Committee Meeting No. 3/2006 on August 7, 2006 appointed Ms. Somjai Amornchainoppakhun to be the head of the Internal Audit and Compliance Office because she is qualified, knowledgeable and experienced in working in internal audit, internal control system, financial report Accounting and Securities and Exchange Law and have an understanding of the activities and operations of the company. Therefore, it is deemed appropriate to perform such duties appropriately and adequately with roles 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 Company's objective and goal.
6. To provide advice, comments, suggestions, and information about the activities reviewed in order to make improvements to be more appropriate and efficient.
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 the anti-fraud and corruption policy and report fraud and corruption to the Audit Committee for acknowledgment.

Compliance

Strictly supervise the operation in accordance with relevant regulations, including compliance with the policies and resolutions of the Board of Directors of the Company, overseeing the operation in accordance with the established operating manual.

Profile of the Head of Internal Audit and Compliance Department as below;

Name : Ms. Somjai Amornchainoppakun
 Age : 50 Years
 Position : Head of Internal Audit and Compliance
 Date of appointment : 7 August 2006 (14 years 5 months)
 Education :
 ■ Master of Business Administration Program in Managerial Accounting,
 Graduate School of Commerce, Burapha University
 ■ Bachelor of Accounting, Siam University
 Shareholding proportion of the company : None

Work experience in the past 5 years :

- 2006 - Present Head of Regulatory Office and internal audit
 Aira Factoring Public Company Limited
 Business Type: Finance
- 2004 - 2006 Manager Internal Audit and Corporate Governance Department
 Advance Finance Public Company Limited
 Business Type : Finance
- 2001 - 2004 Audit Officer, Internal Audit Department
 Minor Holding (Thai) (Minor Group) Limited
 Type of business: Investment in subsidiaries

Assets for business undertaking and details of asset appraisal

-None-

Policy and Guidelines on Corporate Governance & Code of Business Conduct

The company has reviewed the policy and guidelines for corporate governance and business ethics annually and disclosed it on the company's website under the topic of investor relations - corporate governance.

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 2022, the Audit Committee held 8 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 which has confirmed the independence of the audit performance 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 in order 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. Over all 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. On the Board of Director meeting No. 5/2022 held on December 15th, 2022 approved The Subcommittee of risk management that has report to Audit committee.

- 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 2022, 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 2023, which has considered based on auditing work quality, knowledge, experience, including the report on the results of auditing auditors by the Securities and Exchange Commission (SEC) as information for consideration, 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 2022, 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 16, 2023



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