



56-1 One report 2023

AIRA Factoring Public Company Limited

Financial Institution (NON-Bank)

Providing complete financial product services to customers at all levels.

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Vision

To be an excellence financial institution (Non-Bank) in providing financial services which can meet the needs of customers.



Mission

According to the company goal to conduct sustainable business operations that emphasized on the environment, society, and corporate governance. The Company has adapted technology, developed innovation and/or financial services, for customers in a comprehensive manner and under efficient business operations.

Values

Build trust and establish credibility with innovative products as well as provide professional service by concerning on social, environment and corporate governance responsibilities.



Business Intention

Synergizing values, creating business partnerships, and providing financial support that is easily accessible to customers with comprehensive financial innovation for sustainable growth together.

Message

from Chairman of the Board of Directors



Due to business operations nowadays are facing with economic, social, environmental, and technological challenges, which are extremely complex. All dimensions are related and there are some significant impacts on each other. AIRA Factoring Public Company Limited (the Company) is realized that we cannot focus on any single dimension. Therefore, the Company is committed to developing and adapting our business strategy plans, which can comprehensively meet all challenges in every dimension under the sustainability strategy. All stakeholders are also considering in every business operation activity.

The Company is committed to operating our business with sustainable growth and consistently good operating results. Under the economic circumstance that is currently recovering, the business sector needs more working capital for their business. The Company has launched new innovative financial products also provided new channels for doing business operations and offering digital financial services, with the aims to response more customers' needs and covers all levels of customer groups. Customers easier access to the Company financial services. While the Company also still emphasizes on accuracy of business operations in the areas of information system security, loan consideration process, business risks consideration process, as well as attention to the impacts of society, communities, and environment. With the hope that the company business operations will be a part of driving the business sector growth.

In addition, the Company also recognizes the importance of human rights and fundamental freedoms of personnel, stakeholder as well as society, to ensure they can gain fundamental freedoms, stability, safety, and be treated equally with respect. Besides good financial products are being delivered which easy to access and being a part of supporting better society and country economy.

To increase efficiency and standards of corporate governance to be in line with the principles of good corporate governance, then the Board of Directors has approved the business strategy as well as direction and policy.

The Board of Directors also supervised the management team for their responsibility to ensure the effectiveness of company's process, to provide appropriate of internal control and risk management system, to review policies, practices, and corporate governance systems. In addition, the framework and operational policies for sustainable development have been reviewed and approved to be in line with the criteria of the designated regulatory agency. For all departments to implement in concrete business operations.

On behalf of the Board of Directors, thank you for your continued confidence and trust in the company.

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

Mr. Sorasit Soontornkes
Chairman of the Board of Directors
Age: 71 Years



Type of Director: Independent Director / Non-Executive Director

Date of appointment as director: May 14, 2018 (5 years 7 months)

Shareholding as of December 31, 2023:

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
- Engaging Board in ESG: the path to Effective sustainability

Director Training from Thai Institute of Directors Association (IOD)

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

Positions in other listed company: 1 company

Year in Office	Position	Company
2018 - present	Chairman of the Audit Committee and Risk Management Committee Member	J.D. Food Products Public Company Limited

Positions in other non-listed company: 3 companies

Year in Office	Position	Company
2022 - Present	Director of Budget Sub - Committee	The National Broadcasting and Telecommunication Commission (NBTC)
2018 - Present	Audit Committee	Eastern Economic Corridor office of Thailand
2017 - present	Director, Internal Audit Office	Chulalongkorn University

Work Experiences:

Year in Office	Position	Company
2018 - 2020	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
2017 - 2022	Audit Committee Member	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

Director

Member of Audit Committee

Age: 68 Years

**Type of Director:** Independent Director / Non-Executive Director**Date of appointment as director:** November 10, 2016 (18 years 8 months)**Date of appointment as Audit Committee:** December 14, 2011 (12 years - months)**Shareholding as of December 31, 2023:**

Direct shareholding: 12,000,000 shares (0.75%)

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 on March-July 2009

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

Positions in other listed company: 1 company

Year in Office	Position	Company
2020 - Present	Chairman of Audit Committee and Risk Management Committee	Bangkok Ranch Public Company Limited

Positions in other non-listed company: 5 companies

Year in Office	Position	Company
2002 - Present	Director	Chao Khun Agro Products Company Limited
12 Jul 2023 - 27 Mar 2024	Acting Audit Committee	The Thai Chamber of Commerce
11 Jul 2023 - 19 Apr 2024	Acting Audit Committee	Board of Trade of Thailand
2001 - Jul 2023	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

Work Experiences:

Year in Office	Position	Company
2021 - Apr 2023	Independent Director, Audit Committee, Nomination and Remuneration Committee	Surapon Foods Public Company Limited
2005 - 2011	Director and Executive Director	AIRA Factoring Public Company Limited
1991 - Dec 2019	Director	Business Venture Promotion Company Limited
2018 - Oct 2019	Audit Committee and Chairman of the Nomination and Remuneration Committee	Hydroquip Company Limited
2018 - Apr 2019	Audit Committee	Eastern Energy Plus Company Limited
2002 - Jan 2019	Director	BVP Business Consultants Company Limited

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

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

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

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

Mrs. Yajai Pattanasukwasun**Director****Chairman of Audit Committee,****Member of Nomination and Remuneration Committee****Age: 64 years****Type of Director:** Independent Director / Non-Executive Director**Date of appointment as director:** August 14, 2014 (9 years 4 months)**Shareholding as of December 31, 2023:**

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 (AACP) Class 22/2016
- Audit Committee Program (ACP) Class 4/2005
- Director Certification Program (DCP) Class 43/2004

Positions in other listed company: 1 company

Year in Office	Position	Company
May 2023 - Present	Director, Chairman of the Audit Committee	Seven Utilities and Power Public Company Limited

Positions in other non-listed company: 5 companies

Year in Office	Position	Company
Jun 2021- 3 Nov 2023	Director, Audit Committee and Director of Corporate Governance	Thai Credit Guarantee Corporation (TCG)
Aug 2021- 3 Nov 2023	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
2020 - Present	Director of Audit Committee and Office Evaluation	Office of the National Anti-Corruption Commission
2012 - Present	Director and CFO	Institute of Research and Development for Public Enterprises

Work Experiences :

Year in Office	Position	Company
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
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

Director

Chairman of Nomination and Remuneration Committee,
Member of Audit Committee

Age: 59 years



Type of Director: Independent Director / Non-Executive Director

Date of appointment as director: February 25, 2004 (19 years 10 months)

Shareholding as of December 31, 2023:

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, 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

Positions in other listed company: -None-

Positions in other non- listed company: 3 companies

Year in Office	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

Work Experiences:

Year in Office	Position	Company
2014 - 2020	Director and Senior Executive Advisor	Eternity Grand Logistics Public Company Limited and the subsidiaries company

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

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

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

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

Mrs. Ladavan Tanatanit
Director
Member of Executive Committee
Age: 79 years



Type of Director: Authorized Director / Non-Executive Director

Date of appointment as director: March 1, 2011(12 years 9 months)

Shareholding as of December 31, 2023:

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

Positions in other listed company: -None-

Positions in other non- listed company: 2 companies

Year in Office	Position	Company
2012 - Present	Finance and Real Estate Business Advisor	DTGO Corporation Limited
2014 - Present	Associate Justice	The Central Intellectual Property and International Trade Court

Work Experiences:

Year in Office	Position	Company
2011 - Apr 2021	Director, Authorized Director and Chairman of Executive Committee	AIRA Factoring Public Company Limited

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

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

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

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

Mr. Visit Vongruamlarp
Director
Member of Credit Committee
อายุ: 74 ปี



Type of Director: Non-Executive Director

Date of appointment as director: April 29, 2011 (12 years 8 months)

Date of appointment as Credit Committee: March 20 2014 (9 years 9 months)

Shareholding as of December 31, 2023:

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 Certificate

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

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

Positions in other listed company: -None-

Positions in other non- listed company: -None-

Work Experiences :

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

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 Ngamsettam

Director

Member of Executive Director,

Member of Nomination and Remuneration Committee

Age: 64 years



Type of Director: Authorized Director / Non-Executive Director

Date of appointment as director: March 1, 2011 (12 years 9 months)

Shareholding as of December 31, 2023:

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 Defence 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

Positions in other listed company: 1 company

Year in Office	Position	Company
2010 - Present	Authorized Director, Chairman of Investment Committee, Chief Executive Officer	AIRA Capital Public Company Limited

Positions in other non-listed company: 9 companies

Year in Office	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	Authorized Director	AIRA Leasing Company Limited
	Chairman of the Board of Directors Chairman of Executive Committee	
2015 - Present	Authorized Director	AIRA Property Company Limited
2015 - Present	Authorized Director	Aspiration One Company Limited
	Chairman of the Board of Directors	
2014 - Present	Authorized Director	AIRA & AIFUL Public Company Limited
	Chairman of Nomination and Remuneration Committee	
2007 - Present	Authorized Director	AIRA Securities Public Company Limited

Work Experiences:

Year in Office	Position	Company
2015 - Oct 2022	Chairman of Executive Committee Chief Executive Officer	AIRA Property Company Limited
2013 - Jun 2020	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	Authorized Director	Nok Scoot Airline Company Limited
	Chairman of the Board of Directors	
2017 - 2018	Director	Nok Mangkang Company Limited
2012 - 2016	Authorized Director	AIRA Advisory Company Limited
	Chairman of the Board of Directors	
2007 - 2016	Member of the Executive Committee	AIRA Securities Public Company Limited

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

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

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

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

Admiral Navapol Damrongpong

Director
Age: 65 years



Type of Director: Independent Director / Non-Executive Director

Date of appointment as director: May 12, 2020 (3 years 7 months)

Shareholding as of December 31, 2023:

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
- 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)
- Engaging Board in ESG: the path to Effective sustainability

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

- Director Accreditation Program (DAP) Class 177/2020

Positions in other listed company: 2 companies

Year in Office	Position	Company
2021 - Present	Director	Singer Thailand Public Company Limited
2019 - Present	Consultant	BTS Group Holdings PCL

Positions in other non-listed company: 3 companies

Year in Office	Position	Company
2021 - Present	Director	Muangthong Assets Company Limited
2020 - Present	Consultant	U-Tapao International Aviation Company Limited
Jul 2022 - Present	Chairman	Nakhonchaiair Co., Ltd.

Work Experiences:

Year in Office	Position	Company
2020 - Jun 2022	Audit Committee and Nomination and Remuneration Committee	Raja Ferry Port Public Company Limited
2018 – 2019	Deputy Chief of Defence Forces	Royal Thai Armed Forces Headquarters
2017 – 2018	Assistant Commander- In-Chief	Royal Thai Navy
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 conflict of interest to the company: -None-

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

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

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

Mrs. Pornpilai Burasai**Director**
Age: 62 years**Type of Director:** Authorized Director /Non-Executive Director**Date of appointment as director:** November 14, 2023 (1 month 16 days)**Shareholding as of December 31, 2023:**

Direct shareholding: -None-

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

Education / Training:

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

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

- Executive Director Program (EDP) Class 9/2011

Positions in other listed company: -None-**Positions in other non- listed company:** 1 company

Year in Office	Position	Company
2022 - Present	Member of Credit Committee	AIRA Leasing Public Company Limited.

Work Experiences:

Year in Office	Position	Company
Aug 2022 - Jul 2023	Advisor	AIRA Factoring Public Company Limited
2019 - Jun 2022	Managing Director	AIRA Factoring Public Company Limited
2018	Acting Managing Director	AIRA Factoring Public Company Limited
2011 - 2018	Executive Vice President of Credit and Marketing Department 2	AIRA Factoring Public Company Limited

Position in conflict of interest to the company: -None-**Relation among Family with other Directors and Management of the Company or Subsidiaries:** -None-**Criminal-Free Track Record for the past 10 years:** -None-**History of potential conflict of interest with the Company in the past year:** -None-

Mr. Akrawit Sooksai
Director
Member of Executive Committee
Member of Credit Committee
Chief Executive Officer
Age: 49 years



Type of Director: Authorized Director / Executive Director

Date of appointment as director: July 5, 2018 (5 years 5 months)

Shareholding as of December 31, 2023:

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)
- Engaging Board in ESG: the path to Effective sustainability

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

- Director Certification Program (DCP) Class 286/2019
- Director Accreditation Program (DAP) Class 152/2018
- Director Leadership Certification Program (DLCP) Class 13/2023

Positions in other listed company: -None-

Positions in other non- listed company: 1 company

Year in Office	Position	Company
2018 - Present	President of Thai Factors Association	Thai Factors Association

Work Experiences:

Year in Office	Position	Company
2011 - 2018	Vice President - Credit Underwriting Department Vice President - Credit Policy & Credit Risk Department	Kasikorn Bank Public Company Limited

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

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

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

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

Mr. Chanon Chotvijit
Chairman of Executive Committee
Age: 64 years



Type of Director: Non Executive Director

Date of appointment as Executive Committee: July 5, 2018 (5 years 5 months)

Shareholding as of December 31, 2023:

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

Positions in other listed company: -None-

Positions in other non- listed company: 1 company

Year in Office	Position	Company
2012 – Present	Chairman of Executive Committee	Is Property Company Limited

Work Experiences:

Year in Office	Position	Company
2018 - Apr 2021	Executive Committee	AIRA Factoring Public Company Limited
2015 - 2021	Chairman of Audit Committee, Nomination and Remuneration Committee	Chayo Group Public Company Limited
2016 - 2021	Chairman of Executive Committee	Brain Consultant International Company Limited
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-

Mrs. Nongluk Chantarasombat
Chairman of Credit Committee
Age: 67 years



Type of Director: Non-Executive Director

Date of appointment as director: May 14, 2018 (5 years 6 months)
(Resigned from the position of director and authorized director, which effective from November 14, 2023)

Date of appointment as Credit Committee member: May 14, 2018 (5 years 7 months)

Shareholding as of December 31, 2023:

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
- Engaging Board in ESG: the path to Effective sustainability

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

- Director Accreditation Program (DAP) Class 152/2018

Positions in other listed company: -None-

Positions in other non- listed company: -None-

Work Experiences:

Year in Office	Position	Company
2018 - Nov 2023	Director Authorized Director	AIRA Factoring Public Company Limited
2018 - Apr 2021	Member of 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 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

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: 62 years



Type of Director: Non Executive Director

Date of appointment as Executive Committee: August 13, 2019 (4 years 4 months)

Date of appointment as Credit Committee: July 5, 2018 (5 years 5 months)

Shareholding as of December 31, 2023:

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

Positions in other listed company: 1 Company

Year in Office	Position	Company
2014 - Present	Managing Director	AIRA Capital Public Company Limited
2015 - Present	Member of Risk Management Committee	AIRA Capital Public Company Limited

Positions in other non-listed company: 7 companies

Year in Office	Position	Company
31 Aug 2022 - Present	Chairman 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

Work Experiences:

Year in Office	Position	Company
2013 - Jun 2015	First Executive Vice President	AIRA Capital Public Company Limited
2016 - Jan 2021	Member of Executive Committee	AIRA Leasing Company Limited
2015 - Nov 2020	Authorized Director Member of Executive Committee	AIRA Property Public Company Limited

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

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

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

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

Mr. Watana Sangvongmai
Member of Credit Committee
Age: 64 years



Type of Director: Non Executive Director

Date of appointment as Credit Committee: April 1, 2020 (3 years 8 months)

Shareholding as of December 31, 2023:

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-

Positions in other listed company: -None-

Positions in other non- listed company: 1 company

Year in Office	Position	Company
2020 – Present	Executive Committee	AIRA Leasing Public Company Limited

Work Experiences:

Year in Office	Position	Company
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

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: 43 years



Type of Director: Non Executive Director

Date of appointment as Executive Committee: December 14, 2021 (2 years - months)

Shareholding as of December 31, 2023:

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

The Thai Institute of Directors Association (IOD) Training:

- 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)

Positions in other listed company: -None-

Positions in other non- listed company: 2 companies

Year in Office	Position	Company
2014 - Present	Director	ES Counsel Company Limited
2015 - Present	Director	Hirata Engineering (Thailand) Company Limited

Work Experiences:

Year in Office	Position	Company
2016 - Jul 2021	Audit Committee, Nomination and Remuneration Committee	International Research Corporation Public Company Limited
2015 - Jul 2021	Audit Committee	IT Green Public Company Limited

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

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

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

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

Mr. Pongsakorn Sangvijit

Managing Director
Age: 42 Years



Date of appointment: 15 December 2022 (1 year - month)

Shareholding as of December 31, 2023:

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 Institute of Technology Ladkrabang

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

- Director Accreditations Program (DAP) 212/2023

Positions in other listed company: -None-

Positions in other non- listed company: -None-

Work Experiences:

Year in Office	Position	Company
2018 -2022	Assistant Managing Director	Kasikorn Factory and Equipment Co., Ltd.
2014 - 2017	Business Development Vice President	Kasikorn Factory and Equipment Co.,Ltd.

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
Executive Vice President,
Finance & Administration Division
Age: 51 years



Date of appointment: December 16, 2019 (4 years - month)

Shareholding as of 31 December 2023:

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

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

- Director Accreditations Program (DAP) 212/2023

Positions in other listed company: -None-

Positions in other non- listed company: -None-

Work Experiences:

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

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
Executive Vice President,
Operation Division
Age: 53 years



Date of appointment: November 12, 2019 (4 years 1 month)

Shareholding as of December 31, 2023:

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
- Mini Master of Management, National Institute of Development Administration

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

- Director Accreditations Program (DAP) 212/2023

Positions in other listed company: -None-

Positions in other non- listed company: -None-

Work Experiences:

Year in Office	Position	Company
2017 - 2019	Vice President, Operation	Southeast Capital Company Limited
2011 - 2017	Vice President, Operation	Bangkok Grand Pacific Lease Public Company Limited

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

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

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

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

Mr. Sirisak Borisuitsawat
Executive Vice President,
Risk Management and Debt Recovery Division
Age: 47 years



Date of appointment: December 14, 2023 (- month 17 days)

Shareholding as of December 31, 2023:

Direct shareholding: -None-

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

Education / Training:

- Master of Business Administration, Thammasat University
- Bachelor of Laws, Chulalongkorn University
- Bachelor in Engineering, King Mongkut's Institute of Technology Ladkrabang

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

Positions in other listed company: -None-

Positions in other non- listed company: -None-

Work Experiences:

ปีดำรงตำแหน่ง	ตำแหน่ง	บริษัท
Oct 2016 - Jul 2022	First Vice President, Asset and Liability Management Department	Krung Thai Bank PCL.
Jul 2022 - Jun 2023	Vice President, Risk Management Department	Small and Medium Enterprise Development Bank of Thailand

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. Wandej Lertpricha
Executive Vice President,
Information Technology
Age: 48 years



Date of appointment: December 14, 2023 (- month 17 days)

Shareholding as of December 31, 2023:

Direct shareholding: -None-

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

Education / Training:

- Master of Computer Information System, Assumption University
- Bachelor of Accounting, Assumption University

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

Positions in other listed company: -None-

Positions in other non- listed company: -None-

Work Experiences:

Year in Office	Position	Company
May 2014 - 2020	Vice President, Information Technology Division	AIRA & AIFUL Public Company Limited
Oct 2021 - Oct 2022	Vice President, Information Technology Division	AIRA Property Public Company Limited

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

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

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

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

Ms. Pornsiri Kusolputchong
Company Secretary,
Investor Relations
Age: 52 years



Date of appointment: May 10, 2022 (1 year 7 months)

Shareholding as of December 31, 2023:

Direct shareholding: -None-

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

Education / Training:

- Master of Business Economics, National Institute of Development Administration (NIDA)
- Bachelor of Economics, Thammasat University
- Advances for Corporate Secretaries class no. 1/2016, Thai Listed Companies Association
- Business Sustainability Management class no. 1/2023, The Stock Exchange of Thailand

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

Positions in other listed company -None-

Positions in other non- listed company: -None-

Work Experiences:

Year in Office	Position	Company
2015 - 2021	Senior Group Finance Manager & Company Secretary	BuilderSmart Public Company Limited (BSM Group)
2018 - 2021	Director	Teak Development Company Limited
2002 - 2010	Financial Manager & Company Secretary	Thai Carbon Black Public Company Limited

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

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

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

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

Ms. Cholathorn Chaidaeng
 Assistant Vice President
 Accounting and Finance
 Age: 41 years



Date of appointment: July 1, 2022 (1 year 5 months)

Shareholding as of December 31, 2023:

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), Mahanakorn University of Technology
- Bachelor of Business Administration (Accounting), Rajamangala University of Technology Rattanakosin
- Strategic CFO in Capital Markets Program, Class of 9, The Stock Exchange of Thailand
- Budget Preparation and Management Course, Class of 13, Thammasat University

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

Positions in other listed company: -None-

Positions in other non- listed company: -None-

Work Experiences:

Year in Office	Position	Company
2019- 2021	Accounting and Finance Manager	Pace Interior Service Co.Ltd

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-

Ms. Somjai Amornchainoppakun
Head of Internal Audit and Compliance
Age: 51 years



Date of appointment: August 7, 2006 (17 years 4 months)

Shareholding as of December 31, 2023:

Direct shareholding: -None-

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

Education / Training:

- Master of Business Administration Program in Managerial Accounting, School of Commerce, Burapha University
- Bachelor of Accounting, Siam University

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

Positions in other listed company: -None-

Positions in other non- listed company: -None-

Work Experiences:

Year in Office	Position	Company
2004 - 2006	Manager, Internal Audit and Corporate Governance Department	Advance Finance Public Company Limited
2001 - 2004	Audit Officer, Internal Audit Department	Minor Holding (Thai) (Minor Group) Limited

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

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

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

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

Financial Highlights

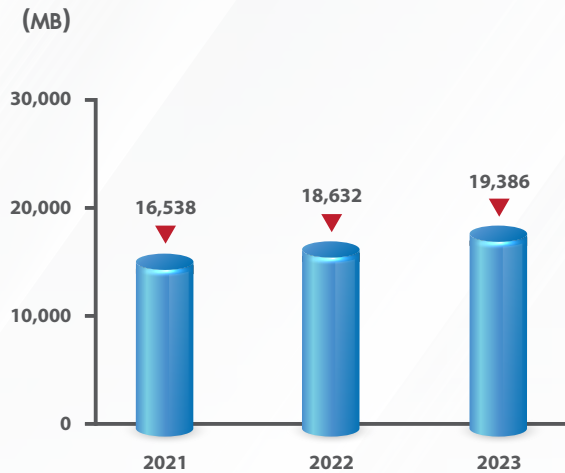
Financial Information	2021	2022	2023
Financial position (Baht)			
Cash and cash equivalents	99,985,362	69,148,621	97,903,325
Total assets	2,311,539,476	2,384,298,248	2,504,460,407
Total liabilities	1,780,784,017	1,858,674,459	1,972,018,123
Total shareholders' equity	530,755,459	525,623,789	532,442,284

Results of Operations (Baht)			
Interest income from factoring	139,099,512	158,141,816	173,614,605
Fee and services income	40,106,368	47,753,025	50,677,257
Interest income from loans	17,131,416	19,415,300	15,302,474
Total revenues	197,836,677	226,496,787	241,170,556
Financial costs	34,767,643	42,566,195	63,453,231
Operating expenses	98,483,903	127,155,255	168,265,464
Net Profit	49,516,429	46,068,330	6,818,495

Financial Ratio			
Quick Ratio (Time(s))	1.26	1.25	1.23
Gross Profit Margin* (%)	80.60	81.11	73.77
Net Profit Margin (%)	25.03	19.98	2.83
ROE (%)	9.33	8.61	1.28
ROA (%)	2.14	1.93	0.27
Debt to asset ratio (Time(s))	0.77	0.78	0.79
Debt to equity ratio (Time(s))	3.36	3.54	3.70

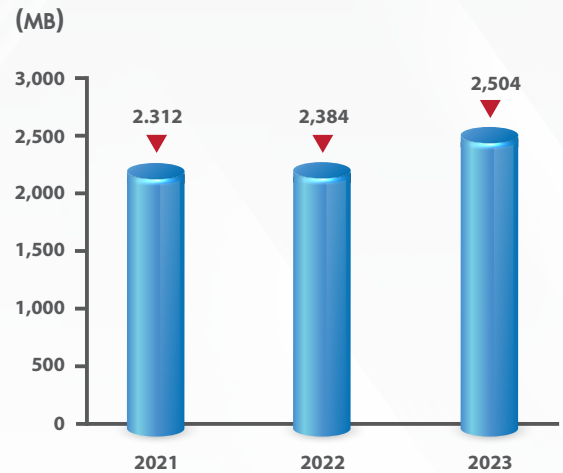
Value per share (Baht per share)			
Earnings per share	0.0309	0.0283	0.0043
Book value per share	0.33	0.33	0.33

*Gross profit not include interest on lease liabilities



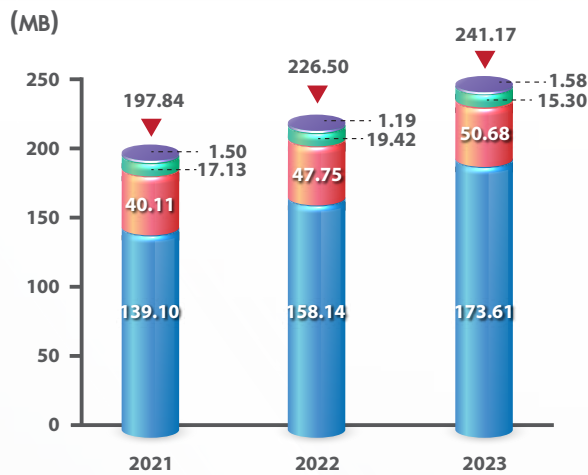
Volume

In the year 2023, the Company has purchase volume was 19,386 million Baht increased by 4.04% from the previous year



Assets

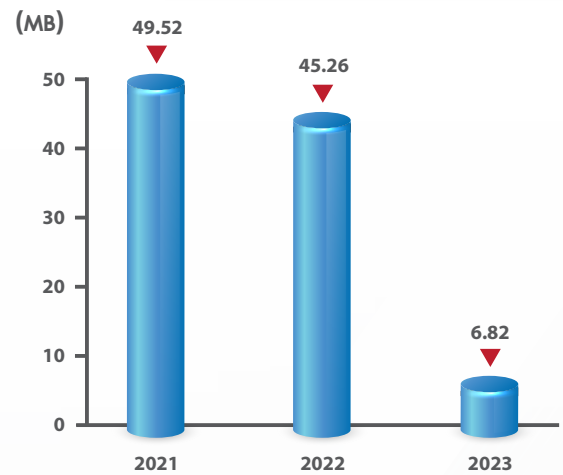
The ending year 2023, the Company's total assets was 2,504 million Baht increased by 120 million Baht or 5.04%.



- Interest income from factoring
- Fees and services income
- Interest income from loans
- Other income

Revenues

In 2023, the Company's revenues were 241.17 million Baht increased by 6.48% from the previous year.



Net Profit

In 2023, the Company's net profit was 6.82 million Baht decreased by 38.44 million Baht or 84.94% from the previous year.



Part 1 :

Business Operation and Operating Performance

1. Group Structure and Operation

1.1 Policy and Business Overview

1.1.1 History of the Company

AIRA Factoring Public Company Limited (“the Company”), formerly known as Dhanamitr Factoring Public Company Limited has established and 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%), Siam Commercial Bank Public Company Limited (holding 38%) and another group of shareholders (holding 12%).

The company has registered to become 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, which divided into 20 million ordinary shares.

On February 25, 2011, two groups of major shareholders; Chirathivat Group and the Siam Commercial Bank Public Company Limited, sold ordinary shares to AIRA Capital Public Company Limited in the amount of 11,470,200 shares, representing 57.35% of the total issued ordinary shares of the Company. Then, the Company name has been changed from “Dhanamitr Factoring Public Company Limited” to the new name “AIRA Factoring Public Company Limited”. The Company new name “AIRA Factoring Public Company Limited” has registered with the Department of Business Development, Ministry of Commerce on September 16, 2011.

In September 2011, the Company increased its registered capital in the amount of 100 million baht by issuing 20 million additional ordinary shares with value of 5 baht per share, to be offered to existing shareholders of the Company at the ratio of 1 existing share to 1 new share. New offering price of 5 baht per share. The objective is to be used as working capital for the company operations and to support the expansion of the company’s business.

In 2015, the Extraordinary General Meeting of Shareholders No. 1/2015 approved 4 important matters; change in the par value of the company’s shares, amendment to the memorandum of association, registered capital increase, issuing additional shares and allocating to existing shareholders. Details are as follows:

- The company changed the par value of its shares from the original par value of 5.00 baht/share to a par value of 0.25 baht/share, therefore the company has registered capital of 200 million, divided into 800 million common shares. The memorandum of association has been amended to be in accord with the above-mentioned changes.
- The company has increased its registered capital from 200 million baht to 400 million baht by issuing 800 million new common shares with a share value of 0.25 baht and offered to existing shareholders. The registered capital has been revised in the memorandum of association to be consistent with this capital increase. As a result, the company has registered capital of 400 million, which divided into 1,600 million common shares.

- Allocated 800 million additional common shares of the company to existing shareholders with a par value of 0.25 baht/share, to the existing shareholders of the company in proportion to the number of shares held by each shareholder (Right Offering) at the ratio of 1 existing common share to 1 additional common share.

As a result of this second registered capital increase, the company has a total registered and paid-up capital of 400 million baht.

1.1.2 Significant Changes and Developments

<p>Major Shareholder Structure</p> <p>2011</p> <p>Chirathivat Group and Siam Commercial Bank Public Company Limited, sold common shares of the business to AIRA Capital Public Company Limited.</p>	<p>Company's Par Value</p> <p>1st time in 2011 increased the registered capital of the company</p> <p>Amount of 100 million baht by issuing 20 million additional common shares with a par value of 5 baht per share.</p> <p>As a result, the company's registered capital increased from 100 million baht to 200 million baht.</p> <p>2nd time in 2015 increased the company's registered capital.</p> <p>The amount of 200 million baht is a total registered capital of 400 million baht by issuing 800 million new common shares with a share value of 0.25 baht.</p>
<p>Relocation of the Company's Office</p> <p>2023</p> <p>The office has been moved to the current office at 188 Spring Tower Building, Floor 12A, Unit 6-10, Phaya Thai Road, Thung Phaya Thai Subdistrict, Ratchathewi District, Bangkok 10400.</p> <p>2020</p> <p>The office was moved to 319 Chamchuri Square Building, 17th Floor, Phayathai Road, Pathumwan Subdistrict, Pathumwan District, Bangkok 10330.</p> <p>2013</p> <p>The office formerly located at 444 Olympia Thai Tower, 6th Floor, Ratchadapisek Road, Samsen Nok Subdistrict, Huai Khwang District, Bangkok 10320.</p> <p>Afterward moved to the new location at 319 Chamchuri Square Building, 20th Floor, Phayathai Road, Pathumwan Subdistrict, Pathumwan District, Bangkok 10330.</p>	<p>Chairman and Chief Executive Office</p> <p>2018</p> <p>Mr. Sorasit Soontornkes has been appointed as the Chairman of the Board of Director since 14 May 2018 onwards. (Resolution of the Board of Director Meeting No.2/2018)</p> <p>Mr. Akrawit Sooksai has also been appointed as Director and Chief Executive Office since 5 July 2018 onwards. (Resolution of the Board of Director Meeting No.4/2018)</p>

Corporate Governance of the Company:
Ranked by Thai Institute of Directors Association (IOD)

2023

Corporate governance of the organization at an excellent level (99%)



Evaluation score: Higher than the overall average score of listed companies in the financial business group.

Top Quartile: Listed companies in the financial business group

Top Quartile: Listed companies in the group with a market cap between 1,000 - 2,999 million baht.

2022

Corporate governance of the organization at an excellent level (90%)



2021

Corporate governance of the organization at an excellent level (90%)



2020

Corporate governance of the organization at an excellent level (90%)



Certification as a member of the Thai Private Sector Collective Action Coalition Against Corruption (CAC)



2023

The company has received a renewal of its membership certificate from the Thai Private Sector Coalition Against Corruption.

2020

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

<p>Quality of AGM Arrangement Ranked by Thai Investors Association</p>  <p>2023 Excellent level, Score 99 Points</p> <p>2022 Excellent level, Full Score 100 Points</p> <p>2021 Excellent level, Full Score 100 Points</p> <p>2020 Excellent level, Full Score 100 Points</p>	<p>Pride Award</p> <p>2021 The company's security was selected to be in the 2021 ESG Emerging Group by Thaipat Institute</p> <p>2016 Best Innovation Organization Award 2016 by the Stock Exchange of Thailand in collaboration with the National Innovation Agency, under the project of innovation capability promotion through the innovation capability assessment process</p>
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1.1.3 Vision, Objectives, Goals, and Strategies

Vision : To be an excellence financial institution (Non-Bank) in providing financial services which can meet the needs of customers.

Mission : According to the company goal to conduct sustainable business operations that emphasized on the environment, society, and corporate governance. We have adapted technology, developed innovation and/or financial services, for customers in a comprehensive manner and under efficient business operations.

Core Values : Build trust and establish credibility with innovative products as well as provide professional service by concerning on social, environment and corporate governance responsibilities.

Business Goal :

The company aims to be an excellence financial service company (Non-Bank) in providing various forms of business loan, by adapting digital technology and combining business expertise, to develop comprehensive financial products and services which can easy access also meet the needs of customers at all levels.

Business Plan :

The company has business operational plan which is consistent with the organization development towards sustainable growth in 3 dimensions as follows:

1) Economic and Good Corporate Governance Dimension

- 1.1 Increase rate of income growth
- 1.2 Manage risks to be within acceptable risk criteria
- 1.3 Develop a variety of financial innovations that are safe in terms of IT Security and maintaining the 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 growth of the company
- 1.5 Develop relationships with customers to increase satisfaction

2) Social dimension

- 2.1 Strengthen employee engagement with the organization
- 2.2 Promote a good quality of life for employees, to be safe and to have occupational health
- 2.3 Develop knowledge and abilities for employees to be able to work more efficiently
- 2.4 Increase value to the society and give back to the community

3) Environmental Dimension

- 3.1 Improve digital services to reduce the use of resources
- 3.2 Support credit for environmentally friendly businesses
- 3.3 Create awareness of environmental conservation for employees to realize the value of using resources which will affect the environment

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

-None-

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

-None-

1.1.6 Company Information

Company Name	: Aira Factoring Public Company Limited
Company name in English	: “AIRA Factoring Public Company Limited” abbreviation “AF”
Head office location	: 188 Spring Tower Building, Floor 12A, Unit 6-10 Phaya Thai Road, Thung Phaya Thai Subdistrict, Ratchathewi District Bangkok 10400
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	: (+66) 2657 6222
Fax	: (+66) 2657 6244, (+66) 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 domestic factoring business operator.

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	2021		2022		2023	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Discount received from the transfer of claims	139,100	70.31	158,142	69.82	173,615	71.99
Fees and services	40,106	20.27	47,753	21.09	50,677	21.01
Interest income from loans	17,132	8.66	19,415	8.57	15,302	6.35
Other income	1,499	0.76	1,187	0.52	1,576	0.65
Total	197,837	100.00	226,497	100.00	241,170	100.00

Note :

- Income from discounts received from the transfer of claims: comes from interest income.
- Income from fees and services: comes from credit line opening fees and purchasing fees.
- Interest income from loans: comes from interest income from non- factoring transaction.
- Other income: comes from interest received from bank deposits, gains from property sales 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

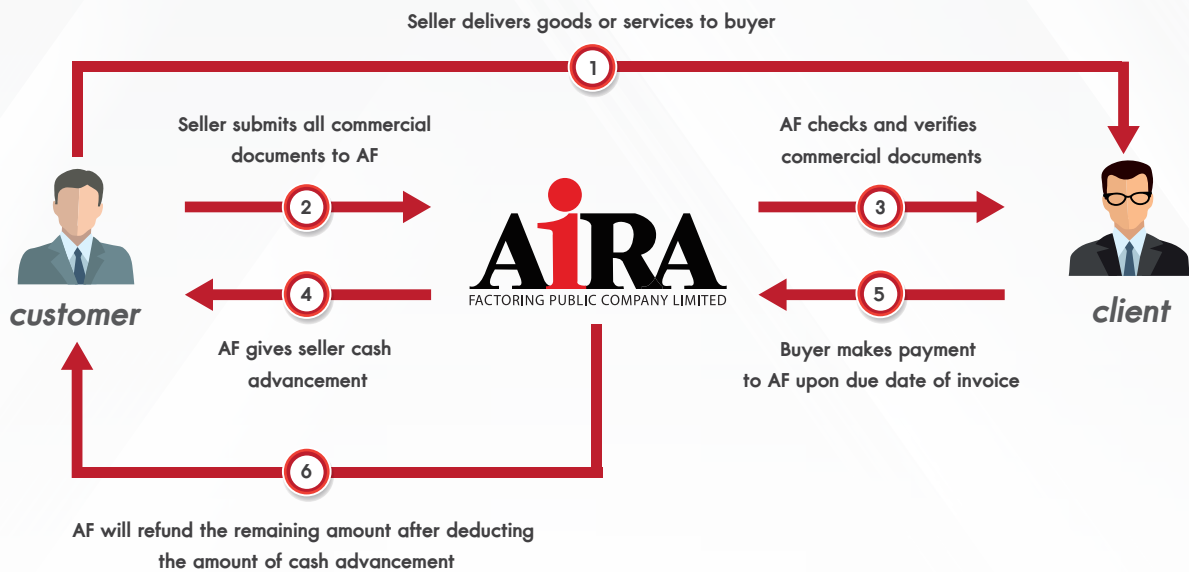
The company operates financial service business. The products and services are divided into 3 categories as follows:

1. Factoring Credit

The company provides short-term working capital for entrepreneurs to run their businesses. It involves purchasing and discounting trade receivables that do not use collateral. Instead, it will use the transfer of claim rights to receive money.

Currently, the company’s customer groups is a medium and small business owner. There is a need for working capital to operate and expand the business. Factoring loans will help increase liquidity for the customer’s business. The company will consider purchasing trade receivables, which are mostly government agencies, state enterprises, and general private companies.

Procedure for purchase of trade receivables



In the transactions 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 who have good payment record, to enhance the liquidity of their business

Procedure for providing short-term loan:

It starts with the customer submitting commercial documents for disbursing a short-term loan, including purchase order, contract, etc. The company will consider allowing the customer to withdraw a short-term loan in the form of P/N (Pre-Finance) for funding. Circulating to customers with a maximum ticket period not exceeding 180 days.

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 company approves the loan amount not exceeding 80% of the collateral value. The repayment term is within the specified period; however, the maximum loan period does not exceed 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

The Credit Limit

The company considers determining 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 Scoring system as a tool for credit approval consideration 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 also has implemented it 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 risks on a case-by-case basis. It is at the discretion of the committee according to the level of approval authority to consider.

❖ **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, as well as 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 any specific trade debtor. Therefore, the limitation of trade receivables per person and per group is only used as a risk management tool.

Credit policy and authority to approve credit limits

The company has established a credit policy by emphasis on the quality of customers and trade receivables. The Board of Directors determines the authority level framework for approving credit lines. The authority to approve such credit limit is specified in the Company's credit policy.

Setting fees and interest rates for customers

The Company's main income consists of the income from discounts received from the transfer of claims and fee and service income (credit line opening fee and purchase fee).

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

1. Qualifications of financial status, business operation payment ability of customers and guarantors, business size, business type, experience in operating business of executives.
2. Qualifications of trade receivables, period 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, 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, to find suitable interest rates and fees offered to customers.

Business Innovation Development

The 2019 coronavirus outbreak has affected the behavior of people around the world which transforms life into a digital society. There are more transactions and activities via online channels. Nowadays, many financial institutions have adapted by using digital technology to provide financial services to customers and developing modern financial applications, that is convenient and fast. AIRA Factoring Public Company Limited is one of the financial institutions (Non-Bank) that has adapted to accommodate changing customer behavior. At the same time, the company has also operated business by emphasized on the environment, we are trying to develop products that can provide fast service and are environmentally friendly as well.

The company has developed products and services in digital form, including the e-Factoring project, which is developing a document purchasing system to support purchasing documents through 24-hours electronic channels, and the Online Factoring project; an online factoring loan application.

Both projects are environmentally friendly service formats. The e-Factoring project reduces the cost of hiring delivery staff and delivery time, reduce oil consumption and paper using. For the Online Factoring project, it is an additional convenience channel for customers to support the needs of customers in the digital era for their work-anywhere lifestyle. The customers can submit a loan application by themselves, it is easy to access, convenient, and fast in providing services.

Financial innovation creation

As the lifestyle and use of financial services of people in society has been changed to a digital format. The company must therefore develop products and services that are in line with the changes, to be able to compete and maintain market share as well as to expand the business base by developing innovation in the organization and seeking new technology to use in business operations. The company also hope that creating this business innovation will benefit all groups of stakeholders. This is one of the intentions of company business operation which is in line with the company's mission: "Apply technology, develop innovation and financial 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 with 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 regarding the impacts of using innovations for better improvement.

Innovation Creation roadmap

In 2023, the company has developed innovations in providing digital services to increase work efficiency, as the details follows:

- **Core Factoring 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 approval system via online system

Results arising from innovation development

- **Economy** : Be able to expand customer base and retail debtors with factoring volume increasing from last year.
- **Society** : The Online Factoring system helps people in society access to financial services, also help to reduce travel expenses and paper use. The system provides a service that is convenient, fast, and easy to access.
- **Environment** : Reduce the use of natural resources. Because there is no need to use paper in the process.

(2) Marketing and Competition

Marketing Policy in the Past Year

The company has publicized through various media such as the company's website, digital media billboards, and booth activities in the financial expo.

In 2023, the company has a public relations plan to cover a wider variety of media to reach more new customers. For credit services applying, customers can request for factoring services through many channels, such as through the company official website, Digital Media (Facebook), Line OA, contacting the company directly or following recommendations from various sources and from the cooperation of various business associations, including the company's major shareholder groups, recommendations or from the company's officials to offer services directly to customers

Target customers

The company's main customers are a small and medium enterprises in the country who need factoring loans to enhance their financial liquidity during their business expansion and to increase their business volume.

Currently, the company has considered and defined target customers; 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 customers include small, medium, and large enterprises. Most of the customers are SME entrepreneurs.

Type of business of the current customers

- Medical / Pharmaceuticals
- Commercial / Personal Use / Household & Office / Food & Beverage
- Transport & Logistics
- Energy & Utilities / Petrochemicals & Chemicals / Electronic Components / Industrial Materials & Machinery /Automotive
- Ad hoc services / information and communication technology / fashion /
- Paper & Printing materials / Media & Printing / Packaging

Trade receivable balance for claim right of debt repayment

(1) Trade receivable for claim right of debt repayment : the right transferring of customer for claim for debt repayment from the debtor to the Company. As of December 31, 2023, the Company had total debt of 2,648 million baht. The top 10 largest customers by outstanding debt totaled 517 million baht, or 19.52 percent. The proportion of the top 10 largest customers by outstanding debt during the year. 2023 to 2021 are as follows:

(Unit : Million Baht)

Customer	2021		2022		2023	
	Outstanding	%	Outstanding	%	Outstanding	%
Top 10	637	25.65	718	25.79	517	19.52
Others	1,847	74.35	2,065	74.21	2,131	80.48
As of Dec 31,	2,484	100.00	2,783	100.00	2,648	100.00
Number of cases	399		435		425	

(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.

Outstanding debt balances of customers classified by the top 3 business types as of December 31, 2023 include construction services, automobiles, household and office supplies, etc.

Loan receivables

The company has loan receivables as of December 31, 2023 in the amount of 402.77 million baht.

(Unit : Million Baht)

	2021	2022	2023
Current portion of loan receivables	217.73	173.82	319.92
Loan receivables - net	56.42	40.34	45.73
Total	274.15	214.16	365.65

The Company has net loan receivables after deducting allowance for bad debts of 365.65 million baht as of December 31, 2023.

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

In 2023 and 2022, the Company has no revenue from any customer that is equal to or greater than 10 percent of its revenue.

Distribution channel

The company has contact channels for customers who are interested in applying for factoring credit, such as the company official website; www.airafactoring.co.th., where customers can fill out their contact information for the company's staff to contact back and inform more detail about loan and the results of the company's preliminary assessment.

There are also Line Official Account channels, and the company's credit and marketing officers who will contacting potential customers via telephone and meeting customers to explain details of the company's products and services.

Competition conditions

From the overall situation of the Thai economy in 2023 that is continuously recovering. The important supporting factors include the tourism sector which has recovered from the increase in the number of foreign tourists, the manufacturing sector expanded as demand for foreign products increased, and the private investment sector is recovering from investment in new industries. All these factors make the factoring business an opportunity to grow as well.

The competitive environment in Thailand's factoring business in 2023 remains intense. The important factor that causes intense competition are the increasing number of competitors, factoring loan requirements and changing technology, all these mentioned factors cause intense competition. The number of competitors has increased to more than 100 service providers. The demand for factoring loans among SMEs is also continuously increasing and technology is changing rapidly as

well. This makes the factoring business to adapt and develop its service system to be more modern and efficient. This make the competition be more intense as well.

However, factoring businesses should pay close attention to credit risk analysis, to reduce the risk of bad debt which may affect the stability of the factoring business.

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 approximately 8%, with the fourth largest transaction volume in the industry. The company aims to drive business growth. In order to be a factoring entrepreneur ranked among the top 3 in the country.

Company Strategy

The Company has a competitive strategy by focusing on expanding the business base in the form of B2B; 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 for having 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 2023-2025, the company has a policy to expand its customer base to industrial sectors that will expand in the future, such as private companies accepting work on government projects, car manufacturers and EV vehicle components, medical and health equipment, logistics, renewable energy, electronic components, and green industry groups, etc.

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

The company has plans to develop and increase the variety of services. Non-factoring product has been launched to fully meet customer needs. Therefore, there are additional services in various forms of loans such as Exclusive PN for good old customers, Supplier Chain Financing, loans for exporters, etc.

In addition, the company has a strategy to maintain the existing customer base. The company intends to maintain the existing customer base and to expand the growth of the company's credit portfolio. 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 to create the image of the company to look modern and known among the new generation.

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 creating a new product; AF Green project, to provide financial products for entrepreneurs who have guaranteed energy saving results in order to invest in energy projects for the environment

Highlights of the company's business operations are as follows (Competitive advantage)

1. Have a clear target customer group. Focus on low-risk customers who are in an industry that has the potential to grow in the future and the company can review accuracy. We also focus on giving importance to creditworthy debtors and transfer the right to receive money. Therefore, the company has low risk of debt collection.
2. High stability of shareholders groups in financial support and funding sources to the company
3. The company has a credit approval process and follows up on credit status that is standardized and reliable. There is a credit policy as a guideline for selecting customers and trade receivables by considering risks systematically. It can reduce risks in business operations and prevent the occurrence of non-performing loans (NPLs).
4. The company adheres to the Customer Centrix principle and customer relationship management (CRM) based on the customer as the center. There is a team of the company with experience that can provide advice or suggestions that are beneficial to customers. The company also emphasizes on providing convenient, fast, and close customer service with flexibility in considering various issues, to meet customer needs under appropriate conditions. There are also various contact channels of the company where customers can ask for information and express their interested in using the company's financial products.
5. The company is ready to develop the information system for digital products and services development in which are in line with the future direction of financial transactions.
6. The company has personnel with experience, knowledge, and expertise in operating the factoring business for more than 25 years, then we can provide appropriate advice, consultation, and service to customers.
7. There is flexibility in loan approval with no collateral needed. It easy for business customers to access funding sources.
8. The company take care of customers closely. Following the policy that requires the company's employees to meet with customers continuously, to makes the company understand the nature of customers' business operations. This allows the company's employees to provide appropriate financial product advice to customers as well.
9. The company has business partners in technology development for faster loan approval process also use the detail from the company's information system to design new products.

(3) Procurement of products or services

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

(Unit: Thousand Baht)

Source of Fund	2021		2022		2023	
	Amount	%	Amount	%	Amount	%
Bank overdrafts and short-term loans	1,648,000	71.3	1,690,000	70.88	1,845,000	73.67
current liabilities	112,902	4.88	152,166	6.38	98,305	3.93
current liabilities	19,882	0.86	16,508	0.69	28,713	1.15
Total Liabilities	1,780,784	77.04	1,858,674	77.95	1,972,018	78.74
Equity	530,756	22.96	525,624	22.05	532,442	21.26
Total	2,311,540	100.00	2,384,298	100.00	2,504,460	100.00

The source of funds in 2023 is 21.26 percent from shareholders' equity and 73.67 percent from debt. The company's source of funds comes from loans from local financial institutions, which is an overdraft limit and short-term loan limit totaling 1,845 billion baht and related companies.

For future financing, the Company has a policy to provide funds in accordance with the objectives of using the funds, 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, 2023 are as follows:

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 -
Space rental agreement and utilities, 12 th A floor	Aspiration One Co., Ltd. (related parties)	3 years From 1 April 2023 to 31 March 2026	14.74	- None -
Car rental Vios model	Petra Company Limited (unrelated business)	4 years 2 months From 1 July 2019 to 31 August 2023	-	- None -
Car rental Altis model	Petra Company Limited (unrelated business)	4 years 1 month Since 1 October 2019 Until 31 October 2023	-	- None -

List	Counterparty	Rental period	Net Book value (Million Baht)	Obligation
Car rental Camry Model	Toyota Leasing (Thailand) Co., Ltd. (unrelated business)	4 years since September 21, 2022 Until 20 September 2026	1.01	- None -
Car rental Altis model	Master Car Rental Company Limited (unrelated business)	4 years From 3 May 2023 Until 3 May 2027	2.09	- None -
Car rental Altis model	Master Car Rental Company Limited (unrelated business)	4 years From 3 May 2023 Until 3 May 2027	1.49	- None -
Fortigate equipment rental fee 100F	Inex Broadband Company Limited (unrelated business)	1 year From 1 April 2023 Until 31 March 2024	0.12	- 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. Later, the office was moved. Therefore, it entered into an agreement to rent space and utilities with Aspiration One Co., Ltd., 1 floor, which is related to the business. The details are as follows.

- Lease the building area on the 17th floor, total area of 596.63 square meters, for a total period of 2 years and 9 months without being able to terminate the contract. (Space rental rates and common service fees for 2023, January period, amount of 476,866.13 baht per month, February - March period, amount of 491,133.88 baht per month, for a period of 3 months, totaling 1,459,133.89 baht per year)
- Lease the building area on floor 12A, total area 690.60 square meters, for a total period of 3 years, with a rent-free period from 1 April 2023 to 31 May 2023 (space rental rates and common service fees for 2023, June period - December, amount 575,684.16 baht per month, total period 7 months, total amount 4,029,789.12 baht)

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 Vios model 1.5 High, 3 cars for a period of 4 years and 2 months (rental rate 44,940.00 per month, totaling 359,520.00 baht per year).
- Toyota Altis model 1.6 G A/T, 2 cars for a period of 4 years and 1 month (rental rate 33,812.00 per month, totaling 338,120.00 baht per year).

3. Car rental: The company has entered into a car rental agreement for 5 cars with Master Car Rental Company Limited., which is not related to the business. Details are as follows:

- Toyota Altis model 1.8 HEV Premium, 3 cars, for a total of 4 years (rental rate 56,175.00 per month, totaling 280,875.00 baht per year).
- Toyota Altis model 1.8HEV Premium, 2 cars, for a total of 4 years (rental rate 37,450.00 per month, totaling 74,900.00 baht per year).

4. Car rental: The Company has entered into a car rental agreement with Toyota Leasing (Thailand) Company Limited, which is not related to the business, for 1 car, Toyota brand, Camry model, for a total period of 4 years (monthly rent of 33,330.00. baht. In 2023, the company paid car rental fees in the amount of 399,960.00 baht per year)

5. Information Technology Equipment Rental: The Company has entered into a rental agreement with Inex Broadband Company Limited, which is not related to the business, for 1 device for a total period of 1 year (rental fee is 40,660.00 per month, totaling 365,940.00 baht per year.)

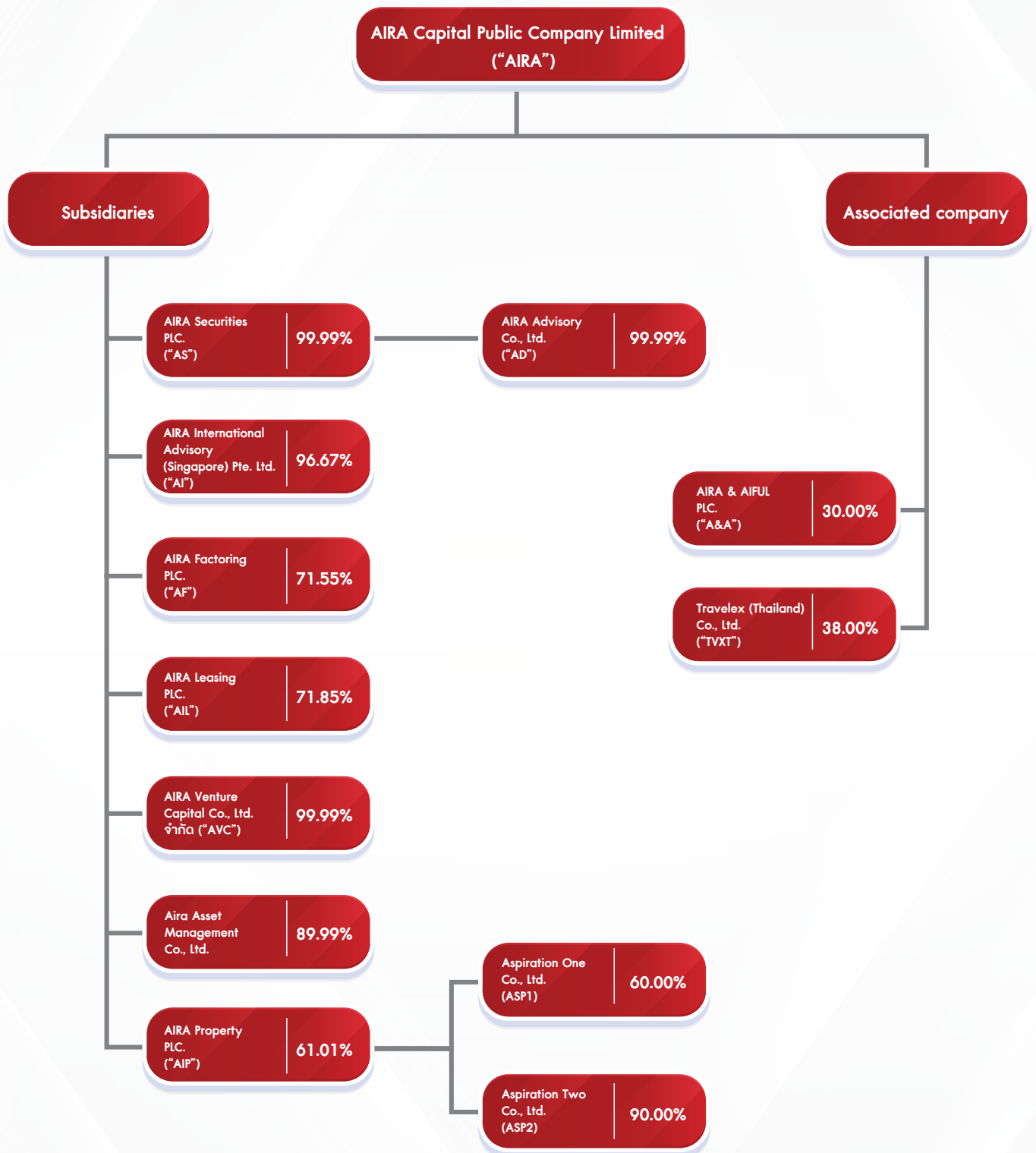
In 2023, the company had expenses for renting office space for business in a total of 6,640,291.33 baht, expenses for renting cars for business in a total of 1,453,375.00 baht, and expenses for information technology equipment in a total of 365,940.00 baht.

(5) Undelivered work

-None-

1.3 Shareholding structure

1.3.1. Shareholding structure of the group of companies (as of 31 December 2023)



AIRA Group has AIRA Capital Public Company Limited as a holding company 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., which has 2 other associated companies, namely
 - AIRA and AIFUL Public Company Limited
 - Travelex (Thailand) Co., Ltd.

Policy on division of operations of companies in the group

AIRA Capital Public Company Limited has a policy for each company in the group to have its own policies and management. AIRA Capital Public Company Limited has income from subsidiaries.

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 31 December 2023

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	90,439,800	5.65
3. Mr. Thaweechat Jurangkoon	67,893,800	4.24
4. Mrs. Hathairat Jurangkoon	66,005,300	4.13
5. Mr. Nattaphon Jurangkool	65,820,100	4.11
6. Summit Corporation Company Limited	46,672,000	2.92
7. Mr. Natee Rongkratanakul	19,400,000	1.21
8. Mr. Kunakorn Makchaidee	12,000,000	0.75
9. Mrs. Duananong Pharadornchai	9,600,000	0.60
10. Mr. Jarinsak Youngjui	3,000,000	0.19
Total	1,525,582,099	95.35
Other shareholders	74,417,901	4.65
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, 2023, the Company's shares held by foreigners accounted for 0.00001 percent of the total shares.

A 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 and as required by law. 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	2021	2022	2023
Net profit (million baht)	49.52	45.26	6.82
Number of shares (million shares)	1,600	1,600	1,600
Dividend paid			
- Interim dividend (baht/share)	0.025	0.032	-
- Annual Dividend	-	-	-
Amount of dividend paid (million baht)	40.00	51.2	-
Dividend payout ratio (percent)	80.77	113.12	-

2. Risk management

2.1 Policy and Governance Structure for Enterprise Risk Management

Factoring is a business related to risk management. Therefore, the ability to manage risk is an important factor for the success of the Company's business operations. The company has analyzed and monitored operations to be in accordance with the plan also has managed operational risks in accordance with credit policy, to help the risks that may arise be managed effectively and be controlled to an acceptable level.

Apart from credit risk management, the company is aware of the importance of risk management under changes that may affect the business operations both internal and external factors. It is considered that risk management is an important component of every process in the Company's business operations which must be connected at every level, and it is the responsibility of every department to manage and control risks to an acceptable level. The company is committed to instill the awareness among personnel in the organization to consider risks by managing risks in a comprehensive manner and covering various aspects of the organization's operations. This also included new risks in the future that covers risk in both short-term and long-term implications, as well as environmental, social and governance risks.

The company has an enterprise risk management policy and enterprise risk management plan, to be a framework for risk management and ensuring that there is an effective control, supervision, and inspection mechanism. There is also a process for reporting clues, internal communication and encourage employees to participate in the company's risk management process. The company's governance structure and risk management process are as follows:

2.1.1 Risk Governance Structure

The company determines that risk management is the responsibility of every department; the board of directors, management team, as well as executives and all employees, to create awareness and put it into practice till it becomes a culture of risk management and internal control of the organization (Risk Culture).

- The Committee Level - The Board of Directors has appointed an Enterprise Risk Management Subcommittee, to responsible for setting risk management guidelines and tools in line with the company's risk governance framework and consideration the company's risk management guidelines which cover important types of risks. In addition, responsible for controlling and supervising the company to manage risks according to the policies and strategies, reviewing the adequacy of risk management policies and systems.

- The Management Team - Senior executives of the company who control various departments have responsible for supervising risk management of internal departments, as well as participating in risk management through serving on various committees.

- Department and Employee Level - who are the owner of the risk (Risk Owner) is responsible for evaluating internal control risks by themselves, specifying measures/activities used to manage risks, and follow up on risk assessment results.

2.1.2 Risk management process

The company manages risk through three important processes as follows:

1. Risk identification and assessment

The company has identified and assessed risks, with executives and employees at all levels participating in identifying and evaluating risks from operations within their own responsibilities. In order to be aware of risk events, find solutions and control the risks to an acceptable level. The company carries out risk management throughout the organization according to the COSO - Enterprise Risk Management (ERM) guidelines along with setting an enterprise risk management policy and plan, to provide a framework for managing risks that may affect the achievement of the Company's objectives.

2. Monitoring and controlling risks

The company has policy to review the credit limits of customers and account receivables every year, by considering the performance of both customers and account receivables to see if they have improved quality or increased risk. This information will be used as a guideline for controlling the quality of the Portfolio. In addition, there is also monitoring process of risks in various areas. When encountering events that are not normal and expected that this may cause damage to the company, it must be reported through an Early Warning Signs in which systems and procedures have established by the Company, this is one of the tools for assisting detect customers whose inappropriate behavior that may cause damage to the company in the future.

In this regard, the Company has prepared policies and operating procedures that are of the same standards as general financial institutions to increase the efficiency of the company's risk management, such as credit policy, work regulations Regarding the loan screening process, work regulations Regarding debt resolution, etc.

3. Risk Reporting

The company always reports the status of risks and operations, both that completed as well as going on process, to relevant people and senior executives. In addition, the results of following up on debt resolution are reported to the Credit Committee and Executive Committee every month.

2.2 Risk Factors

2.2.1 Risks to the company's business operations

1. Credit risk

In running a factoring business. There are 3 parties involved.

1. The company as the purchaser of trade account receivables
2. The customer as the seller
3. Trade accounts receivable who purchases goods by specifying the trade credit

period

The customer will transfer the right to receive payment to the company. Therefore, in analyzing the company's credit risk, it is necessary to consider both the risks of trade receivables and customers. The credit risks of factoring business include:

A. Ability to repay debts of customers/trade receivables

The company, as the assignee of the right to receive product payments from customers (product seller), when the payment is due and the company unable to collect payment from trade receivables (buyer of the product), then the company can demand payment from the customer on their behalf. Except in cases where there is a conditional notification of transfer of claim rights, such as receiving a transfer of claim rights without recourse from the customer. Therefore, the company must consider the business status of both customers and trade receivables. The company has used an efficient credit management information system. The system makes it possible to quickly review the status of customers and trade receivables by regularly following up on outstanding debt reports. This helps the company to know and resolve the problem quickly when customers default on payments. In addition, the company emphasize on providing credit to trade receivables with stable financial status as well as cooperate in accepting the transfer of rights and checking the debt before purchasing, in which can significantly reduce credit risk.

B. Risk arising from debt deductions between customers and trade receivables or sellers and buyers of goods

In accordance with the trade agreement, in case of the product is defective, outdated, deduction of trade expenses, such as shipping costs, returns from product sales, etc., the buyer has the right to deduct expenses incurred before paying for the product to the seller. This is the risk of factoring business, because the factoring company will pay in advance on behalf of the product buyer (trade receivables) to the product seller (customer), so there is a chance that the company will not receive full- payment. However, the company has set up guidelines to prevent the risks by checking the results of contacts between customers and trade receivables at least 6 months prior. The company has also considered the type of product, for example, must not be a product that is easily obsolete or high chance of returning product, and setting an appropriate ratio for purchasing commercial documents (the purchase value is calculated as a percentage when compared to the value of the trade documents) in the case that there may not be full payment for the product according to the invoice value. The company has required a security deposit for the credit line in some cases as well.

In this regard, the company has created the credit scoring tool to manage credit risk. It is a tool for screening and differentiating the risk levels of both customers and trade receivables.

C. Risk from reliance on large customers and concentration of business types

The company has a policy for business operation by focusing on targeting customers in the medium and small group, to reduce dependency on large customers. For trade receivables, the company has a policy for business operation by targeting on trade receivables with stable financial status and good payment's history. In addition, the company has also focused on credit management to avoid business concentration. There is an acceptable limit for each type of business as well as monitoring and supervision systems to manage credit risks; both that currently exist and those will occur in the future, to be proportionate to the level of risk appropriately.

2. Liquidity risk

Since factoring is a short-term financing which the credit term is usually not more than 180 days. Currently, the company has many financial institutions that provide financial support. The credit lines include an overdraft limit and short-term loan limits, which may involve the risk of not renewing the promissory note when it is due. However, the company has liquidity management process to prevent risks by borrowing money for a period consistent with the period for trade receivables purchasing. Consequently, the company can manage liquidity efficiently and has more flexibility in terms of funding sources for lending in the future.

3. Risk from interest rate fluctuations

Loan interest rate is the main financial cost of the company. Its changes according to market interest rate conditions, which affects the determination of interest rates charged to customers as well as the ability to compete with other companies in the market. therefore, interest rates changes may affect the Company's operating results at the same time. However, the company has preventive measure to reduce risks by managing financial costs that are consistent with loan interest rates. The Company then can consider adjusting loan interest rates to be appropriate with the changed financial costs. This can make the company more flexible in situations where interest rates are fluctuating. This is an appropriate management for the risk of interest rate fluctuations.

4. Risk from competition

Currently, there are many factoring business operators in Thailand. While this competition affects the Net Interest Margin, it also impacts an increase in the rate of expansion of factoring loans. Because of the entrepreneurs get to know and understand the factoring business also become more interested in using the service. For the company, we focus on providing factoring services within the country and emphasize on small and medium business customers who are suppliers of trade receivables in various industries. Most of them are trade receivables who accept the notification of the transfer of rights to receive payment and agree on verifying debt before the company purchases, which help reduce the company risk.

Moreover, the company has given importance to the development of services by technology, to increase the efficiency of lending, convenience, and speed in purchasing trade receivables. It is the service model which adapted according to current customer behavior. The above-mentioned factors make the company outstanding in providing services. In addition, the company has close relationship with customers, has sufficient information to provide advice or suggestions that are beneficial to the customer's business as well as an efficient credit management information system, all this make the company stand out in terms of long-term competitiveness.

5. Information technology system risks

The company places importance on developing the information system to be modern, high quality, and able to efficiently support operations in various company's departments. At the same time, the company has continually developed the operating systems related to the company's transactions, to be more efficient, such as the Core System, and E-Factoring. The company has talented and skilled personnel who

being responsible for the structure of information systems and databases, to be information and tools for the management team's decisions.

In addition, the company is aware of the dangers from Cyber Attacks, which are diverse and have more severe impacts nowadays, so we have taken steps in various areas to reduce information technology risks, starting from defining policy on maintaining the security of information and communication technology systems that is in line with standard IT security developments. The company has also established emergency backup plans for information technology systems to ensure business continuity, for instance; improving computer network systems to prevent system failure, backing up the network system and servers where the system can work continuously with the least chance of failure, conducting computer security system (Firewall) as well as data backup and recovery from unexpected failures or disasters, etc.

6. Risk of key person reliance

The company considers employees to be the important resource in driving the company's business progress and growth according to the company objective that have been set. The company has emphasized the importance of developing employee's knowledge and abilities. Training programs in various courses have been organized to help employees learn to perform their work efficiently. The company also encourage participation in growing together with the company by creating an atmosphere for working as a team and providing a succession plan to create continuity in work. This will reduce the risk of reliance on any specific personnel.

7. Risk from corruption

To prevent risks arising from corruption, the company has established a controlled operating system and operating procedures, including customer identification, loan approval consideration based on reliable documents and financial information, consideration processes by the Risk Management Department and specified approval authority.

When the customer has received approval for the credit limit, in every transferring of trade debt rights, the Credit Operations Department must examine trade documents and confirm that there are real trade debts. Also, when trade debts are due for payment, the company will inquire about the value of debt for goods and paid services until receives payment for such goods and services. The above process is under the organization's risk management framework. Guidelines are also established to prevent risks as well as using internal audit mechanisms, to manage and control risks appropriately.

Moreover, the company has emphasized on the importance of cultivating awareness of honesty. There is a channel for reporting complaints and suggestions (Whistleblower) through the company's website. The company has also established an Anti-Corruption Policy to require directors, executives, all employees, and involved persons, adhere to the policy in business operations, to promote the company as an organization with effective management systems, along with good ethics and ethics in conducting business.

8. Operational Risk

The company has continuously improved and developed the Core Factoring System. As a result, various operations within the company are accurate, concise, and more quickly. The system

is also help in reducing operational errors caused by human and being able to develop and increase capabilities. The core system is ready to connect for business developing together with partners and customers. This system adapted to changes in technology according to customer behavior in the present day.

In addition, the company has prepared a Business Continuity Plan: BCP to support operations during crises or emergencies, whether caused by natural disasters, fires, riots, epidemics, cyberattack, etc. This BCP helps the company able to deal with unexpected emergencies and enable important processes (Critical Business Process) to return to normal operation. This will help to reduce the severity of the potential impact on the company.

9. Risk from influence on the management of major shareholders

The company's major shareholders are AIRA Capital Public Company Limited, which holds 1,144, 751,099 shares in the company, or 71.55 percent of the company's paid-up capital, and Summit Corporation Company Limited (Churangkun Family; who are the same group of shareholders as AIRA Capital Public Company Limited) holds 46,672,000 shares in the Company, representing 2.92 percent of the Company's paid-up capital. Therefore, the major shareholders may be possible to control almost all shareholders' votes on important matters such as the appointment of directors or requesting resolutions on other matters that require a majority vote of the shareholders' meeting. Other shareholders may not be able to strike a balance with major shareholders (Information on list of shareholders from the company Thailand Securities Depository Co., Ltd. as of 31 December 2023)

However, the company has appointed 5 independent directors, who 3 of them are also members of the Audit Committee. The Audit Committee is responsible for inspecting and ensuring that transactions that may cause conflicts of interest comply with the laws and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission (SEC). This is to ensure that the said transaction is reasonable and the most beneficial to the company. It also makes the management of the company to be transparent and verifiable.

2.2.2 Risk to investment by security holders

is a potential risk on investment in the Company's shares; the returns could be lower than expected. Shares price has been influenced by many factors, such as variations in demand and supply of securities, and the condition of the stock market, etc. In addition, returns in the form of dividends depend on the company's operating results. Although the company has already managed the risk, there may still be other risks that are external factors or events that are not previously known. Therefore, the investors should study the risks involved and use discretion in making investment decisions.

2.2.3 Risks from investing in foreign securities

-None-

2.3 Emerging Risk Factors

New potential risks may be occurred due to the result of changes in the environment, politics, law, society, or technology. In some cases, it may not be possible to assess the impact or identify the risk. There are new risks that may affect the Company's business operations, such as risk from emerging diseases that are continuously spreading, risk from cyber threat, risk from changing factoring service channels, risk from climate change, etc. To make the company affected as little as possible in the event of an unexpected event occurring, the company has therefore created and defined a framework for continuous business operations (Business Continuity Management: BCM), so the business operation can continue without interruption. The BCM framework has given importance to the following points:

(1) Human resource management by developing potential for being able to work in replacing each other, to reduce the risk of losing important persons of the company also reduce the risk of depending on any specific personnel.

(2) Information management to prevent loss of important data, where the company has data backup systems both inside and outside the organization. It is also including the disaster recovery site to support the Business Continuity Management plan in storing and backing up the system.

Apart from the BCM framework, the company's executives and employees should give importance and understand the steps in following the plan (Business Continuity Management: BCM) in each situation that may occurred, to be a good corporate culture of the company.

2.4 ESG Risk Factors

1. Environmental aspect

The current environment has changed, human behavior is a major cause of such change both directly and indirectly. Inventing and developing technology has also causing physical and biological changes through natural resources. Energy using in various forms are the occurrence of greenhouse gases and global warming in which directly and indirectly affect the quality of human.

The company is aware of the importance of being responsible for the environment, to be in line with the company's mission according to ESG principles (Environment, Social, Governance). The company's products have been launched to support credit lines for environmentally friendly business operators, such as installers of solar power systems, clean energy, renewable energy, products from used materials manufacturer and installer of water and air treatment equipment systems, etc.

In addition, the company has guidelines for improving digital services to reduce the use of paper and other consumables. This is also including enhancing awareness of environmental conservation in the company, raising awareness and campaign for employees to conserve energy, reduce the amount of greenhouse gases, and use of resources efficiently.

2. Social aspects

The company focuses on the human resources management in a fair and equitable manner, non-discriminate, respect for human rights, and suitable and sufficient welfare. The company also promote continuous learning and skill development for employees, to gain more knowledge and ability, as well as to strengthen work potential. There are also a fair evaluation of the employee's operational

performances and the CSR activities conducting with business partners, to develop the well-being of society and communities. The development of financial products is also promoted for SME entrepreneurs in accessing financial resources, to help businesses grow steadily and sustainably.

3. Good governance aspects

According to the concept of sustainable organizational development, the company has established a corporate governance policy and a sustainable development policy. A framework of procedures has been set for executives and employees to adhere to, while the basic rights of every shareholder equally and fairly are concerned as an importance issue. The company also requires the disclosure of information with accurate, complete, and transparent, both financial and general information reports, following to the rules of the Securities and Exchange Commission of Thailand. We have a channel for receiving complaints and the measures to protect complainants or whistle-blowers, as well as those who cooperate in the inspection with the Internal Audit Department.

3. Driving Business for Sustainability

3.1 Policy and Goal for Sustainability

The company places importance on sustainability operations under the main intention of doing business. “synchronize values, create business partnerships, provide financial support which is easily accessible with comprehensive financial innovation for sustainable growth together”.

The company also focus on creating benefits for society and the nation by setting a business operation that take environmental, social and governance (Environmental, Social and Governance/ESG) issues into account, as well as responsibility for the expectations and negative impacts that occur with all stakeholder groups. Along with creating good returns for shareholders and stable growth of the company.

The company has set goals and guidelines for sustainability operations that are in line with the Sustainable Development Goals (SDGs) of the United Nations in 3 main pillars of the sustainability dimension: the economic and good corporate governance, social, and environmental. A 3-year roadmap (2023-2025) has been set as detail follows.

Sustainability Goal

1. Economic and Good Corporate Governance Dimension

Goal	<ul style="list-style-type: none"> ● The amount of service usage continues to grow, with the volume of loan transactions increasing. Not less than 10% per year under acceptable risk. ● Offer innovative and safe financial products and services. ● Manage risks within acceptable limits and to be in line with business operations guidelines based on sustainability principles ● Being a company with good governance according to CGR 2023 criteria ● Strong financial structure
Commitment	<ul style="list-style-type: none"> ● To be an organization with sustainable operating results based on good governance
Guidelines for sustainability operations	<ul style="list-style-type: none"> ● Create 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 the principles of good governance
Supporting the SDGs	<p>SDGs 2, 5, 8, 9, 10, 16, 17</p> <ul style="list-style-type: none"> 2. Hunger must end 5. Gender equality 8. Good jobs and a growing economy 9. Industry, innovation, and infrastructure 10. Reduce inequality 16. Peace, justice and strong institutions 17. Cooperate to achieve sustainable development goals

Strategy for Driving

- Recruit business partners both from companies in the group and trading partners that are beneficial in expanding the market base.
- Develop access channels to the company's products and services also develop a system for connecting data from outside to the company database.
- Adjust organizational structure and work systems to be consistent and support growth.
- Develop comprehensive products and services as well as technological innovations.
- Develop business operations and data connectivity through digital systems.
- Develop IT security system for customer information.
- Develop a system to prevent Cyber Attack
- Manage financial costs to an appropriate level.
- Follow the principles of good governance and business ethics also communicate to both internal and external groups of stakeholders.

2. Social Dimension

Goal

- Personnel in the organization are safe, and good occupational health. There are also knowledge and ability development, and appropriate welfare.
- Participate in providing social responsibility

Commitment

- Promote a good quality of life for stakeholders

Guidelines for sustainability operations

- Promote a good quality of life for personnel in the organization
- Create value for society

Supporting the SDGs

- SDGs 1, 3, 4, 11, 12**
1. Poverty must be eliminated
 3. Health and Wellbeing
 4. Quality education
 11. Sustainable cities and communities
 12. consume and produce responsibly

Strategy for Driving

- Develop learning skills for employees by setting an annual employee knowledge development plan.
- Organize CSR activities with business partners, to develop the well-being of society and communities
- Add channels to publicize and provide knowledge about working capital sources to small entrepreneurs who do not have access to bank funds.

3. Environmental Dimension

Goal	<ul style="list-style-type: none"> ● There is a service for purchasing documents through the e-Factoring system. ● Increase the amount of credit available to industries related to energy saving and renewable energy ● Create awareness of caring for the environment
Commitment	<ul style="list-style-type: none"> ● Conduct business with care for the environment and reduce greenhouse gas emissions
Guidelines for sustainability operations	<ul style="list-style-type: none"> ● Raise the level of service in digital form ● Support working capital for environmentally friendly businesses ● Cultivate awareness of caring for the environment
Supporting the SDGs	<p>SDGs 6, 7, 13, 14, 15</p> <p>6. Clean water and hygiene 7. Clean and cheap energy 13. Solve global warming problems 14. Life in the water 15. Life on land</p>
Strategy for Driving	<ul style="list-style-type: none"> ● Develop a process for purchasing official transaction documents in digital form instead of purchasing documents that customers must submit in person. ● Support lending to industries related to energy saving. ● Provide activities and promote knowledge about environmental conservation and efficient use of resources.

Sustainability Governance

To ensure that the company's sustainability management is consistent with the policy and continuity in a systematic way, the Company has established a sustainability governance structure that defines duties and responsibilities from board level to operational level to integrate sustainability concepts into the Company's processes and work culture.



Sustainability Governance Structure

Roles and responsibilities in overseeing the sustainability of the company

Board of Directors

- Consider and approve policies and strategic directions regarding sustainability through the approval of the Nomination and Remuneration Committee, which is assigned to supervise the company's sustainable development work.
- Responsible for overall sustainability operations that are in line with corporate strategy.
- Supervise operations to be in accordance with sustainability policies.

Nomination and Remuneration Committee

- Screen policies and strategic directions regarding sustainability and present them to the Board of Directors for approval.
- Support the implementation of policies into practice
- Consider and approve sustainability performance results before reporting to the Board of Directors at least once a year.

Management meeting

- Draft policies and strategic directions for sustainability and present them to the Nomination and Remuneration Committee for consideration, screening and approval.
- Consider and approve strategic goals and plans, as well as support and provide advice on operational development.
- Follow up and evaluate performance in comparison with goals to report to the Nomination and Remuneration Committee at least once a year.
- Appoint working groups to manage emerging sustainability issues as appropriate.

Sustainability Working Group

- Participate in developing strategic goals and plans to present to the management meeting for consideration, screening and approval.
- Support and coordinate sustainability operations with relevant agencies.
- Review and improve sustainability policy
- Continuously communicate operating results and prepare an annual sustainability report.

3.2 Management of Impact on Stakeholders in Value Chain

3.2.1 Business value chain

From the main activities of the company's business operations, it is divided into 8 work groups: selling, financing, marketing, credit consideration, loan operations, receiving and transferring money, customer care and after-sales service.



Value chain management

The company has adopted the value chain management approach as an important strategy to strengthen the company and increase the efficiency of every process throughout the value chain by taking into account the maximum benefit that accrues to stakeholders. This covers trading partners, business alliances, customers, trade accounts receivable, and the surrounding society by creating work processes of every department to be consistent and continuous, also create sustainability and grow together throughout the value chain.

- **Strengthen business partners, customers, and account receivables along with the company's growth**

Create access to financial products for all levels of business operators, both large and small, through face-to-face marketing, online channels and the platforms of business partner companies, to grow together.

- **Environmentally friendly procurement**

select a location certified as a green building according to LEED standards to be an office location. In 2023, the company moved its office location to the Spring Tower building. The new building cares about reducing energy use and carbon emissions. It also has been designed with an emphasis on health and the environment and passed the gold level of LEED certification standard assessment.

- **Financial support for environmentally friendly entrepreneurs**

The company has launched a financial program to support green business entrepreneurs by offering special conditions to them.

Sustainable supply chain

1. Strengthen business operations by creating business cooperation with a variety of partner companies to achieve sustainable market growth.

2. Conduct credit considerations and credit operations using financial innovations to increase efficiency in providing services that are convenient, fast, easy to access, and meet customer needs.
3. Create added value in providing financial support to customers and trade receivables with potential for growth.
4. Promote and disseminate sustainable development guidelines to all stakeholder groups.

Material Issues for Sustainability

The company has defined sustainability issues based on the content determination principles from GRI reporting standards, which are international standards. This leads to the determination of important sustainability issues to be used in preparing the organization's strategic plan, company's management, establishment of a framework for operations within the organization as well as disclosing reports on operating results in accordance with the interests and expectations of stakeholders appropriately.

Process for evaluating material sustainability issues

1. Identification of material sustainability issues

- Gather important sustainability issues by studying sustainability trends related to the company's operations from internal data. Compare with other same business industry's sustainability issues that are emphasized as well as issues that are international importance and global changing trends. Compare with sustainability issues related to the company's business, such as the consideration criteria set by the Stock Exchange of Thailand (SET), etc.
- Identify relevant sustainability issues through the meetings of the sustainability team and all executives. The company specified that executives and heads of departments acting as a representative of each group of stakeholders including shareholders investors, regulatory agencies, customers, partners, employees, enemies, creditors, and surrounding communities/society.

2. Prioritizing

Prioritize important issues from the company's business operations and concerned issues from stakeholders. The importance of issues was divided into 3 levels: low, medium, and high, with 2 axes for considering importance:

Horizontal axis : Significant impacts and opportunities on the Company's business operations.

Vertical axis : Issues that stakeholders are interested in and give importance to.

3. Inspection

Present important sustainability issues to the management meeting for consideration and check suitability completeness of issues, to ensure that important issues for stakeholders and various impacts are taken into consideration. The information was used as a guideline in planning sustainability operations.

4. Monitoring and reviewing the results of performance

To enable operations to achieve relevant sustainability goals, the company has a process for reviewing sustainability issues, content, and priority. The company listen to stakeholders' opinions for development and using it to determine the direction of the company's sustainability operations going forward.

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

Summary of issues that are important to the company's sustainability operations

Economic and good corporate governance dimension

- 1. Company performance
- 2. The products with 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. Maintaining customer information and confidentiality

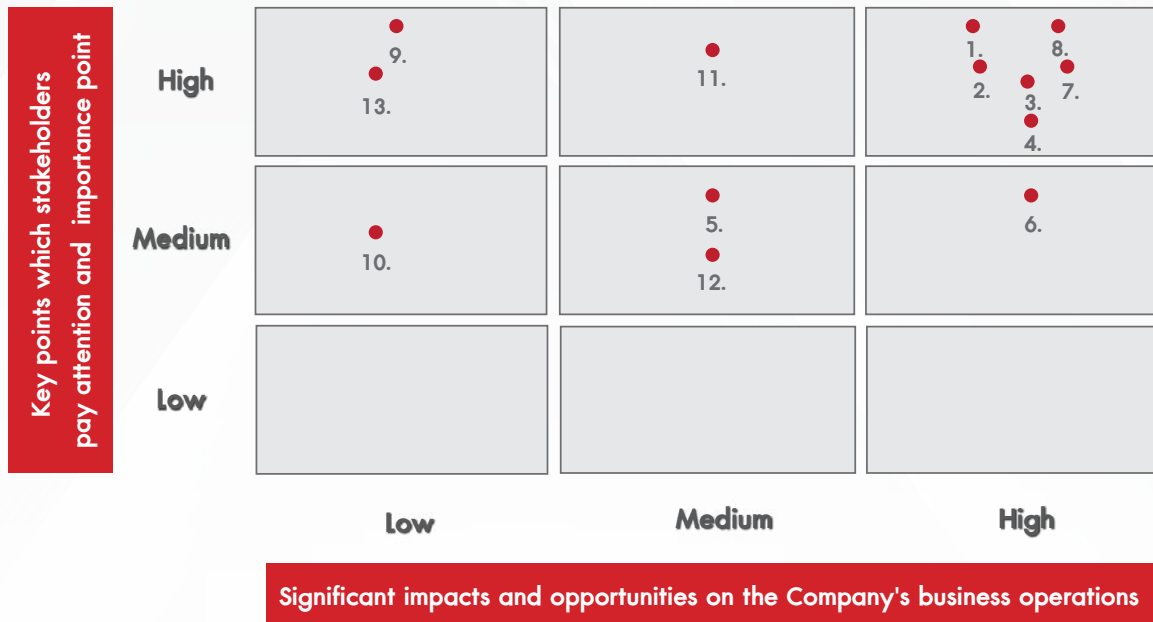
Social dimension

- 9. Treat business competitors fairly
- 10. Encourage SMEs to access funds
- 11. Enhance the good governance of the organization into an international level
- 12. Anti-Corruption

Environmental dimension

- 13. Loan services for businesses that are friendly to society and the environment

Results of important sustainability assessment (Materiality Assessment)



Level of impact : High

- Company performance
- The products with innovation to meet the needs of customers in the digital society
- Effective risk management
- Compliance with trade conditions and bank conditions
- Prevent business crime
- Maintaining customer information and confidentiality

Level of impact : Medium

- Enhance the good governance of the organization into an international level
- Labor management and labor relations
- Treat business competitors fairly
- Procurement of business partners that are beneficial to the company's business
- Anti-Corruption
- Loan services for businesses that are friendly to society and the environment

Level of impact : Low

- Encourage SMEs to access funds

3.2.2 Analysis of stakeholders in the business value chain

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

1. Stakeholder groups within the organization include directors, executives, employees, etc.
2. Stakeholder groups outside the organization include shareholders, competitors, business partners, customers, creditors, regulatory organizations and government agencies, society and the environment, etc.

Stakeholder Engagement

The company has identified stakeholders and studied the expectations or interests of each stakeholder group and has taken steps to meet the expectations of each stakeholder group through various channels as follows.

1 Directors, executives and employees

Expectation / interest of stakeholders

- Acknowledge the policy, business direction, work guidelines
- Develop knowledge and capacity of employee
- Receive good welfare
- 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

Proceed to respond to expectations/interests of stakeholders

1) Creating an administrative process for a good relationship between management and employees.

2) The company has criteria for personnel recruiting and selecting which focus on experience, ability, and attitude. It is used as information for recruitment and selection of personnel by considering consistency with the Company's business strategy as the focus. Moreover, there are monitoring and evaluation of employee probation results under the guidelines for continuous development and teaching.

3) The company encourages employees to receive equal and suitable training for their progress and stability. The budget has been allocated for training while training and development plans for employees have been prepared. The employee's trainings focus on gaining skills, enhancing knowledge, exchanging experiences, and improving weaknesses arising from the evaluation of work performance. The Company has also conducted a long-term personnel development plan to support future growth. The career growth plans have been prepared for employees. This provides employees the opportunity to advance in their careers according to their knowledge and abilities, also fully utilize their potential.

4) Retaining employees with the ability to perform their jobs. The Company considers that retaining employees with the organization is important. Therefore, the following benefits will be provided for employees.

4.1) Providing appropriate compensation for work performance to employees according to their qualifications, knowledge, abilities, and work experience. In addition, the company has specified the consideration of increasing the annual salary rate for employees once a year based on the employee's performance. The Company will use the Key Performance Indicator (KPI) system as a tool for considering the performance of employees and departments.

4.2) Providing various benefits to employees, including accident insurance, life insurance, health insurance, and medical expenses. So that employees can withdraw medical expenses in addition to withdrawing from social security. It helps relieve the burden of medical care costs for employees. An annual health examination is arranged once a year to keep employees in good health. Other benefits, such as marriage money, cremation money, internal and external training, are also provided for employees.

4.3) Providing a provident fund for employees who have completed their service period as determined by the company.

4.4) Organizing activities within the company that employees at all levels can participate. The management team has organized various activities such as knowledge sharing, New Year's party, sports, etc., to create good relationships among the directors, senior executives, and employees. The company also provide opportunities for employees to participate in expressing their opinions freely so various suggestions can be taken into consideration and presented to the management team.

5) Succession of position or preparation of executives. The Company has a policy for preparing replacement of executives on a continuous basis, to be sufficient for business expansion and organizational structure changes. Th policy will help company to prepare and develop the capabilities of executives in managing work that will occur in the future.

Communication channels

- Orientation for new employees and directors
- Regularly communicate public relations through newsletters to employees via intranet, e-mail and Line.
- Organize activities to strengthen good relationships, sharing experiences and knowledge between employees and executives.
- There are regular meetings of directors, executives every month.
- Communication from the Chief Executive Officer with company employees (Town Hall Meeting) every month.
- Organize a party to strengthen unity.

2. Shareholders

Expectation / interest of stakeholders

- 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.

Proceed to respond to expectations/interests of stakeholders

- Pay dividend to shareholders at an appropriate rate.
- Disclose accurate, sufficient, timely, and reliable information. to shareholders

- Business in accordance with good business supervision policies
- Inviting shareholders to attend an annual general shareholder meeting by providing opportunities to express their opinions and suggest to the company.

Communication channels

- Shareholder meeting
- Attend Opportunity Day
- Attend MAI Forum
- Giving interviews through various media about operating results
- Disclose information through the Stock Exchange's Set Portal system, printed media, and the company's website.
- Provide information in the form of annual report 56-1 one report
- Provide information in the form of news notifications to the Stock Exchange of Thailand
- Provide information in the form of a description and analysis of the financial position and operating results.
- Receive suggestions or complaints

3. Competitor

Expectation / interest of stakeholders

- Conduct business and compete fairly and transparently
- Exchange useful opinions

Proceed to respond to expectations/interests of stakeholders

The Company treats business competitors in accordance with the rules of fair competition by maintaining the standards of conduct in competition, without violating secrets or knowing the trade secrets of competitors through fraudulent means, and do not create an unfair competitive advantage.

Communication channels

Attend meetings and exchange information between factoring entrepreneurs through the Factoring Entrepreneurs Association.

4. Business Partners / Trade Creditors / Banks

Expectation / interest of stakeholders

- Select partners transparently and fairly
- Treat all trading partners equally.
- Follow contractual requirements
- No corruption in procurement.
- Receive compensation as agreed
- Receive interest payments and repay loans on time
- Accurate, clear, and appropriate information is communicated.

Proceed to respond to expectations/interests of stakeholders

- Establish regulations regarding procurement, specifying the scope, criteria, and various related procedures clearly to ensure transparency and have procedures that can be examined.
- Provide accurate, clear and equitable information to trading partners
- Organize meetings with partners to develop business relationships together.
- Follow the trade conditions and bank agreements
- Pay interest and repay loans as scheduled.
- Work with affiliate companies to expand the market base. and generate income for new businesses

Communication channels

- Meetings with partners and business partners
- Suggestions or complaints

5. Customers and trade receivables**Expectation / interest of stakeholders**

- Receive complete and accurate information about products
- Products and services are easily accessible and quickly respond to customer needs has a reasonable price
- having a system for maintaining information/confidentiality and customer privacy.
- receive equal service

Proceed to respond to expectations/interests of stakeholders

The company is committed to responding and providing good service, for creating satisfaction and confidence among customers and debtors as follows:

- 1) Provide a fair contract and communicate information about the company's services for the correct understanding of the customer.
- 2) Maintain the confidentiality of customers and debtors tightly, do not disclose such confidential information to other persons, unless consent is obtained from the customer or debtor / or the process is for further legal action.
- 3) Give advice using reasonable caution with the aim to provide customers and debtors with appropriate benefits and satisfaction.
- 4) Disclose correct and complete product and service information.
- 5) Develop systems and channels for accessing products and services through digital channels that are easy to access. and can provide fast service Responding to the needs of customers in the digital society era
- 6) Effective credit approval risk management

- 7) Having a business crime prevention system.
- 8) Customer information and secrets are maintained.

Communication channels

- Meeting and visiting customers' businesses regularly.
- Public relations through various channels such as corporate websites and various platforms.
- There is a channel to receive suggestions. or complaints

6. Regulatory organizations and government agencies

Expectation / interest of stakeholders

- Follow rules and regulations and related laws
- Accurate, transparent, and verifiable

Proceed to respond to expectations/interests of stakeholders

The company complies with laws, announcements, requirements, and regulations, that set by governing organizations and related agencies, such as the Department of Business Development, Ministry of Commerce, the Revenue Department, Ministry of Finance, Stock Exchange of Thailand, and Office of the Securities and Exchange Commission, etc.

The company creates operating guidelines (SOP) for employees to follow in accordance with regulations. Regulations and laws

There is an internal supervision and audit unit to review work to ensure compliance with the specified SOP.

Communication channels

- Regularly communicate with regulatory organizations through regulatory agencies (Compliance).
- Communicate with supervisory authorities through related activities, such as inspections by supervisory organizations. Meeting to discuss important matters as appropriate

7. Society and environment

Expectation / interest of stakeholders

- Conduct business with honesty Do business transparently
- Promote people in the community to have a good quality of life.
- Promote and support social activities and take care of the community.
- Do not destroy the environment and participate in environmental conservation.

Proceed to respond to expectations/interests of stakeholders

The company is committed to conduct business with ethics according to the principles of corporate governance along with caring for society and the environment, promoting and supporting sustainable growth, all based on ethics and transparency. Therefore, the company focus on

providing credit services to SME entrepreneur because we believe that they are a group that can drive the country's economy to grow.

The company conducts business with social concern. There is a return of profits to society by donating money and items to various educational institutions and hospitals, and participating in environmental conservation and community care activities with the Stock Exchange of Thailand.

In addition, the company also supports the efficient and cost-effective use of energy, such as developing operating systems to reduce paper use in the work process and encouraging employees to work together to save global warming.

There is an invitation for employees to think before printing. Including the use of used paper, etc.

Communication channels

Public activities about social and the environment through the company website.

Important sustainability performance in 2023

Economic dimension

- The development of the E Factoring system has been completed and has begun to be used with test customers. There were 50 transactions through the E Factoring system.
- Development of the Online Factoring system was completed in December 2023. The service is now available.
- Customers have a satisfaction level of 80 points in using the company's services (from a target of more than 75 points). Satisfaction Survey was a random survey of satisfaction from 500 customers, divided into 3 areas: product factoring, service and reliability

3.3 Sustainability Management in Environmental Resolutions

3.3.1 Environmental policies and practices

Due to economic expansion, the demand for resources has increased. Leading to environmental impacts such as the problem of overflowing garbage in the city, air pollution, water pollution, and climate change. All mentioned causes are sources of global warming, drought and flood, these environmental impacts that occur cannot be separately solved by someone, but it is imperative to build cooperation to together 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 in eco-friendly ways. For business operation, the company is committed to environmentally conscious outcomes, and reduces greenhouse gas emissions. Then, a 3-year main plan has established for environmentally friendly business operations.

The main goal in conducting business in eco-friendly ways.

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 and 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 and energy consumption in the documentation process and document delivery, such as the cost of purchasing paper, toner, photocopying, electricity, cost of traveling, fuel. In addition, to reduce the number of staff by developing the process of purchasing official documents in the form of digital instead of face-to-face document handover by customers.
- **Supporting working capital to environmentally friendly businesses** : aim to support working capital for clean energy industries without pollution released into the environment, as well as business sectors that operate their business with care for the environment. The company has offer special conditions for industries related to energy saving.
- **Raise awareness of environmental care** : cultivate environmental conservation consciousness in the company, raise awareness and encourage employees to conserve energy and reduce the amount of greenhouse gases, as well as promote the reduction and management of waste in the company by providing activities and knowledge on environmental conservation and efficient use of resources.
- **Encourage employees to use resources wisely and economically** for the most value, such as creating the “Think before You Print” project, using reuse paper, turning off lights when not in use, etc.

The company has launched campaigns for the efficient use of resources under the concept of 3 Rs, which are:

Reduce :

- Develop customer service through electronic channels, develop a process for purchasing official transaction documents in digital form instead of purchasing documents that customers must submit in person. To reduce fuel consumption in customer travel and reduce the use of paper in operations.
- Develop innovation and technology to serve customers. To reduce operating costs, increase income and expand business opportunities.
- Increase communication channels to publicize information via online channels. To reduce paper use, reduce waste and reduce printing costs.
- Apply technology for the company’s internal meetings. To reduce the amount of paper used for meeting’s documents. The meeting documents will be delivered in the form of electronic files.
- Support the selection of environmentally friendly products that does not destroy nature, for example, the properties of the purchased paper must be environmentally friendly. The source of raw materials for paper production must not support deforestation.

Reuse :

- waste by reusing it. Campaign to use both sides of paper and reuse used packaging.

Recycle:

- Separate waste for recycling such as paper, plastic water bottles and sell to related entrepreneurs.

Waste management

- Promote waste reduction by encourage employees to see the value of leftover coffee grounds. The company invites employees to use coffee grounds as fertilizer for trees instead of throwing them away.
- Toxic waste management. The company provides a space for employees to dispose of toxic waste such as old light bulbs, expired batteries, etc.

3.3.2 Environmental performance results in 2023

- Value of loan support for environmentally friendly business projects: 60.0 million baht
- Moved the business location to Spring Tower Building, which is an energy-saving building certified as a green building according to United States standards. Leadership in Energy and Environmental Design (LEED) at the gold level (Gold).
- The company is committed to reducing greenhouse gas emissions. In 2023, the company set up a working team to study information about carbon footprint and recruit consultants to prepare carbon footprint.

3.4 Sustainability management in the social dimension**3.4.1 Social policies and practices**

The company has emphasized on managing sustainability in the social dimension with various groups of stakeholders. We are committed to provide business loan services that meet the needs of customers at all levels. The company's business operation is under the mission of developing comprehensive products and services, along with consideration to the environment, society, and corporate governance (ESG).

Human rights guidelines

The Company respects human rights according to the United Nations Guiding Principles on Business and Human Rights, complies with human rights laws, and avoid any act considered violation of human rights among people involved in every sector. With respect for human value and basic rights, treating others equally, and prohibition of discrimination, the company has provided corporate governance and planned business operations carefully, to ensure no problems that may contribute to the violation of the rights of employees, communities, and society. The company brings the issues regarding respect for human rights to contained in the company's guidelines, which are respecting human rights both within the organization; shareholders and employees, and outside the organization; other stakeholder groups, such as customers, partners, communities, and society, etc.

In terms of employees, the company realizes that employees are an important resource in driving the company's business to success. The company treats employees with fairness, respect their human rights, offer equal development opportunities for both male and female employees. Moreover, the company has fair and equal hiring process that does not discriminate based on gender, race, ethnicity, and physical ability. We emphasized on employee's good quality of life as well as provided career development opportunities along with the company's growth.

In terms of shareholders, information is disclosed transparently, fairly, and equally, to increase all groups of shareholder's confidences in receiving equal treatment and protection of their basic rights.

In terms of customer, the company is committed to conducting business responsibly. The Information of products and services is disclosed completely, correctly, without distorting facts, by considering the interests of customers as important. The Company also provides fair customer service, maintains the confidentiality of customer information, as well as monitors customer satisfaction and listen to their comments and complaints about products and services, to develop and raise the level of satisfaction and trust from customers.

PDPA

Customer personal information is maintained and protected following the Personal Data Protection Act, to prevent personal data from being processed unlawfully. The company therefore has established guidelines for protecting personal information including collecting, using, or disclosing personal information, requesting and withdrawing consent of the owner of personal data, privacy notice, measures to ensure the exercise of the rights of personal data owners, period of retention and deletion of personal information, personal information security measures, notification of personal data breach and guidelines for disclosing customer information.

Maintain the confidentiality and security of customers' personal information.

In addition, the policy on business ethics has specified the confidentiality and security of customers' personal information, it is mentioned that the company will not profit from customers' personal information and will not disclose customer information, except with the customer's consent or as required by law, for example, disclosing information to government agencies according to law. The company has also appointed a Personal Data Protection Officer (DPO) and risk management. In addition, an impact assessment on personal data protection has been prepared and there is also an internal audit regarding personal data protection and training knowledge about personal data protection for the company's employees as well.

In terms of trading partners, all business partners are treated equally and fairly in conducting business. The company prepares an appropriate form of contract, complies with contracts and various conditions that are strictly agreed upon, to ensure it is transparent, acting without bias, and can be verified. Moreover, the company also has a control system in place to prevent the disclosure of confidential information of trading partners and conduct business by illegal means.

Channel for receiving complaints and suggestions regarding human rights matters

In addition, there is also a channel for receiving complaints, suggestions, and recommendations regarding human rights to employees and customer with management guidelines complaints appropriately. The follow-up and appropriate remedies in the event of various problems are also provided.

3.4.2 Social performance in 2023

Employee :

- **Receive training to develop knowledge**
 - ▲ Training outside the organization, averaging 3.00 hours per person per year.
 - ▲ Training within the organization, averaging 5.27 hours per person per year.

The goal is for 50 percent of employees to receive at least 6 hours of training per person/year.
- **Flexitime** : work from 8:30 a.m. - 5:00 p.m. changed to 8:00 a.m. - 4:30 p.m. so that employees can choose the time they come in and leave work. As appropriate for the time period necessary for living life
- **Work From Anywhere** : for employees who need to take care of family members such as parents, children, or partners who need to be taken care of in the event of illness or need to see a doctor according to an appointment.
- **Promote activities to build relationships between employees, such as**
 - ▲ Football sports activities
 - ▲ Knowledge Sharing activities every month
- **Create a happy working atmosphere** : Move the workplace to have more work space, have meeting rooms of various sizes to facilitate work.

Customer

- Support small SME business owners, who cannot access to working capital from financial institutions, to access the funding sources and expand business growth.

Community and society

- Distributed financial support to Simulation and CPR Training Center (SCTC), King Chulalongkorn Memorial Hospital, the Thai Red Cross Society, on September 14, 2023
- Distributed financial support to Ban Ploen Watthana Subdistrict and Krathum Lom Subdistrict's Health Promotion Hospitals, Nakhon Pathom Province, on September 26, 2023
- Donated to support activities under the 9th "AIRA Project for Society towards Sustainable Development" at Wat Thamle Thai Prot Sat School, Bang Pa-in District, Ayutthaya Province, on November 29, 2023

4. Management Discussion and Analysis (MD&A)

4.1 Management Discussion and Analysis and Factors/Situations Which May Significantly Affect the Financial Position and Operating Performance in the Future

Financial Performance Explanation and Analysis

- **Thai economy and operating effect**

In quarter 4, 2023 The Thai economy is likely to recover but at a slower rate. This depends on the recovery of the tourism and private consumption will gain further momentum due to the return of tourists, while merchandise exports slowed down but it will be better in 2024. At the same time there is still uncertainty from higher inflation trends. As a result, the policy interest rate continuously high compared to the previous year. Including the political situation that is still higher uncertain.

The company has adjusted its operating strategy and started using Online Factoring System beside of landing E-Factoring system in quarter 4, 2023, which is a service upgrade in line with the development framework used to business growth up (ESG), this will allow for more efficient control over operations.

- **Analysis of operating results for the year ending 31 December 2023 compared to the same period in 2022.**

Performance and Profitability

During the year of 2023 and 2022, interest income from factoring were 173.61 million Baht and 158.14 million Baht or equivalent to 72.0% and 69.8% of total revenues respectively. Fees and services income were 50.68 million Baht and 47.75 million or 21.0% and 21.1% respectively. Interest received from loans amounted to 15.30 million Baht and 19.42 million Baht or 6.3% and 8.6% respectively. Total revenues were 241.17 million Baht and 226.50 million Baht respectively. Finance costs were 63.45 million Baht and 42.57 million Baht or 26.3% and 18.8% respectively. The Company's gross profits were 176.74 million Baht and 182.85 million Baht or 73.77% and 81.15% respectively.

During the year of 2023 and 2022, the Company's administrative expenses were 115.16 million Baht and 107.81 million Baht or 47.8% and 47.6% of total revenues. Allowance for expected credit losses was 53.11 million Baht and 19.35 million Baht respectively or 22.0% and 8.5% of total revenues. The Company has increase of Provision for doubtful account and finance cost due to the increase in the Bank's policy interest rate, net profit for 2023 amounted to 6.82 million baht, a decrease from 2022, which was equal to 38.44 million baht, or a percentage (84.9).

Financial Status as at 31 December 2023

The Company's total assets as at December 31, 2023 were 2,504.46 million Baht which increased by 120.16 million Baht or 5.0% compared to as at December 31, 2022.

Current assets as at December 31, 2023 were 2,391.04 million Baht which increased by 81.65 million Baht or 3.5% compared to as at December 31, 2022. Largest proportion was Factoring Receivables as at December 31, 2023 were 1,970.78 million Baht or equivalent to 78.7% of total assets.

Non-current assets as at December 31, 2023 were 113.42 million Baht or equivalent to 4.5% of total assets which increased 38.51 million Baht.

Total liabilities as at December 31, 2023 were 1,972.02 million Baht or equivalent to 78.9% of total liabilities and shareholders' equity which increased 113.34 million Baht or 6.1% compared to as at December 31, 2022 as a result of short-term loan from financial institutions and related companies which is in line with the increased in assets of loan receivable. Including increased from liabilities under finance lease because the company has moved to a new office.

Liquidity and Capital Adequacy

As at December 31, 2023, shareholder s' equity was 532.44 million Baht or equivalent to 21.3% of total liabilities which increased by 120.16 million Baht or equivalent to 5.0% from the same period last year.

As at December 31, 2023, the Company had current ratio 1.23 and debt to equity 3.70 with an available credit facilities which had not yet been drawn down amounted to 835 million Baht. Indicating the Company has capital and adequacy funding sources, suitable financial structure and liquidity for carry on business operations.

Financial Ratios

The financial ratios were on good ratios. The Company had current ratio 1.23 reflecting good liquidity, Also net profit margin of 2.83%, Return on equity 1.28% and debt to equity 3.70.

Commitments and Contingent Liabilities

The Company has entered into lease agreements in respect of the lease of office building space and service agreements. The terms of the agreements are generally 2 years 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. Information from Financial Statements

Summary of audit report

Financial statement of 31 December 2023

To audit by Mrs. Poonnard Paucharoen, Certified Public Accountant (Thailand) No. 5238 from EY Office Company Limited which expressed the statement of financial position as at 31 December 2023, and its financial performance and cash flows for the year then ended of AIRA Factoring Public Company Limited present fairly in accordance with Thai Financial Reporting Standards.

Financial statement of 31 December 2022

To audit by Mrs. Poonnard Paucharoen, Certified Public Accountant (Thailand) No. 5238 from EY Office Company Limited which expressed the statement of financial position as at 31 December 2022, and its financial performance and cash flows for the year then ended of AIRA Factoring Public Company Limited present fairly in accordance with Thai Financial Reporting Standards.

Financial statement of 31 December 2021

To audit by Mrs. Poonnard Paucharoen, Certified Public Accountant (Thailand) No. 5238 from EY Office Company Limited which expressed the statement of financial position as at 31 December 2021, and its financial performance and cash flows for the year then ended of AIRA Factoring Public Company Limited present fairly in accordance with Thai Financial Reporting Standards.

Aira Factoring Public Company Limited Statement of Financial Position
As of 31 December 2023, 2022 and 2021

(Unit: Baht)

Statement of financial position	31-Dec-23	%	31-Dec-22	%	31-Dec-21	%
Current Assets						
Cash and cash equivalents	97,903,325	3.91	69,148,621	2.90	99,985,362	4.33
Factoring receivables	1,970,783,038	78.69	2,064,534,897	86.59	1,901,366,247	82.26
Current portion of loan receivables	249,916,218	9.98	83,960,159	3.52	217,731,773	9.42
Short-term loans to related party	70,000,000	2.80	89,861,617	3.77	-	0.00
Other receivables	1,276,316	0.05	1,212,165	0.05	1,474,139	0.06
Other current assets	1,161,851	0.04	673,025	0.03	1,000,055	0.04
Total Current Assets	2,391,040,748	95.47	2,309,390,484	96.86	2,221,557,576	96.11
Non-Current Assets						
Loan receivables - net of current portion	45,729,170	1.82	40,342,762	1.69	56,415,594	2.44
Equipment	6,203,156	0.25	988,944	0.04	678,700	0.03
Right-of-use assets	19,459,102	0.78	3,343,850	0.14	2,821,152	0.12
Intangible assets	5,071,281	0.20	5,395,922	0.23	7,063,050	0.31
Deposits and guarantees	1,949,991	0.08	286,818	0.01	286,818	0.01
Deferred tax assets	35,006,959	1.40	24,549,468	1.03	22,716,586	0.98
Total Non-current Assets	113,419,659	4.53	74,907,764	3.14	89,981,900	3.89
Total Assets	2,504,460,407	100.00	2,384,298,248	100.00	2,311,539,476	100.00
Current Liabilities						
Short-term loans from financial institutions	1,755,000,000	70.07	1,690,000,000	70.88	1,648,000,000	71.29
Short-term loans from related party	90,000,000	3.59	-	0.00	-	0.00
Retentions from factoring	48,971,869	1.96	61,506,072	2.58	51,113,521	2.21
Current portion of long-term loan	-	0.00	-	0.00	12,000,000	0.52
Current portion of lease liabilities	9,432,861	0.38	2,382,402	0.10	2,372,991	0.10
Dividend payables	-	0.00	51,200,000	2.15	-	0.00
Excess receipts awaiting to repay	23,671,087	0.94	22,440,550	0.94	34,760,794	1.50
Other payables	9,505,613	0.38	6,432,795	0.27	5,364,540	0.23
Income tax payables	5,467,672	0.22	6,187,875	0.26	4,300,278	0.19
Other current liabilities	1,256,046	0.05	2,016,432	0.08	2,989,423	0.13
Total current liabilities	1,943,305,148	77.59	1,842,166,126	77.26	1,760,901,547	76.18

Aira Factoring Public Company Limited Statement of Financial Position
As of 31 December 2023, 2022 and 2021 (Continued)

(Unit: Baht)

Financial Statement	31-Dec-23	%	31-Dec-22	%	31-Dec-21	%
Non-current liabilities						
Lease liabilities, net of current portion	11,703,402	0.47	1,027,954	0.04	563,168	0.02
Provision for long-term employee benefits	17,009,573	0.68	15,480,379	0.65	19,319,302	0.84
Total non-current liabilities	28,712,975	1.15	16,508,333	0.69	19,882,470	0.86
Total Liabilities	1,972,018,123	78.74	1,858,674,459	77.95	1,780,784,017	77.04
Shareholders' equity						
Share capital : Registered 1,600,000,000 ordinary shares of Baht 0.25 each	400,000,000	15.97	400,000,000	16.78	400,000,000	17.30
Share premium	75,844,889	3.03	75,844,889	3.18	75,844,889	3.28
Capital contribution from parent company	406,077	0.02	406,077	0.02	406,077	0.02
Retained earnings :						
Appropriated-statutory reserve	37,370,000	1.49	36,970,000	1.55	34,700,000	1.50
Unappropriated	18,821,318	0.75	12,402,823	0.52	19,804,493	0.86
Total shareholders' equity	532,442,284	21.26	525,623,789	22.05	530,755,459	22.96
Total liabilities and shareholders' equity	2,504,460,407	100.00	2,384,298,248	100.00	2,311,539,476	100.00

Statement of comprehensive income
As at 31 December 2023, 2022 and 2021

(Unit: Baht)

Statement of comprehensive income	31-Dec-23	%	31-Dec-22	%	31-Dec-21	%
Revenues						
Interest income from factoring	173,614,605	71.99	158,141,816	69.82	139,099,512	70.31
Fee and service income	50,677,257	21.01	47,753,025	21.08	40,106,368	20.27
Interest income from loans	15,302,474	6.34	19,415,300	8.57	17,131,416	8.66
Finance costs	(63,453,231)	-26.31	(42,566,195)	-18.79	(34,767,643)	-17.57
Gross Profit*	176,737,491	73.77	182,743,946	81.11	161,569,653	82.29
Other income	1,576,220	0.65	1,186,646	0.53	1,499,381	0.76
Total revenues	241,170,556	100.00	226,496,787	100.00	197,836,677	100.00
Expenses						
Administrative expenses	(115,160,405)	-47.75	(107,808,117)	-47.60	(100,368,261)	-50.73%
Expected credit loss	(53,105,059)	-22.02	(19,347,138)	-8.54	1,884,358	0.95%
Profit before income tax expenses	9,451,861	3.92	56,775,337	25.07	64,585,131	32.65
Income tax expenses	(2,633,366)	1.09	(11,514,621)	5.09	(15,068,702)	7.62
Profit for the year	6,818,495	2.83	45,260,716	19.98	49,516,429	25.03
Other comprehensive income:						
Other comprehensive income not to be reclassified to profit or loss in subsequent periods						
Gain on remeasurement of defined benefit plans	-	0.00	1,009,518	0.45	-	0.00
Less: Income tax effect	-	0.00	(201,904)	-0.09	-	0.00
Total comprehensive income for the year	6,818,495	2.83	46,068,330	20.34	49,516,429	25.03
Weighted Average Number of Ordinary Shares	1,600,000,000		1,600,000,000		1,600,000,000	
EPS	0.0043		0.0283		0.0309	

Cash flow statement
As at 31 December 2023, 2022 and 2021

(Unit: Baht)

Cash flow statement	31-Dec-23	31-Dec-22	31-Dec-21
Cash flows from operating activities			
Profit before tax	9,451,861	56,775,337	64,585,131
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating:			
Depreciation and amortization	11,363,267	8,580,928	8,661,392
Expected credit losses (reversal)	53,105,059	19,347,138	(1,884,358)
Gain on write-off of equipment	(20,410)	(811,997)	-
Write-off equipment	-	10	-
Gain on disposal of assets held for sale	-	-	(1,000,000)
Provision for long-term employee benefits	2,678,283	2,432,477	2,768,691
Finance cost	63,453,231	42,566,195	34,767,643
Profit from operating activities before changes in operating assets and liabilities	140,031,291	128,890,088	107,898,499
Operating assets (increase) decrease			
Factoring receivables	46,771,753	(180,518,909)	(77,035,537)
Loan receivables	(177,188,431)	148,026,175	(29,295,515)
Short-term loans to related party	20,000,000	(90,000,000)	-
Other receivables	(481,523)	221,749	(190,661)
Other current assets	(488,826)	327,030	295,643
Deposits and guarantees	(1,663,173)	-	6,000
Operating liabilities increase (decrease)			
Retentions from factoring	(12,534,203)	10,392,551	9,251,339
Excess receipts awaiting to repay	1,230,537	(12,320,244)	12,841,140
Other payables	2,724,756	1,108,507	(211,105)
Other current liabilities	(760,386)	(972,991)	1,787,657
Cash flows from operating activities	17,641,795	5,153,956	25,347,460
Cash paid for interest	(63,054,570)	(42,375,140)	(34,148,595)
Cash paid for long-term employee benefits	(1,149,089)	(5,261,882)	-
Cash paid for corporate income tax	(13,811,060)	(11,661,809)	(11,254,300)
Net cash flows used in operating activities	(60,372,924)	(54,144,875)	(20,055,435)
Cash flows from investing activities			
Cash paid for acquisition of equipment	(6,214,189)	(607,308)	(432,270)
Cash paid for acquisition of intangible assets	(1,645,328)	(1,241,253)	(642,000)
Proceeds from disposal of equipment	23,988	812,000	-
Proceeds from disposal of assets held for sale	-	-	400,000
Net cash flows used in investing activities	(7,835,529)	(1,036,561)	(674,270)

Cash flow statement
As at 31 December 2023, 2022 and 2021 (Continued)

(Unit: Baht)

Cash flow statement	31-Dec-23	31-Dec-22	31-Dec-21
Cash flows from financing activities			
Increase in short-term loans from financial institutions	65,000,000	42,000,000	125,000,000
Increase in short-term loans from related party	90,000,000	-	50,000,000
Decrease in short-term loans from related party	-	-	(50,000,000)
Increase in long-term loans (decrease)	-	(12,000,000)	12,000,000
Payment of liabilities under lease agreements	(6,836,843)	(5,655,305)	(5,204,748)
Cash for dividend paid	(51,200,000)	-	(73,600,000)
Net increase(decrease) in cash and cash equivalents	96,963,157	24,344,695	58,195,252
Net increase in cash and cash equivalents	28,754,704	(30,836,741)	37,465,547
Cash and cash equivalents at beginning of year	69,148,621	99,985,362	62,519,815
Cash and cash equivalents at end of year	97,903,325	69,148,621	99,985,362

Financial Ratios
As of 31 December 2023 ,2022 and 2021

(Unit: Baht)

Financial Ratios		31-Dec-23	31-Dec-22	31-Dec-21
Liquidity Ratio				
Current Ratio	Times	1.23	1.25	1.26
Profitability Ratio				
Gross Profit Margin*	%	73.77	81.11	80.60
Net Profit Margin	%	2.83	19.98	25.03
Return On Equity or ROE	%	1.28	8.61	9.33
Efficiency Ratio				
Return on Asset or ROA	%	0.27	1.90	2.14
Financial Ratio				
Debt to Asset Ratio	Times	0.79	0.78	0.77
Debt to Equity	Times	3.70	3.54	3.36
Interest Coverage Ratio	Times	1.15	2.33	2.86

*Gross Profit not include interest on lease liabilities.

5. General and Other Important Information

5.1 General Information of Referenced Entities

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 Miss. Sumana Punpongsanon Miss. Orawan Techawatanasirikul Miss. Kirdsiri Kanjanaprakasit	CPA Registration No. 5238 or CPA Registration No. 5872 or CPA Registration No. 4807 or CPA Registration No. 6014
	EY Office Limited 193/136-137 Lake Rajada Office Complex 33rd Floor Ratchadaphisek Rd, Khlong Tan Nuea, Khet Khlong 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, 2023, 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 Corporate Governance Policies 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 2023, 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 fourth consecutive year since 2020.

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.

1. 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.

In 2023, the company has reviewed the qualifications of those selected to be company directors, the sources for recruiting directors and the process for recruiting and selecting company directors and sub-committees as follows.

Recruitment Criteria :

Based on transparency and in line with the Company’s business strategy 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.

The Company has provided an opportunity for shareholders to nominate names of persons with suitable qualifications to be considered for election as directors of the Company in advance of the date of the general meeting of shareholders, for a period of 3 months, from October 1 to the 31st. December of every year by publishing the criteria, nomination methods, and procedures for nominating names on the company's website.

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

Qualifications of the Board of Directors

1) 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

2) Having knowledges, abilities, skills, or experiences that suitable for the Company's business strategy

3) 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.

4) 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) 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.

Source of information : The Nomination and Remuneration Committee recruits the qualified persons from various sources.

- The Board of Director recommendations
- The shareholders nominations
- Recommendations from external consulting firm
- Information from Director Pool, Thai Institute of Directors (IOD)

Recruitment and Selection Process for Company Directors and Sub-committees

1. Consider the appropriateness of the board structure, composition, band diversity of skills (Board Skills Matrix) and determine necessary qualifications to be appropriate and consistent with the company's strategy.
2. Recruit the right person with required qualifications and nominate a list of the most suitable persons to the Board of Directors to propose in the shareholders' meeting for consideration and selection on a case-by-case basis.

3. In the case of nominating directors whose terms have expired to return to serve as directors for another term. Various factors will be considered such as work performance, continuity in administration, number of meeting attendance and participation, and participation in various activities of the Company's Board of Directors. The Nomination and Remuneration Committee will nominate the names of candidates to the Company's Board of Directors for further consideration and proposing to the shareholders' meeting for consideration and approval.

For 2023, the Nomination and Remuneration Committee has selected and nominated a person with appropriate qualifications to hold the position of Director of the Company, Mrs. Pornpilai Burasai, to replace Mrs. Nongluk Chantarasombat, who resigned from the position of Director of the Company.

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.

2. 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 assessment is scheduled to be reviewed annually.

In 2023, there will be an increase in the necessary skills of company directors in 1 area namely ESG.

There are 8 important and necessary skills for company directors 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
8. ESG

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	ESG
1. Mr. Sorasit Soontornkes	✓	✓	✓	✓	✓	✓	✗	✗
2. Mr. Kunakorn Makchaidee	✓	✓	✓	✓	✓	✓	✓	✗
3. Mrs. Yajai Pattanasukwasun	✓	✓	✓	✓	✓	✓	✗	✓
4. Mrs. Ladavan Tanatanit	✓	✓	✓	✓	✓	✓	✗	✗
5. Mr. Poonsak Thiapairat	✓	✓	✓	✓	✓	✓	✗	✓
6. Mr. Visit Vongruamlarp	✓	✓	✓	✓	✓	✓	✗	✓
7. Mrs. Nalinee Ngamsettamass	✓	✓	✓	✓	✓	✓	✓	✓
8. Admiral Navapol Damrongpong	✓	✓	✓	✓	✓	✓	✓	✓
9. Mrs. Pornpilai Burasai	✓	✓	✓	✓	✓	✓	✓	✓
10. Mr. Akrawit Sooksai	✓	✓	✓	✓	✓	✓	✓	✓
Having experience, knowledge, ability	10	10	10	10	10	10	5	7
No experience, knowledge, ability	-	-	-	-	-	-	5	3

The result of assessment found that

- All Directors have the skills, knowledge, abilities and experience necessary for the company's business operation in 6 areas out of a total of 8 as follows
 - business, management, strategic planning,
 - accounting, finance, internal audit, governance
 - credit business, financial institutions
 - factoring business
 - organizational risk management
 - business law
- There are 5 directors with skills, knowledge, abilities, and experience in information technology and 7 persons in ESG.

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

- o Plan to develop knowledges for Directors on information Technology and ESG matters.

For the nomination of new Directors

- o Determine the qualifications of new directors who must be nominated in the future, he/she should have skills and knowledges in business operations for sustainability (SD) as well as information technology

3. 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.

4. 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.

5. Independence of the Board of Directors from Management

The Chairman of the Board of Directors and the Chief Executive Officer are not the same person. The responsibilities of the Board of Directors and the Management are clearly separated.

The Board of Directors is responsible for giving opinions on the action plan as well as suggesting strategies for the Company. Their roles are also to monitor management's work to ensure that appropriate policies and procedures are effectively implemented.

The Board of Directors is responsible for supervising the management to perform their duties with care, caution, and honesty, as well as considering the maximum benefit of the company and its stakeholders, to increase the economic value of the company.

The Board of Directors will not be involved in the responsibilities of the management or implementing the policies of the Board Director in practice. The relationship between the Board of Directors and the management is in the form of work together.

Management team is directed by the Chief Executive Officer, who is responsible for managing the day-to-day business of the company, to success and plan operations and strategies for managing the company as approved by the Board of Directors.

6. 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.

100% of the Board of Director was trained in a course that 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, ESG and IT.

7. 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.

During the Annual General Meeting of Shareholders for the year 2023, the shareholders has agreed on a resolution to fix remunerations of the Board of directors of the Company and Sub committees in the form of the meeting allowances with the following details.

- **Increase the meeting allowance for the Board of Directors and the Audit Committee by 2,000 baht per meeting** because the meeting allowance has not been increased since the year 2011 and when compared with meeting allowances based on industry groups with the same size and income as the company, which took data from the results of the survey of director compensation of the Thai Institute of Directors Association. (IOD) found that meeting allowances for the company's directors were lower than the average of the industry group. The Board of Directors therefore proposes to the shareholders' meeting to consider adjusting the meeting allowances for the Board of Directors and the Audit Committee.
- **Increased the meeting allowance of the Nomination and Compensation Committee** due to being assigned more responsibilities by overseeing corporate governance work for sustainability. In addition, the meeting allowance of the Nomination and Compensation Committee has not been increased. Since 2012

Compare the remuneration of company directors and committee members before and after the increase in remuneration. Details are as follows:

● **Board meeting allowance**

(: BATH)

Details	Year 2023 After increasing compensation	Year 2022 Before increasing compensation	Note
The Board of Directors			
- Chairman of the Board of Directors	27,000	25,000	The remuneration of Executive Director shall be reduced by half.
- Member of the Board of Directors	17,000	15,000	
The Audit Committee			
- Chairman of the Audit Committee	25,000	25,000	-
- Member of the Audit Committee	17,000	15,000	
Nomination and Remuneration Committee			
- Chairman of the Nomination and Remuneration Committee	20,000	15,000	-
- Member of the Nomination and Remuneration Committee	17,000	10,000	
The Executive Committee			
- Chairman of the Executive Committee	15,000	15,000	Executive Director shall be not received remuneration.
- Member of the Executive Committee	10,000	10,000	
The Credit Committee			
- Chairman of the Credit Committee	15,000	15,000	Executive Director shall be not received remuneration.
- Member of the Credit Committee	10,000	10,000	

● **Other benefits** - No other benefit

8. 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 2023, all changes in the holding of securities of directors and executives were reported in every Board of Directors meeting.

In 2023, the company's shareholding of directors and executives were reported as follow.

Name of Directors	Ordinary Shares					
	As of 31 December 2022		As of 31 December 2023		Increase/ Decrease	Shareholding proportion (%)
	Direct shareholding	Indirect shareholding	Direct shareholding	Indirect shareholding		
1. Mr. Sorasit Soontornkes	-	-	-	-	-	-
2. Mr. Kunakorn Makchaidee	15,500,000	-	12,000,000	-	(3,500,000)	0.75%
3. Mrs. Yajai Pattanasukwasun	-	-	-	-	-	-
4. Mr. Poonsak Thiapairat	-	-	-	-	-	-
5. Mrs. Ladavan Tanatanit	-	-	-	-	-	-
6. Mr. Visit Vongruamlarp	-	-	-	-	-	-
7. Mrs. Nalinee Ngamsettammas	-	-	-	-	-	-
8. Admiral Navapol Damrongpong	-	-	-	-	-	-
9. Mrs. Pornpilai Burasai	-	-	-	-	-	-
10. Mr. Akrawit Sooksai	-	-	-	-	-	-
11. Mr. Chanon Chotvijit	-	-	-	-	-	-
12. Mrs. Nongluk Chantarasombat	-	-	-	-	-	-
13. Mr. Suthiporn Tanthikul	-	-	-	-	-	-
14. Mr. Ekawat Piriawarasakul	-	-	-	-	-	-
15. Mr. Watana Sangvongmai	-	-	-	-	-	-
16. Mr. Pongsakorn Sangvijit	-	-	-	-	-	-
17. Mr. Pattawut Veerapradit	-	-	-	-	-	-
18. Mr. Pipob Jirawongsakorn	-	-	-	-	-	-
19. Mr. Sirisak Borisuitsawat	-	-	-	-	-	-
20. Mr. Wandej Lertpricha	-	-	-	-	-	-

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

As of December 31, 2023, the Company's' Directors and executives held a combined shareholding 0.75% of the paid-up capital of the company.

9. 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. 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.

10. 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.
- These are no Directors, executives, and employees, found trading securities during the company's period of abstinence from trading.
- In 2023, one time of company's securities trading was 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.

11. Policy for Preventing Conflicts of Interests and Reporting on Stakeholders

The Board of Director 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 employee have also established into the Company's Code of Conduct.

It was required that Directors, executives, and employees should report the conflict of interest of themselves and related persons to the Company Secretary, for further inform to the Board of Directors for their 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 will further inform 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

- There 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.

Statistics :

- No actions were found that violated the conflict of interest policy.

12. The 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 the entering connected transactions in the past year

In 2023, there were 2 connected transactions as follows:

1. Office space rental : The Board of Directors' meeting No. 1/2023 on February 22, 2023 resolved to approve entering into a space rental contract and service contract for the rental of Spring Tower Building, 12th floor A, to be used as the company's office for a period of 36. month (April 1, 2023 to March 31, 2026) with Aspiration One Company Limited, a company that has a common major shareholder, AIRA Capital Public Company Limited.

Size of Transaction : rental and service fees throughout the lease agreement is equal to 19.89 million baht. It is a medium-sized transaction which the Company has requested approval from the management and the Board of Directors' meeting and has disclosed to the Stock Exchange of Thailand on February 22, 2023.

2. Receiving financial assistance : Meeting of the Board of Directors of AIRA Factoring Public Company Limited (the "Company") No. 4/2023 on August 9, 2023 under consideration and approval from The Audit Committee Meeting No. 4/2023 on August 3, 2023 resolved to approve the receipt of short-term loans from AIRA Capital Public Company Limited to be used as a reserve source of funds for providing loans to customers.

Detail of Credit line

Credit limit of Promissory Note(P/N)	:	250,000,000 Baht
P/N term	:	60 Days
Term of Credit limit	:	1 Year (August 2023 – August 2024)
Objective of the Credit Facility	:	To be used as reserve for credit granting to customers
Interest Rate	:	Market Rate (currently 3.8% per annum)
Collateral	:	None
Interest Payment	:	Monthly basis
Principal Payment	:	Partial or full repayment according to the term specified on the promissory note

Size of Transaction : The total value of the transaction size comes from interest paid to AIRA Capital Public Company Limited, equal to 10,062,191.78 baht. It is a medium sized item. The transaction was approved by the Board of Directors' meeting. and disclosed information regarding the transaction to the Stock Exchange of Thailand on August 9, 2023.

13. Orientation for new Directors

The Company provides an orientation for all new directors to prepare for their duties. The topics of the new Director orientation consists of overall business characteristics, company direction, business goals, business conditions and roles as directors. In addition, an office visiting is also conducted to meet with the other Directors and senior executives of the company.

6.1.2 Policies and guidelines relating to shareholders and stakeholders

Details on compliance with the Company's corporate governance principles in 2023 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 have rights to participate 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 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 abovementioned 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

The company requires that a general meeting of shareholders be held within 4 months from the end of the fiscal year or as required by law. In cases of an urgent need to propose a special agenda and must receive approval from shareholders, the Company will call an extraordinary meeting of shareholders on a case-by-case basis. The Company organizes a general meeting of shareholders in accordance with the guidelines for organizing shareholder meetings of listed companies and related agencies, to ensure that shareholders receive their rights for the shareholder meetings in accordance with the law and good corporate governance principles.

In 2023, the Company held Virtual Annual General Meeting of Shareholders (E-AGM) on April 24, 2023, which is not a corporate holiday. The meeting was held in accordance with the Emergency Decree on Electronic Meetings, B.E. 2563 (2020) and other related laws and regulations, to facilitate shareholders attending the meeting during the COVID-19 outbreak. No extraordinary meeting of shareholders was called during the year.

The Company has set up the policy to ensure that shareholders have received clear and adequate information, also have sufficient time to consider agenda items. Moreover, shareholders can access details of the annual general meeting's invitation and other supporting documents for each agenda of the meeting easily.

The Company has 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. 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.

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 to 31 December. For all agendas proposed by shareholders, the Nomination and Remuneration Committee will consider and then present to the Board of Directors for further consideration.

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 has assigned a legal advisor, Mr. Jom Chanthamma, a representative from TPC Law Office, to responsible for inspecting 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.

The chairman of Board Director presided 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 the beginning of the meeting, 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.

At the 2023 Annual General Meeting of Shareholders, the Company used voting system via virtual meeting system. It is a tool to help count votes and collect votes, the vote counting process is efficient, accurate, fast, and verifiable. The Company Secretary explained the methods for using ballots and the criteria for counting votes before starting to consider the meeting agenda.

The voting and counting of votes for each agenda were done openly. It was proceeded by an electronic meeting system to evaluate and report votes. Voting results are kept as evidence for inspection.

During the meeting, the Company also presented the 2023 operating performance, its business strategies for 2024, and past anti-corruption operations, in summary to the shareholders' meeting.

In addition, 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.

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 were 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.

At the same day 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, 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

1.1 Facilitating shareholders to fully exercise their rights to attend meetings and vote.

In the shareholder meeting's invitation letter, the company has fully disclosed details on the necessary documents and required evidence that shareholders should present for attending the meeting, to maintain their rights to attend the meeting. The company's regulations regarding the shareholder meeting are also informed. A proxy form is also attached with the invitation letter, shareholders who wish to appoint others to attend the meeting on their behalf. The shareholder can appoint a person or an independent director of the company to attend the meeting on their behalf. In addition, the company has prepared an English version of the shareholder meeting invitation and published it together with the Thai version invitation, to facilitate foreign shareholders.

The company has a policy to support all shareholders (Individual shareholders, juristic persons, and institutional investors), to attend the shareholder meeting and be able to exercise their rights at shareholder meetings equally. The Company has sent to shareholders the Proxy Form B for those are unable to attend the meeting in person to consider whether they will appoint any other person as their proxies to attend and vote at the meeting on their behalf.

At the Annual General Meeting of Shareholders, Digital Access Platform Company Limited ("DAP") is a meeting system provider and system controller. Both shareholders who wish to attend the meeting by themselves or proxies, can submit an e-Request to attend the meeting via a Web Browser or scan a QR Code to register (e-Registration) from 3 April 2023 onwards. At least 3 weeks in advance of the meeting date the registration has been closed.

For accessing the virtual meeting system (Webex Meetings), the system can be opened for participants to join one hour in advance of the meeting time. Shareholders or proxies can use the received Username and Password to log-in. Also, follow the manual of using the system which

disclosed in the meeting invitation and on the company's website.

In addition, the company has given rights to shareholders who attend the meeting after the chairman has announced start of the meeting are entitled to the right of voting on agenda items under consideration which no resolution has yet been made.

1.2 Providing sufficient information to shareholders in advance

The Company conducts shareholder meetings in accordance with the AGM Checklist manual of the Thai Investors Association. At least 30 days before the shareholder meeting date, the Company has published invitation letters for shareholder meetings altogether with the other related meeting information on the company's website, to notify shareholders. The Company has assigned Thailand Securities Depository Company Limited (TSD), as the securities registrar, to send the notice of meeting and related documents to the shareholders, by post at least 21 days in advance of the meeting date. An announcement was also made in a daily newspaper both in Thai and English versions for 3 consecutive days. The meeting invitation contained details of the meeting agenda along with sufficient supporting documents for decision-making in voting on various agendas.

In the consideration agenda for approval of the dividend payments, the Company has disclosed its dividend policy, the proposed number of dividends to be paid, along with reasons and information on comparing the dividend payment rate with previous years, all mentioned details for consideration.

In the consideration agenda for election of Directors, the Company has provided completed information of the proposed candidates, to shareholders for consideration and election. The consideration agenda for determining Directors' remuneration, the company has provided information on policies, methods, and criteria for determining directors' remuneration.

While in the consideration agenda for appointing auditors and determining auditors' remuneration, the Company has disclosed completed details of the proposed auditors, to shareholders for consideration and appointment, such as the auditor's name, company affiliation, experience, independence of the auditor, audit fees, and other service fees that the company pays to the auditor.

In the shareholder meeting invitation letter, the objectives and reasons have been clearly stated altogether with the opinions of the Director in each agenda.

1.3 The opportunity of shareholders to submit questions regarding an agenda in AGM in advance

Before the shareholder meeting, the Company has provided shareholders with the opportunity to submit questions regarding the meeting agenda in advance from the date of the meeting's notice. To ensure that shareholders get the most benefit from the meeting. The company has disclosed the criteria for submitting questions in advance on its website. Shareholders can submit questions regarding the agenda for the shareholder meeting via the company's website, e-mail, or registered mail, to the Company Secretary until April 17, 2023. The Company Secretary, then collect, screen, and present to the Chairman and the Board of Directors for further consideration as appropriate.

1.4 The opportunity of shareholders to propose agenda items for the AGM and nominate Directors

Before the invitation letter has been sent to the shareholders, the Company has provided shareholders an opportunity to propose agenda items for the general shareholder meeting and nominate individuals to be considered for election as Company Directors.

For the 2023 Annual General Meeting of Shareholders, the Company has provided shareholders with an opportunity to propose meeting agendas and nominate individuals to be considered for election as Company directors 3 months in advance before the end of the fiscal year, during 1 October - 31 December 2022. The Company announced the news through the Securities Exchange of Thailand's channels also published the criteria and methods for proposing agendas and nominating persons to be considered for election as directors on the Company's website since October 1, 2022.

However, there were no shareholders proposing any matter to be included as meeting agenda and/or nominated persons to be appointed as the Company's directors during that period. In case of matters proposed by shareholders, the Board of Directors is the person to consider the appropriateness of the proposed agenda, which must have characteristics that meet the company's requirements unless the Board considers otherwise. The Board of Directors resolution is the final decision.

In this regard, the criteria have been clearly defined and published through the Company's website. Shareholders can propose agendas and names of persons to be elected as Directors in advance through the channels specified by the company or sent an e-mail to ir_af@aifactoring.co.th. The Company Secretary will initially consider the proposed matter before proposing it to the Nomination and Remuneration Committee and the Board of Directors for further consideration.

Any agenda approved by the Board of Directors will be included as an agenda in the invitation letter together with the Board of Directors' opinions. As for matters not approved by the Board of Directors, the Company will inform shareholders after the Board of Directors' meeting and before the shareholders' meeting via the Company's website or other appropriate information dissemination channels.

1.5 Granting proxy to attend the shareholders' meeting

At every shareholder meeting, the company prepares a proxy form in case of shareholders are unable to attend the meeting, to preserve the rights of shareholders. The Company provides an opportunity for shareholders who are unable to attend the meeting to exercise their right to vote by appointing a third party or an independent director of the company as their proxies, to attend the meeting as well as vote on their behalf.

Along with the invitation letter, the Company has prepared and sent a proxy form to shareholders, which shareholders are able to specify their votes. At the same time, shareholders can also download a proxy form from the Company's website. The notice of shareholders' meeting clearly informs shareholders of all necessary documents for granting proxy. The Company avoids requiring any condition which makes proxy granting be complicated.

During the Annual General Meeting, the Company also proposed two Independent Directors as an option for shareholders, who cannot attend the shareholders' meeting in person, to appoint as their proxies. The Independent Directors were persons who have no conflicts of interest regarding the meeting's agenda.

The Company has provided completed information of the independent directors. Then, shareholders can consider appointing a proxy to any independent director who are in the proposed list or any third party as the shareholders deem appropriate.

1.6 Election of individual Directors

The Company has disclosed a brief history of the nominated persons as Directors in the notice of the general meeting of shareholders, such as age, shareholding proportion, education background, work experience, other businesses positions both in listed companies and general companies, date of appointment as a company director, number of attendance in the directors and sub-committees meeting in the past year, types of directors proposed to be appointed, etc, with the aim to provide shareholders with useful information in considering the election of qualified persons to be Directors of the Company.

In the case of proposing the appointment of an independent director, the Company will disclose the definition of an independent director that the Company has specified, along with additional information such as relationship and conflict of interest with the Company as well as Holding Company, the controlling person of the Company, or a juristic person that has conflicts with the Company, etc. All information that occurred both in the present and before being appointed as an independent director of the company, should be disclosed.

At every Annual General Meeting (AGM), at least one-third (1/3) of the directors shall retire from their positions. During the 2023 AGM, there were 3 directors who were retired by rotation, the Company then arranged the consideration agenda for re-election the director individually by voting process.

In the other hand, The Company has allowed disagree votes from shareholders and count the votes in the same way as other agenda items. The Company has also disclosed resolutions in the minutes of the meeting with details of clearly voting results of the election individually.

1.7 Attending shareholders' meetings of directors and executives to provide information and answer questions to shareholders

The Company pays attention to the shareholders' meeting. therefore, we encourage the company directors, the chairpersons of the committees, executives, relevant units, and auditors to participate in the shareholders' meeting to provide additional information and answer questions to shareholders. In 2023, all Chairpersons of the Board of Directors and the committees under the supervision of the Board of Directors, the CEO, the President, the senior executive in charge of finance, as well as the auditor, participated in the 2023 AGM.

1.8 An appropriate meeting time is allocated, and shareholders are supported in expressing their opinions

Before considering the agenda items, shareholders are informed about the meeting rules, voting and vote-counting procedures, and how to express opinions, give suggestions, and raise questions relevant to the Company during the shareholders' meetings.

The Chairman of the Board of Directors, acting as the Chairman of the AGM, runs the meeting in accordance with the agenda items specified in the AGM notice without adding any other agenda that is not notified to shareholders in advance. During the AGM, the Chairman provides appropriate time for discussion and an opportunity for shareholders to equally express their opinions, make inquiries, and request relevant directors to clarify and provide complete information to shareholders.

1.9 Comprehensive minutes of the shareholders' meetings are recorded

Comprehensive 2023 AGM minutes were recorded. It included the names of directors and executives attending the AGM, the proportion of attending directors, voting and vote-counting procedures, key discussion issues, questions raised, clarifications, comments, resolution results, and complete voting results (for approval/against/abstain) of each item on the agenda.

The Company disclosed in a timely manner the resolutions of the 2023 AGM (on April 24, 2023, which was the AGM date) via the SET's channel, delivered the AGM minutes to the regulatory agencies within 14 days of the meeting date, and disclosed such minutes on its website.

1.10 Communication among the shareholders of the company

The Company has no policy to restrict all communications among shareholders. Shareholders can communicate and access information among themselves freely. The shareholders can request for a copy of the company's shareholders list, at the Department of Business Development Ministry of Commerce.

2. Equitable Treatment of Shareholders

The company has a policy of supporting all shareholders; major shareholders, minority shareholders institutional shareholders, and foreign shareholders, to receive rights and be treated equally and fairly. This is a part of the company's corporate governance policies. The company treats shareholders equitably for participating in the shareholders' meetings, receiving information, and voting one share for one vote. Shareholders who have a business stake in any agenda item have no right to vote on such an agenda item.

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".

2.1 Transaction with Related Persons or Connected Transactions

The Group does not encourage any transaction entered between the Group and directors, executives, major shareholders, or related persons. This is to avoid any potential conflict of interest. However, while doing business, it may be necessary for the Group to enter into such transactions.

This is to be done within the procedures and framework of regulations on such matters. The Group has established guidelines for connected transactions that could result in a conflict of interest. In order for the Group to enter into any connected transaction where there is the possibility of a conflict of interest, this transaction must go through a rigorous process of consideration that is clear, free from bias, and within the boundaries of good ethical practices, keeping in mind the importance of it being beneficial to both the Group and overall shareholders.

Directors and executives who have an interest in any transaction or matter affecting the Company, are required to report such interests and not participate in the decision-making process on such an issue.

The Audit Committee has the authority to consider and disclose connected transactions or transactions that may lead to a conflict of interest to ensure that they follow the law and the SET's regulations, are reasonable, and are for the highest benefit of the Group. In the previous year, the Company did not violate any regulations regarding connected transactions.

3. Role of Stakeholders

The Company emphasizes on the importance of all stakeholders' rights, we have a policy to manage impacts from business operations in all aspects with the aims to ensure all related parties that the business has taken environmental concerns into consideration for sustainable development. In addition, this is to ensure that all stakeholders, both internal stakeholders and external stakeholders, are fairly treated. The Board of Directors has therefore promoted and support clear and fair guidelines for dealing with all groups of stakeholders.

3.1 Stakeholders' Involvement to Enhance the Operation of the Company

The Company have been developed a channel which all stakeholders, including clients, counterparties, competitors, employees, shareholders, and creditors, can make suggestions through the websites to create wealth, financial stability, and sustainability of the Company.

3.2 All Stakeholder Treatment Guidelines

The Board of Directors has defined guidelines for the treatment of various stakeholders, which can be summarized as follows:

Shareholder

The Company aims to conducting business efficiently by operating businesses with caution and care, competitive capability, steady and sustainable growth, as well as considering the current and future risks to create good returns for shareholders in the long term. The Company has duties to operate businesses and disclose information transparently and fairly to all shareholders for the utmost benefit of shareholders, and to try our best to protect the assets and reputation of the Company.

Company's Executives and Employees

The Company has realized that all employees are valued resources and a key success factor in its business operations. Therefore, trainings are continually provided on a regular basis throughout the organization to encourage the development of knowledge, skills, and capabilities among

employees. The Company also encourages employees to participate in external trainings and seminars arranged by specialists to enhance their potential to be comparable to the standards of other leading firms in the industry and to participate in the development of the Company to be a leading financial institution (non-bank) that can provide good services to clients.

The Company has a system of appointments, transfers, as well as rewards and punishments based on the knowledge, capability, and suitability of employees. The Company respects the human rights and personal rights of every employee and maintains their personal information appropriately. The Company does not tolerate discrimination on the grounds of race, nationality, religion, gender, age, disability, sexual orientation, or any other form of illegal discrimination.

The Company has a define remuneration and benefits system that is appropriate and equivalent to the standards of other firms in the same industry and provides retirement compensation adequate for a secure life. The welfare for the employees includes a provident fund, a social security fund, group health insurance, group life insurance, group accident insurance, an annual medical check-up, and other monetary benefits for assisting employees on various occasions.

We emphasize the importance of a good environment and hygiene in the workplace, so the Company has set up a working environment that concerning on safety, health, an environment suitable for employees to work and ensuring clients' convenience. Furthermore, the Company has assigned employees to attend the Fire Evacuation Drills Training which held annually by the Building Management.

The Company supervises, manages, and fairly treats all employees with kindness, politeness, and respect. We also provide working opportunities for employees at every level while a positive corporate culture and working atmosphere has strived developed.

The Company has also communicated with employees about its objectives, business goals, and strategies so that they have the same target of creating corporate value. The Company has set up the good corporate governance policy and business ethics, prescribing the framework for employees in business operation. We have also launched the anti-corruption policy in order to set employees operations standards with a sense of honesty. All these guidelines and policies were announced, to be adhered to as a guideline along with the employee regulations, which the company regularly follows up on it.

The company takes into account respect for human rights and treating employees fairly, equally, without discriminating against any employee and without violating human rights in various areas.

Competitors

The Company conduct business ethically and in accordance with rules and regulations, avoiding any search for confidential information about business competitors by dishonest or improper means and creating an unfair competitive advantage.

In 2023, there were no legal disputes between the company and its competitors.

Counterparties

The Company treats all counterparties on the business operation equally and fairly. The system to manage and monitor is in place to ensure strict adherence to the terms of the agreement.

We have our own procurement regulations and procedures, which require the selection process for sellers, counterparties, and consultants to be based on the premise that the Company will receive maximum benefit. This is done in a transparent manner, free from any bias, and can be audited. Opportunities will be provided for all qualified counterparties to submit their proposals. Employees are not allowed to receive any benefits from parties entering the bidding process.

The procurement process comprises the selection of sellers or service providers and the comparison of prices and conditions to create fair competition.

The company has criteria for selecting business counterparties based on product/service quality, expertise, and experience of sellers/service providers from the past performance, financial status, history of complaints, reputation, and reliability, as well as after-sales service and the security of the company's data, etc. For normal procurement, the company will compare and select the best vendor/service provider by checking prices from at least three vendors.

For environmentally friendly procurement, which is a part of the environmental policy plan. The Company has determined that the quality of paper for being used within the office must be environmentally friendly to be a part of society in preserving the environment. The Company then purchased paper that produced from only trees being grown for the specific production of paper.

Clients and Trade Receivables

We realize that clients' satisfaction and confidence in the Company are essential. Thus, the Company strives to initiate innovation in product and service development as well as process improvement. This aims to provide the best-quality products and services to clients.

The company takes into account the needs and benefits of clients as important. We provide complete and accurate information about products and services without any distortion of fact. Advertising and public relations are done responsibly without taking advantage of customer misunderstandings.

The company offers fair services to clients without unfair trade conditions. There is a system to control and supervise the company's services to comply with agreements made with clients strictly, honesty, care, and consistency. The company does not release client information to third parties, except upon a client's authorization or when permitted or required by law.

The company has conducted the client's visit to inquire about their satisfaction and opinions in order to develop and improve the company products and services, also to better meet customer needs. In addition, the company also provides advice with reasonable care, to ensure that the clients and trade receivables get an appropriate benefits and satisfaction.

Creditor

The Company is committed to conducting business with principles and discipline for creating trust among all groups of creditors equally. It is based on receiving a fair return to both parties according to the agreed contract or conditions regarding objectives, use of money, repayment of loan, interest, funding management, and any other matter that has been agreed upon with the creditor, under the effective laws or any other regulations.

In the case of failure to comply with any of the conditions, creditors must be notified in advance to find solutions together.

The company regularly discloses financial information to creditors with accuracy and honesty. We are committed to maintaining sustainable relationships and building trust with creditors.

Regulatory Organizations and Government Agencies

The company complies with laws, announcements, requirements, and regulations, set by regulatory organizations and related agencies such as the Department of Business Development, Ministry of Commerce, Revenue Department, Ministry of Finance, Stock Exchange of Thailand, Office of the Securities and Exchange Commission, etc.

Society and the Environment

The company recognized on its social responsibilities by encouraging employees to use resources efficiently, promoting education and training of employees regarding the environment, supporting public benefit activities, participating in the development of society, communities, and the environment, as well as conservation and preservation of natural resources. In addition, the company also supports the use of energy in a cost-effective and efficient manner. We have developed an operating system to reduce the use of paper in work process also encouraged employees to think before printing, etc.

The Company is committed to conducting business with ethics according to the principles of corporate governance along with caring for society and the environment by promoting and supporting sustainable growth based on ethics and transparency. Therefore, the Company will consider loans services by focusing on SME clients, because we believe that this group of clients will drive economic growth in the country.

3.3 Non-infringement of Intellectual Property and Copyrights

The company complies with intellectual-property laws without violating intellectual property rights, 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 and the other relevant laws regarding copyright.

3.4 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.

On June 1, 2022, the Company has announced a privacy policy on the Company's official website to show our transparency in the operation. Moreover, 2 officers have been appointed to be personal data protectors according to the requirements of the Personal Data Protection Act B.E. 2562.

- Director of Information Technology Department has been appointed to responsible for the protection of personal information in the information system.
- Legal Director has been appointed to responsible for legal and regulatory data protection, as well as coordination with government agencies.

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

3.5 Customer Relationship building

Due to the epidemic situation of COVID-19, the transactions are more turning to online channels. The company therefore aims to build relationships with customers by striving to develop excellent financial products and services to deliver to customers. We are focusing on customer satisfaction along with creating assortment of innovative products and services to meet the needs of customers in this 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, the customers can access the company's products and services more conveniently and quickly. In addition, the customers' expectations are satisfied or exceeded.

In the meanwhile, the Company has set up various channels for receiving complaints about the Company's products and services to ensure the financial consumers are receiving fair services. If customers are not satisfied with the service, the Company will contact them back to obtain details and bring it back to improve the service.

For the complaints management performance for the year 2023: The company did not find any complaints through various channels of the company.

3.6 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, also combining the expertise in doing business of each company, to strengthen business operations and services, and to make plans 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, and other sectors leading companies.

Business cooperation development plans include:

- Doing business synergic with companies that conduct financial business in the AIRA group. In the past, all marketing staff in the AIRA Group have been trained to learn and understand all financial products and services of the Group. Goals and Guidelines for the development of cooperation among the Group companies have been set. The referral fee is determined for recommending products and services of companies in the group.

- Business Partnership between the company and business partners who are not companies in the AIRA 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 of Information and Transparency

All important information, both financial and non-financial, is disclosed correctly, accurately, on a timely basis, in a transparent manner.

4.1 Disclosure of Information

The company discloses various information through the company website. So that all groups of stakeholders can easily access the company's information. It is in line with relevant laws and criteria as follows.

1. Corporate Governance Policy, Business Ethics and Anti-corruption Policy
2. Annual financial statements that have been audited by an auditor. It will be processed 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 Company's performance.

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. The details of Directors and Executives including name, position, education, training, shareholding, and work experience, were also published on the Company's website.

The Group ensures that all important information, both financial and non-financial, is disclosed correctly, accurately, on a timely basis, in a transparent manner, and under the regulations of the supervision authorities through the SET's channel, the annual registration statement/ annual report (Form 56-1 One Report), the website in both Thai and English, as well as through public media (in some circumstances) so that all shareholders can equally receive information.

The Company has clear procedures for financial information disclosure to allow shareholders and investors to receive information quickly. The company discloses financial statements and Management Discussion and Analysis to shareholders and investors on its website. The company has never been late with its financial reports.

All disclosed information, as well as that made public to shareholders and investors, is disseminated through the website, which is upgraded, regularly updated, and made bilingual to benefit shareholders.

6.2 Code of Conduct in the business ethics

The Board of Directors realize the importance of building good reputation and credibility with customers, co-workers, shareholders, related agencies, and the public. It is the duty of Directors, Executives, and employees, to study, understand and complied with it.

The Board of Directors has therefore approved Code of Conduct in the business ethics which consists of three categories:

- Section 1 Business Ethics of the Company
- Section 2 Ethics of the Directors, Executives and Employees
- Section 3 Business Ethics of Partners

Code of Conduct in the business ethics covers 12 matters as follows:

1. Respecting the law and complying with the principles of good corporate governance
2. Anti-corruption
3. Preventing conflicts of interest
4. Reporting clues (Whistleblowing)
5. Conducting business that is socially responsible and environmentally conscious
6. Treatment of stakeholders by respecting human rights without discrimination and adhere to the principle of equality
 - 1) Treatment of shareholders
 - 2) Treatment of employees
 - 3) Treatment of customers
 - 4) Treatment of trading partners and trade creditors
 - 5) Treatment of creditors of financial institutions
 - 6) Treatment of business competitors and dispute resolution
 - 7) Treatment of government agencies regarding tax management
 - 8) Treatment of society, community, and environment
7. Trading of the Company's securities and seeking benefits by using the inside information
8. Safety considerations on occupational health and working environment
9. Reliability of information
10. Data security and confidentiality
11. Security of data and information systems and intellectual property
12. Organizational management and control

(Details appear in the attached document and on the company's website)

The company has communicated and disseminated Code of Conduct in the business ethics through its website and intranet system for acknowledgement. The Company requires all executives and employees to study and understand for leading to a good work standard together.

The Nomination and Remuneration Committee is assigned by the Board of Directors to responsible for reviewing the Company's Code of Conduct annually.

In the past year, there are no directors or executives of the company were found any wrongdoing due to ethical issues.

6.3 Major Changes and Improvements on Corporate Governance Policies, Guidelines, and System

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

In 2023, the Board of Directors has performed the following actions:

- The Board of Directors has considered and approved 3 new policies as follows:
 - ▲ Management Succession Plan. To plan the recruitment and selection of personnel (successor) who will appropriately enter the position to replace the important positions (main job positions) that will be vacant in the future. Moreover, to create continuity in operations and management of the organization, preparing human resources and reducing the impact from a shortage of manpower to carry out important operations of the organization.
 - ▲ Enterprise Risk Management Policy (ERM). Clear roles and responsibilities of the committee and related departments are clearly defined. While the organization's risk types are also classified into 4 main risks, which are Strategic Risk, Operational Risk, Financial Risk and Compliance Risk. In addition, the organization's risk management process has been established, and an enterprise risk management plan has also been prepared.
 - ▲ Cyber Security Policy which is consistent with the Cyber Security Act B.E. 2562, to set the Company's direction, principles, and framework of cyber security management requirements, as well as to create knowledge and understanding of employees regarding the policies, standards, operating frameworks and procedures, recommendations, and laws related to computer systems correctly and appropriately. It is helping to prevent the company's computer systems and information from being invaded, stolen, destroyed, interfered, or in other various forms that may cause damage to the company's business operations.
- By the Nomination and Remuneration Committee's propose, the Board of Directors approved a review of the necessary skills of the company directors by adding one more skill, which is ESG, to be a skill that every director should have. The company has planned to organize a training course on basic ESG knowledge for directors and executives in the first quarter of 2024.

- By the Nomination and Remuneration Committee's propose, the Board of Directors approved a review of policies and criteria for selecting and considering remuneration of directors, chief executive officer and senior executives, to be in accordance with CGR 2023 guidelines.

- The Board of Directors has approved the review of all company policies. For the Sustainable Development Policy, it has been improved by clearly defining the roles and responsibilities of the committee and related agencies, while the company's plans and sustainability strategy has been also reviewed.

- The Board of Directors has considered and approved the review of the charter of the Board of Directors and sub-committees by improving in modern consistent with current duties and responsibilities.

- The Company's Board of Directors has considered and reviewed the Company's vision, mission, values, and main intentions of business operation, to be current and consistent with the company's strategy and plans for 2024 and the next 2 years.

6.3.2 Practices in other matters According to the principles of good corporate governance

In the past year 2023, the Company has acted in other matters in accordance with the principles of good corporate governance as follows:

1. Arrange a meeting of non-executive directors and an independent directors meeting on December 14, 2023, which is in accordance with the company's corporate governance policy.

2. The Board has reviewed the performance evaluation form of the Board of Directors and sub-committees for the year 2023.

3. The Board of Directors has considered meeting schedules in advance for the entire year for 2024 for meetings of the Board of Directors and sub-committees so that all directors can allocate time to attend meetings in all committees.

4. The company has applied for certification to renew its membership in the Thai Private Sector Anti-Corruption Coalition. and approved As of September 2023

6.3.3 The Company has not yet complied with the principles of good corporate governance

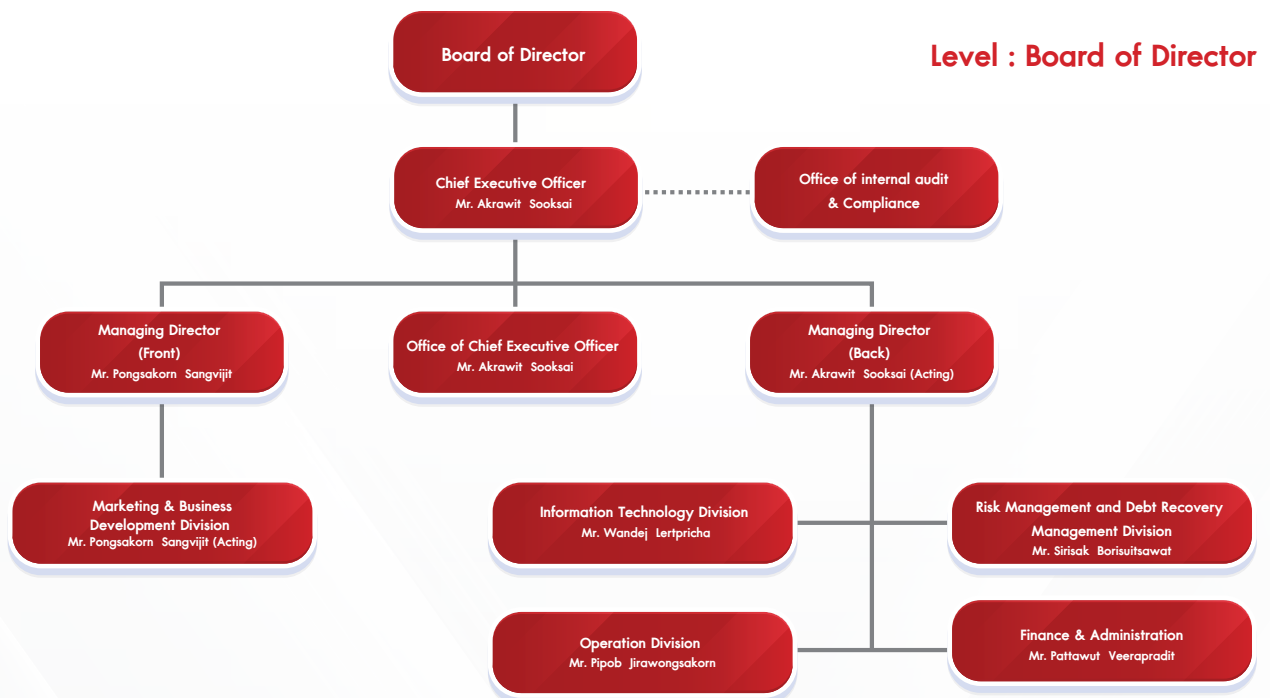
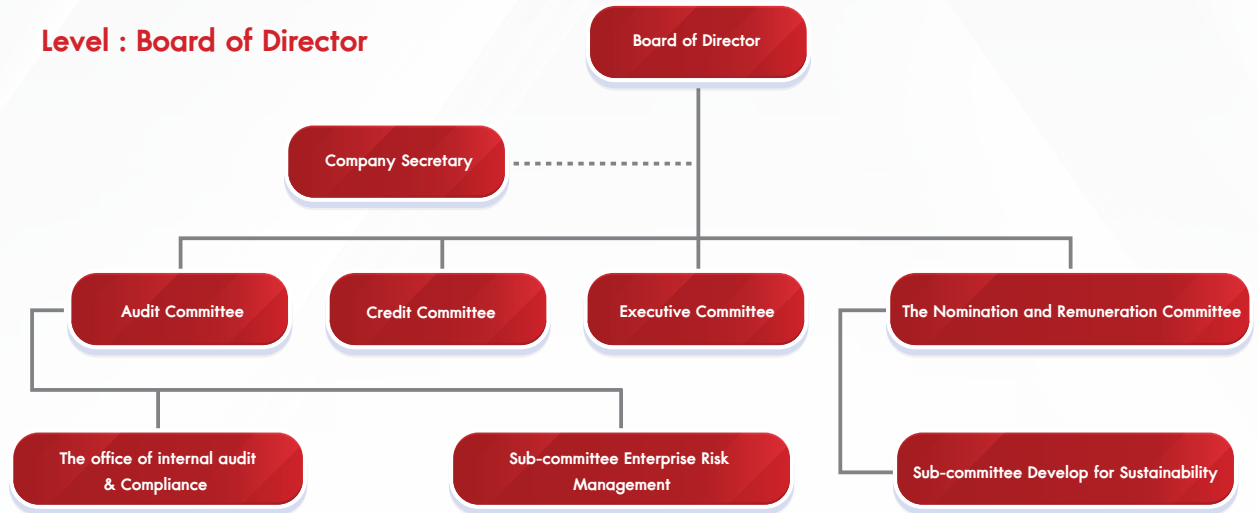
The company has not complied with the principles of good corporate governance in two matters as follows:

1. **Independent Directors who have served on the board for over 9 years :** Because the Board of Directors considered and saw that Serving as an independent director for more than 9 years does not result in a loss of independence. Independent directors are still able to express their opinions and perform their duties independently and remain fully qualified as independent directors according to the Company's independent director qualifications and the Capital Market Supervisory Board's requirements. In addition, the company's independent directors also have knowledge and expertise that are of the utmost benefit to the company.

2. **Require directors to notify the company's stock trading at least 1 day in advance before making the trading transaction**

7. Corporate Governance Structure

7.1 Organization Chart



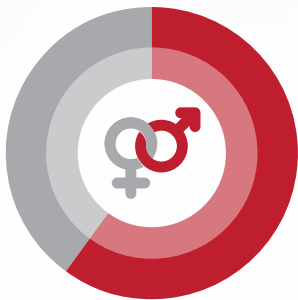
Note : The Board of Directors’ Meeting No. 6/2023 on December 14, 2023, resolved to appoint Mr. Wandej Lertpricha as Executive Vice President, Information Technology Division, and appointed Mr. Sirisak Borisuitsawat as Executive Vice President, Risk Management and Debt Recovery Management Division.

7.2 Board of Directors

7.2.1 The composition of the Board of Directors

The Board of Directors 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, information technology, ESG, 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.



The composition of the Board of Directors

- 6 gentlemen, representing 60% of all directors.
- 4 ladies, representing 40% of all directors.



Age of Directors: Average 66 years

- Age not over 60 years old; 2 persons
- Age 61-70 years old; 5 persons
- Age 71 years and over; 3 persons



Number of years in holding the Director position

- Not over than 5 years; 2 persons
- Over 5 years but no more than 10 years; 2 persons
- Over 10 years; 6 persons

9 non-executive directors, representing 90% of all directors

1 executive director, representing 10% of all directors

5 independent directors, representing 50% of all directors

2 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.

All non-executive directors are knowledgeable also have work experiences that related to the company's business.

During the year, the Independent Committee meeting has arranged to review the independence of each Director.

The result of the review found that all Independent Directors of the Company still have the qualifications which in accordance with the specified announcement as follows:

1. General Qualifications

1. Having qualifications and not having any prohibited characteristics under Section 68 of the Public Limited Companies Act B.E. 2535
2. Does not have characteristics indicating a lack of suitability to be entrusted to be a director in a Company that has a public shareholding under Section 89/3 of the Securities and Exchange Act B.E. 2535 as amended by the Act. Securities and Exchange Commission (No. 4) B.E. 2551, in conjunction with the Notification of the Securities and Exchange Commission No. KorJor 8/2553 Subject: Re: Determination of Untrustworthy Characteristics of Directors and Executives of the Company (Codified Edition) which comes into enforcement from 16 May 2010 onwards
3. Having qualifications and not having any prohibited characteristics according to law that are specified specifically for that type of business, such as the Financial Institutions Business Act B.E. 2551, etc.

2. Specifications

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

7.2.2 The information on each director and controlling person

The Board of Directors consists of 10 people (Information as of December 31, 2023) as follows.

Name - surname	Position	Type of Director	Positions in sub-committees and other positions in the Company
1. Mr. Sorasit Soontornkes	Chairman of the Board	Independent Director / Non-Executive Director	None
2. Mr. Kunakorn Makchaidee	Director	Independent Director / Non-Executive Director	Member of Audit Committee
3. Mrs. Yajai Pattanasukwasun	Director	Independent Director / Non-Executive Director	Chairman of Audit Committee / Member of Nomination and Remuneration Committee
4. Mrs. Ladavan Tanatanit	Director	Authorized Director / Non-Executive Director	Member of Executive Committee

Name - surname	Position	Type of Director	Positions in sub-committees and other positions in the Company
5. Mr. Poonsak Thiapairat	Director	Independent Director / Non-Executive Director	Chairman of Nomination and Remuneration Committee / Member of Audit Committee
6. Mr. Visit Wongruamlap	Director	Director / Non-Executive Director	Member of Credit Committee
7. Mrs. Nalinee Ngamsetthamas	Director	Authorized Director / Non-Executive Director	Member of Executive Director / Member of Nomination and Remuneration Committee
8. Admiral Navapol Damrongpong	Director	Independent Director / Non-Executive Director	None
9. Mrs. Pornpilai Burasai	Director	Authorized Director / Non-Executive Director	None
10. Mr. Akrawit Sooksai	Director	Authorized Director / Executive Director	Chief Executive Officer / Member of Executive Committee / Member of Credit Committee

Remark : Mrs. Pornpilai Burasai was appointed to the position of director on November 14, 2023 to replace the director who resigned (Mrs. Nongluk Chantarasombat).

Authorized Directors

The Company's Authorized Directors are Mrs. Nalinee Ngamsetthamas, Mrs. Ladavan Tanatanit, Mrs. Pornpilai Burasai and Mr. Akrawit Sooksai. Two of four Directors join with sign together with the company seal.

Term of office of the Director

One-third of the Board of Directors shall retire from their positions at every Annual General Meeting of shareholders. The Directors who have been in office for the longest term shall retire. In the case where the number of Directors who will retire from office cannot be divided exactly one-third, the number closest to one-third shall be used. However, the retiring Directors may be re-elected to hold the position for another term.

Directors who are not the Company's Board of Director consist of 5 experts, who holding positions in the following sub-committees:

Name - surname	Positions in sub-committees and other positions in the Company
1. Mr. Chanon Chotiwijit	Chairman of Executive Committee
2. Mrs. Nongluk Chantarasombat	Chairman of Credit Committee
3. Mr. Suthiporn Tantikul	Member of Executive Committee / Member of Credit Committee
4. Mr. Wattana Sangwongmai	Member of Credit Committee
5. Mr. Ekawat Piriawarasakul	Member of Executive Committee

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 team (executives), is responsible for the company's management in various fields to be 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, have been determined clearly for the benefit of performing supervisory duties and transparency of internal operations. The operational frameworks were defined as follows.

Chairman of the Board

The Chairman of the Board of Directors should not be the Executive Chairman, or Chief Executive Officer, and 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 : Representing 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, also to be in line with company regulations and laws. During the meeting, allocating sufficient time and encouraging all directors to discuss and exchange their opinions freely and exercises prudent discretion with regard to stakeholders.

In addition, it was defined that the meetings of the independent directors and board of directors should be organized without the presence of a member of the management team.

For Shareholders' Meetings: Representing as the chairman of the shareholders' meetings to ensure that the meeting is in line with the agenda, the company regulations and law, by managing meeting's time appropriately. Moreover, providing 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 to perform duties according to the scope of duties and responsibilities of the Board of Directors and in accordance with the law. The Chairman of the Board of Directors is also responsible for strengthening good relations between the Board of Directors and the management.

The 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 the information is disclosed to shareholders accurately, completely, transparently, verifiably and timely (Duty of Disclosure).

Roles and Responsibilities of the Board of Directors

1. Organize the internal events 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
2. Define vision, mission, strategies, short-term and long-term strategic goals, both in term of financial and non-financial aspects, business plans. Also, consider approving the operational plans and budgets of the Company which proposed by the Executive Committee.
3. Approve various policies as required by law or regulatory authorities, also supervise the management team 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.
4. Provide provisions on business ethics, directors' ethics, authorized management, and employees as a guideline for practice within the company.
5. Ensure that the company has effective supervision and audit mechanisms, adequate and appropriate internal control, and internal audit systems. In addition, review the adequacy and suitability of the company's internal control and risk management systems. Establish an internal control system that covering finance, operations, and management, to comply with relevant laws, rules, and regulations. Provide appropriate and adequate risk management, establish a sufficiently efficient check and balance mechanism, to protect and maintain the company's assets.
6. Approve the annual financial report that has been audited by the auditor and reviewed by the Audit Committee. To request approval from the shareholder meeting and receive the opinion of the auditor (Management Letter). Responsible for the financial statements and financial information of the company as well.

7. Ensure that the Company has an adequate risk management system and regular monitoring of risk management.
8. Consider to 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. Arrange a review of the roles and responsibilities of the sub-committees at least once a year.
9. Consider to appointing and determining authority and duties of the Chief Executive Officer and senior executives of the Company who nominated by the Nomination and Remuneration Committee.
10. Arrange a succession plan for senior executives of the Company; the Chief Executive Officer and Managing Director, etc.
11. Assess the performance of the Board of Directors, sub-committees, and the Chief Executive Officer annually.
12. Regularly review the roles and responsibilities of the Board of Directors at least once a year to be consistent with the changed of industry environment, various factors, rules, and laws.
13. Attend the Board of Directors' Meeting and Shareholders' Meeting.
14. 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 following matters should be proposed by the management team, for the Board of Directors consideration and approval.

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

Matters under the authority/the approval of the Board of Directors

The Board of Directors is responsible for managing all affairs of the Company. The Board of Directors has authority and duty to operate within the scope of the law, objectives, regulations of the Company, also in accordance with the resolutions of the shareholders' meeting. The Board of Directors has authority to act/authorize approval in various matters as follows:

1. Set the overall strategic direction and goals of the company.
2. Approve the business operation plan and the company's annual income and expense budget.
3. Set and approve various policies as required by law or official regulatory agency, as well as main policies on various matters in business operations, such as risk management policies and credit policies, etc.
4. Approve the policy on corporate governance principles and provisions regarding the company's business ethics.

5. Appoint, remove, and assign authority and duties of sub-committees and senior executives.
6. Appoint and remove the company secretary.
7. Approve the payment or suspension of interim dividends to shareholders.
8. Propose a capital increase/reduction or changes in stock value, amendments of the memorandum of association, regulations and/or objectives of the company to shareholders.
9. Approve the granting or cancellation of loans, guarantees, granting of credit for loans with credit limits exceeding from the approval authority of the Executive Committee.
10. Approve the acquisition or disposal of assets and related transactions in accordance with the announcement of the Capital Market Supervisory Board.

Roles and Responsibilities of the Management

The Executive Committee 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 the Company's strategies and other important policies related to the business of the company.

Chief Executive Officer has the main responsibility in setting policies and strategies of the Company as well as managing various tasks in accordance with the specified plans and under the principles of good corporate governance. 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 Committee

The structure of the Board of Directors of the Company consists of the Board of Directors and various sub-committees, as detail follows.

Name - Surname	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Executive Committee	Credit Committee
1. Mr. Sorasit Soontornkes	<input checked="" type="checkbox"/>	-	-	-	-
2. Mr. Kunakorn Makchaidee	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	-	-
3. Mrs. Yajai Pattanasukwasun	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	-
4. Mr. Poonsak Thiapairat	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	-
5. Mrs. Ladavan Tanatanit	<input checked="" type="checkbox"/>	-	-	<input checked="" type="checkbox"/>	-
6. Mr. Visit Wongruamlap	<input checked="" type="checkbox"/>	-	-	-	<input checked="" type="checkbox"/>
7. Mrs. Nalinee Ngamsetthamas	<input checked="" type="checkbox"/>	-	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-
8. Admiral Navapol Damrongpong	<input checked="" type="checkbox"/>	-	-	-	-
9. Mrs. Pornpilai Burasai	<input checked="" type="checkbox"/>	-	-	-	-
10. Mr. Akrawit Sooksai	<input checked="" type="checkbox"/>	-	-	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
11. Mr. Chanon Chotvijit	-	-	-	<input checked="" type="checkbox"/>	-
12. Mrs. Nongluk Chantarasombat	-	-	-	-	<input checked="" type="checkbox"/>
13. Mr. Ekawat Piriwarasakul	-	-	-	<input checked="" type="checkbox"/>	-
14. Mr. Suthiporn Tanthikul	-	-	-	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
15. Mr. Watana Sangvongmai	-	-	-	-	<input checked="" type="checkbox"/>

Note : Chairman Director

Sub-Committees

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

The 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.

The meeting dates of each committee are set in advance throughout the year.

The term of office of the sub-committee is 3 years. 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 director, the term of office is 3 years from the date of appointment by the Board of Directors.

In this regard, the chairman of the sub-committee shall not hold office continuously for more than 2 consecutive terms.

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.

Each sub-committee is required to evaluate its performance at least once a year and report to the Board of Directors, to improve their operations to be more efficient and move toward to the future objectives.

1. Audit Committee

The Audit Committee consists of 3 independent directors, who will selecting 1 member to hold the position of Chairman. The term of office of the Audit Committee is three years from the date of appointment by the Board of Directors and may be appointed for another term as the Board of Directors deems appropriate. The Chairman of the Audit Committee will hold office continuously for no more than 2 consecutive terms. (Not more than 6 consecutive years)

The Audit Committee consists of 3 independent directors, whose names are as follows.

- | | |
|-------------------------------|---------------------------------|
| 1. Mrs. Yajai Pattanasukwasu* | Chairman of the Audit Committee |
| 2. Mr. Kunakorn Makchaidee * | Audit Committee |
| 3. Mr. Poonsak Thiapairat | Audit Committee |

Ms. Somjai Amornchainoppakun is 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

1. Review to ensure that the Company has accurate and sufficient financial reporting.
2. Review to ensure the Company's Internal Control, Risk Management, and Internal Audit are appropriate and effective. 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 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 nominate an independent person to be the Company's auditor; propose remuneration for the auditor as well as attend a non-management meeting with the auditor at least once a year.
5. Review the connected transactions or the transactions which may lead to a conflict of interest, to ensure that they are in compliance with the laws and the SET's regulations and are reasonable and for the highest benefit.
6. Review and provide opinions on anti-corruption measures regarding clarity, appropriateness, and consistency with the company's anti-corruption policy, also to

ensure that there are processes for bringing the measures into effective and efficient actual operations.

7. Prepare a report on the committee's performance and disclose in the Company's annual report

The report must be signed by the Audit Committee's Chairperson and contain with the following information.

- a) opinion on the accuracy, completeness, and credibility of the Company's financial report.
 - b) opinion on the adequacy of the Company's internal control system.
 - c) opinion on compliance with the law on securities and exchange, the SET's regulations and laws relating to the Group's businesses.
 - d) opinion on the suitability of the auditor.
 - e) opinion on the transactions which may lead to a conflict of interest.
 - f) the number of the Audit Committee's meetings and the attendance of such meetings by each committee member.
 - g) opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter.
 - h) other transactions which, according to the Audit Committee's opinion, should be known to shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors.
8. Review and improve the appropriateness of the Audit Committee Charter every year or when there is any change in the terms and criteria of the Stock Exchange of Thailand, the Securities and Exchange Commission (SEC), and other relevant agencies. The reviewed Charter should be proposed to the Board of Directors for consideration and approval.
 9. Perform any other act as assigned by the Company's Board of Directors and accepted by the Audit Committee.

2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of 3 non-executive directors and at least half must be independent directors. The Nomination and Remuneration Committee will select 1 member who is an independent director, to hold the position of Chairperson.

The Nomination and Remuneration Committee shall hold office for a term of 3 years in alignment with the term of office of the Board of Directors. Upon the completion of the term of office, they may be re-appointed by the Board of Directors. Chairman of the Nomination and Remuneration Committee can hold the position for no more than 2 consecutive terms.

There are 3 directors, who 2 of them are independent directors, the names are as follows.

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

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 :

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 as well as determine criteria methods for paying remuneration and other benefits to the Board of Directors, sub-committee, Chief Executive Officer (CEO), and senior management.
2. Consider the size and composition of the Board of Directors of the Company, to ensure the diversity 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. In addition, conduct a diversity assessment of Board skills to be appropriate and consistent with the company's strategy and to support any changes that may occur in the future.
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. The consideration will base on experience, profession, diversity of skills (Board Skills Matrix) and specific qualifications necessary for the Company's business operation. The names of qualified persons will be proposed to the Board of Directors' meeting to consider approval or propose approval at Shareholders' meeting.
4. Consider nominating qualified persons to hold the positions of sub-committees and propose to the Board of Directors for approval.
5. Consider and review the independence of the Board of Directors and conflicts of interest that may occur in the performance of duties.
6. Consider and review the qualifications and suitability for holding the position of the Company's Director if there is any change related to the qualifications of the Company's Director.
7. 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. The consideration will base on experience, knowledge, ability, necessary skills, specific qualifications necessary for the Company's business operation. The names of qualified persons will be proposed to the Board of Directors' meeting for approval.

8. Consider recruiting, selecting, and approving qualified persons to hold senior executives' positions*. The consideration based on experience, knowledge, abilities, necessary skills, specific qualifications necessary for the Company's business operations. The names of qualified persons will be proposed to the Board of Directors' meeting for further approval.
9. Prepare and review the succession plan of the Chief Executive Officer, Managing Director, and senior executives, to prepare a continuation plan for a successor to continuously operate the Company's management.

Note: *Senior executives refer to executives according to the definition of the SEC Office.

Remuneration Consideration :

10. Conduct criteria and remuneration policy as well as consider the appropriate remuneration and other benefits for the Chairman of the Board of Directors, Director, and sub-committee, which are commensurate with their duties and responsibilities, to propose to the Board of Directors' meeting for their agreement and further propose to the shareholders' meeting for approval.
11. Conduct criteria and remuneration policy as well as consider the appropriate remuneration and other benefits for the Chief Executive Officer and senior executives, which reflect the objectives, duties, and responsibilities, to proposing to the Board of Directors for approval.
12. Consider paying annual bonuses (if any) and other compensation as well as adjusting the overall annual remuneration for senior executives and employees of the Company, for further proposing to the Board of Directors for approval.

Corporate Governance for Sustainability :

13. Formulate and review policies, principles of good corporate governance, and criteria related to business ethics and anti-corruption, to be proposed to the Board of Directors. At the same time, provide recommendations and advice on corporate governance practices to the Board of Directors.
14. Ensure that policies, goals, strategies, and operational frameworks for sustainable development of the company are prepared, and the Company's activities for society, communities, and the environment are organized. Review the Company's performance on corporate governance and sustainable development and propose to the Board of Directors.
15. Ensure that various policies and practices related to sustainable development and good corporate governance are prepared and compliance with international standards, as well as supervise and follow up policies and guidelines are followed as stated.
16. Review the Company's corporate governance policy and sustainable development policy annually.
17. Review the Company's Code of Conduct annually.

Other :

18. Review the guidelines for the performance evaluation of the Company's Board of Directors and sub-committees annually. Follow up and summarize the evaluation results to the Board of Directors, to take the information into consideration for the efficiency of work improvement.
19. Consider reviewing performance evaluation methods and performance evaluation forms, as well as evaluate the performance of the Chief Executive Officer.
20. Prepare a director development plan for the current and new directors to understand the business that the Company's directors hold positions, the roles and duties of directors, and various important developments. For new directors, provide orientation and distribute documents and information useful to the performance of duties of directors.
21. Consider reviewing and improving the suitability of the charter annually or whenever there are changes to the regulations/criteria of the Stock Exchange of Thailand, the Securities and Exchange Commission (SEC), and other related agencies. Then, submit to the Board of Directors for consideration and approval.
22. Perform duties or any other actions as assigned by the Board of Director and carry out any operations as specified.

3. Executive Committee

The Executive Committee is appointed by the Board of Directors, which consists of a number of the Company's directors and may consist of one or more other persons who serve as executives of the Company or other third parties.

The Executive Committee consists of 6 members as follows.

- | | |
|-------------------------------|-------------------------------------|
| 1. Mr. Chanon Chotvijit | Chairman of the Executive Committee |
| 2. Mrs. Nalinee Ngamsetthamas | Executive Committee |
| 3. Mrs. Ladavan Tanatanit | Executive Committee |
| 4. Mr. Suthiporn Tanthikul | Executive Committee |
| 5. Mr. Akrawit Sooksai | Executive Committee |
| 6. Mr. Ekawat Piriyawararakul | Executive Committee |

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

Term of office

The term of office is 3 years.

- **Executive committee members who are company directors :** expire by rotation on the date of the annual shareholder meeting.
- **Executive directors are executives or outsiders :** Term is counted from the date of appointment by the Board of Directors.

When the term of office has expired, he or she may be reappointed for another term as the Board of Directors deems appropriate. The Chairman of the Executive Committee can hold office for no more than 2 consecutive terms.

The Executive Committee shall meet at least once a month or as it deems appropriate. The quorum of the Executive Committee's meetings consists of no less than half of the Executive Committee members. For voting, each committee has one vote, using a majority vote as the criterion. If the votes for both sides are equal, the Chairman shall vote, and his/her vote is final. Any member who has an interest in a matter shall not have the right to vote on that matter.

Roles and Responsibilities of the Executive Committee

The Executive Committee has roles, duties and responsibilities as assigned by the Board of Directors as follows.

1. Determine short and long-term business directions and strategic goals of the Company for both financial and non-financial aspects by analyzing the ecosystem and factors prior to proposing to the Board of Directors for consideration.
2. Consider the policy, operating plan, and annual budget of the Company, as proposed by the management, prior to proposing to the Board of Directors for consideration and ensure that the management operates the business in accordance with the approved policy effectively and efficiently.
3. Consider and approve expenses in the normal course of business operations of the Company, as well as the significant investment expenditures as specified in the Company's annual expenditure budget.
4. Consider and approve loans and debt restructuring loans under the specified approval authority framework approved by the Board of Directors.
5. Has the authority to considering and approving loans, providing collateral, guarantees, issuing debt instruments, requesting debt restructuring with financial institutions or requesting any loans under the criteria as assigned by the Board of Directors.
6. Serve as the management's advisory in matters of financial policy, marketing, personnel management, and other operational aspects.
7. Carry out any other actions as assigned by the Board of Directors from time to time. This authority including the delegation of authority to other persons as deemed appropriate, however it does not include granting authority to approve any transactions that may have a conflict of interest with the company or subsidiary according to the rules of the Stock Exchange of Thailand. Approval of these transactions must be proposed to the Board of Director and/or Shareholder's meeting for consideration and approval in accordance with the Company's regulations or related laws stipulated.
8. Review and improve the suitability of the Executive Committee's charter annually or whenever there are changes and propose to the Board of Directors for consideration and approval.

4. Credit Committee

The Credit Committee is appointed by the Board of Directors. At least 1 credit committee member must be a member of the company's board of directors. or executive committee. For other credit committee members, they may be company executives or outsiders who have knowledge and understanding related to the company's business.

Chairman of the Credit Committee: The Board of Directors is responsible for appointing one credit committee member to be the chairman of the committee. However, the credit committee member who holds the position of chairman of the credit committee can hold office for no more than 2 consecutive terms.

The Credit Committee consists of 5 members as follows.

- | | |
|--------------------------------|------------------------------|
| 1. Mrs. Nongluk Chantarasombat | Chairman of Credit Committee |
| 2. Mr. Visit Vongruamlarp | Credit Committee |
| 3. Mr. Watana Sangvongmai | Credit Committee |
| 4. Mr. Suthiporn Tanthikul | Credit Committee |
| 5. Mr. Akrawit Sooksai | Credit Committee |

Ms. Chanjira Khongcharoen is the secretary of the Credit Committee.

Term of office

Each term of office shall not exceed 3 years.

- **Credit committee members are company directors:** The credit committee position will end when their term of service as a company director expires.
- **Credit committee members are outsiders who are qualified experts:** The term of office for credit committee members will start from the date of appointment by the Board of Directors.

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 that are beyond the approval authority of the management in accordance with the credit policy, including orders, and other related announcements. has been prescribed
 - 1.1 Factoring loans, lending, other types of loans
 - 1.2 Risk management related to loans
 - 1.3 Collateral
 - 1.4 Debt restructuring
2. Review the requests for approval of matters according to item 1. before proposing to Executive Committee and/or the Board of Directors for approval.
3. Provide advice or recommendations on credit risk management to the management for the benefit of building a customer base and quality debtors of the company.
4. Carry out other actions as assigned by the Executive Committee and/or the Board of Directors.

5. Review and improve the suitability of the Credit Committee Charter annually. or when changes are made and presented to the Board of Directors for consideration and approval

Subcommittee

The subcommittee consists of 2 groups.

1. Enterprise Risk Management Subcommittee
2. Sustainable Development Subcommittee

1. Enterprise Risk Management Sub-committee

In 2022, the company established the Enterprise Risk Management Subcommittee which includes a representative from the Board of Directors who holds the position of Chairman of the Enterprise Risk Management Subcommittee. In addition, senior executives from all departments are members of the Enterprise Risk Management Subcommittee. The names of Enterprise Risk Management Subcommittee as follow.

Name	Position
1. Mr. Akawit Sooksai (Chief Executive Officer)	Chairman of the Enterprise Risk Management Subcommittee
2. Mr. Pongsakorn Sangvijit (Managing Director)	Deputy Chairman of the Enterprise Risk Management Subcommittee
3. Mr. Pattawut Veerapradit (Assistant Managing Director, Finance & Administration Division)	Enterprise Risk Management Subcommittee
4. Mr. Sirisak Borisuitsawat (Assistant Managing Director, Risk Management and Debt Recovery Division)	Enterprise Risk Management Subcommittee
5. Mr. Pipob Jirawongsakorn (Assistant Managing Director, Operation Division)	Enterprise Risk Management Subcommittee
6. Mr. Wandej Lertpricha (Assistant Managing Director, Information Technology Division)	Enterprise Risk Management Subcommittee

Ms. Nantapapas Pralongsil is the secretary of the Enterprise Risk Management Subcommittee

Roles and Responsibilities of the Enterprise Risk Management Subcommittee

1. Follow the principles of the risk management process which consists of the main steps; risk identification, risk assessment, risks monitoring and controlling, and risk reporting.
2. Define risk management guidelines and tools to be in line with the company's risk governance framework.
3. Consider policies and risk management guidelines of the company to ensure that it covers important risks, such as business strategy risks, credit risk, liquidity risk, operational risk, and other new risks, etc. Discussion and exchange of opinions with the assigned directors/committee should be hold, to assess whether the risk management policy and guidelines cover all types of risks and emerging risks as well as the efficiently and effectively of the company's operation.
4. Control and supervise the company's risk management according to risk management policies and strategies.
5. Give opinions on the development of work processes or the company's new products. Improve various operations prior to proposing to the person with approval authority on that matter.
6. Review the adequacy of risk management policies and systems. This includes the effectiveness of the system for implementing the specified policy.
7. Evaluate work performance at least once a year and report to the Audit Committee. The evaluation results will be used for improving the company's operations to be more efficient and lead to the specified objectives.

2. Sustainable Development Subcommittee

In 2022, the company established the Sustainability Development Subcommittee to carry out operations according to policies, strategies, and plans for sustainable development.

The Sustainability Development Subcommittee consists of a representative from the Board of Directors and 3 representatives from management and employees. The names of Sustainability Development Subcommittee as follow.

Name	Position
1. Mr. Akawit Sooksai (Chief Executive Officer)	Chairman of the Sustainability Development Subcommittee
2. Mr. Pongsakorn Sangvijit (Managing Director)	Deputy Chairman of the Sustainability Development Subcommittee
3. Mr. Vutipong Kittichanteera (Senior Vice President Strategy, Product and Digital Business Development)	Sustainability Development Subcommittee
4. Mrs. Pornsiri Kusolputchong (Company Secretary)	Sustainability Development Subcommittee

Roles and Responsibilities of the Sustainability Development Subcommittee

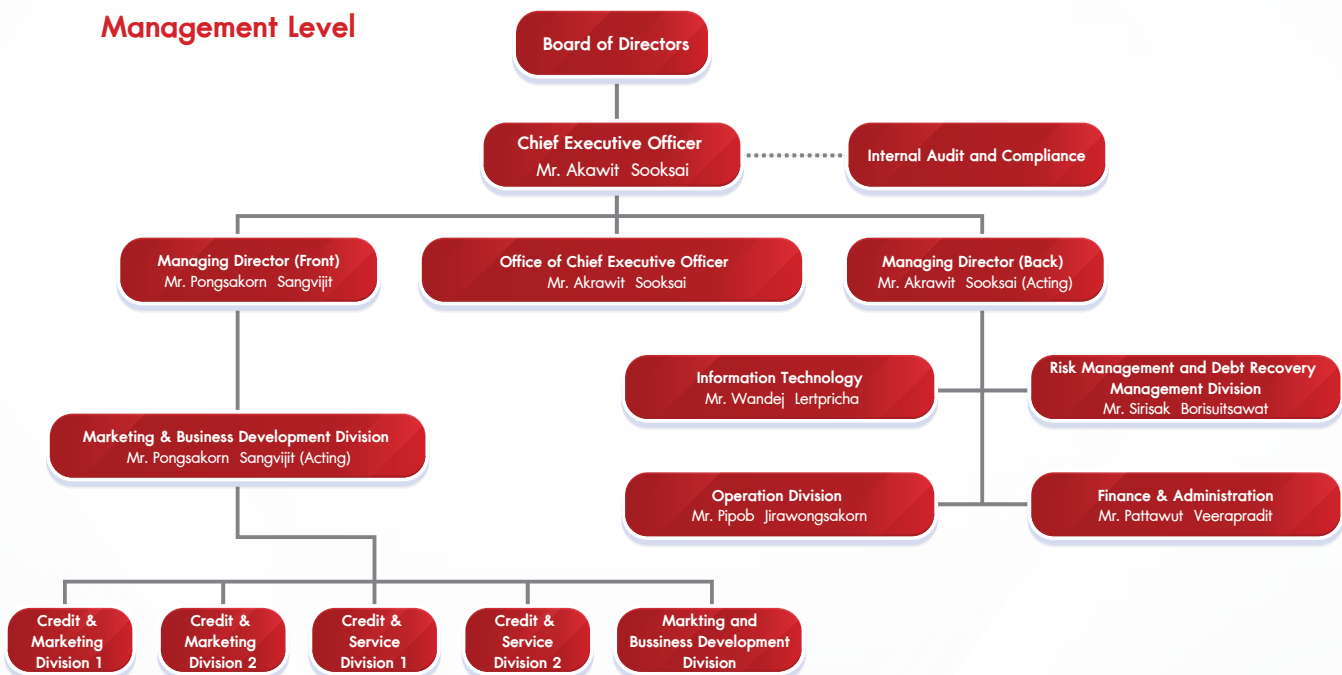
1. Operate the company's activities according to policies, strategies, and development plans for sustainability.
2. Develop and create awareness among stakeholders both inside and outside the organization regarding sustainability practices.
3. Prepare a sustainability report to present to the Nomination and Remuneration Committee.
4. Promote and support the creation of value for stakeholders through a combination of ethics, social responsibility, and the environment into the organization's various activities.
5. Report performance of duties to the Nomination and Remuneration Committee.
6. Perform duties or any other actions as assigned by the Nomination and Remuneration Committee.

7.4 Management

7.4.1 Name of Management (as of December 31,2023)

Name	Position
1. Mr. Akawit Sooksai	Chief Executive Officer
2. Mr. Pongsakorn Sangvijit	Managing Director
3. Mr. Pattawut Veerapradit	Assistant Managing Director, Finance & Administration Division
4. Mr. Sirisak Borisuitsawat	Assistant Managing Director, Risk Management and Debt Recovery Division
5. Mr. Pipob Jirawongsakorn	Assistant Managing Director, Operation Division
6. Mr. Wandej Lertpricha	Assistant Managing Director, Information Technology Division

Management Level



7.4.2 Policy on Remuneration of Directors and Executives

1. Directors' Remuneration

The Board of Directors has reviewed the policy and criteria on considering the remuneration of Directors, Chief Executive Office, and Executives, during the Board of Directors' Meeting No. 6/2023 on December 14, 2023, the main points were as follows.

Criteria for Determining Directors' Remuneration

- Directors' remunerations consider and determine from duties, scope of accountability and responsibility of the committee

- The determination of remuneration is in accordance with the practices used by listed companies and the principles of good corporate governance. The consideration is based on the operating results, size of business, responsibility and performance of the Board of Director, economic situation, altogether with the comparative information of other companies in the same industry with similar size and business characteristics, as well as the results of the Director's remuneration survey of the Thai Institute of Directors Association (IOD).
- In this regard, the remuneration rate and components of Directors' remuneration should reflect the value given to the knowledge and abilities of Directors sufficient to attract and retain quality Directors to be with the company.

Type of remuneration consists of 2 parts

Attendance Fee

- The setting of meeting allowances should reflect the work of the Directors and motivate them to perform their duties by regularly attending meetings. Meeting allowances will be paid only to Directors who attend the meetings.
- Determination of meeting allowances for the Board of Directors and subcommittees' consideration will be based on the scope of duties, responsibilities and duties assigned by the Board of Directors. The meeting allowances of the subcommittees will be set at a lower rate than the Board of Directors, while meeting allowances for the Chairman of the Board as well as the Chairman of subcommittees will be set at a higher rate than other members.

Director's Bonus

Director's bonus is a special remuneration that is considered to provide for directors once a year. Consideration of director's bonus will take into account the Company's operating profit, and it is determined as a ratio to the company's annual net profit.

Remuneration method

Attendance Fee

- Meeting allowance is 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.

Director's Bonus

- Paid to all directors. However, the chairman of the board will receive more compensation than other directors.
- It will be paid to all directors after the approval from the shareholder meeting.

Remuneration Consideration Process

The Nomination and Remuneration Committee considers the type of remuneration, remuneration method, and the amount of directors' remuneration, prior to proposing to the Board of Directors for consideration, and then proposing to the shareholder meeting for approval accordingly.

In 2023, the Annual General Meeting of Shareholders held on April 24, 2023, resolved to approve the determination of remuneration for the Company's directors and sub-committees as follows.

Board of Director meeting allowance

Chairman of the Board	received a meeting allowance of 27,000 baht per meeting
Directors	received a meeting allowance of 17,000 baht per meeting

Audit Committee meeting allowance

Chairman of subcommittee	received a meeting allowance of 25,000 baht per meeting
Directors	received a meeting allowance of 17,000 baht per meeting

Nomination and Remuneration Committee meeting allowance

Chairman of subcommittee	received a meeting allowance of 20,000 baht per meeting
Directors	received a meeting allowance of 17,000 baht per meeting

Executive Committee meeting allowance

Chairman of subcommittee	received a meeting allowance of 15,000 baht per meeting
Directors	received a meeting allowance of 10,000 baht per meeting

Credit Committee meeting allowance

Chairman of subcommittee	received a meeting allowance of 15,000 baht per meeting
Directors	received a meeting allowance of 10,000 baht per meeting

Note :

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

In 2023, the Board of Directors and subcommittees received a total meeting allowance of 2,621,000 baht, details as follows.

Board of Directors and sub-committees	Number of meetings (times)	Meeting allowance (Baht)
1. Board of Directors	6	974,000
2. Audit Committee	6	350,000
3. Nomination and Remuneration Committee	4	197,000
4. Executive Committee	12	540,000
5. Credit Committee	12	450,000

Details of the remuneration of individual directors of the company

(Unit: Baht)

Name - Surname	Meeting allowance	Director's Bonus	Non-monetary compensation	Total
1. Mr. Sorasit Soontornkes	158,000.00	162,218	-None-	320,218.00
2. Mr. Kunakorn Makchaidee	208,000.00	107,700	-None-	315,700.00
3. Mrs. Yajai Pattanasukwasun	304,000.00	107,700	-None-	411,700.00
4. Mr. Poonsak Thiapairat	268,000.00	107,700	-None-	375,700.00
5. Mrs. Ladavan Tanatanit	218,000.00	107,700	-None-	325,700.00
6. Mr. Visit Vongruamlarp	218,000.00	107,700	-None-	325,700.00
7. Mrs. Nalinee Ngamsetthamas	159,000.00	107,700	-None-	266,700.00
8. Admiral Navapol Damrongpong	98,000.00	107,700	-None-	205,700.00
9. Mrs. Nongluk Chantarasombat	244,000.00	107,700	-None-	351,700.00
10. Mrs. Pornpilai Burasai	17,000.00	-	-None-	17,000.00
11. Mr. Akarawit Suksai	49,000.00	107,700	-None-	156,700.00
12. Mr. Chanon Chotiwijit	180,000.00	-	-None-	180,000.00
13. Mr. Suthiporn Tantikul	240,000.00	-	-None-	240,000.00
14. Mr. Wattana Sangwongmai	120,000.00	-	-None-	120,000.00
15. Mr. Wirut Danatikom	20,000.00	-	-None-	20,000.00
16. Mr. Ekawat Piriyaworasakul	120,000.00	-	-None-	120,000.00
TOTAL	2,621,000.00	1,131,518.00	-None-	3,752,518.00

2. Chief Executive Officer and Executive's Remuneration

Criteria for determining remuneration for the Chief Executive Officer (CEO) and senior executives

Remuneration management

- Remuneration is determined based on operational results and company performance. The remuneration will also be proportional to the achievement of the company's strategic goals.
- Methods for performance evaluation must be appropriate and consistent with the company's strategy and operational plan both in the short and long term. Remuneration must be at a level that appropriate to the duties and responsibilities assigned for leading the organization to achieve the specified goals and must reflect competitive short-term and long-term returns when compared to other companies of similar size in the same industry.

The remuneration structure consists of 2 parts.

- compensation and benefits: Salary and benefits.
- Performance-based compensation: Performance-based bonuses.

Remuneration Consideration Process

The Nomination and Remuneration Committee considers determining remuneration according to the specified criteria and methods of consideration, prior to proposing to the Board of Directors for consideration and approval.

Monetary remuneration of the company's executives

For the year of 2023, monetary remuneration of executives in the form of salary, bonuses, and other benefits, as detailed follows.

	2021	2022	2023
Salary and bonus	14,257,378.90	13,489,564	11,780,873
Provident fund contributions	799,571.24	595,224	431,505
Other welfare	866,486.03	3,093,641	588,977
Total	15,923,436.17	17,178,429	12,801,355
Number of Executives	6	5	6

7.5 Employees

As of December 31, 2023, the Company has a total of 86 employees, all of whom are full-time employees. Employees can be divided into different fields as follows:

Department / Division	Number of employees (person)		
	2021	2022	2023
Operations and Information Division	22	28	29
Information Division	n.a.	n.a.	n.a.
Finance and Administration Division	24	19	19
Credit and Marketing Division	19	21	23
Risk Management and Debt Resolving Division	8	8	7
Office of the Chief Executive Officer	7	6	6
Office of Internal Audit and Compliance	2	2	2
Total number of employees	82	84	86

Details of employee divided by position and age.

Item	Number	Number of employees separated by rang of age			
		Age 20-30 years	Age 31-40 years	Age 41-50 years	Age 51-60 years
All employees	86	19	26	20	21
Male	37	5	10	12	10
Female	49	14	16	8	11
Management Level EVP or above	6	-	-	4	2
Male	6	-	-	4	2
Female	-	-	-	-	-
SVP-VP Level	15	-	3	5	7
Male	8	-	2	4	2
Female	7	-	1	1	5
AVP-M Level	37	4	17	9	7
Male	11	1	5	2	3
Female	26	3	12	7	4
Officer Level	28	15	6	2	5
Male	12	4	3	2	3
Female	16	11	3	0	2

Labor Disputes

The Company has no labor disputes in the past 3 years.

7.5.1 Human Resources Policy

The Company places importance on human resource management and personnel learning. We believe that the growth of the organization depends on the quality personnel. Therefore, the company has a policy to improve the management and development system of personnel to be up to date and be in line with technology, as well as in accordance with business standards. In addition, with the aims to strengthen and develop the potential personnel to respond to the organization's expectations in conducting business (High Performance Organization)

Moreover, the company also emphasized on personnel development to participating in caring for society, communities, and the environment (Corporate Social Responsibility), the policy has divided into the following specific areas.

1) Personnel Recruitment and Selection : The company has an employment policy that focuses on equality. The recruitment process does not tolerate discrimination based on gender, race, religion, and culture. Personnel selection is based on knowledge, abilities, skills, and experience that appropriate to the job position. The company has a clear system and guidelines for the recruitment as well as the hiring process that are transparent and fair.

The company has a policy on hiring the elderly, because we recognized the value of human resources who have retired but still have knowledge, abilities and experiences that are beneficial to the company. In 2022, the company has therefore hired 1 contract employee who is a retired employee to be a consultant for the company.

2) Career Management : The company focuses on employees' career development, employee engagement, and career progression. The Group promotes and supports internal promotion. Unless there is no best candidate within the organization, hiring from outside will be considered. In this regard, there are criteria for consideration in transferring, changing roles and duties, and promotions, as well as the qualifications that are clear, appropriate, and fair.

Moreover, the company also provides opportunities for employees to self-select and plan for their career development. We are supporting and giving employees the opportunity to choose and decide on their own career development plans through the allocated development planning and discussion process, in order to prepare for a change of duties in the future.

3) Performance Management : The company has a performance evaluation system that focuses on fairness and transparency for all employees at all levels. It is not only to evaluate the performance of employees but also serves to promote collaboration to systematically enhance operations and human resources management. This is used as an important mechanism for maintaining operational standards and providing systematic service to customers and stakeholders. The performance evaluation is also used as feedback for the development of its employees, as well as for career advancement, providing the organization with the opportunity to proactively select and retain high potential employees.

The company provides a performance management system by preparing an annual budget plan, performance goals, and indicators to measure success in work. There is also a system for reviewing and evaluating work of the department and individual, to ensure that there is development and improvement of work for achieving the company's goals.

For a performance management and evaluation system, the Company has applied a combination of goal setting principles, work achievement indicators, quantitative and qualitative performance evaluations, knowledge and ability consideration, discipline, qualifications, demonstrated behavior in work, leadership potential and management ability.

The company places importance on target KPI, which is an important process under shared responsibility between supervisors and subordinates. The Company encourages supervisors and subordinates to exchange feedback. We also focus on the participation of employees at all levels in setting goals and promoting behavior that is consistent with the organization's culture, to achieve the Company's goals and strategies that have been set.

An employee performance evaluation and the promotion must be strictly followed according to the procedures specified in the company's work regulations.

4) Employee Compensation and Benefits : The company has a policy of paying fair compensation. There is an appropriate compensation system and incentives for work in the form of regular salary, bonuses based on business performance, incentives, additional benefit, and welfare apart from what required by law,

The employee's compensation and benefits are consistent with both short-term and long-term operating results. The determination of benefits and compensation will consider on the knowledge, abilities, performance, position, responsibilities, experience, qualifications, and special expertise, altogether with the labor market compensation rate, financial status, company performance, business customs, and the current social and economic environment.

Compensation Management :

The Company will consider factors and external environmental conditions that may have an impact on managing employee compensation and welfare, to ensure continuous development in order to manage compensation and benefits appropriately, competitively, and able to motivate and encourage employees to show their efficiency and efficiency in working.

The company determines to consider increasing the annual salary rate for employees once a year based on the employee's performance. The company uses the Key Performance Indicator (KPI) system as a tool for considering work performance results of employees and departments as well.

The variable compensation component, such as the annual bonus, is considered based on the organization and individual's performance. It is considered based on respective roles and responsibilities compared with the target, using the "Total Compensation Concept," and factored in the Bank's and the Group companies' short- and long-term operating results, as well as business competency in the future and long-term value creation for shareholders.

Employee Welfare :

The Company provides various benefits to employees as mandated by law and other benefits provided by the Company, including accident insurance, life insurance, health insurance, and reimbursement of medical expenses apart from withdrawing from social security. The Company also arranges an annual health examination once a year to keep employees in good health. Other benefits such as marriage allowance, cremation allowance, training, internal and external seminars for employees are also provided. In addition, a provident fund is provided for employees who have completed their service period as determined by the company. Safe working environment for employees is also concerned, the Company is providing a safe and hygienic place to work as well.

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

Compensation	Unit: Baht		
	Year 2021	Year 2022	Year 2023
Salary and bonus	45,162,731.92	47,583,368.00	45,575,145
Other welfare	2,205,017.75	3,150,220.50	4,358,219
Total	47,367,749.67	50,733,588.50	49,933,364

In 2023, compensation for female employees accounted for 54.75% and compensation for male employees accounted for 45.25%

Provident Fund : Beside the salary and bonuses in which provided in line with the economic situation and the Company's operating results in both the short and long term.

The Company has established the provident fund for employees; 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. As of December 31, 2023, the company has contributions to the provident fund in the amount of 1,818,999.61 baht, while the proportion of employees participating in the provident fund is 37 people out of a total of 86 employees, representing the proportion of employees participating in the provident fund compared to the total number of employees, representing 43%.

5) Safety and Occupational Health : The company has realized that creating a safety culture within the organization is important. The company has therefore established policies that support employees to work safely with good hygiene in the workplace. The company has improved the working environment to be safe and convenient also promoted good hygiene among employees. This will help create happiness and work efficiency for employees.

The company recognizes the importance of strategies for responding and preventing COVID-19 virus outbreaks in the workplace. To build confidence among employee, the company's business partners, and all stakeholders, the company has established operating regulations under the outbreak situation. The guidelines for an infected employee or who are close to an infected person has been announced, to ensure all guidelines are strictly adhered to.

Safety promoting activities : The company's representatives attend the Fire Evacuation Drills Training which held annually by the Building Management.

Accident statistics / morbidity rates

In 2023, there were no accidents or infection caused by work. Employees have an average sick leave rate of 4.8 days.

6) Plans and results for promoting employee engagement and retention

The plan to promote commitment to the company is divided into 3 approaches.

- Create a good physical working environment that is pleasant to work.
- Create good psychological feelings for employees.
- Improve employee relations with supervisors as well as relationship among employees.

The company encourages employees to participate in creating a good corporate culture and teamwork by respecting human rights and treating employees fairly and equally. There is no discrimination against an employee and no violations of human rights in various areas. The Company organized internal activities that employees at all levels can participate. Many activities were held such as Team building, New Year's events, etc. The Company aims to create good relationships between directors, executives, and employees, as well as to provide opportunities for employees to express different opinions independently, so that various suggestions can be considered and presented to the management.

The company's past operations

- Provide necessary information, including goals, business direction, and strategy, for employees to be informed and used as a guideline for working
- Executives are opened and listen to opinions and suggestions from employees at all levels with the aim to improve work, emphasizing the participation of employees, thinking and creating together
- Give employees the opportunity to show their full abilities on the job and support their learning and better development in their ability
- Organize the activities for knowledge and experiences sharing
- Expand the working area, in 2023 the office was moved to the new location with spacious workspace and more comfortable
- The company organizes activities to promote employee engagement, which including.
 - ▲ Organize internal football match between employees and executives within the company and group of companies, to create relationship between employees and executives also get to each other among the group company
 - ▲ Organize a New Year's party for executives and employees at all levels

Employee turnover rate for the year of 2023 is 37.58%.

7) Fair treatment of employee : The company has policies and guidelines to treat employees equally without any exception and be fair to employees at all levels in terms of determining compensation, employee transfer, training, occupational health, safety, career progression, and employee protection. The Human Resources Department is responsible for organizing labor relations activities and coordinating with relevant agencies.

8) Non-violation of human rights : The company supports and respects the human rights of all stakeholders by not doing anything that causes violations of human rights as well as do not discriminate of the basis of genders, ages, race, and religion.

7.5.2 Human Development Policy

1) Employee knowledge training : The company has a policy to promote personnel development also emphasized on the importance of employee's necessary knowledge and skills, to perform their duties and to achieve business success for the company. It is also the preparation to support business expansion in the future. Therefore, the company has arranged both internal and external training for employees.

Moreover, the company is committed to developing our employees to be a person with morality and ethics along with skills and expertise to perform tasks. To apply good knowledge and experience to be used in strengthen strength and support the sustainable growth of the company. The company encourages employees to receive appropriate training for progression and stability in work by allocating training budgets and conducting employee's training and development plans. The company is also focusing on employee training to gain their skills, enhance knowledge and exchange experiences, as well as improve efficiency in work by creating a long-term personnel development plan to support future growth.

In addition, the company has organized career growth plans for employees, so they have the career growth opportunities according to their knowledge and abilities, while the ability has been used in their full potential as well.

In 2023, the company has laid out a strategy to raise the abilities of employees in line with the business direction. All employees have received training in a variety of knowledge depending on the suitability of their work and positions, to develop their work potential and leadership.

In the same year, the company has also organized knowledge development activities which included external training from various institutions and organizations and internal activities; for instance, workshop, knowledge sharing, e-Learning, and learning workshops, etc.

The details of trainings are as follows.

- External Training

No.	Nam of Training Programe	Organizer
1	Disclosure of information through the SETLink system No. 1 / 2023	Stock Exchange of Thailand
2	Personal Data Protection Law for Information Technology, Class of 13	The Political Science Association of Kasetsart University
3	SMART Workplace SMART People	The Graduate School of Human Resource Development, NIDA
4	Ice-Breakers Activities for Internal Trainers and Training Staff	HR Center Co., Ltd.
5	HR TALK: Prepare to be a SMART HR	by SEAC
6	Leadership Trends 2024	by SEAC
7	Human Resources Business Partner	PMAT
8	HROD TALK #149	PMAT
9	Necessities and Challenges of the Decade	TFAC
10	Management of Information Technology Security and Cyber Security of the Organization	National Science and Technology Development Agency
11	How to Develop a Risk Management Plan HRP 34/2023	Thai Institute of Directors
12	Creating and Praticing Organizational “Activity Management Skills”	NIDA
13	HR Tech	PMAT
14	Board of Directors and Senior Executives with ESG Risk Management	TFAC
15	How should auditors handle with inspection work? - Class of 1/66	TFAC
16	Control Processes to Prevent and Detect “Corruption” - Class of 3/66	TFAC
17	Disclosure of information through the SETLink system No. 3/ 2023	Stock Exchange of Thailand
18	Director Accreditation Program	Thai Institute of Directors
19	Supervision of information technology operations	The Political Science Association of Kasetsart University

ลำดับ	หลักสูตร	จัดโดย
20	Techniques for calculating the business's value to be appropriated with today's era	Investment Analysts Association
21	Digital HR	DUGA
22	The Role of the Company Secretary in Driving ESG	Stock Exchange of Thailand and Thai Institute of Directors
23	Budget Preparation and Management	Thammasat Consulting Networking and Coaching Center
24	Financial Technology and Related Laws -Class of 5	The Political Science Association of Kasetsart University
25	Preparing a record of personal data processing activities - Class of 6	The Political Science Association of Kasetsart University
26	Important Principles of the Income Statement & statement of comprehensive income according to IAS 1 Presentation of Financial Statements	Dharmniti Seminar and Training Co., Ltd.
27	Precautions for submitting financial statements for 2023 and preparation for submitting financial statements for 2024	Dharmniti Seminar and Training Co., Ltd.
28	Company Secretary Program	Thai Institute of Directors
29	Preparing to deal with Financial Investment and Accounting that affect Listed Company	Stock Exchange of Thailand
30	Preparation for entering the examination for "New Auditor"	Dharmniti Seminar and Training Co., Ltd.
31	Preparation of Financial Statements, Account Opening Information and Presentation of Financial Statements	Dharmniti Seminar and Training Co., Ltd.
32	Controlling and Inspecting the Security of Information Technology Systems According to ISO/IEC 27001 Standards	Career for the Future Academy
33	Cisco Certified Network Associate	Jodoi IT&Service Co.,Ltd.

- **Internal Training**

1. **New Employee Orientation Program** : a course that every new employee at every level should attend. For new employees to learn about the company's nature and business, related regulations, corporate governance policy and business ethics, anti-corruption policy, policy on hiring public officials, and other necessary information.

2. **Anti-Corruption Program** : The policy, standard of operations, and regulations related to anti-corruption are prepared and reviewed. There are also the communication channels for executives and all employees to be acknowledged and be strictly followed.
3. **Coaching for Performance Program** : a course that was organized for executives; VP, SVP, and EVP levels to gain knowledge and understanding, as well as to acknowledge problems/obstacles. Learn about the “Analyze Success, Analyze Actions” model, and put them into practice / develop subordinates to have better performance.
4. **Professional Presentation Program** : a course that aim to develop skills required for presentations and preparation steps. Techniques/strategies for using media in presentation in which can be applied to work efficiently.

● **Knowledge Sharing in the year of 2023**

No.	Topic	Speaker	Department	DD/MM/YY
1	Toyota TPS	Cholathorn Chaidaeng	Accounting and Finance Department	27/01/2023
2	The Dictionary of Body Language	Permsak Poonperm	Credit and Marketing 1	24/02/2023
3	7 things to know before filing personal taxes What is the Penalty for not Filing Taxes?	Sangurai Langhuaychai	Accounting and Finance Department	17/03/2023
4	Aira’s Group Product Sharing	AIL+A&A		21/04/2023
5	Data Analytics for Financial Services	External Speaker		26/05/2023
6	How can a mediocre person grow in work?	Yossakrai Rujipongwatee	Legal Division	23/06/2023
7	- What does conflict of interest have to do with AF people? - Why is it wrong to use inside information? - ESG	Pornsiri Kusolputchong Vutipong Kittichanteera	Company Secretary Department Corporate credit and Business Development	21/07/2023

No.	Topic	Speaker	Department	DD/MM/YY
8	- Data Driven Marketing for Organization	Kanin Chulanutrakul	Strategy, Product and Digital BD	25/08/2023
	- Anti-Corruption	Padcharee Rattanaphan	Human Resources Department	
9	- Control Self Assessment (CSA): a simple way that helps businesses achieve their goals	Somjai Amornchainoppakun	Office of Internal Audit and Compliance Debt Recovery Management Department	29/09/2023
	- Standard Operating Procedure: Watch List, Black List, AML/CFT	Apinan Yongtrakarn		
10	Social Credit System	Pasit Limsiripalboon	Credit and Marketing 2	03/11/2023
11	Credit Line for Non-Factoring and the Reviewed Credit Policy	Sirisak Borisuitsawat	Risk Management Department	01/12/2023

In addition, the company also disseminates knowledge about business operations of the company, related regulations and policies that approved by Board of Director, for instance; the Credit Policy,

Anti-Corruption Policy, Corporate Governance Policy, Conflict of Interest Policy, Company Code of Ethics, PDPA Policy, IT Security Policy, Information Management Policy, and other necessary information, through online channel as well as the company's intranet system on a regular basis.

A Summary of Employee Training Hours in 2023

- External training amounts to an average of 3.00 hours per person per year.
- Internal training amounts to an average of 5.27 hours per person per year.

2) Succession Plan

In 2023, the Board of Director has approved a succession plan to ensure that the defined talent successors are ready to continually support the company's business operations. The employees and executives in the talent pool will have great opportunities in their career paths and will be developed in several aspects to become successors in necessary and critical positions at the management level and/or positions that require special expertise, so that the successors are prepared and capable of taking over on time. Such a succession plan is annually reported to the Board of Directors.

7.5.3 Internal Communication

The Company has consistently placed highly efficient communication systems for all employee such as Town Hall for executives to communicate with employees, a variety of channels via internal email to send news and information within the organization, AIRA Group News, VDO Conference, etc., to ensure that employees acknowledge policies and business direction as well as get complete and up-to-date information. The internal communication channels are also venues for the exchange of ideas and are communication channels between employees and management. This helps foster an atmosphere of cooperation at work and creates an open-minded working environment, promotes the good image of the company also supports the company to achieve its business projections.

7.6 Names of Accounting Head, Company Secretary, Internal Audit Head, Compliance Head, and Investor Relations Officer

7.6.1 List of persons assigned to be responsible as follows:

Company Secretary

Mrs. Pornsiri Kusolputchong was appointed by the Board of Directors' meeting held on 10 May 2022 to hold the position of Company Secretary.

The roles and responsibilities of the company secretary are in accordance with the Securities and Exchange Act Section 89/15 as follows:

1. To be a center for document preparation and storage
2. Register of directors
3. Organize a shareholders' meeting, prepare notice and 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. Provide suggestion 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 the executive profile section. (Attachment no 1)

Persons who are directly responsible for accounting supervision.

Ms. Cholathorn Chaidaeng, Assistant Vice President of Accounting and Finance Department, has been directly responsible for supervising accounting from July 1, 2022. The qualifications of those assigned to be directly responsible for supervising accounting appears in the executive profile section. (Attachment no 1)

Person holding the position of Head of the Office of Compliance and Internal Audit

During the Audit Committee meeting No. 3/2006 held on August 7, 2006, Ms. Somjai Amornchainoppakun has been appointed to be the Head of the Office of Compliance and Internal Audit. The appointment was effective on July 14, 2006. Ms. Amornchainoppakun has experience in internal auditing together with a good understanding of the Company's operating activities. The qualifications of the person holding the position of Head of the Office of Compliance and Internal Audit appears in the executive profile section. (Attachment no 3)

However, the consideration of appointment, removal, and transfer of the person holding the position of the Head of the Office of Compliance and Internal Audit must be approved by the Audit Committee.

7.6.2 List of Head of Investor Relations

The Company emphasizes on the importance of disclosure of the Company's information and define "Investor Relations" to communicates and disseminates accurate and transparent information.

Head of Investor Relations is Mrs. Pornsiri Kusolputchong

Those who are interested can contact Investor Relations at:

AIRA Factoring Public Company Limited

188 Spring Tower Building, Floor 12A, Unit 6-10 Phaya Thai Road, Thung Phaya Thai Subdistrict, Ratchathewi District Bangkok 10400

Phone : (+66) 2657 6222

Fax : (+66) 2657 6244 , (+66) 2657 6245

E-mail : ir_af@airafactoring.co.th

Website : www.airafactoring.co.th

In 2023, the company has publicized the company's information through various media. Mr. Akrawit Sooksai conducted interviews through various media channels, to announce information on the company's operating results and business policies.

7.7 Auditor's Remuneration

The Audit Committee has considered the qualifications of the auditors by considering their independence, suitability, the performance of duties. Moreover, in order to ensure there are no relationship/ interest/transactions that may cause conflicts of interest with the company, management, major shareholder, or related persons. In addition, being auditor approved by the Securities and Exchange Commission.

In addition, the Audit Committee has considered determining the amount of audit fees annually, to be appropriate to the scope of the audit. The audit committee will propose qualified auditors along with the amount of the audit fee to the Board of Directors for consideration, and then proposing to the Annual General Meeting of Shareholders for their approval accordingly.

For the year 2023, the Annual General Meeting of Shareholders has considered appointing EY Office Company Limited to be an auditor. The EY Office Company Limited has qualifications in accordance with the rules of the Securities and Exchange Commission and has no relationship or interest with the company, executives, major shareholder, or related persons.

The audit fee for 2023 was 1,210,000 baht, an increase of 150,000 baht from 2022, excluding other service fees (non-audit fees), which the company will actually pay.

Audit fees during the past 3 years as follows:

Audit fee	Unit: Baht		
	2021	2022	2023
Audit Fee	1,010,000	1,060,000	1,210,000
Other service charges	-none-	-none-	-none-
Total	1,010,000	1,060,000	1,210,000

8. Key Performance Report on Corporate Governance

8.1 Performance of the Board of Directors in the Previous Year

8.1.1 Nomination of Directors

The Nomination and Remuneration Committee was responsible for selecting and determining appropriate persons with experience, knowledge, and competencies beneficial to the company to be nominated as the company's directors, and to propose nominations to the Board of Directors' meeting and the shareholders' meeting in accordance with the Bank's Articles of Association.

In the nomination of new directors, the company considered the board structure according to the board skill matrix, which had been approved by the Board of Directors, to determine the necessary qualifications, knowledge, skills, and experiences of new directors so that the Board of Directors' component was in line with the Group's business strategy.

The company had 10 directors. During the 2023 AGM, there were 3 directors, who were retired by rotation as follows:

1. Mr. Kunakorn Makchaidee Director/ Independent Director
2. Mrs. Yajai Pattanasukwasun Director/ Independent Director
3. Admiral Navapol Damrongpong Director/ Independent Director

The company had posted on its website an invitation to shareholders to propose the names of qualified persons to be elected as directors, there was no director nominee from any shareholder.

During the 2023 AGM, there was one director who retired by rotation and hold the position as an independent director for more than 9 years.

The Board of Directors has considered and was of the opinion that the retired independent directors who the tenure of office were more than 9 years, still have their independence and able to express opinions and perform duties independently according to the criteria related correctly. They had knowledge, competencies, and experiences in the related business operations of the company and possessed complete qualifications with no prohibited attributes as defined in the legal provisions currently applied to the company. As proposed and agreed by the Board of Director, thus, the shareholders' meeting has re-elected all three retiring directors for another term.

Furthermore, the Nomination and Remuneration Committee selected a qualified person to replace Mrs. Nongluk Chantarasombat (authorized director) who resigned from the position and proposed Mrs. Pornpilai Burasai, who had knowledge, competencies, and experiences in credit services, legal matters, regulations and rules relating to the capital market, which would benefit the company in defining its direction, strategy, and business plan, with no prohibited attributes as defined in the legal provisions currently applied to the company, to propose to the Board of Directors for approval and appointment as the company's director and authorized director. The term of office is equal to the remaining term of the resigning director.

8.1.2 Nomination and Appointment of Executives

The Nomination and Remuneration Committee is responsible for selecting and consideration qualified individuals with the desired qualifications to be appointed as the highest executives of the company. The Committee selects qualified individuals based on qualifications, knowledge, capabilities, related experience, as well as other attributes that are necessary for the appointed roles. Furthermore, the qualified individuals should demonstrate their opinion and vision that are aligned with those of the Board of Directors to ensure the success of the company's targets. Upon selecting qualified individuals, the Committee will propose the selected candidates to the Board of Directors for approval.

In 2023, the Nomination and Compensation Committee selected 2 persons with suitable qualifications to serve as probationary employees and consider the performance of senior executives, namely Mr. Wandej Lertpricha, to hold the position of Executive Vice President (EVP), Information Technology Division, and Mr. Sirisak Borisuitsawat, to hold a position of Executive Vice President (EVP), Risk Management and Debt Recovery Management Division. After the performance evaluation, then the names were presented to the Board of Directors' meeting to consider appointing as an executive of the company.

8.1.3 The Review of Recruitment Criteria

The Nomination and Remuneration Committee has considered and reviewed the selection criteria. The criteria have been separated into 3 categories which including directors, chief executive officers, and senior executives. While 3 important matters have been also mentioned: 1) the qualifications of directors, chief executive officer, and senior executives 2) the source of recruitment and 3) recruitment process. It was proposed to the Board of Directors for approval on November 14, 2023.

8.1.4 The Review of Remuneration Criteria

Following the CGR 2023 criteria, which requires companies to set policy and criteria on determining remuneration to the directors. In addition, the policies and criteria for remuneration of the CEO and senior executives, both short-term and long-term, should be disclosed. This policy and criteria were presented to the Board of Directors for approval on December 14, 2023.

Currently, the current version of the criteria for considering remuneration is divided into 2 separate sections 1.) for directors 2.) for the chief executive officer and senior executives, and 3 subtopics consisting of compensation types, compensation payment methods, and the process for considering compensation.

8.1.5 The Review of Criteria for Board Skill Matrix

As the company face many challenges, we are trying to create profit for the company during this environmental and technological change and the increasing of social and environmental responsibility expectations.

Therefore, the Board of Directors Meeting No. 6/2023 held on December 14, 2023, considered and approved the review of the directors' necessary skills for running company's business (Board Skill Matrix) by adding ESG to be an additional skill and expertise that directors should have. This will result in the skills of directors required to run the company's business in 8 areas as follows:

1. Business/Management
2. Strategic Planning
3. Accounting-Finance/Internal Audit/Supervision
4. Credit business/Financial institution/Factoring business
5. Risk /Enterprise risk management
6. Legal related to business
7. Information technology
8. ESG

8.1.6 Development of Directors and Executives

The company has a policy to encourage its directors and executives to participate in seminars and training sessions of the IOD, the SET, or other independent institutions to benefit the performance of their duties for the company.

As the company's Board of Directors has determined additional skills required for directors in the area of ESG knowledge and ability. In this regard, the company has developed ESG knowledge activities to cover all directors, executives, and all employees, to be understood and aware of the importance of conducting business with consideration and care for society and the environment. Therefore, the following actions have been taken.

Director Level

- The company's directors attended the Engaging Board in ESG : The Path of Effective Sustainability event, which held on July 13, 2023 during 1:30 - 4:30 p.m. at Phayathai Room 1-2, Eastin Grand Hotel Phayathai.
- At the Board of Director meeting, the updated stock exchange regulations had been informed to the company directors.
- E-mail was sent to directors to be informed of regulations announced by the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.
- Planning for the development of ESG knowledge for directors and executives by inviting external speakers to provide knowledge at the company office. The event is scheduling to be held on March 29, 2024.

Employee Level

- The company has established a sustainability team and conducted guidelines for operations and supervision.
- The company has assigned 4 employees and executives who are parts of the company's sustainability team, to attend training and workshops under "SD Journey 2023" project.
- The company has assigned the representatives of Human Resources Department to attend a training on "How to provide ESG knowledge through online media channel?" held by the Stock Exchange of Thailand. Then, the company can provide ESG knowledge to employees at all levels.
- The sustainability team is studying Carbon Footprint operations, which are expected to be implemented in 2024.

- Three company's executives attended the Director Accreditation Program training course organized by the Thai Institute of Directors Association.

8.1.7 Performance Assessment of the Board and the Executive

1. Performance Assessment of the Board

The Board of Directors has evaluated its own performance in performing the duties of the Board of Directors and all sub-committees by evaluating performance individually and as a group. The assessment should conduct at least once a year to determine whether or not, it has carried out its duties completely and

appropriately according to the framework of authorities and responsibilities, as well as has supported the management in improving/developing their operation to be more efficient. The self-assessment form was adapted from the Stock Exchange of Thailand's sample, which was applied as appropriate and consistent with the specific characteristics of each committee.

In this regard, the evaluation results were analyzed and 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 should 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	=	Somewhat 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 performance assessment form of the Director and the Chief Executive Officer and propose to the Board of Directors' meeting for approval. For the 2023, the Board of Directors approved the assessment form at the Board of Directors' Meeting No.6/2023 which held on December 14, 2023.
- The secretary of each committee meeting submits the assessment form to Individual and summarize the results of the assessment. The result should be reported to the Board of Directors as well as the sub-committees, for their acknowledgement and further development planning.

Assessment Topics and Result

In 2023, there were topics on the performance assessment of the Board of Directors, sub-committees, and chief executive officer, details as follows:

Topics : Performance Assessment of the Board of Director (as a whole)

The assessment covers 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 and executive development.

Result : Excellent, average score of 3.94 or equal to 98.41 percent

Topics : Performance Assessment of the Board of Director (individual)

The assessment covers 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.

Result : Excellent, average score of 3.91 or equal to 97.78 percent

Topics : Performance Assessment of the Audit Committee (as a whole)

The assessment covers 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.

Result : Excellent, average score of 3.75 or equal to 93.83 percent

Topics : Performance Assessment of the Audit Committee (Individual)

The assessment covers 3 categories of duties, 12 items, which consisting of structure and qualifications of the Audit Committee, meetings, roles, duties, and responsibilities.

Result : Excellent, average score of 3.83 or equal to 95.83 percent

Topics : Performance Assessment of the Nomination and Remuneration Committee (as a whole)

The assessment covers 3 categories of duties, 23 items, which consisting of structure and qualifications of the Nomination and Remuneration Committee, meetings, roles, duties, and responsibilities.

Result : Excellent, average score of 3.88 or equal to 98.08 percent

Topics : Performance Assessment of the Nomination and Remuneration Committee

(Individual)

The assessment covers 3 categories of duties, 13 items, which consisting of structure and qualifications of the Nomination and Remuneration Committee, meetings, roles, duties, and responsibilities.

Result : Assessment result: Excellent, average score of 3.92 or equal to 97.10 percent

Applying the Assessment Results for Director's Performance Development

The performance assessment results are applied for the development of the Board of Director's performance and plan for further development as well.

2. Performance Assessment of the Chief Executive Officer

The Board of Directors has assigned 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 Stock Exchange of Thailand's Board of Directors, along with the performance assessment form for senior executives, to be in line with the goals and criteria that 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

Topic of the Assessment Form

The assessment form is separated into two parts; Part 1: key performance indicator evaluation based on the Company's performance, and Part 2: individual performance. The assessment covers 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.

Result of Assessment : Excellent, average score of 3.91 or equal to 97.73 percent

Applying the Assessment Results for CEO's Performance Development

Result of Performance Assessment of Chief Executive Officer has been used to determine appropriate and attractive compensation and rewards, also to plan for further development of operations.

8.1.8 Meeting Attendance of Directors

Board of Directors and Sub-committees Meeting

The Company scheduled the meeting date for the Board of Directors and sub-committees in advance for the whole year. The meeting of the Board of Directors was scheduled to be organized at least once per quarter and additional special meetings, as necessary.

It's necessary for each meeting to set a clear agenda for consideration, for information, for discussion and to express opinions, with complete and sufficient meeting documents. The supporting

meeting documents were scheduled to be sent to the directors not less than 7 days before the meeting, so the directors have adequate time to study the information before attending the meeting. In 2023, the meeting's documents were sent to the directors in an average of 9 days in advance of the meeting date.

During the meeting, the chairman allocated sufficient time for all directors to express their opinions freely. The meeting chairman also compiled opinions and summarized issues from the meeting. In addition, the meeting minutes were taken by the company secretary, while after approval by the meeting, the reports were stored in the legal room. In case the directors would like to receive additional information, they can request information by contacting the Company Secretary.

In every meeting of the Board of Directors, the executives were invited to attend the meeting on the agenda related to themselves, to provide detailed information to the directors. This was also an opportunity for directors to get to know executives, also beneficial in considering the management succession plan.

In addition, the Board of Directors has clearly defined in the policy that the meeting's agenda which requires a resolution, there must be at least two-thirds of the total number of directors in both onsite and online meeting. All directors who attend the meeting do not have to reside in Thailand, and do not have to be in the same meeting place.

For the year 2023, the Company held a meeting of director without management, a meeting of independent directors, and meetings of the Board of Directors and each sub-committee. The meeting attendance of each director can be summarized as follows:

List	Board of Directors			Independent Directors meeting	Non-executive Director meeting	Audit Committee	Nomination and Remuneration Committee	Executive committee	Credit committee	Annual General Meeting of Shareholders Year 2023
	Total	Onsite	Online							
1. Mr. Sorasit Soontornkes	6/6	-	6	1/1	1/1	-	-	-	-	1/1
2. Mr. Kunakorn Makchaidee	6/6	-	6	1/1	1/1	6/6	-	-	-	1/1
3. Mrs. Yajai Pattanasukwasun	6/6	-	6	1/1	1/1	6/6	4/4	-	-	1/1
4. Mr. Poonsak Thiapairat	6/6	-	6	1/1	1/1	6/6	4/4	-	-	1/1
5. Mrs. Ladavan Tanatanit	6/6	-	6	-	1/1	-	-	12/12	-	1/1
6. Mr. Visit Vongruamlarp	6/6	-	6	-	1/1	-	-	-	12/12	1/1
7. Mrs. Nalinee Ngamsettam	6/6	-	6	-	1/1	-	4/4	12/12	-	1/1
8. Admiral Navapol Damrongpong.	6/6	-	6	1/1	1/1	-	-	-	-	1/1
9. Mrs. Nongluk Chantarasombat	4/6	-	4	-	-	-	-	-	12/12	1/1
10. Mrs. Pornpilai Burasai	1/6	-	1	-	1/1	-	-	-	-	-
11. Mr. Akrawit Sooksai	6/6	1	5	-	-	-	-	12/12	12/12	1/1
12. Mr. Chanon Chotvijit	-	-	-	-	-	-	-	12/12	-	-
13. Mr. Wattana Sangwongmai	-	-	-	-	-	-	-	-	11/12	-
14. Mr. Suthiporn Tantikul	-	-	-	-	-	-	-	12/12	12/12	-
15. Mr. Wirut Danatikom	-	-	-	-	-	-	-	-	2/12	-
16. Mr. Ekawat Piriaworasakul	-	-	-	-	-	-	-	12/12	-	-

NOTE :

- Mrs. Nongluk Chantarasombat has resigned from the position of the Company's Director and Authorized Director on 14 November 2023, and the Meeting of the Board of Directors No.5/2023 held on 14 November 2023 resolved to appoint Mrs. Pornpilai Burasai to hold the position instead. The tenure of a new director's appointment is equal to the remaining term of the resigning director.
- Mr. Wirut Danatikom has resigned from the position of a member of Credit Committee on 14 February 2023.

8.1.9 Remuneration for Directors

Monetary compensation

The company considers directors' remuneration based on industry practices. Directors' remuneration is at an appropriate level consistent with their responsibilities. The responsibility and time spent performing duties of directors is sufficient to motivate the recruitment of directors and retain good directors to be able to perform their duties with dedication and determination to create benefits for the company. Also consider comparing with the remuneration of directors in business groups that operate the same type of business. It is also comparable to the average of listed companies from the annual Thai Institute of Directors Association's annual survey of remuneration for listed company directors.

The Nomination and Remuneration Committee reviews directors' remuneration every year and presents it to the Board of Directors for consideration and approval and includes it as an agenda for the Annual General Meeting of Shareholders for consideration and approval by the shareholders' meeting.

Director remuneration structure consists of

- Meeting allowance is compensation that the Chairman and Directors receive for attending various sub-committee meetings each time, which will be paid on a per-time basis only for each time the meeting is attended.
- Director's bonus is compensation that the company pays to directors once a year. This will be considered according to the company's operating results each year.
- Other benefits: none

The 2023 Annual General Meeting of Shareholders, held on April 24, 2023, resolved to approve the determination of directors' remuneration for the year 2023 as follows.

List of committees (Unit: Baht)	Chairman of the Committee	Member of Committee
Board of Directors ¹	27,000	17,000
Audit Committee	25,000	17,000
Nomination and Remuneration Committee ¹	20,000	17,000
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 2023 can be summarized as follows:

Name	Remuneration for Directors (Meeting allowance) for the year 2022 (Baht)					Director Bonus pay year 2022	total
	Board of Directors	Audit Committee	Executive Committee	Nomination Committee	Credit Committee		
Mr. Sorasit Soonthornket	158,000.00	-	-	-	-	162,218	320,218.00
Mr. Kunakorn Mekjaidee	98,000.00	110,000.00	-	-	-	107,700	315,700.00
Mrs. Yajai Pattanasukwasan	98,000.00	140,000.00	-	66,000	-	107,700	411,700.00
Mr. Poonsak Thiapairat	98,000.00	100,000.00	-	70,000	-	107,700	375,700.00
Mrs. Ladawan Thanatanit	98,000.00	-	120,000.00	-	-	107,700	325,700.00
Mr. Wisit Wongruamlarp	98,000.00	-	-	-	120,000.00	107,700	325,700.00
Mrs. Nalinee Ngamsetthamat	98,000.00	-	-	61,000	-	107,700	266,700.00
Admiral Nawapon Damrongpong	98,000.00	-	-	-	-	107,700	205,700.00
Mrs. Nongluck Chanthasombat	64,000.00	-	-	-	180,000.00	107,700	351,700.00
Mrs. Pompilai Burasai	17,000.00	-	-	-	-	-	17,000.00
Mr. Akarawit Suksai	49,000.00	-	-	-	-	107,700	156,700.00
Mr. Chanon Chotiwijit	-	-	180,000.00	-	-	-	180,000.00
Mr. Wattana Sangwongmai	-	-	-	-	120,000.00	-	120,000.00
Mr. Suthiporn Tantikul	-	-	120,000.00	-	120,000.00	-	240,000.00
Mr. Wirut Danatikom	-	-	-	-	20,000.00	-	20,000.00
Mr. Ekawat Piriyaorasakul	-	-	120,000.00	-	-	-	120,000.00
Total	974,000	350,000.00	540,000.00	140,000.00	560,000.00	1,131,518.00	3,690,500.00

- **Other Directors' Remuneration**

-None-

8.1.10 Supervision of Subsidiaries and Associated Companies

-The Company has no subsidiaries and associates-

8.1.11 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.

Year 2023 : The company has submitted documents expressing its intention to renew the certificate of the Thai Private Sector Coalition Against Corruption Project, which the company received approval in September 2023

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 2023, 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 2023, 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,
No. 188, Spring Tower Building, Floor 12 A,
Phayathai Road, Thung Phayathai Subdistrict,
Ratchathewi District, Bangkok Postal Code 10400

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 2023, 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 2023, 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 2023, the Nomination and Remuneration Committee held 4 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

- Consider reviewing the determination of important skills, knowledge, abilities, experiences, and expertise that company directors should have that are necessary to achieve the company's strategic goals and establish a framework for evaluating the diversity of board skills, the Board Skill Matrix.
- Consider the policy for creating a management succession plan (Succession Plan).
- Consider and review the criteria and process for recruiting qualified individuals to hold positions as company directors, sub-committees, and chief executive officer. (CEO) and senior executives
- Provide opinions for company directors and sub-committees whose terms of office have expired to return to office for another term.
- Consider selecting and approving the recruitment of qualified persons to hold 2 senior management positions:
 - ▲ Executive Vice President, Risk Management and Debt Recovery Division
 - ▲ Executive Vice President, Information Technology

2. Compensation

- Consider determining the remuneration of the Board of Directors and sub-committees for the year 2023 and consider the directors' remuneration for their performance in 2022 to present to the Board of Directors' meeting. and the 2023 Annual General Meeting of Shareholders, respectively.
- Consider and review the criteria for consideration of remuneration, including determining appropriate remuneration, both in monetary terms and other benefits, for company directors. and committee members by considering the remuneration of directors for the year 2023 to present to the Board of Directors' meeting for approval and to present to the shareholders' meeting for consideration and approval.
- Consider and review the criteria for consideration of compensation, including determining appropriate compensation, both in money and other benefits, for the Chief Executive Officer and senior executives.
- Consider the performance of the Chief Executive Officer and senior executives for the performance of the year 2023 to present to the Board of Directors' meeting for consideration and approval.

3. Corporate governance for sustainability

- Consider and review policies, criteria according to the principles of good corporate governance. Including anti-corruption and corruption to present to the Board of Directors for consideration and approval.

- Consider reviewing business ethics and setting a code of conduct for suppliers in line with the guidelines of the Stock Exchange, which covers environmental, social, and corporate governance issues.
- Review sustainable development policy and establish a framework for governance.
- Support and encourage directors, executives and employees to have knowledge about ESG.
- Encourage the designation of ESG skills as one of the directors' skills that are important and necessary to drive the company's business operations.

4. Others

- Consider reviewing the charter of the Nomination and Remuneration Committee.
- Consider and review the performance evaluation form of the Company's Board of Directors, sub-committees. and Chief Executive Officer for the year 2023
- Evaluate the performance of the Nomination and Remuneration Committee for the year 2023 to report the evaluation results to the Board of Directors' meeting.

The Nomination and Remuneration Committee has performed its duties as assigned with care, transparency, fairness, and independence from the management, in accordance with the principles of good corporate governance, which takes into account the best interests of the Company and its stakeholders. Every group is important.

(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 2023, 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 2023, 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 2023.

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

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. 1/2024 held on February 22, 2024, 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 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 auditors on issues related to the internal control system. In addition, EY Office Company Limited, the Company's auditor for the year ending December 31, 2023, has reviewed the efficiency of the Company's accounting control system.

The results of the audit found that the company's operations were in accordance with financial reporting standards.

9.1.3 Opinion of the audit committee regarding the suitability of the person holding the position of audit 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

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 2023, 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) Received Financial Support Transaction

Individual / Juristic Person Who may be in Conflict	Relationship	Transaction Type	Credit Line for approve in 2023	Transaction Value						Audit Committee's Opinion		
				2023		2022		2021				
				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, 2023.	Received financial support to be working capital for business operations during the crisis caused by the Covid-19 outbreak for a period of 1 year from 10 May 2021 to 11 May 2022. Interest expenses paid to related parties are 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. During 2022, the Company has not drawn down this credit line.	-	-	90.00	-	90.00	-	90.00	0.20	0.21	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.

Individual / Juristic Person Who may be in Conflict	Relationship	Transaction Type	Credit Line for approve in 2023	Transaction Value						Audit Committee's Opinion
				2023		2022		2021		
				Credit Line	Transaction Value	Credit Line	Transaction Value	Credit Line	Transaction Value	
		Received financial support to be working capital for business operations during the period from June to July 2023	90.00	90.00	-	-	-	-	Such transactions are considered beneficial to the Company. This is to enhance the liquidity of the company's operations.	
		Interest expenses paid to related parties are as follows: On June 13, 2023, the Company issued a promissory note AF001/2023 worth 30.00 million baht, interest rate 3.80% per annum, 59 days, due on August 11, 2023.		0.18					The interest rate is the normal interest rate in the market that the company borrows from other financial institutions.	
		On June 16, 2023, the Company issued a promissory note AF002/2023 worth 45.00 million baht, interest rate 3.80% per annum, 60 days, due on August 15, 2023.		0.28					The reason and necessity of doing such transactions is to manage liquidity in business operations.	
		On July 13, 2023, the Company issued a promissory note AF003/2023 worth 15.00 million baht, interest rate 3.80% per annum, 60 days, due on September 11, 2023.		0.09						

Individual / Juristic Person Who may be in Conflict	Relationship	Transaction Type	Credit Line for approve in 2023	Transaction Value						Audit Committee's Opinion
				2023		2022		2021		
				Credit Line	Transaction Value	Credit Line	Transaction Value	Credit Line	Transaction Value	
		Received financial support to be used as reserve funds for providing loans to customers for a period of 1 year from August 2023 to August 2024.	90.00	90.00	-	-	-	-	Such transactions are considered beneficial to the Company. This is to enhance the liquidity of the company's operations.	
		Interest expenses paid to related parties are as follows: On 11 August 2023, the Company issued a promissory note AF004/2023 worth 30.00 million baht, interest rate 3.80% per annum, 60 days, due on 10 October 2023.		0.19					The interest rate is the normal interest rate in the market that the company borrows from other financial institutions.	
		On 15 August 2023, the Company issued a promissory note AF005/2023 worth 45.00 million baht, interest rate 3.80% per annum, 58 days, due on 12 October 2023.		0.27					The reason and necessity of doing such transactions is to manage liquidity in business operations.	
		On September 11, 2023, the Company issued a promissory note AF006/2023 worth 15.00 million baht, interest rate 4.15% per annum, 29 days, due on October 10, 2023.		0.05						

Individual / Juristic Person Who may be in Conflict	Relationship	Transaction Type	Credit Line for approve in 2023	Transaction Value						Audit Committee's Opinion
				2023		2022		2021		
				Credit Line	Transaction Value	Credit Line	Transaction Value	Credit Line	Transaction Value	
		On October 10, 2023, the Company issued a promissory note AF007/2023 worth 45.00 million baht, interest rate 4.20% per annum, 31 days, due on November 10, 2023.		0.16						
		On October 12, 2023, the Company issued a promissory note AF008/2023 worth 45.00 million baht, interest rate 4.20% per annum, 29 days, due on November 10, 2023.		0.15						
		On November 10, 2023, the Company issued a promissory note AF009/2023 worth 45.00 million baht, interest rate 4.20% per annum, 28 days, due on December 8, 2023.		0.15						

Individual / Juristic Person Who may be in Conflict	Relationship	Transaction Type	Credit Line for approve in 2023	Transaction Value						Audit Committee's Opinion
				2023		2022		2021		
				Credit Line	Transaction Value	Credit Line	Transaction Value	Credit Line	Transaction Value	
		On November 10, 2023, the Company issued a promissory note AF010/2023 worth 45.00 million baht, interest rate 4.20% per annum, 28 days, due on December 8, 2023.		0.15						
		On December 8, 2023, the Company issued a promissory note AF011/2023 worth 45.00 million baht, interest rate 4.20% per annum, 24 days, due on January 5, 2024.		0.12						
		On December 20, 2023, the Company issued a promissory note AF012/2023 worth 45.00 million baht, interest rate 4.20% per annum, 12 days, due on January 12, 2024.		0.06						

Individual / Juristic Person Who may be in Conflict	Relationship	Transaction Type	Credit Line for approve in 2023	Transaction Value						Audit Committee's Opinion	
				2023		2022		2021			
				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, 2022.	Received financial support for working capital in conducting business during the crisis caused by the Covid-19 outbreak for a period of 1 year from 10 May 2021 to 11 May 2022. During 2022, the Company has not drawn down this credit line. This limit expires on 11 May 2022.	-	-	400.00	-	400.00	-	400.00	-	Such transactions are considered beneficial to the Company. This is to enhance the liquidity of the company's operations.

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

(2.1) 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).

(2.2) The Board of Directors has approved the office space rental transaction by entering into a rental contract with Aspiration One Company Limited (a subsidiary of AIRA Property Public Company Limited) in 2023, period: Lease for 36 months (1 April 2023 - 31 March 2026)

Individual / Juristic Person Who may be in Conflict	Relationship	Transaction Type	Credit Line for approve in 2021	Transaction Value			Audit Committee's Opinion
				2022 Value	2021 Value	2020 Value	
AIRA Securities Public Company Limited	AIRA Securities Public Company Limited is a subsidiary of AIRA Capital Public Company Limited, holding 99.99% of shares as of December 31, 2023. AIRA Factoring Public Company Limited is held by AIRA Capital Public Company Limited 71.55%. Both companies have major shareholders together.	Lease of office space on the 17 th floor of Chamchuri Square Building by entering into a sublease agreement with AIRA Securities Public Company Limited (lease ends on March 31, 2023)	-	2.14	4.68	4.47	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.

Individual / Juristic Person Who may be in Conflict	Relationship	Transaction Type	Credit Line for approve in 2021	Transaction Value			Audit Committee's Opinion
				2022 Value	2021 Value	2020 Value	
Aspiration One Co., Ltd. (a subsidiary of AIRA Property Co., Ltd.)	AIRA Property Public Company Limited is a subsidiary company whose major shareholder is AIRA Capital Public Company Limited, which holds shares in AIRA Factoring Company Limited (Public Company Limited) 71.55% and holds 60% of shares in AIRA Property Public Company Limited. AIRA Property Public Company Limited holds 60% of shares in Aspiration One Company Limited as of December 31, 2023.	Office space rental on 12A floor, Spring Tower Building By entering into a rental contract with Aspiration One Co., Ltd. (rental period starts from 1 April 2023 - 31 March 2026)	-	-	-	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.	

Policy or trend of future connected transactions

In the event of related transactions in the future, the company has a policy to proceed according to the normal business nature of the company.

The company will comply with the laws governing securities and the stock exchange and the regulations, announcements, orders or requirements of the Stock Exchange of Thailand. and other related agencies

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

Necessity and Reasonableness of Related Transactions

In the event that the company enters into any contract or has a related transaction with the company, subsidiaries, associated companies, related companies. and/or third parties

The Company will consider the necessity and suitability of entering into such contracts by taking into account the Company's interests as the main focus.

Measures or procedures for approval of related party transactions

In the event that the Company enters into any contract or has a related transaction with subsidiaries, associated companies, related companies, outsiders and/or persons who may have conflicts for the benefit of the Company, the Board of Directors has the duty to consider and approve. Including the need to comply with the criteria of the Stock Exchange of Thailand's board announcement regarding disclosure of information and operations of listed companies in connected transactions. and provide prices and conditions It's like doing a transaction with a third party.

Directors who have a vested interest in the item must not participate in the approval process.



Part 3 :

Financial Statements



AIRA Factoring Public Company Limited
Report and financial statements
31 December 2023

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 2023, 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 2023, 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 2023, the Company had total factoring and loan receivables (before deducting allowance for expected credit losses) of Baht 2,431 million and allowance for expected credit losses of Baht 164 million (representing 91% 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's judgement to be in accordance with the Thai Financial Reporting Standards. The key management's judgements 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, randomly testing the accuracy and completeness of data used to develop such models including assessing the appropriateness of assumptions of future forward-looking information and management's judgement for recording management overlay. 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.



Poonard Paچارoen

Certified Public Accountant (Thailand) No. 5238

EY Office Limited

Bangkok: 21 February 2024

AIRA Factoring Public Company Limited**Statements of financial position****As at 31 December 2023**

(Unit: Baht)

	<u>Note</u>	<u>2023</u>	<u>2022</u>
Assets			
Current assets			
Cash and cash equivalents	7	97,903,325	69,148,621
Factoring receivables	8	1,970,783,038	2,064,534,897
Current portion of loan receivables	9	249,916,218	83,960,159
Short-term loans to related party	6	70,000,000	89,861,617
Other receivables		1,276,316	1,212,165
Other current assets		1,161,851	673,025
Total current assets		2,391,040,748	2,309,390,484
Non-current assets			
Loan receivables - net of current portion	9	45,729,170	40,342,762
Equipment	10	6,203,156	988,944
Right-of-use assets	13	19,459,102	3,343,850
Intangible assets	11	5,071,281	5,395,922
Deposits and guarantees		1,949,991	286,818
Deferred tax assets	18	35,006,959	24,549,468
Total non-current assets		113,419,659	74,907,764
Total assets		2,504,460,407	2,384,298,248

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 2023

		(Unit: Baht)	
	<u>Note</u>	<u>2023</u>	<u>2022</u>
Liabilities and shareholders' equity			
Current liabilities			
Short-term loans from financial institutions	12	1,755,000,000	1,690,000,000
Short-term loans from related party	6	90,000,000	-
Retentions from factoring		48,971,869	61,506,072
Current portion of lease liabilities	13	9,432,861	2,382,402
Dividend payables	22	-	51,200,000
Excess receipts awaiting to repay		23,671,087	22,440,550
Other payables		9,505,613	6,432,795
Income tax payables		5,467,672	6,187,875
Other current liabilities		1,256,046	2,016,432
Total current liabilities		1,943,305,148	1,842,166,126
Non-current liabilities			
Lease liabilities, net of current portion	13	11,703,402	1,027,954
Provision for long-term employee benefits	14	17,009,573	15,480,379
Total non-current liabilities		28,712,975	16,508,333
Total liabilities		1,972,018,123	1,858,674,459

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 2023

		(Unit: Baht)	
	Note	2023	2022
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	15	37,370,000	36,970,000
Unappropriated		18,821,318	12,402,823
Total shareholders' equity		532,442,284	525,623,789
Total liabilities and shareholders' equity		2,504,460,407	2,384,298,248
		-	-

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 2023

		(Unit: Baht)	
	Note	2023	2022
Revenues			
Interest income from factoring		173,614,605	158,141,816
Fee and service income		50,677,257	47,753,025
Interest income from loans		15,302,474	19,415,300
Other income		1,554,556	1,179,239
Total revenues		241,148,892	226,489,380
Expenses			
Administrative expenses		115,160,405	107,808,117
Expected credit losses		53,105,059	19,347,138
Total expenses		168,265,464	127,155,255
Operating profit		72,883,428	99,334,125
Finance income		21,664	7,407
Finance costs	16	(63,453,231)	(42,566,195)
Profit before income tax expenses		9,451,861	56,775,337
Income tax expenses	18	(2,633,366)	(11,514,621)
Profit for the year		6,818,495	45,260,716
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	18	-	(201,904)
Other comprehensive income for the year		-	807,614
Total comprehensive income for the year		6,818,495	46,068,330
Earnings per share			
Basic earnings per share	19	0.0043	0.0283

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 2023

(Unit: Baht)

Note	Issued and fully paid-up share capital	Share premium	Capital contribution from parent company		Retained earnings		Total shareholders' equity
			Share premium	parent company	Appropriated	Unappropriated	
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	-	-	-	-	(51,200,000)	(51,200,000)	
Transfer to statutory reserve	-	-	-	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	
Balance as at 1 January 2023	400,000,000	75,844,889	406,077	36,970,000	12,402,823	525,623,789	
Profit for the year	-	-	-	-	6,818,495	6,818,495	
Other comprehensive income for the year	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	-	6,818,495	6,818,495	
Transfer to statutory reserve	-	-	-	400,000	(400,000)	-	
Balance as at 31 December 2023	400,000,000	75,844,889	406,077	37,370,000	18,821,318	532,442,284	

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

AIRA Factoring Public Company Limited**Cash flow statement****As at 31 December 2023**

	(Unit: Baht)	
	2023	2022
Cash flows from operating activities		
Profit before tax	9,451,861	56,775,337
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	11,363,267	8,580,928
Expected credit losses	53,105,059	19,347,138
Gain on disposal of equipment	(20,410)	(811,997)
Write-off equipment	-	10
Provision for long-term employee benefits	2,678,283	2,432,477
Finance cost	63,453,231	42,566,195
Profit from operating activities before changes in operating assets and liabilities	140,031,291	128,890,088
Operating assets (increase) decrease		
Factoring receivables	46,771,753	(180,518,909)
Loan receivables	(177,188,431)	148,026,175
Short-term loans to related party	20,000,000	(90,000,000)
Other receivables	(481,523)	221,749
Other current assets	(488,826)	327,030
Deposits and guarantees	(1,663,173)	-
Operating liabilities increase (decrease)		
Retentions from factoring	(12,534,203)	10,392,551
Excess receipts awaiting to repay	1,230,537	(12,320,244)
Other payables	2,724,756	1,108,507
Other current liabilities	(760,386)	(972,991)
Cash flows from operating activities	17,641,795	5,153,956
Cash paid for interest	(63,054,570)	(42,375,140)
Cash paid for long-term employee benefits	(1,149,089)	(5,261,882)
Cash paid for corporate income tax	(13,811,060)	(11,661,809)
Net cash flows used in operating activities	(60,372,924)	(54,144,875)

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

AIRA Factoring Public Company Limited**Cash flow statement (continued)****As at 31 December 2023**

(Unit: Baht)

	2023	2022
Cash flows from investing activities		
Cash paid for acquisition of equipment	(6,214,189)	(607,308)
Cash paid for acquisition of intangible assets	(1,645,328)	(1,241,253)
Proceeds from disposal of equipment	23,988	812,000
Net cash flows used in investing activities	(7,835,529)	(1,036,561)
Cash flows from financing activities		
Increase in short-term loans from financial institutions	65,000,000	42,000,000
Increase in short-term loans from related party	90,000,000	-
Decrease in long-term loans	-	(12,000,000)
Payment of liabilities under lease agreements	(6,836,843)	(5,655,305)
Dividend paid	(51,200,000)	-
Net cash flows from financing activities	96,963,157	24,344,695
Net increase (decrease) in cash and cash equivalents	28,754,704	(30,836,741)
Cash and cash equivalents at beginning of year	69,148,621	99,985,362
Cash and cash equivalents at end of year	97,903,325	69,148,621
	-	
Non-cash items		
Increase in payable for intangible assets	271,085	-
Increase in payable for equipment	-	196,693
Increase in dividend payables	-	51,200,000
Increase in right-of-use assets from lease liabilities	24,437,759	6,129,502

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 2023

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. 188, Spring Tower Building, 12th floor, Unit 6-10, Phayathai Road, Thung Phaya Thai Sub-District, Ratchathewi 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 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 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 2024

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 2024. 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 4.12.

4.4 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
Furniture and fixtures	5 years
Office equipment	3 - 5 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on work under installation.

4.5 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.

4.6 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

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 - 3 years
Motor vehicles	4 years
Office equipment	1 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.

4.7 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.

4.8 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.

4.9 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.

4.10 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.

4.11 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.

4.12 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.

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. 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.

4.13 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.

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
Aspiration One Company Limited	Common parent company
AIRA Property 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)		
	2023	2022	Transfer pricing policy
<u>Transactions with parent company</u>			
Interest expenses	1,855	-	3.80 - 4.20% per annum
<u>Transactions with related parties</u>			
Interest income from short-term loans	1,622	82	5.85 - 6.83% per annum
Other income	3	-	Cost plus margin
Rental expenses	6,640	4,680	Market rate
Other expenses	1,152	176	Market rate

As at 31 December 2023 and 2022, the balances of the accounts between the Company and those related parties are as follows:

	(Unit: Thousand Baht)	
	2023	2022
Deposits and guarantees - related party		
Related company (related by common shareholders)	1,727	-
Other payables - related parties		
Parent company	41	-
Related company (related by common shareholders)	29	1,003
Total other payables - related parties	70	1,003
Dividend payables		
Parent company	-	36,632
Lease liabilities - related parties		
Related company (related by common shareholders)	16,083	1,452

Short-term loans to and loans from related parties

As at 31 December 2023 and 2022, the balances of loans to and loans from between the Company and those related parties and the movements are as follows.

		(Unit: Thousand Baht)			
		31 December			31 December
Loans to	Related by	2022	Increase	Decrease	2023
AIRA Leasing Public Company Limited	Common parent company	90,000	70,000	(90,000)	70,000
Total		90,000	70,000	(90,000)	70,000
Less: Allowance for expected credit losses		(138)	-	138	-
Short-term loans to related party - net		89,862	70,000	(89,862)	70,000

The outstanding balance as at 31 December 2023 of short-term loans to AIRA Leasing Public Company Limited are unsecured loans and are due in February 2024. They carry interest rate at 6.83% per annum (2022: interest rate at 5.85% per annum)

		(Unit: Thousand Baht)			
		31 December			31 December
Loans from	Related by	2022	Increase		2023
AIRA Capital Public Company Limited	Parent company	-	90,000		90,000
Short-term loans from related party		-	90,000		90,000

Directors and management's benefits

During the year ended 31 December 2023 and 2022, the Company had employee benefit expenses payable to its directors and management as below.

	(Unit: Thousand Baht)	
	2023	2022
Short-term employee benefits	16,011	17,811
Post-employment benefits	713	650
Total	16,724	18,461

7. Cash and cash equivalents

Cash and cash equivalents as at 31 December 2023 and 2022 were as follows:

	(Unit: Thousand Baht)	
	2023	2022
Cash	20	20
Savings and current deposits at banks	97,883	69,129
Total cash and cash equivalents	97,903	69,149

As at 31 December 2023 and 2022, bank deposits in savings accounts carried interests at rates between 0.35 - 0.50% and 0.05 - 0.25% per annum, respectively.

8. Factoring receivables

Factoring receivables as at 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)	
	2023	2022
Factoring receivables	2,647,779	2,783,357
Accrued interest income from factoring	47,226	27,841
Total	2,695,005	2,811,198
<u>Less: Factoring payables</u>	<u>(582,512)</u>	<u>(651,136)</u>
Unearned interest income	(14,604)	(15,401)
Total	2,097,889	2,144,661
<u>Less: Allowance for expected credit losses</u>	<u>(127,106)</u>	<u>(80,126)</u>
Factoring receivables - net	1,970,783	2,064,535

As at 31 December 2023 and 2022, the balances of factoring receivables were classified by stage of credit risk as follows:

(Unit: Thousand Baht)

As at 31 December 2023

	Factoring receivables - net	Allowance for expected credit losses	Net balance
Receivables where there has not been a significant increase in credit risk	1,834,690	9,443	1,825,247
Receivables where there has been a significant increase in credit risk	179,313	41,301	138,012
Receivables that are credit - impaired	83,886	76,362	7,524
Total	2,097,889	127,106	1,970,783

(Unit: Thousand Baht)

As at 31 December 2022

	Factoring receivables - net	Allowance for expected credit losses	Net balance
Receivables where there has not been a significant increase in credit risk	2,068,564	12,472	2,056,092
Receivables where there has been a significant increase in credit risk	-	-	-
Receivables that are credit - impaired	76,097	67,654	8,443
Total	2,144,661	80,126	2,064,535

Allowance for expected credit loss of factoring receivables for the year ended 31 December 2023 and 2022 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 2023	12,472	-	67,654	80,126
Changes due to transfer of loan classification	(6,846)	6,832	14	-
Changes due to remeasurement of loss allowance	2,937	34,469	3,806	41,212
New financial assets purchased or acquired	880	-	4,888	5,768
Balance as at 31 December 2023	9,443	41,301	76,362	127,106

(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

9. Loan receivables

Loan receivables as at 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)

	Current portion of loan receivables		Loan receivables - net of current portion		Total	
	2023	2022	2023	2022	2023	2022
Loan receivables	286,909	115,009	45,858	40,570	332,767	155,579
<u>Less</u> Allowance for expected credit losses	(36,993)	(31,049)	(129)	(227)	(37,122)	(31,276)
Loan receivables - net	249,916	83,960	45,729	40,343	295,645	124,303

As at 31 December 2023 and 31 December 2022, the balances of loan receivables were classified by stage of credit risk as follows:

(Unit: Thousand Baht)

	31 December 2023		
	Loan receivables	Allowance for expected credit losses	Net balance
Receivables where there has not been a significant increase in credit risk	291,125	1,009	290,116
Receivables where there has been a significant increase in credit risk	-	-	-
Receivables that are credit - impaired	41,642	36,113	5,529
Total	332,767	37,122	295,645

(Unit: Thousand Baht)

31 December 2022

	Loan	Allowance for	Net balance
	receivables	expected credit losses	
Receivables where there has not been a significant increase in credit risk	113,938	179	113,759
Receivables where there has been a significant increase in credit risk	5,218	203	5,015
Receivables that are credit - impaired	36,423	30,894	5,529
Total	155,579	31,276	124,303

Allowance for expected credit losses of loan receivables for the years ended 31 December 2023 and 2022 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 2023	179	203	30,894	31,276
Changes due to transfer to loan classification	-	(203)	203	-
Changes due to remeasurement of loss allowance	(97)	-	5,016	4,919
New financial assets purchased or acquired	927	-	-	927
Balance as at 31 December 2023	1,009	-	36,113	37,122

(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

10. Equipment

Equipment as at 31 December 2023 and 2022 consist of the following:

(Unit: Thousand Baht)

	Balance as at 31 December 2022	Increase	Decrease	Transfer between accounts	Balance as at 31 December 2023
Cost					
Computer	7,957	1,093	(964)	-	8,086
Furniture and fixture	10,360	4,718	(309)	197	14,966
Office equipment	1,302	206	(15)	-	1,493
Work under installation	197	-	-	(197)	-
Total cost	19,816	6,017	(1,288)	-	24,545
Accumulated depreciation					
Computer	(7,352)	(441)	960	-	(6,833)
Furniture and fixture	(10,349)	(263)	309	-	(10,303)
Office equipment	(1,126)	(96)	16	-	(1,206)
Total accumulated depreciation	(18,827)	(800)	1,285	-	(18,342)
Equipment	989				6,203

(Unit: Thousand Baht)

	Balance as at 31 December		Transfer between accounts	Balance as at 31 December 2022
	2021	Increase Decrease		
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
Depreciation for the years ended 31 December				
2023				800
2022				494

As at 31 December 2023, 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 17 million (2022: Baht 18 million).

11. Intangible assets

Intangible assets as at 31 December 2023 and 2022 are as follows

(Unit: Thousand Baht)

	Balance as at 31 December		Transfer between accounts	Balance as at 31 December 2023
	2022	Increase Decrease		
Cost				
Computer software	14,231	1,916	814	16,961
Intangible assets under installation	1,189	-	(814)	375
Total cost	15,420	1,916	-	17,336
Amortization				
Computer software	(10,024)	(2,241)	-	(12,265)
Total accumulated amortization	(10,024)	(2,241)	-	(12,265)
Intangible assets	5,396			5,071

(Unit: Thousand Baht)

	Balance as at 31 December 2021	Increase	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
Amortization for the years ended 31 December				
2023				2,241
2022				2,481

As at 31 December 2023, 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 (2022: Baht 2 million).

12. Short-term loans from financial institutions

Short-term loans from financial institutions as at 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)

	Interest rate (% per annum)		2023	2022
	2023	2022		
Promissory notes	3.95 - 4.93	2.45 - 3.48	1,755,000	1,690,000

As at 31 December 2023 and 2022, 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 2023, the credit facilities of the Company which have not yet been drawn down amounting to of Baht 835 million (2022: Baht 1,000 million).

13. Leases**13.1 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 2023 and 2022 were summarised below.

(Unit: Thousand Baht)

	Buildings	Vehicles	Office equipment	Total
1 January 2022	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
Additions	19,655	4,303	479	24,437
Depreciation for the year	(6,352)	(1,611)	(359)	(8,322)
31 December 2023	14,741	4,598	120	19,459

b) Lease liabilities

(Unit: Thousand Baht)

	2023	2022
Lease payments	22,021	3,499
Less: Deferred interest expenses	(885)	(89)
Total	21,136	3,410
Less: Portion due within one year	(9,433)	(2,382)
Lease liabilities - net of current portion	11,703	1,028

Movements of the lease liability account during the years ended 31 December 2023 and 2022 are summarised below:

(Unit: Thousand Baht)

	2023	2022
Balance at beginning of year	3,410	2,936
Increase	24,438	6,130
Accretion of interest	596	103
Repayments	(7,308)	(5,759)
Balance at end of year	21,136	3,410

c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Depreciation expense of right-of-use assets	8,322	5,607
Interest expense on lease liabilities	596	103
Expense relating to short-term leases	391	360

d) Others

The Company had total cash outflows for leases for the year ended 31 December 2023 of Baht 7.7 million (2022: Baht 6.1 million), including the cash outflow related to short-term lease and leases of low-value assets.

14. 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>2023</u>	<u>2022</u>
Provision for long-term employee benefits at beginning of year	15,480	19,319
Included in profit or loss:		
Current service cost	2,325	2,292
Interest cost	354	140
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	(1,149)	(5,262)
Provision for long-term employee benefits at end of year	<u>17,010</u>	<u>15,480</u>

The Company expects to pay Baht 1.7 million of long-term employee benefits during the next year (2022: Baht 5.4 million).

As at 31 December 2023 and 2022, the weighted average duration of the liabilities for long-term employee benefit is 8.35 years.

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)	
	2023	2022
Discount rate	2.95%	2.29%
Salary increase rate	5.5%	5.5%
Staff turnover rate (depending on age)	8% - 27%	8% - 27%

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)			
	2023		2022	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(385)	405	(375)	393
Salary increase rate	439	(421)	361	(348)
	Increase 10.0%	Decrease 10.0%	Increase 10.0%	Decrease 10.0%
Staff turnover rate	(300)	324	(245)	264

15. 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.

16. Finance cost

	(Unit: Thousand Baht)	
	2023	2022
Interest expenses on borrowings	62,857	42,463
Interest expenses on lease liabilities	596	103
Total	63,453	42,566

17. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)	
	2023	2022
Salaries, wages and other employee benefits	70,261	73,480
Depreciation and amortisation	11,363	8,581
Expected credit losses	53,105	19,347
Specific business tax expenses	7,853	7,433
Examination fees on factoring documents	2,310	2,289

18. Income tax

Income tax expenses for the years ended 31 December 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)	
	2023	2022
Current income tax:		
Current income tax charge	13,090	13,549
Deferred tax:		
Relating to origination and reversal of temporary differences	(10,457)	(2,034)
Income tax expense reported in profit or loss	<u>2,633</u>	<u>11,515</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)	
	2023	2022
Deferred tax on actuarial gains and losses	-	(202)
	-	(202)

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)	
	2023	2022
Accounting profit before tax	9,452	56,775
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by income tax rate	1,890	11,355
Unrecognised temporary differences	791	316
Effects of:		
Non-deductible expenses	28	106
Additional expense deductions allowed	(76)	(262)
Total	(48)	(156)
Income tax expense reported in profit or loss	2,633	11,515

The components of deferred tax assets are as follows:

	(Unit: Thousand Baht)	
	2023	2022
Deferred tax assets		
Allowance for expected credit losses	31,270	21,440
Provision for long-term employee benefits	3,402	3,096
Lease liabilities	335	13
Total	35,007	24,549

As at 31 December 2023 and 2022, the Company has deductible temporary differences totaling Baht 10.5 million and 6.5 million, respectively on which deferred tax assets have not been recognised as the Company believes that it is unlikely that the tax benefits can be utilized.

19. 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.

20. 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 2023 and 2022, the Company has no major customer with revenue of 10 percent or more of an entity's revenues.

21. 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 2023 and 2022, the Company's contributions included in administrative expenses in the statements of comprehensive income amounting to Baht 1.8 million and Baht 2.1 million, respectively.

22. 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		<u>51,200</u>	<u>0.0320</u>

* 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.

23. Commitments and contingent liabilities

23.1 Capital commitments

As at 31 December 2023, the Company had capital commitments of approximately Baht 2.1 million (31 December 2022: Baht 4.3 million), relating to the office building improvements and software computer improvements.

23.2 Service commitments

As at 31 December 2023 and 31 December 2022, the Company has future minimum lease payments required under service agreements as follows:

	(Unit: Million Baht)	
	2023	2022
Within 1 year	2	2
Over 1 and up to 5 years	-	1

24. 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-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 including management overlay by periodically reviews 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. 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 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.

As at 31 December 2023 and 2022, 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 2023						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within 1 year	1-5 years	bearing 5 years				
Financial assets							(% per annum)
Cash and cash equivalents	-	-	-	5	93	98	0.32 - 0.50
Factoring receivables	1,971	-	-	-	-	1,971	6.55 - 14.50
Loan receivables	250	46	-	-	-	296	4.50 - 11.30
Short-term loans to related party	70	-	-	-	-	70	6.83
Other receivables	-	-	-	-	1	1	-
	2,291	46	-	5	94	2,436	

(Unit: Million Baht)

As at 31 December 2023

	Fixed interest rates			Floating interest rate	Non- interest rate bearing	Total	Effective interest rate
	Within 1 year	1-5 years	bearing 5 years				
	(Unit: Million Baht)						
Financial liabilities							(% per annum)
Short-term loans from financial institutions	1,755	-	-	-	-	1,755	3.95 - 4.93
Short term loans from related party	90	-	-	-	-	90	4.20
Retentions from factoring	-	-	-	-	49	49	-
Lease liabilities	9	12	-	-	-	21	2.70 - 3.67
Excess receipts awaiting to repay	-	-	-	-	24	24	-
Other payables	-	-	-	-	10	10	-
	1,854	12	-	-	83	1,949	

(Unit: Million Baht)

As at 31 December 2022

	Fixed interest rates			Floating interest rate	Non- interest rate bearing	Total	Effective interest rate
	Within 1 year	1-5 years	bearing 5 years				
	(Unit: Million Baht)						
Financial assets							(% per annum)
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	-
	2,239	40	-	4	66	2,349	
Financial liabilities							
Short-term loans 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	-
	1,692	1	-	-	141	1,834	

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 2023 and 2022 based on contractual undiscounted cash flows:

(Unit: Million Baht)

	As at 31 December 2023			
	At call	Within 1 year	1 - 5 years	Total
Financial liabilities				
Short-term loans from financial institutions	-	1,755	-	1,755
Short-term loans from related party	-	90	-	90
Retentions from factoring	49	-	-	49
Lease liabilities	-	10	12	22
Excess receipts awaiting to repay	-	24	-	24
Other payables	-	10	-	10
Total financial liabilities	49	1,889	12	1,950

(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 a waiting to repay	-	22	-	22
Other payables	-	6	-	6
Total financial liabilities	62	1,771	1	1,834

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.

25. 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 2023 and 2022, the Company's debt-to-equity ratios are 3.70 and 3.54, respectively.

26. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 21 February 2024.



Attachment

Annexure 1 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, and the Company Secretary

1) Details of directors and controlling persons as follows.

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 Position : Chairman of the Board of Directors Type of Director : Independent Director / Non-Executive Director Date of appointment : May 14, 2018 (5 years 7 months) Age : 71 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 : 6 / 6 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, 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 ■ Engaging Board in ESG: the path to Effective sustainability <p>Director Training from Thai Institute of Directors Association (IOD):</p> <ul style="list-style-type: none"> ■ Advanced Audit Committee Program Class 33/2019 ■ Director Certification Program (DCP) Class 91/2007 	<p>Positions in other listed company : 1 company 2018 - Present Chairman of the Audit Committee and Risk Management Committee Member, J.D. Food Products Public Company Limited</p> <p>Positions in other non - listed company : 3 companies 2022 - Present Director of Budget Sub - Committee The National Broadcasting and Telecommunication Commission (NBTC)</p> <p>2018 - Present Audit Committee, Eastern Economic Corridor office of Thailand</p> <p>2017 - Present Director, Internal Audit Office, Chulalongkorn University</p> <p>Work Experiences : 2018 - 2020 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, Nok Air Public Company Limited</p> <p>2017 - 2022 Audit Committee Member, Bank of Thailand</p> <p>2012 - 2016 President and Director, 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</p> <p>Position : Member of Audit Committee</p> <p>Type of Director : Independent Director / Non-Executive Director</p> <p>Date of appointment : 10 November 2016 (18 years 8 months)</p> <p>Age : 68 years</p> <p>Shareholding proportion (%) : Direct shareholding :12,000,000 shares (0.75%) Indirect shareholding (Spouse and children who are not yet of legal age): -None-</p> <p>Number of meetings attended / Total meetings held : 6 / 6</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"> ▪ 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 	<p>Positions in other listed company : 1 company</p> <p>2020 - Present Chairman of Audit Committee and Risk Management Committee Bangkok Ranch Public Company Limited</p> <p>Positions in other non - listed company : 5 companies</p> <p>2002 - Present Director, Chao Khun Agro Products Company Limited</p> <p>12 Jul 2023 - 27 Mar 2024 Acting Audit Committee, The Thai Chamber of Commerce</p> <p>11 Jul 2023 -19 Apr 2024 Acting Audit Committee, Board of Trade of Thailand</p> <p>2001 - Jul 2023 Audit Committee, The Thai Chamber of Commerce and Board of Trade of Thailand</p> <p>2001 - Present Fellow Member, Thai Institute of Directors Association (IOD)</p> <p>2000 - Present Founder member, Thai Factoring Association</p> <p>1955 - Present Founder member, Thai Venture Capital Association</p> <p>Work Experiences :</p> <p>2021 - Apr 2023 Independent Director, Audit Committee, Nomination and Remuneration Committee, Surapon Foods Public Company Limited</p> <p>2005 - 2011 Director and Executive Director, AIRA Factoring Public Company Limited</p> <p>1991 - Dec 2019 Director, Business Venture Promotion Company Limited</p> <p>2018 - Oct 2019 Audit Committee and Chairman of the Nomination and Remuneration Committee, Hydroquip Company Limited</p> <p>2018 - Apr 2019 Audit Committee, Eastern Energy Plus Company Limited</p> <p>2002 - Jan 2019 Director, BVP Business Consultants Company Limited</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / training record	Work experiences (5 years past experiences)
<p>3. Mrs. Yajai Pattanasukwasun Position : Chairman of Audit Committee, Member of Nomination and Remuneration Committee</p> <p>Type of Director : Independent Director / Non-Executive Director</p> <p>Date of appointment : August 14, 2014 (9 years 4 months)</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 : 6 / 6</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 (AACCP) Class 22/2016 ▪ Audit Committee Program (ACP) Class 4/2005 ▪ Director Certification Program (DCP) Class 43/2004 	<p>Positions in other listed company : 1 company May 2023 - Present Director, Chairman of the Audit Committee, Seven Utilities and Power Public Company Limited</p> <p>Positions in other non - listed company : 5 companies Jun 2021- 3 Nov 2023 Director, Audit Committee and Director of Corporate Governance, Thai Credit Guarantee Corporation (TCG) Chairman of the Board of Directors, Islamic Bank Asset Management Company Limited Director, Chairman of Audit Committee, AIRA Asset Management Company Limited Director of Audit Committee and Office Evaluation, Office of the National Anti-Corruption Commission Director and CFO, Institute of Research and Development for Public Enterprises</p>

Full name / record of positions in the Company and the appointment date

Educational qualifications / training record

Work experiences (5 years past experiences)

Work Experiences :	
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
2015 - 2019	Secretary, Thammasat University Commerce and Accountancy Alumni

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>4. Mr. Poonsak Thiapairat Position : Chairman of Nomination and Remuneration Committee and Member of Audit Committee</p> <p>Type of Director : Independent Director / Non-Executive Director</p> <p>Date of appointment : February 25, 2004 (19 years 10 months)</p> <p>Age : 59 years</p>	<p>Education / Training :</p> <ul style="list-style-type: none"> ▪ MBA (Finance and International Business), Sasin Graduate Institute of Business Administration, 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>Positions in other listed company : -None-</p> <p>Positions in other non - listed company : 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>Work Experiences :</p> <p>2014 - 2020 Director and Senior Executive Advisor Eternity Grand Logistics Public Company Limited and the subsidiaries company</p> <p>Position in conflict of interest to the company: -None-</p>
<p>Shareholding proportion (%) :</p> <p>Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age): -None-</p>		<p>History of potential conflict of interest with the Company in the past year:</p> <p>-None-</p>
<p>Number of meetings attended / Total meetings held : 6 / 6</p>		
<p>Relationship with Directors and Management : -None-</p>		
<p>Illegal Record in the past 10 years :</p> <p>-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 Date of appointment : March 1, 2011 (12 years 9 months) Age : 79 years Shareholding proportion (%) : Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age): -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>Positions in other listed company : -None-</p> <p>Positions in other non - listed company : 2 companies Finance and Real Estate Business Advisor, DTGO Corporation Limited Associate Justice, The Central Intellectual Property and International Trade Court</p> <p>Work Experiences : 2011 - Apr 2021 Director, Authorized Director and Chairman of Executive Committee AIRA Factoring Public Company Limited</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>
<p>Number of meetings attended / Total meetings held : 6 / 6</p> <p>Relationship with Directors and Management : -None-</p> <p>Illegal Record in the past 10 years : -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 Position : Member of Credit Committee</p> <p>Type of Director : Director / Non-Executive Director</p> <p>Date of appointment : 29 April 2011 (12 years 8 months)</p> <p>Age : 74 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 : 6 / 6</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 Certificate <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>Positions in other listed company : -None-</p> <p>Positions in other non - listed company : -None-</p> <p>Work Experiences :</p> <p>2011 - Apr 2021 Chairman of Credit Committee, AIRA Factoring Public Company Limited</p> <p>2017 - 2022 Independent Director, Don Muang Tollway Public Company Limited</p> <p>2015 - 2018 Director, Bangchak Corporation Public Company Limited</p> <p>2007 - 2015 Director, D.T.C. Industries Public Company Limited</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 conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / training record	Work experiences (5 years past experiences)
<p>7. Mrs. Nalinee Ngamsettam Position : Member of Executive Director Member of Nomination and Remuneration Committee</p> <p>Type of Director : Authorized Director / Non-Executive Director</p> <p>Date of appointment : 1 March 2011 (12 years 9 months)</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 : 6 / 6</p> <p>Relationship with Directors and Management : -None-</p> <p>Illegal Record in the past 10 years : -None-</p>	<p>Education / Training :</p> <ul style="list-style-type: none"> ■ Ph.D. (Honorary Degree) in Finance, Sripatum University ■ Certificate Master Marketing, Thammasat University and University of Gutenberg ■ Master of Business Administration (Finance Management), National Institute of Development Administration (NIDA) ■ Bachelor of Science, Srinakharinwirot University ■ Advanced Master of Management Program (AMM Batch#1), The National Institute of Development Administration (NIDA) ■ Thailand Insurance Leadership Program (OIC Batch#7), Office of Insurance Commission ■ Thammasat World Leadership Program (TWLP Batch# 1), Thammasat University Alumni Association ■ Leadership Succession Program (LSP Batch#4) Institute of Research and Development for Public Enterprises (IRDPE) ■ Thammasat Leadership Program (TLP Batch# 3), Thammasat University Alumni Association ■ Advanced Security Management Program (ASMP Batch# 3), Thailand National Defense College ■ Capital Market Academy Leadership Program (CMA Batch#8), The Capital Market Academy, The Stock Exchange of Thailand (SET) 	<p>Positions in other listed company : 1 company 2010 - Present Authorized Director, Chairman of Investment Committee, Chief Executive Officer, AIRA Capital Public Company Limited</p> <p>Positions in other non-listed company : 9 companies Oct 2020 - Present Authorized Director, Aspiration Two Company Limited 2019 - Present Chairman of Executive Committee, AIRA Asset Management Company Limited Authorized Director, AIRA Venture Capital Company Limited 2018 - Present Authorized Director, AIRA Asset Management Company Limited 2017 - Present Authorized Director, Travelex (Thailand) Company Limited 2016 - Present Authorized Director, Chairman of the Board of Directors, Chairman of Executive Committee, AIRA Leasing Company Limited 2015 - Present Authorized Director, AIRA Property Company Limited 2015 - Present Authorized Director, Chairman of the Board of Directors, 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</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / training record	Work experiences (5 years past experiences)
	<p>Director Training from Thai Institute of Directors Association (IOD) :</p> <ul style="list-style-type: none"> ■ Director Forum 2017 “The Board’s role in CEO Succession Planning ■ CAC Conference 2017 “Bright Spots: Lighting the way to a corruption free society” ■ Corporate Governance for Capital Market Intermediaries (CGI) Class 15/2016 ■ IOD Exclusive Event (M-IEE) Class 1/2015 ■ Role of Chairman Program (RCP) Class 31/2013 ■ Director Accreditation Program (DAP) Class 61/2007 	<p>Work Experiences :</p> <p>2015 - Oct 2022 Chairman of Executive Committee, Chief Executive Officer” AIRA Property Company Limited</p> <p>2013 - Jun 2020 Authorized Director, AIRA International Advisory (Singapore) Pte., Ltd.</p> <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 Authorized Director , Chairman of the Board of Directors Nok Scoot Airline Company Limited</p> <p>2017 - 2018 2012 - 2016 Director, Nok Mangkang Company Limited Authorized Director, Chairman of the Board of Directors AIRA Advisory Company Limited</p> <p>2007 - 2016 Member of the Executive Committee, AIRA Securities Public Company Limited</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / training record	Work experiences (5 years past experiences)
<p>8. Admiral Navapol Damrongpong Position : Director</p> <p>Type of Director : Independent Director / Non-Executive Director</p> <p>Date of appointment : May 12, 2020 (3 years 7 months)</p> <p>Age : 65 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 : 6 / 6</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>Positions in other listed company : 2 companies</p> <p>2021 - Present Director Singer Thailand Public Company Limited</p> <p>2019 - Present Consultant BTS Group Holdings PCL</p> <p>Positions in other non - listed company : 3 companies</p> <p>2021 - Present Director Muangthong Assets Company Limited</p> <p>2020 - Present Consultant U-Tapao International Aviation Company Limited</p> <p>Jul 2022 - Present Chairman Nakhonchai Co., Ltd.</p> <p>Work Experiences :</p> <p>2020 - Jun 2022 Audit Committee and Nomination and Remuneration Committee Raja Ferry Port Public Company Limited</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-</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. Mrs. Pornpilai Burasai Position : Director</p> <p>Type of Director : Authorized Director / Non-Executive Director</p> <p>Date of appointment : November 14, 2023 (1 month 16 days)</p> <p>Age : 62 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 : 1 / 6</p> <p>Relationship with Directors and Management : -None-</p> <p>Illegal Record in the past 10 years : -None-</p>	<p>Education / Training :</p> <ul style="list-style-type: none"> ■ Master of Business Administration (MBA), National Institute of Development Administration (NIDA) ■ Mini MBA, Chulalongkorn University ■ Bachelor of Economic, Thammasat University ■ Graduated Diploma in English for Business and Management (EBM), Thammasat University ■ Peace Ambassadors Class, Mahachulalongkornrajavidyalaya University <p>Director Training from Thai Institute of Directors Association (IOD) :</p> <ul style="list-style-type: none"> ■ Executive Director Program (EDP) Class 9/2011 	<p>Positions in other listed company : -None-</p> <p>Positions in other non - listed company : 1 company 2022 - Present Member of Credit Committee, AIRA Leasing Public Company Limited</p> <p>Work Experiences : Aug 2022 - Jul 2023 Advisor, AIRA Factoring Public Company Limited</p> <p>2019 - Jun 2022 Managing Director, AIRA Factoring Public Company Limited</p> <p>2018 Acting Managing Director, AIRA Factoring Public Company Limited</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / training record	Work experiences (5 years past experiences)
<p>10. Mr. Akrawit Sooksai 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 (5 years 5 months)</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>Number of meetings attended / Total meetings held : 6 / 6</p> <p>Relationship with Directors and Management : -None-</p> <p>Illegal Record in the past 10 years : -None-</p>	<p>Education / Training :</p> <ul style="list-style-type: none"> ▪ Master of Economics, Thammasat University ▪ Digital Banking Transformation ▪ 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 ▪ Director Leadership Certification Program (DLCP) Class 13/2023 	<p>Positions in other listed company : -None-</p> <p>Positions in other non - listed company : 1 company President of Thai Factors Association, Thai Factors Association</p> <p>Work Experiences : 2011 - 2018 Vice President - Credit Underwriting Department Vice President - Credit Policy & Credit Risk Department, Kasikorn Bank Public Company Limited</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / training record	Work experiences (5 years past experiences)
<p>11. Mr. Chanon Chotvijit Position : Chairman of Executive Committee</p> <p>Type of Director : Non Executive Director</p> <p>Date of appointment : July 5, 2018 (5 years 5 months)</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>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 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) <p>Director Training from Thai Institute of Directors Association (IOD) :</p> <ul style="list-style-type: none"> ▪ Financial Institutions Governance Program (FGP) Class 4/2012 ▪ Director Certification Program (DCP) Class 55/2005 ▪ Audit Committee Program (ACP) Class 4/2005 ▪ Directors Accreditation Program (DAP) Class 29/2004 	<p>Positions in other listed company : -None-</p> <p>Positions in other non - listed company : 1 company Chairman of Executive Committee, Is Property Company Limited</p> <p>Work Experiences :</p> <p>2018 - Apr 2021 Executive Committee, AIRA Factoring Public Company Limited</p> <p>2015 - 2021 Chairman of Audit Committee, Nomination and Remuneration Committee, Chayo Group Public Company Limited</p> <p>2016 - 2021 Chairman of Executive Committee, Brain Consultant International Company Limited</p> <p>2017 - 2021 Advisor, Thai Valuers 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>12. Mrs. Nongluk Chantarasombat Position : Chairman of Credit Committee</p> <p>Type of Director : Non-Executive Director</p> <p>Date of appointment : May 14, 2018 (5 years 6 months)</p> <p>Age : 67 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 : 4 / 6</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 ■ Engaging Board in ESG: the path to Effective sustainability <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>Positions in other listed company : -None-</p> <p>Positions in other non - listed company : -None-</p> <p>Work Experiences :</p> <p>Apr 2021 - Nov 2023 Director Authorized Director, AIRA Factoring Public Company Limited</p> <p>2018 - Apr 2021 Authorized Director Member of Credit Committee, AIRA Factoring Public Company Limited</p> <p>2014 - 2017 Executive Vice President, Group Management, the credit restructuring group 2, Krung Thai Bank Public Company Limited</p> <p>2015 Executive Vice President, Group Management, the credit restructuring group 2 , Acting Group Management of Property for Sale, Krung Thai Bank Public Company Limited</p> <p>2013 Senior Vice President, Group Management, the credit restructuring group 2, Krung Thai Bank Public Company Limited</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / training record	Work experiences (5 years past experiences)
<p>13. Mr. Suthiporn Tanthikul Position : Member of Executive Committee Member of Credit Committee</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 215/2016 ■ Risk Management Committee (RMP) Class 4/2014 	<p>Positions in other listed company : 1 Company 2014 - Present Managing Director, AIRA Capital Public Company Limited</p> <p>2015 - Present Member of Risk Management Committee, AIRA Capital Public Company Limited</p> <p>Positions in other non - listed company : 7 companies 31 Aug 2022 - Present Chairman of Executive Committee, AIRA Property Public Company Limited</p> <p>Jan 2021 - Present Member of Executive Committee, AIRA Securities Public Company Limited</p> <p>Oct 2020 - Present Authorized Director, Aspiration Two Company Limited</p> <p>2019 - Present Chairman of Risk Management Committee, AIRA Asset Management Company Limited</p> <p>2019 - Present Member of Executive Committee, AIRA and AIFUL Public Company Limited</p> <p>Feb 2018 - Present Member of Credit Committee, A IRA Leasing Public Company Limited</p> <p>2017 - Present Authorized Director, AIRA Asset Management Company Limited</p> <p>2016 - Present Authorized Director, AIRA and AIFUL Public Company Limited</p> <p>Jun 2016 - Present Authorized Director, AIRA Leasing Company Limited</p> <p>Dec 2016 - Present Authorized Director, AIRA Venture Capital Company Limited</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>		

Full name / record of positions in the Company and the appointment date	Educational qualifications / training record	Work experiences (5 years past experiences)
		<p>Work Experiences :</p> <p>2013 - Jun 2015 First Executive Vice President, AIRA Capital Public Company Limited</p> <p>2016 - Jan 2021 Member of Executive Committee, AIRA Leasing Company Limited</p> <p>2015 - Nov 2020 Authorized Director Member of Executive Committee, AIRA Property Public Company Limited</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / training record	Work experiences (5 years past experiences)
<p>14. Mr. Ekawat Piriwarasakul Position : Member of Executive Committee Type of Director : Non Executive Director Date of appointment : December 14, 2021 (2 years - months) Age : 67 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 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 Development (IBID) - Labor Relations Consultant Program, held by the Employers' Confederation of Thai Trade and Industry (ECONTHAI) - Executive Program, held by the Capital Market Academy (CMA) (Class 31) 	<p>Positions in other listed company : -None-</p> <p>Positions in other non - listed company : 2 companies 2014 – Present Director, ES Counsel Company Limited</p> <p>2015 – Present Director, Hirata Engineering (Thailand) Company Limited</p> <p>Work Experiences : 2016 - Jul 2021 Audit Committee, Nomination and Remuneration Committee International Research Corporation Public Company Limited</p> <p>2015 - Jul 2021 Audit Committee, IT Green Public Company Limited</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / record of positions in the Company and the appointment date	Educational qualifications / training record	Work experiences (5 years past experiences)												
<p>15. Mr. Watana Sangvongmai Position : Member of Credit Committee</p> <p>Type of Director : Non Executive Director</p> <p>Date of appointment : April 1, 2020 (3 years 8 months)</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>Relationship with Directors and Management : -None-</p> <p>Illegal Record in the past 10 years : -None-</p>	<p>Education / Training :</p> <ul style="list-style-type: none"> ■ Master's degree: MS Finance and banking NIDA ■ Bachelor's degree: BC Economic Thammasat ■ Mini MBA, Chulalongkorn University ■ Financial Executive Development Program-FINEX 20, The Thai Institute of Banking and Finance Association <p>Director Training from Thai Institute of Directors Association (IOD) : -None-</p>	<p>Positions in other listed company : -None-</p> <p>Positions in other non - listed company : 1 companies Executive Committee, AIRA Leasing Public Company Limited</p> <p>Work Experiences :</p> <table border="0"> <tr> <td>2017 - 2019</td> <td>FSVP SME Relationship Management Bangkok Division, Siam Commercial Bank Public Company Limited</td> </tr> <tr> <td>2015 - 2017</td> <td>FSVP SME Control & Development, Siam Commercial Bank Public Company Limited</td> </tr> <tr> <td>2011 - 2015</td> <td>FSVP SME Northeast Region, Siam Commercial Bank Public Company Limited</td> </tr> <tr> <td>2006 - 2011</td> <td>SVP SME Bangkok Region, Siam Commercial Bank Public Company Limited</td> </tr> <tr> <td>1995 - 2002</td> <td>Business Banking, Siam Commercial Bank Public Company Limited</td> </tr> <tr> <td>1987 - 1995</td> <td>Agricultural and Commodity Division, Siam Commercial Bank Public Company Limited</td> </tr> </table> <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>	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
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													

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 Secretary

Full name / Record of positions in the Company and the Appointment Date	Educational Qualifications / Training Record	Work experiences
<p>1. Mr. Pongsakorn Sangvijit Position : Managing Director Date of appointment : 15 December 2022 (1 year - month) Age : 42 years Shareholding proportion (%) : Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age): -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 Institute of Technology Ladkrabang <p>Director Training from Thai Institute of Directors Association (IOD) :</p> <ul style="list-style-type: none"> ▪ Director Accreditations Program (DAP) 212/2023 	<p>Positions in other listed company : -None- Positions in other non - listed company : -None- Work Experiences : 2018 - 2022 Assistant Managing Director, Kasikorn Factory and Equipment Co., Ltd. 2014 - 2017 Business Development Vice President, Kasikorn Factory and Equipment Co.,Ltd.</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>
<p>Relationship with Directors and Management : -None-</p> <p>Illegal Record in the past 10 years : -None-</p>		

Full name / Record of positions in the Company and the Appointment Date	Educational Qualifications / Training Record	Work experiences
<p>2. Mr. Pattawut Veerapradit Position : Assistant Managing Director, Finance & Administration Division</p> <p>The person assigned to take the highest responsibility in Accounting and Finance</p> <p>Date of appointment : 16 December 2019 (4 years - month)</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-</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) :</p> <ul style="list-style-type: none"> ■ Director Accreditations Program (DAP) 212/2023 	<p>Positions in other listed company : -None-</p> <p>Positions in other non - listed company : -None-</p> <p>Work Experiences : 2010 - 2019 Vice President: Finance Division and Manager of Thailand Representative Office, TAEI Management Co. (Malaysia) SDN. BHD.</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
<p>3. Mr. Pipob Jirawongsakorn Position : Assistant Managing Director, Operation Division Date of appointment : 12 November 2019 (4 years 1 month) Age : 53 years Shareholding proportion (%) : Direct shareholding : -None- Indirect shareholding (Spouse and children who are not yet of legal age): -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) :</p> <ul style="list-style-type: none"> ■ Director Accreditations Program (DAP) 212/2023 	<p>Positions in other listed company : -None- Positions in other non - listed company : -None- Work Experiences : 2017 - 2019 Vice President, OperationSoutheast, Capital Company Limited 2011 - 2017 Vice President, Operation, Bangkok Grand Pacific Lease Public Company Limited</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>
<p>Relationship with Directors and Management : -None- Illegal Record in the past 10 years : -None-</p>		

Full name / Record of positions in the Company and the Appointment Date	Educational Qualifications / Training Record	Work experiences
<p>4. Mr. Sirisak Borisuitsawat Position : Assistant Managing Director, Risk Management and Debt Recovery Division Date of appointment : 14 December 2023 (- month 17 days) Age : 47 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 of Business Administration, Thammasat University ▪ Bachelor of Laws, Chulalongkorn University ▪ Bachelor in Engineering, King Mongkut's Institute of Technology Ladkrabang <p>Directors Association (IOD) : -None-</p>	<p>Positions in other listed company : -None-</p> <p>Positions in other non - listed company : -None-</p> <p>Work Experiences :</p> <p>Oct 2016 - Jul 2022 First Vice President, Asset and Liability Management Department, Krung Thai Bank PCL.</p> <p>Jul 2022 - Jun 2023 Vice President, Risk Management Department, Small and Medium Enterprise Development Bank of Thailand</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
<p>5. Mr. Wandej Lertpricha Position : Assistant Managing Director, Information Technology Division</p> <p>Date of appointment : 14 December 2023 (- month 17 days)</p> <p>Age : 48 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 Computer Information System, Assumption University ■ Bachelor of Accounting, Assumption University <p>Directors Association (IOD) : -None-</p>	<p>Positions in other listed company : -None-</p> <p>Positions in other non - listed company : -None-</p> <p>Work Experiences : May 2014 - 2020 Vice President, Information Technology Division, AIRA & AIFUL Public Company Limited Oct 2021- Oct 2022 Vice President, Information Technology Division, AIRA Property Public Company Limited</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

Full name / Record of positions in the Company and the Appointment Date	Educational Qualifications / Training Record	Work experiences
<p>6. Ms. Pornsiri Kusolputchong Position : Assistant Managing Director, Information Technology Division</p> <p>Date of appointment : 10 May 2022 (1 year 7 months)</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"> ■ Master of Business Economics, National Institute of Development Administration (NIDA) ■ Bachelor of Economics, Thammasat University ■ Advances for Corporate Secretaries class no. 1/2016 ■ Business Sustainability Management class no. 1/2023, The Stock Exchange of Thailand <p>Director Training from Thai Institute of Directors Association (IOD) : -None-</p>	<p>Positions in other listed company : -None-</p> <p>Positions in other non - listed company : -None-</p> <p>Work Experiences :</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>2002 - 2010 Financial Manager & Company Secretary, Thai Carbon Black Public Company Limited</p> <p>Position in conflict of interest to the company: -None-</p> <p>History of potential conflict of interest with the Company in the past year: -None-</p>

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

Annexure 2 Information on Directors of Subsidiaries

-None-

Annexure 3 Information on Internal Audit Head and Compliance Head

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 (15 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 :

- 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

Annexure 4 Assets for business undertaking and details of asset appraisal

-None-

Annexure 5 Policy and Guidelines on Corporate Governance and Code of 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.

Annexure 6 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. Miss Yajai Pattanasukwasun Chairman of the Audit Committee
2. Mr. Kunakorn Makchaidee Audit Committee
3. Mr. Poonsak Thiapairat Audit Committee

The Audit Committee performed its duties in compliance with the criteria governing the Charter of the Audit Committee and assigned by the Board of Director. Throughout the year 2023, the Audit Committee held 6 meetings with the Company's Management and the Internal Audit and Compliance Department to acknowledge the result of internal audit operation, good governance practice and revise of the sufficiency and suitability of the internal control system and risk management procedure. Besides, the Committee also conducted the meeting together with the external auditor without the Management to consider the result of internal audit activities and review of both the quarterly and annual financial statements. The Audit Committee reported the essence conclusion of every meeting to the Board of Director on each issue summarized as follow;

1. 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.

2. 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 2023, The Company are appropriate and 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. In addition, Risks Management Plan and the Company Risks Management Policy have been considered, suggested and guided to manage Risks on the acceptable level. Risk Management Sub Committee has been stipulated to report the result of risks operation to the Audit Committee to be known prior to present the Board of Director at least one time a year.

3. 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.

4. The Audit Committee considered and nominated the appointment and remuneration of the Company's independent auditor for 2024, 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.

5. 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 2023, the overall performance of self-assessment was gratifying.

The Audit Committee has performed its duties following the Charter of the Audit Committee and expressed opinions independently. Throughout the year 2023, 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.



(Miss Yajai Pattanasukwasun)

Chairman of the Audit Committee

February 15, 2024

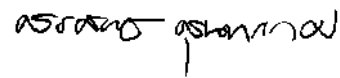
Annexure 7 Report of the Board of Directors on Financial Statements

The management has compiled the financial statement for the year ended 31 December 2023 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 2023 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



บริษัท ไอระ แฟคตอริง จำกัด (มหาชน)



188 Spring Tower Building, 12A Floor, Unit 6-10, Phayathai Road,
Thung Phayathai, Ratchathewi, Bangkok 10400



02-657-6222



02-657-6244-45



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