Headline: Financial Performance Yearly (F45) (Audited)

Security Symbol: IFS

Announcement Details

Financial Statement (F45)		
Company name	IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED	
Quarter	Yearly	

(In thousands)

Financial Statement

	Yearly	
Status	Audited	
Ending	31 December	
Year	2022	2021
Profit (loss) attributable to equity holders of the Company *	156,909	152,824
EPS (baht)	0.32	0.31

Type of report	Unqualified opinion

*For consolidated financial statements

Please review financial statement (Full Version) before making investment decision

"The company hereby certifies that the information above is correct and complete. In addition, the company has already reported and disseminated its financial statements in full via the SET Electronic Listed Company Information Disclosure (SET Portal)."

Signature _____

(Mr. Tan Ley Yen)

Director and CEO

Authorized Persons to Disclose Information

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REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS
IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

Opinion

We have audited the financial statements of IFS Capital (Thailand) Public Company Limited (the "Company"), which comprise the statement of financial position as at December 31, 2022, and the related statements of profit or loss and other 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 our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of IFS Capital (Thailand) Public Company Limited as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing ("TSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are 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 our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Audit Responses
Allowance for expected credit losses The allowance for expected credit losses for factoring receivables in accordance with the Thai Financial Reporting Standard No. 9 in certain circumstances is considered to be the key audit matter as it requires the use of various assumptions, the classification of assets into stages and judgment by management of the allowance for expected credit loss calculation. The Company has applied the Thai Financial Reporting Standard No. 9 - Financial Instruments. This standard requires the Company to recognize impairment loss based on expected credit loss. The ECL is measured based forward-looking information basis by calculating on a probability-weighted credit losses with respective risk of expected cash shortfalls either based on credit events arising in the 12 months from the reporting date or based on credit events arising over the lifetime of the financial instrument; depending on the significant increase in credit risk ("SICR") since initial recognition. Accounting policy for allowance for expected credit loss and detail of allowance for expected credit loss were disclosed in Note 3.4, Note 6, Note 7, Note 8 and Note 9 to the financial statements.	Key audit procedures included; • Understanding and testing design and operating effectiveness of key controls across the processes relevant to allowance for expected credit losses and substantive testing. This included the classification of assets into stages, data accuracy and completeness, credit monitoring, economic scenarios, macroeconomic factors, and individual provisions. • Considering the criteria used to classify factoring receivables to stage 1, 2 and 3 in accordance with TFRS 9 and testing sample of receivables in stage 1, 2 and 3 to verify that they were classified to the appropriate stage. • Evaluating relevant inputs and assumptions used by management in each stage of the expected credit loss calculation by considering whether the inputs and assumption appear reasonable, considering the historical loss experience and adjust this for current observable data and considering the relationship between those assumptions and forecast of reasonable and supportable future economic conditions. • Involvement of our internal specialists to assess the model documentation and model validation. This included assessing the appropriateness of model design, assumptions, formulas used and compliance with the requirements of the Thai Financial Reporting Standard No. 9. • Assessment of the completeness and appropriateness of disclosures which related to the adoption of the Thai Financial Reporting Standard No. 9.

Other Information

Management is responsible for the other information. The other information comprises information in the annual report but does not include the financial statement and our auditor's report thereon, which is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to management and 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 TFRSs, 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

Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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.

We 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 we identify during our audit.

We also provide those charged with governance with a statement that we 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 our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Lasita Magut
Certified Public Accountant (Thailand)
Registration No. 9039
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK
February 17, 2023

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

UNIT : BAHT

	Notes	2022	2021
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5.1	451,556,819	333,767,948
Factoring receivables	6	2,910,980,124	3,250,475,374
Hire purchase current receivables	7	1,399,404	1,527,326
Finance lease current receivables	8	60,750,417	56,135,048
Inventory finance receivables	9	149,486,256	113,146,443
Other current receivables		6,994,631	5,631,155
Other current assets		1,011,005	1,136,148
Total Current Assets		3,582,178,656	3,761,819,442
NON-CURRENT ASSETS			
Bank deposits held as collateral	10	163,960	163,632
Hire purchase non-current receivables	7	626,942	-
Finance lease non-current receivables	8	74,114,987	55,819,773
Investment properties	11	53,389,975	58,026,593
Plant and equipment	12	15,701,400	19,009,578
Right-of-use assets	13	708,073	978,806
Other intangible assets	14	1,569,953	1,869,693
Deferred tax assets	15	35,080,264	32,066,577
Properties foreclosed	16	400,000	800,000
Other non-current assets		736,446	417,891
Total Non-current Assets		182,492,000	169,152,543
TOTAL ASSETS		3,764,670,656	3,930,971,985

Notes to the financial statements form an integral part of these statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2022

UNIT : BAHT

	Notes	2022	2021
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Short-term borrowings from financial institutions	17	1,615,000,000	1,825,000,000
Other current payables	18	117,496,379	41,626,268
Current portion of long-term borrowings	19	180,626,667	205,566,666
Current portion of lease liabilities	20	546,818	467,932
Corporate income tax payable		23,377,847	20,665,647
Other current liabilities		124,997	37,610
Total Current Liabilities		1,937,172,708	2,093,364,123
NON-CURRENT LIABILITIES			
Long-term borrowings	19	98,300,000	187,266,667
Lease liabilities	20	191,087	535,723
Non-current provisions for employee benefits	21	33,368,427	36,322,005
Other non-current liabilities		899,404	1,870,429
Total Non-current Liabilities		132,758,918	225,994,824
TOTAL LIABILITIES		2,069,931,626	2,319,358,947
SHAREHOLDERS' EQUITY			
SHARE CAPITAL			
Authorized share capital			
493,500,000 ordinary shares of Baht 1 each		493,500,000	493,500,000
Issued and paid-up share capital			
493,499,975 ordinary shares of Baht 1 each		493,499,975	493,499,975
Share premium on ordinary shares	22	31,746,399	31,746,399
RETAINED EARNINGS			
Appropriated			
Legal reserve	23	49,350,000	49,350,000
Unappropriated		1,120,142,656	1,037,016,664
TOTAL SHAREHOLDERS' EQUITY		1,694,739,030	1,611,613,038
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,764,670,656	3,930,971,985

Notes to the financial statements form an integral part of these statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

	Notes		2022	2021
REVENUES				
Factoring income			264,946,433	244,511,748
Hire purchase income			209,164	318,812
Finance lease income			9,306,010	9,452,579
Factoring commission and service fees			103,915,193	94,515,579
Other income			42,392,358	36,620,707
Total Revenues			420,769,158	385,419,425
EXPENSES				
Selling expenses			18,833,355	17,039,390
Administrative expenses			106,059,955	101,632,265
Management benefit expenses	4		37,490,175	37,024,089
Total Expenses			162,383,485	155,695,744
Profit from operating activities			258,385,673	229,723,681
Finance costs			38,489,748	35,210,540
Impairment loss determined in accordance with TFRS 9			22,844,280	1,032,317
PROFIT BEFORE INCOME TAX EXPENSE			197,051,645	193,480,824
INCOME TAX EXPENSE	25		40,142,870	40,656,982
PROFIT FOR THE YEARS			156,908,775	152,823,842
OTHER COMPREHENSIVE INCOME				
ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS				
GAINS ON RE-MEASUREMENTS OF DEFINED BENEFIT PLANS			5,237,766	-
INCOME TAX RELATING TO ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY			(1,047,553)	-
OTHER COMPREHENSIVE GAIN FOR THE YEAR, NET OF TAX			4,190,213	-
TOTAL COMPREHENSIVE INCOME FOR THE YEARS			161,098,988	152,823,842
BASIC EARNINGS PER SHARE		**BAHT**	0.32	0.31
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES		**SHARES**	493,499,975	493,499,975

Notes to the financial statements form an integral part of these statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

	Notes	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Retained Earnings		Total Shareholders' Equity
				Appropriated - Legal Reserve	Unappropriated	
Beginning balance as at January 1, 2021		493,499,975	31,746,399	49,350,000	953,282,818	1,527,879,192
Changes during the year						
Total comprehensive income		-	-	-	152,823,842	152,823,842
Dividend paid	28.2	-	-	-	(69,089,996)	(69,089,996)
Ending balance as at December 31, 2021		493,499,975	31,746,399	49,350,000	1,037,016,664	1,611,613,038
Beginning balance as at January 1, 2022		493,499,975	31,746,399	49,350,000	1,037,016,664	1,611,613,038
Changes during the year						
Total comprehensive income		-	-	-	161,098,988	161,098,988
Dividend paid	28.1	-	-	-	(77,972,996)	(77,972,996)
Ending balance as at December 31, 2022		493,499,975	31,746,399	49,350,000	1,120,142,656	1,694,739,030

Notes to the financial statements form an integral part of these statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

	Notes	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the years		156,908,775	152,823,842
Adjustments for :			
Income tax expenses		40,142,870	40,656,982
Impairement loss determined in accordance with TFRS9		22,727,742	1,032,317
Loss on bad debts written-off		116,538	-
Impairment loss from properties foreclosed		400,000	-
Gain on disposal of fixed assets		(709)	(691,586)
Loss on written-off assets		19	5,417,172
Interest expenses		38,024,813	34,716,131
Interest Income		(275,363,825)	(254,790,154)
Employee benefits expense		3,298,887	4,271,472
Depreciation and amortization		10,827,111	10,489,018
		(2,917,779)	(6,074,806)
Operating assets (increase) decrease			
Factoring receivables		318,124,169	(582,452,208)
Hire purchase receivables		(499,696)	3,164,459
Finance lease receivables		(23,720,629)	17,349,953
Inventory finance receivables		(36,767,468)	6,642,653
Other current assets		(7,428,741)	(1,062,695)
Bank deposits held as collateral		(328)	(690)
Other non-current assets		(318,555)	59,259
Operating liabilities increase (decrease)			
Other current payables		75,580,962	(1,080,658)
Other current liabilities		87,387	(1,719,441)
Other non-current liabilities		(971,025)	1,870,429
Cash received from (paid for) operating activities		321,168,297	(563,303,745)
Interest paid		(37,755,299)	(34,401,478)
Interest Received		275,129,003	254,790,154
Employee benefits paid		(1,014,699)	(660,000)
Income tax paid		(35,301,500)	(31,819,870)
Net cash provided by (used in) operating activities		522,225,802	(375,394,939)

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

	Notes	2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash paid for purchases of plant and equipment		(1,399,544)	(83,800)
Cash paid for purchases of other intangible assets		(605,754)	(1,786,900)
Cash received from disposal of assets		1,869	691,589
Net cash used in investing activities		(2,003,429)	(1,179,111)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash paid for short-term borrowings to financial institutions	5.2	(12,335,000,000)	(11,665,000,000)
Cash received from short-term borrowings from financial institutions	5.2	12,125,000,000	12,065,000,000
Cash paid for long-term borrowings	5.2	(213,906,666)	(210,746,667)
Cash received from long-term borrowings	5.2	100,000,000	200,000,000
Cash paid for lease liabilities	5.2	(535,317)	(405,825)
Cash paid for interest expenses under lease agreements	5.2	(18,523)	(34,815)
Cash paid for dividend	28	(77,972,996)	(69,089,996)
Net cash provide by (used in) financing activities		(402,433,502)	319,722,697
Net increase (decrease) in cash and cash equivalents		117,788,871	(56,851,353)
Cash and cash equivalents at the beginning of the years		333,767,948	390,619,301
Cash and cash equivalents at the end of the years	5.1	451,556,819	333,767,948

Notes to the financial statements form an integral part of these statements

1. GENERAL INFORMATION AND THE COMPANY'S OPERATION

IFS Capital (Thailand) Public Company Limited (the "Company") is incorporated in Thailand and has its registered office at 20th floor Lumpini Tower, 1168/55 Rama IV Road, Tungmahamek, Sathorn, Bangkok. The Company was listed on The Stock Exchange of Thailand on April 18, 2007. The business activities of the Company are factoring, hire purchase, leasing businesses and office rental.

The Company's major shareholder are IFS Capital Limited, which was registered in Singapore with 36.49% of the Company's shares and IFS Capital Holdings (Thailand) Limited with 36.64% of the Company's shares. The Company's ultimate shareholder is Philip Asset Pte. Ltd., which was incorporated in Singapore.

The Company has been foreign and submitted the request to do business under Section 17 of the Foreign Business Act B.E. 2542 and obtained the license of foreign business operations dated July 3, 2009 from the Department of Business Development to do business in category 3 (21) service business as follows:

1) Factoring
2) Leasing and hire purchase businesses only to the existing customers committed under the leasing and hire purchase agreements
3) Leasing and hire purchase of vehicles and machineries used in industry, tools used in transport of goods, vessels and carriages used in agriculture to new clients
4) Service businesses of office rental including utility and facility

Thus, the Company has to comply with the conditions specified in the certificate of foreign business operations.

Coronavirus Disease 2019 Pandemic

The Coronavirus disease 2019 ("COVID-19") pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. Nevertheless, the Company's management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities.

2. BASIS OF PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

2.1 The Company maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand.

2.2 The Company's financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 "Presentation of Financial Statements", which was effective for financial periods beginning on or after January 1, 2021 onward, and the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statements (No.3) B.E. 2562" dated December 26, 2019, which was effective for financial periods beginning on or after January 1, 2020 onward.

2.3 The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies (see Note 3).

2.4 The statements of financial position for the year ended December 31, 2021, presented herein for comparison, have been derived from the financial statements of the Company for the year then ended.

2.5 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the year, the Company has adopted the revised financial reporting standards and the Conceptual Framework for Financial Reporting issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology and accounting requirements for interest rate reform - Phrase 2. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

2.6 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

On August 19, 2022, Thai Financial Reporting Standard No.17 "Insurance Contracts" has been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2025 onwards.

On September 26, 2022, the revised TFRSs have been announced in the Royal Gazette which will be effective for the financial statements for the period beginning on or after January 1, 2023 onwards. TFRSs which have been amended and relevant to the Company are as follows:

Thai Financial Reporting Standard No.9 "Financial Instruments"

The amendment clarifies that in applying the "10 percent" test to assess whether to derecognize a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf. The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The Company's management will adopt such TFRSs in the preparation of the Company's financial statements when it becomes effective. The Company's management is in the process to assess the impact of these TFRSs on the financial statements of the Company in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies adopted by the Company are summarized below:

3.1 Foreign currency transactions

Transactions occurred during the year denominated in foreign currencies are translated into Baht at the rates of exchange on the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the statements of financial position date are translated into Baht at the exchange rates prevailing at that date. Gains and losses on foreign exchange arising from settlements and translation are recognized as income or expense when incurred.

3.2 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, all deposits at banks and fixed deposits with original maturities of 3 months or less and excluding cash at banks used as collateral.

3.3 Account receivables

Factoring receivables is shown net of allowance for expected credit losses.

Hire purchase receivables and finance lease receivables are stated at the outstanding hire purchase contract price and finance lease contract price after deducting unearned financing income and allowance for expected credit losses.

The allowance for expected credit losses has disclosed in Note 3.4.

3.4 Financial instruments

Financial assets and financial liabilities are recognized in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on factoring receivables, hire purchase receivables, finance lease receivables and inventory finance receivables. The amount of expect credit losses is updated at each reporting period date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognizes lifetime allowance for ECL for factoring receivables, hire purchase receivables, finance lease receivables and inventory finance receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(1) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the spects of the industries in which the Company's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relate to the Company's core operations.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(2) Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the debtor
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collateral held by the Company)

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 90 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(3) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or the borrower
- A breach of contract, such as a default or past due event (see (2) above)
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization

(4) Write-off policy

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

(5) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the asset's gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with TFRS 16 "Leases".

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Company recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL.

Financial liabilities measured subsequently at amortized cost.

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3.5 Investment properties

Investment properties that were held to earn for rental or for capital appreciation or both, rather than for sale in the ordinary course of business or use in the production or supply of goods or services or for administrative purposes.

The Company measured investment properties initially at its cost, including related transaction costs and less impairment (if any).

Depreciation is calculated by the straight-line method, based on the estimated useful life of assets. For investment properties, the estimate useful live is 40 years.

When investment properties become impaired, the allowance for impairment is recorded to recognize unrealized loss on impairment as an expense in the statements of comprehensive income.

The cost of a purchased investment properties comprise its purchase price and any directly attributable expenditure. Directly attributable expenditure includes professional fees for legal services, property transfer taxes and other transaction costs.

3.6 Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciation is calculated by using the straight-line method, based on the estimated useful lives of the assets as follows:

Condominium	40 years
Furniture and fixtures	5 years
Vehicles	5 years

When premises and equipment become impaired, the allowance for impairment is recorded to recognize unrealized loss on impairment in the statement of comprehensive income.

3.7 Other intangible assets

Other intangible assets are stated at cost less accumulated amortization and allowance for impairment (if any).

Amortization is calculated by the straight-line method, based on the estimated useful lives of the assets. For computer software, the estimated useful lives are 3 years.

When intangible assets become impaired, the allowance for impairment is recorded to recognize unrealized loss on impairment in the statements of comprehensive income.

3.8 Properties Foreclosed

Properties foreclosed is stated at the lower of cost (fair value with reference to appraisal value, providing this does not exceed the legally claimable amount of debt) or net realizable value, which is determined with reference to the latest appraisal value less estimated selling expenses and taking into consideration the type and the nature of the assets.

Gains on disposal of properties foreclosed are recognized as income in part of profit or loss in the statement of comprehensive income on the disposal date.

3.9 Provisions for employee benefits

The Company provides provisions for employee benefits regarding the severance pay under the Thai Labor Protection Act and long service awards payable to employees. Provisions for employee benefits is calculated by using the Projected Unit Credit Method. The present value of the defined benefits obligation is determined by discounting estimated future cash flows using yields on the government bonds which have terms to maturity approximating the terms of the related liability. The estimated future cash flows shall reflect employee salaries, turnover rate, length of service and others. Gains or losses on remeasurements of provisions for employee benefits will be recognized as expenses in the statements of comprehensive income in the period to which they are related. The costs associated with providing these benefits are charged to the statements of comprehensive income so as to spread the cost over the employment period during which the entitlement to benefits is earned (see Note 21).

Past service cost related to the plan amendment is recognized as an expense in the statement of comprehensive income when the plan amendment has occurred.

3.10 Revenue recognition

Factoring income is recognized over the period of contracts.

Hire purchase income is recognized using the effective interest rate method over the period of contracts.

Finance lease income is recognized using the effective interest rate method over the period of contracts.

Interest on hire purchase and finance lease is recognized over the period of contracts, except when interest is in arrears for more than three months which is then recognized on a cash basis.

Factoring commission and service fees are recognized upon the transfer of rights.

Other income is recognized in the statement of comprehensive income on an accrual basis.

3.11 Lease

The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognizes a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate at 2.62% to 2.81% per annum.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Company applies TAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the “Property, Plant and Equipment” policy.

The Company as lessor

The Company enters into lease agreements as a lessor with respect to some of its investment properties.

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

3.12 Income tax expenses

Income tax expense is calculated based on the taxable profit multiplied by the tax rate that has been enacted at the statements of financial position date and adjusted by the effect of deferred income tax accounting.

Deferred tax assets and liabilities result from temporary differences between the carrying amounts of assets or liabilities in the statements of financial position and their tax bases. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which deductible temporary differences can be utilized.

Deferred tax are charged or credited in the statements of comprehensive income, except when the temporary differences relate to items credited or charged directly to equity, in which case the deferred tax is also recorded in equity.

Deferred tax assets and liabilities are offset when they relate to income tax levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized. The Company recognizes deferred tax liabilities for all taxable temporary differences in the consolidated and separate financial statements.

3.13 Basic earnings per share

Basic earnings per share are calculated by dividing net income by the number of weighted average ordinary shares outstanding at the date of statement of financial position. In the case of a capital increase, the number of weighted average ordinary shares is calculated according to the period of the subscription received from increase in and paid-up share capital.

In case of stock dividend payment, the number of ordinary shares outstanding before the event is adjusted for the proportionate change in the number of ordinary shares outstanding as if the event had occurred at the beginning of the earliest period presented.

3.14 Fair value measurements

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability as market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis.

In addition, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirely, which are described as follows:

Level 1 - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 - inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.

Level 3 - inputs are unobservable inputs for the asset or liability.

3.15 Use of Management's Judgments

The preparation of financial statements in conformity with Thai Financial Reporting Standards (TFRSs) requires the Company's management to exercise various judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the year. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

Significant increase in credit risk

As explained in Note 3.4, expected credit losses are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. TFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward looking information.

4. RELATED PARTY TRANSACTIONS

The accompanying financial statements include certain transactions with related companies. The relationship may be that of shareholding or the companies may have the same group of shareholders or directors. The financial statements reflect the effects of these transactions in the normal business practice, and the price rates, interest rates, terms and conditions are considered to be at arms length, for related party as approved by the Board or the shareholders.

Relationships with related parties other than subsidiaries, associates and joint ventures as at December 31, 2022 were as follows:

	Relationships
IFS Capital Limited	Major Shareholder
IFS Capital Holdings (Thailand) Limited	Major Shareholder

Significant transactions with related person or parties for the years ended December 31, 2022 and 2021 were as follows:

	2022 Baht	**2021 Baht**
Management benefit expenses		
Short-term benefits	36,456,332	36,114,800
Post-employment benefits	757,403	864,553
Other long-term benefits	276,440	44,736
	37,490,175	37,024,089
Dividend payment		
IFS Capital Limited	28,451,850	25,210,500
IFS Capital Holdings (Thailand) Limited	28,567,980	25,313,400
	57,019,830	50,523,900

5. SUPPLEMENTARY DISCLOSURE OF CASH FLOWS INFORMATION

5.1 Cash and cash equivalents as at December 31, 2022 and 2021 consisted of the following:

	2022 Baht	**2021 Baht**
Cash on hand	30,000	30,000
Cash at banks - current accounts	9,464,428	8,607,479
Cash at banks - savings accounts	442,062,391	325,130,469
	451,556,819	333,767,948

5.2 Changes in liabilities from financing activities as at December 31, 2022 and 2021 consisted of the following:

	Balance as at January 1, 2022 Baht	Cash flows from financing activities: Cash received Baht	Cash flows from financing activities: Cash paid Baht	Non-cash items[1]	Balance as at December 31, 2022 Baht
Short-term borrowings from financial institutions	1,825,000,000	12,125,000,000	(12,335,000,000)	-	1,615,000,000
Long-term borrowings	392,833,333	100,000,000	(213,906,666)	-	278,926,667
Lease liabilities	1,003,655	-	(553,840)	288,090	737,905

(1) Non-cash items were arisen from car and photocopy machine rental agreements.

	Balance as at January 1, 2021 Baht	Cash flows from financing activities: Cash received Baht	Cash flows from financing activities: Cash paid Baht	Non-cash items[2]	Balance as at December 31, 2021 Baht
Short-term borrowings from financial institutions	1,425,000,000	12,065,000,000	(11,665,000,000)	-	1,825,000,000
Long-term borrowings	403,580,000	200,000,000	(210,746,667)	-	392,833,333
Lease liabilities	-	-	(440,640)	1,444,295	1,003,655

(2) Non-cash items were arisen from car rental agreements.

6. FACTORING RECEIVABLES

Factoring receivables as at December 31, 2022 and 2021 consisted of the following:

	2022 Baht	2021 Baht
Factoring receivables	3,770,319,209	4,219,541,529
Less Allowance for expected credit losses	(107,447,699)	(86,076,618)
	3,662,871,510	4,133,464,911
Less Factoring payables	(751,891,386)	(882,989,537)
Factoring receivables, net	2,910,980,124	3,250,475,374

Factoring receivables as at December 31, 2022 and 2021 was classified by staging as follows:

Unit : Baht

	As at December 31, 2022: Factoring receivables	Recognized amount as allowance for expected credit losses	Allowance for expected credit losses
Low credit risk receivables	3,182,638,430	2,526,087,107	441,780
Significant increase in credit risk receivables	467,875,315	372,535,252	775,993
Default receivables in credit risk	119,805,464	119,805,464	106,229,926
Total	3,770,319,209	3,018,427,823	107,447,699

Unit : Baht

	As at December 31, 2021		
	Factoring receivables	**Recognized amount as allowance for expected credit losses**	**Allowance for expected credit losses**
Low credit risk receivables	3,728,032,826	2,951,458,005	84,539
Significant increase in credit risk receivables	405,745,355	298,414,708	228,731
Default receivables in credit risk	85,763,348	85,763,348	85,763,348
Total	4,219,541,529	3,335,636,061	86,076,618

Allowance for expected credit losses for the year ended December 31, 2022 and 2021 consisted of the following:

Unit : Baht

	2022 Allowance for expected credit losses			
	Performing (Stage 1)	**Under-Performing (Stage 2)**	**Non-Performing (Stage 3)**	**Total**
Balance as at January 1, 2022	84,539	228,731	85,763,348	86,076,618
Changes in staging	97,234	(97,336)	102	-
Changes in risk parameters	194,999	653,342	10,144,160	10,992,501
New financial assets originated or purchased	67,692	3,041	10,322,316	10,393,049
Financial assets derecognized	(2,684)	(11,785)	-	(14,469)
Balance as at December 31, 2022	441,780	775,993	106,229,926	107,447,699

Unit: Baht

	2021 Allowance for expected credit losses			
	Performing (Stage 1)	**Under-Performing (Stage 2)**	**Non-Performing (Stage 3)**	**Total**
Balance as at January 1, 2021	61,471	100,827	86,950,440	87,112,738
Changes in staging	36,216	(36,216)	-	-
Changes in risk parameters	(23,143)	164,120	(616,512)	(475,535)
New financial assets originated or purchased	12,443	-	-	12,443
Financial assets derecognized	(2,448)	-	-	(2,448)
Written-off	-	-	(570,580)	(570,580)
Balance as at December 31, 2021	84,539	228,731	85,763,348	86,076,618

7. HIRE PURCHASE RECEIVABLES

Hire purchase receivables as at December 31, 2022 and 2021 consisted of the following:

	2022 Baht	2021 Baht
Outstanding contract price	2,186,412	1,589,992
Less Unearned financing income	(159,031)	(62,307)
	2,027,381	1,527,685
Less Allowance for expected credit losses	(1,035)	(359)
	2,026,346	1,527,326
Due within one year	1,543,349	1,589,992
Less Unearned financing income	(142,910)	(62,307)
Allowance for expected credit losses	(1,035)	(359)
Hire purchase current receivables, net	1,399,404	1,527,326
Hire purchase non-current receivables, net	626,942	-

Hire purchase receivables as at December 31, 2022 and 2021 were classified by staging as follows:

Unit : Baht

	As at December 31, 2022		
	Hire purchase receivables	Recognized amount as allowance for expected credit losses	Allowance for expected credit losses
Low credit risk receivables	2,027,381	2,186,412	1,035
Total	2,027,381	2,186,412	1,035

Unit : Baht

	As at December 31, 2021		
	Hire purchase receivables	Recognized amount as allowance for expected credit losses	Allowance for expected credit losses
Low credit risk receivables	1,527,685	1,589,992	359
Total	1,527,685	1,589,992	359

Allowance for expected credit losses for the years ended December 31, 2022 and 2021 consisted of the following:

Unit : Baht

	2022 Allowance for expected credit losses			
	Performing (Stage 1)	Under-Performing (Stage 2)	Non-Performing (Stage 3)	Total
Balance as at January 1, 2022	359	-	-	359
New financial assets originated or purchased	1,035	-	-	1,035
Financial assets derecognized	(359)	-	-	(359)
Balance as at December 31, 2022	1,035	-	-	1,035

Unit: Baht

	2021 Allowance for expected credit losses			
	Performing (Stage 1)	Under-Performing (Stage 2)	Non-Performing (Stage 3)	Total
Balance as at January 1, 2021	15,562	23,404	-	38,966
Changes in risk parameters	(15,203)	-	-	(15,203)
Financial assets derecognized	-	(23,404)	-	(23,404)
Balance as at December 31, 2021	359	-	-	359

8. FINANCE LEASE RECEIVABLES

Finance lease receivables as at December 31, 2022 and 2021 consisted of the following:

	2022 Baht	2021 Baht
Outstanding contract price	242,286,267	213,603,281
Less Deposits on finance lease	(81,350,188)	(80,291,569)
Less Unearned financing income	(15,878,784)	(12,093,330)
	145,057,295	121,218,382
Less Allowance for expected credit losses	(10,191,891)	(9,263,561)
	134,865,404	111,954,821
Due within one year	98,937,630	91,309,965
Less Deposits on finance lease	(29,450,334)	(28,318,141)
Less Unearned financing income	(8,736,879)	(6,856,776)
Finance lease current receivables, net	60,750,417	56,135,048
Finance lease non-current receivables, net	74,114,987	55,819,773

Finance lease receivables as at December 31, 2022 and 2021 were classified by staging as follows:

Unit : Baht

	As at December 31, 2022		
	Finance lease receivables	Recognized amount as allowance for expected credit losses	Allowance for expected credit losses
Low credit risk receivables	107,080,999	119,085,284	897,054
Significant increase in credit risk receivables	15,164,652	16,963,311	1,625,644
Default receivables in credit risk	22,811,644	22,811,644	7,669,193
Total	145,057,295	158,860,239	10,191,891

Unit : Baht

	As at December 31, 2021		
	Finance lease receivables	Recognized amount as allowance for expected credit losses	Allowance for expected credit losses
Low credit risk receivables	108,712,772	119,532,430	1,575,384
Significant increase in credit risk receivables	1,407,300	1,452,835	59,867
Default receivables in credit risk	11,098,310	11,098,310	7,628,310
Total	121,218,382	132,083,575	9,263,561

Allowance for expected credit losses for the year ended December 31, 2022 and 2021 consisted of the following:

Unit : Baht

	2022 Allowance for expected credit losses			
	Performing (Stage 1)	Under-Performing (Stage 2)	Non-Performing (Stage 3)	Total
Balance as at January 1, 2022	1,575,384	59,867	7,628,310	9,263,561
Changes in staging	(791,963)	519,002	272,961	-
Changes in risk parameters	(402,091)	322,351	(232,078)	(311,818)
New financial assets originated or purchased	533,143	778,118	-	1,311,261
Financial assets derecognized	(17,419)	(40,454)	-	(57,873)
Written off	-	(13,240)	-	(13,240)
Balance as at December 31, 2022	897,054	1,625,644	7,669,193	10,191,891

Unit: Baht

	2021 Allowance for expected credit losses			
	Performing (Stage 1)	Under-Performing (Stage 2)	Non-Performing (Stage 3)	Total
Balance as at January 1, 2021	623,733	3,996,623	4,008,582	8,628,938
Changes in staging	3,124,193	(3,137,266)	13,073	-
Changes in risk parameters	(2,583,586)	39,687	1,902,679	(641,220)
New financial assets originated or purchased	412,964	-	1,703,976	2,116,940
Financial assets derecognized	(1,920)	(839,177)	-	(841,097)
Balance as at December 31, 2021	1,575,384	59,867	7,628,310	9,263,561

9. INVENTORY FINANCE RECEIVABLES

Inventory finance receivables as at December 31, 2022 and 2021 were as follows:

	2022 Baht	2021 Baht
Inventory finance receivables	157,341,094	120,573,626
Less Allowance for expected credit losses	(7,854,838)	(7,427,183)
Inventory finance receivables, net	149,486,256	113,146,443

Inventory finance receivables as at December 31, 2022 and 2021 were classified by staging as follows:

Unit : Baht

	As at December 31, 2022		
	Inventory finance receivables	**Recognized amount as allowance for expected credit losses**	**Allowance for expected credit losses**
Low credit risk receivables	129,595,484	129,595,484	1,775,244
Significant increase in credit risk receivables	23,199,886	23,699,886	1,533,870
Default receivables in credit risk	4,545,724	4,545,724	4,545,724
Total	157,341,094	157,841,094	7,854,838

Unit : Baht

	As at December 31, 2021		
	Inventory finance receivables	**Recognized amount as allowance for expected credit losses**	**Allowance for expected credit losses**
Low credit risk receivables	105,016,027	105,016,027	1,769,995
Significant increase in credit risk receivables	11,011,875	11,511,875	1,111,464
Default receivables in credit risk	4,545,724	4,545,724	4,545,724
Total	120,573,626	121,073,626	7,427,183

Allowance for expected credit loss for the year ended December 31, 2022 and 2021 was as follows:

Unit: Baht

	2022 Allowance for expected credit loss			
	Performing (Stage 1)	**Under-Performing (Stage 2)**	**Non-Performing (Stage 3)**	**Total**
Balance as at January 1, 2022	1,769,995	1,111,464	4,545,724	7,427,183
Changes in staging	854,112	(854,112)	-	-
Changes in risk parameters	(1,006,019)	1,174,790	-	168,771
New financial assets originated or purchased	157,156	101,728	-	258,884
Balance as at December 31, 2022	1,775,244	1,533,870	4,545,724	7,854,838

Unit: Baht

	2021 Allowance for expected credit loss			
	Performing (Stage 1)	**Under-Performing (Stage 2)**	**Non-Performing (Stage 3)**	**Total**
Balance as at January 1, 2021	1,774,775	204,844	4,545,724	6,525,343
Changes in staging	(42,788)	42,788	-	-
Changes in risk parameters	38,008	919,832	-	957,840
Written off	-	(56,000)	-	(56,000)
Balance as at December 31, 2021	1,769,995	1,111,464	4,545,724	7,427,183

10. BANK DEPOSIT HELD AS COLLATERAL

As at December 31, 2022 and 2021, fixed deposit at bank of Baht 163,960 and Baht 163,632, respectively, have been pledged with a bank as collateral for issuing bank guarantees on behalf of the Company.

11. INVESTMENT PROPERTIES

Investment properties as at December 31, 2022 and 2021 consisted of the following:

	Balance as at January 1, 2022 Baht	Additions Baht	(Disposals) Baht	Balance as at December 31, 2022 Baht
Cost				
Condominium	88,390,785	-	-	88,390,785
Total cost	88,390,785	-	-	88,390,785
Accumulated depreciation				
Condominium	(30,364,192)	(4,636,618)	-	(35,000,810)
Total accumulated depreciation	(30,364,192)	(4,636,618)	-	(35,000,810)
Investment properties	58,026,593			53,389,975

	Balance as at January 1, 2021 Baht	Additions Baht	(Disposals) Baht	Balance as at December 31, 2021 Baht
Cost				
Condominium	88,390,785	-	-	88,390,785
Total cost	88,390,785	-	-	88,390,785
Accumulated depreciation				
Condominium	(25,714,837)	(4,649,355)	-	(30,364,192)
Total accumulated depreciation	(25,714,837)	(4,649,355)	-	(30,364,192)
Investment properties	62,675,948			58,026,593

Depreciation for the years ended December 31,		
2022	**Baht**	4,636,618
2021	**Baht**	4,649,355

As at December 31, 2022 and 2021, fair value of investment properties of the Company which amounted to Baht 126.67 million in each year.

12. PLANT AND EQUIPMENT

Plant and equipment as at December 31, 2022 and 2021 consisted of the following:

	Balance as at January 1, 2022 Baht	Additions Baht	(Disposals) Baht	Balance as at December 31, 2022 Baht
Cost				
Condominium	57,161,315	-	-	57,161,315
Furniture and fixtures	32,707,687	1,399,544	(418,270)	33,688,961
Vehicles	7,783,885	-	-	7,783,885
Total cost	97,652,887	1,399,544	(418,270)	98,634,161
Accumulated depreciation				
Condominium	(39,808,322)	(3,521,155)	-	(43,329,477)
Furniture and fixtures	(31,875,031)	(414,747)	417,091	(31,872,687)
Vehicles	(6,959,956)	(770,641)	-	(7,730,597)
Total accumulated depreciation	(78,643,309)	(4,706,543)	417,091	(82,932,761)
Plant and equipment	19,009,578			15,701,400

	Balance as at January 1, 2021 Baht	Additions Baht	(Disposals) Baht	Balance as at December 31, 2021 Baht
Cost				
Condominium	57,161,315	-	-	57,161,315
Furniture and fixtures	32,623,887	83,800	-	32,707,687
Vehicles	9,845,885	-	(2,062,000)	7,783,885
Total cost	99,631,087	83,800	(2,062,000)	97,652,887
Accumulated depreciation				
Condominium	(36,287,167)	(3,521,155)	-	(39,808,322)
Furniture and fixtures	(31,545,511)	(329,520)	-	(31,875,031)
Vehicles	(8,085,320)	(936,633)	2,061,997	(6,959,956)
Total accumulated depreciation	(75,917,998)	(4,787,308)	2,061,997	(78,643,309)
Plant and equipment	23,713,089			19,009,578

Depreciation for the years ended December 31,		
2022	**Baht**	4,706,543
2021	**Baht**	4,787,308

As at December 31, 2022 and 2021, certain equipment at cost of Baht 44.97 million and Baht 44.01 million, respectively, were fully depreciated but still in use.

13. RIGHT-OF-USE ASSETS

Right-of-use assets as at December 31, 2022 and 2021 consisted of the following:

	Balance as at January 1, 2022 Baht	Additions Baht	(Disposals) Baht	Balance as at December 31, 2022 Baht
Cost				
Furniture and fixtures	-	265,459	-	265,459
Vehicles	1,409,481	-	-	1,409,481
Total cost	1,409,481	265,459	-	1,674,940
Accumulated depreciation				
Furniture and fixtures	-	(66,365)	-	(66,365)
Vehicles and Fixtures	(430,675)	(469,827)	-	(900,502)
Total accumulated depreciation	(430,675)	(536,192)	-	(966,867)
Right-of-use assets	978,806			708,073

	Balance as at January 1, 2021 Baht	Additions Baht	(Disposals) Baht	Balance as at December 31, 2021 Baht
Cost				
Vehicles	-	1,409,481	-	1,409,481
Total cost	-	1,409,481	-	1,409,481
Accumulated depreciation				
Vehicles	-	(430,675)	-	(430,675)
Total accumulated depreciation	-	(430,675)	-	(430,675)
Right-of-use assets	-			978,806

Depreciation for the year ended December 31,		
2022		536,192
2021	**Baht**	430,675

The maturity analysis of lease liabilities is presented in Note 20.

For the year ended December 31, 2022 and 2021, the interest expense on lease liabilities recognized in profit or loss amounted to Baht 22,630 and Baht 34,815, respectively.

14. OTHER INTANGIBLE ASSETS

Other intangible assets as at December 31, 2022 and 2021 consisted of the following:

	Balance as at January 1, 2022 Baht	Additions Baht	(Disposal) Baht	Balance as at December 31, 2022 Baht
Cost				
Golf membership fee	150,000	-	-	150,000
Computer software	12,032,121	648,018	-	12,680,139
Total cost	12,182,121	648,018	-	12,830,139
Accumulated amortization				
Computer software	(10,312,428)	(947,758)	-	(11,260,186)
Total accumulated amortization	(10,312,428)	(947,758)	-	(11,260,186)
Intangible assets	1,869,693			1,569,953

	Balance as at January 1, 2021 Baht	Additions Baht	(Disposal) Baht	Balance as at December 31, 2021 Baht
Cost				
Golf membership fee	150,000	-	-	150,000
Computer software	10,245,221	1,786,900	-	12,032,121
Total cost	10,395,221	1,786,900	-	12,182,121
Accumulated amortization				
Computer software	(9,690,748)	(621,680)	-	(10,312,428)
Total accumulated amortization	(9,690,748)	(621,680)	-	(10,312,428)
Intangible assets	704,473			1,869,693

Amortization for the years ended December 31,		
2022	**Baht**	947,758
2021	**Baht**	621,680

15. DEFERRED TAX ASSETS

Deferred tax assets and liability as at December 31, 2022 and 2021 were as follows:

	2022 Baht	2021 Baht
Deferred tax assets	35,086,230	32,071,547
Deferred tax liability	(5,966)	(4,970)
	35,080,264	32,066,577

Movements of deferred tax assets and liability during the years were as follows:

	As at January 1, 2022	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income	As at December 31, 2022
	Baht	Baht	Baht	Baht
Deferred tax assets				
Allowance for expected credit losses	20,553,544	4,545,548	-	25,099,092
Bad debt in process of litigation	252,670	-	-	252,670
Assets from lease contract	4,000,932	(2,103,583)	-	1,897,349
Provisions for employee benefits	7,264,401	456,837	(1,047,553)	6,673,685
Properties foreclosed	-	1,163,434	-	1,163,434
Total	32,071,547	4,062,236	(1,047,553)	35,086,230
Deferred tax liability				
Lease liabilities	(4,970)	(996)	-	(5,966)
Total	(4,970)	(996)	-	(5,966)
	32,066,577	4,061,240	(1,047,553)	35,080,264

	As at January 1, 2021	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income	As at December 31, 2021
	Baht	Baht	Baht	Baht
Deferred tax assets				
Allowance for expected credit losses	20,461,197	92,347	-	20,553,544
Bad debt in process of litigation	772,224	(519,554)	-	252,670
Assets from lease contract	8,682,210	(4,681,278)	-	4,000,932
Provisions for employee benefits	6,542,107	722,294	-	7,264,401
Total	36,457,738	(4,386,191)	-	32,071,547
Deferred tax liability				
Lease liabilities	-	(4,970)	-	(4,970)
Total	-	(4,970)	-	(4,970)
	36,457,738	(4,391,161)	-	32,066,577

16. PROPERTIES FORECLOSED

Properties foreclosed as at December 31, 2022 and 2021 were as follows:

	2022 Baht	2021 Baht
Properties foreclosed	6,217,172	6,217,172
Less Allowance for impairment losses	(5,817,172)	(5,417,172)
Properties foreclosed, net	400,000	800,000

In 2021, the Company has transferred finance lease receivables totaling by Baht 6.22 million to properties foreclosed amounted to Baht 0.80 million and recognized the remaining balance amounted to Baht 5.42 million as impairment losses on assets and presented in administrative expenses in the statement of comprehensive income for the year ended December 31, 2021. (2022: Nil)

17. SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Short-term borrowings from financial institutions as at December 31, 2022 and 2021 consisted of the following:

	2022 Baht	2021 Baht
Promissory notes	1,615,000,000	1,825,000,000

As at December 31, 2022 and 2021, the Company has short-term borrowings from financial institutions which bear interest rate at 1.50% to 2.75% per annum and 1.50% to 2.32% per annum, respectively.

18. OTHER CURRENT PAYABLES

Other current payables as at December 31, 2022 and 2021 were as follows:

	2022 Baht	2021 Baht
Other payables - other companies	3,554,615	3,766,094
Accrued expenses	26,153,543	24,846,379
Deposit from factoring	87,788,221	13,013,796
	117,496,379	41,626,269

19. LONG-TERM BORROWINGS

Long-term borrowings as at December 31, 2022 and 2021 consisted of the following:

	2022 Baht	2021 Baht
Long-term borrowings	278,926,667	392,833,333
Current portion of long-term borrowings	(180,626,667)	(205,566,666)
	98,300,000	187,266,667

As at December 31, 2022 and 2021, the Company entered into long-term borrowings with financial institutions at the floating interest rates 2.62% to 3.60% per annum and are repayable quarterly installments, the last installment of such borrowings fall due in July 2025. The Company has to comply with the conditions specified in the borrowing agreements with each financial institution that the Company has to maintain its debt to equity ratio at the rate prescribed in the agreements.

20. LEASE LIABILITIES

Lease liabilities as at December 31, 2022 and 2021 consisted of the following:

Unit : Baht

	2022 Baht	2021 Baht
Within 1 year	559,680	489,600
Over 1 year to 5 years	194,960	538,560
	754,640	1,028,160
Less Unearned interest	(16,735)	(24,505)
Total	737,905	1,003,655

21. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS

Non-current provisions for employee benefits for the years ended December 31, 2022 and 2021 consisted of the following:

	2022 Baht	2021 Baht
Provisions for post-employee benefits (see Note 21.1)	28,987,634	31,008,088
Provisions for employee benefits for long service awards (see Note 21.2)	4,380,793	5,313,917
	33,368,427	36,322,005

21.1 Provisions for employee benefits for severance pay

Change in the present value of provisions for post-employee benefits for the years ended December 31, 2022 and 2021 were as follows:

	2022 Baht	2021 Baht
Present value of provisions for post-employee benefits, beginning balance	31,008,088	27,510,884
Cost of service - current period	2,900,007	3,101,052
Interest cost	777,004	396,152
Benefits paid during the years	(459,699)	-
Actuarial gains	(5,237,766)	-
Present value of provisions post-employee benefits, ending balance	28,987,634	31,008,088

Provisions for post-employee benefits expenses recognized in the statements of comprehensive income for the years ended December 31, 2022 and 2021 were as follows:

	2022 Baht	2021 Baht
Cost of service - current period	2,900,007	3,101,052
Interest cost	777,004	396,152
Actuarial (gains) loss		
- Change in financial assumptions	(1,820,468)	-
- Change in demographic assumptions	(843,149)	-
- Experience adjustments	(2,574,149)	-
	(5,237,766)	-

21.2 Provisions for employee benefits for long service awards

Change in the present value of provisions for employee benefits for long service awards for the years ended December 31, 2022 and 2021 were as follows:

	2022 Baht	2021 Baht
Present value of provisions for employee benefits for long service awards, beginning balance	5,313,917	5,199,649
Cost of service - current period	583,417	699,356
Interest cost	129,232	74,912
Benefits paid during the years	(555,000)	(660,000)
Actuarial gains	(1,090,773)	-
Present value of provisions for employee benefits for long service awards, ending balance	4,380,793	5,313,917

Provisions for employee benefits for long service awards expense recognized in the statements of comprehensive income for the years ended December 31, 2022 and 2021 were as follows:

	2022 Baht	2021 Baht
Cost of service - current period	583,417	699,356
Interest cost	129,232	74,912
Actuarial (gains) loss		
- Change in financial assumptions	(499,410)	-
- Change in demographic assumptions	(184,054)	-
- Experience adjustments	(407,309)	-
	(1,090,773)	-

The Company calculated non-current provisions for employee benefits by using actuarial technique. The assumptions as at December 31, 2022 and 2021 consisted of the following:

	2022	2021
Financial assumptions		
Discount rate (%)	3.06	1.44
Salary increase (%)	5.00	4.00
Demographic assumptions		
Turnover rate (%) depending on age group of employees	3, 9, 26	2, 9, 25
Retirement age (years)	60	60

Sensitivity analysis on significant actuarial assumptions represents impact of change in the significant actuarial assumptions on present value of non-current provisions for employee benefits as at December 31, 2022 and 2021 were as follows:

	2022 Baht	2021 Baht
Legal severance pay benefit		
Financial assumptions		
Discount rate		
- 1% increase	(2,441,904)	(3,001,915)
- 1% decrease	2,824,702	3,502,478
Expected rate of salary increase		
- 1% increase	2,740,555	3,705,061
- 1% decrease	(2,421,356)	(3,229,434)
Demographic assumptions		
Turnover rate		
- 1% increase	(2,568,791)	(3,106,038)
- 1% decrease	863,443	1,120,015
Long service year award		
Financial assumptions		
Discount rate		
- 1% increase	(258,791)	(347,964)
- 1% decrease	288,218	391,467
Demographic assumptions		
Turnover rate		
- 1% increase	(275,545)	(364,109)
- 1% decrease	194,502	263,288

Maturity analysis of the benefit payments of non-current provisions for employee benefits as at December 31, 2022 and 2021 were as follows:

	2022 Baht	2021 Baht
Within 1 year	4,828,480	555,000
Over 1 year to 5 years	11,349,031	13,582,549
Over 5 years	17,190,916	22,184,456
Total	33,368,427	36,322,005

22. PREMIUM ON ORDINARY SHARES

The share premium account is set up under the provisions of Section 51 of the Public Companies Act. B.E. 2535, which requires companies to set aside share subscription monies received in excess of the par value of the shares issued less expenses relating to the increase in share capital which is a reserve account and cannot be distributed as dividend.

23. LEGAL RESERVE

Pursuant to the Public Companies Act. B.E. 2535 (1992), the Company must allocate to a reserve fund from the annual net profit, of not less than five percent of the annual net profit deducted by the total accumulated loss brought forward (if any) until the reserve fund reaches an amount of not less than ten percent of the registered capital. The legal reserve could not be used for dividend payment.

As at December 31, 2022 and 2021, the Company has legal reserve by ten percent of the authorized capital.

24. EXPENSES BY NATURE

Net profit for the years ended December 31, 2022 and 2021 were arrived at after charging the following items:

	2022 Baht	2021 Baht
Directors and management benefit expenses	37,490,175	37,024,089
Employee benefit expenses	71,414,308	68,678,216
Depreciation and amortization	10,827,110	10,489,021
Impairment loss determined in accordance with TFRS 9	22,844,280	1,032,317
Business tax	13,473,363	12,276,212
Professional fee	3,753,479	4,668,450
Finance cost	38,489,748	35,210,540

25. INCOME TAX EXPENSE

Income tax expense for the years ended December 31, 2022 and 2021 consisted of the following:

	2022 Baht	2021 Baht
Income tax expense from taxable income per income tax return	43,120,676	36,265,821
Adjustment income tax expense in prior year	1,083,434	-
Deferred tax expenses relating to the origination and reversal of temporary differences	(4,061,240)	4,391,161
Income tax expense per the statements of comprehensive income	40,142,870	40,656,982

The reconciliation between income tax and accounting income for the years ended December 31, 2022 and 2021 were as follows:

	2022		2021	
	Tax rate (%)	Baht	Tax rate (%)	Baht
Accounting income before tax		197,051,645		193,480,824
Income tax using the corporate tax rate	20.00	39,410,329	20.00	38,696,165
Tax effect of non-deductible expenses		732,541		1,960,817
Income tax per the statements of comprehensive income		40,142,870		40,656,982
Deferred tax expense (income) relating to the origination and reversal of temporary differences		4,061,240		(4,391,161)
Adjustment income tax expense in prior year		(1,083,434)		-
Income tax expense from taxable Income per income tax return	21.88	43,120,676	18.74	36,265,821

The Company used tax rates of 20% for the income tax calculation for the years ended December 31, 2022 and 2021 and deferred tax as at December 31, 2022 and 2021.

26. FINANCIAL INFORMATION BY SEGMENT

The business segment results are prepared based on the Management of the Company. The operating results by business segment provided to Chief Operating Decision Maker to make decisions about allocating resources to, and assessing the performance of, operating segments is measured in accordance with Thai Financial Reporting Standard.

The business segments are described below:

Factoring business: is a short term-loan that provides liquidity to the business immediately and enables the business to increase its turnover in the form of buying accounts receivable. The factoring facility is applicable to both domestic and international sales.

Hire purchase and finance leasing business: are long-term loans for invested in business industry.

Others: encompasses a range of activities from corporate decisions, income and expenses not attributed to the business segments described.

For the years ended December 31, 2022 and 2021, there is no revenue from a single external customer contributed 10% or more to the Company’s total revenue.

The financial statements by business segment for the years ended December 31, 2022 and 2021 were as follows:

Unit : Baht'000

	For the year ended December 31, 2022				For the year ended December 31, 2021			
	Factoring business	Hire purchase and finance lease business	Unallocated	Total	Factoring business	Hire purchase and finance lease business	Unallocated	Total
Income from operations	368,862	9,515	-	378,377	339,027	9,771	-	348,798
Other income	39,423	2,969	-	42,392	34,027	2,594	-	36,621
Total income	408,285	12,484	-	420,769	373,054	12,365	-	385,419
Selling and Administrative expenses	157,565	4,818	-	162,383	150,701	4,995	-	155,696
Impairment loss determined in accordance with TFRS 9	21,798	1,046	-	22,844	436	596	-	1,032
Finance cost	37,348	1,142	-	38,490	34,081	1,130	-	35,211
Total operation expenses	216,711	7,006	-	223,717	185,218	6,721	-	191,939
Profit before income tax expense	191,574	5,478	-	197,052	187,836	5,644	-	193,480
Income tax expenses	37,879	2,264	-	40,143	36,988	3,669	-	40,657
Net profit for the years	153,695	3,214	-	156,909	150,848	1,975	-	152,823
Total assets	3,060,466	136,892	567,313	3,764,671	3,363,622	113,482	453,868	3,930,972

27. PROVIDENT FUND

The Company has a contributory staff provident fund for its employees who apply to join after one year's service which was registered as the provident fund in accordance with the Provident Fund Act B.E. 2530 (1987).

For the years ended December 31, 2022 and 2021, the Company's contributions included in selling and administrative expenses in the statement of comprehensive income amounting to Baht 5.12 million and Baht 4.86 million, respectively.

28. DIVIDENDS PAID

28.1 On April 20, 2022, the Ordinary Shareholder's Meeting passed the resolutions to pay dividend at the rate of Baht 0.158 per share on 493,499,975 shares, totaling Baht 77,972,996. Such dividend was paid on May 13, 2022.

28.2 On April 20, 2021, the Ordinary Shareholder's Meeting passed the resolutions to pay dividend at the rate of Baht 0.14 per share on 493,499,975 shares, totaling Baht 69,089,996. Such dividend was paid on May 14, 2021.

29. COMMITMENTS

As at December 31, 2022 and 2021, the Company has the committed credit facility agreements with financial institutions for general corporate funding requirements as follows:

	2022 Baht	2021 Baht
Total credit facilities	5,349,000,000	5,343,000,000

As at December 31, 2022 and 2021, the Company had utilized the letters of credit with financial institutions amounting to Baht 0.50 million in each year for factoring, hire purchase and finance lease receivables. However, as at December 31, 2022 and 2021, the Company had unused such credit facilities with financial institutions totaling Baht 2,965 million and Baht 2,766 million, respectively.

30. CAPITAL MANAGEMENT

The Company's objectives in managing capital are to safeguard the Company ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

Moreover, on April 8, 2010, the Company had obtained the approval from the Department of Business Development to operate a business under annex 3 (21). However, the Company is required to have a minimum capital of the Company of not less than Baht 427,954,151 (see Note 1).

The Company has to comply with the conditions specified in the certificate of foreign business operations in that the total amount of loans used in the operation of the business permitted must not exceed seven times of the principal. As at December 31, 2022 and 2021, the Company is in compliance to the conditions as mentioned.

In addition, the Company also has to comply with financial covenants with a financial institution in that the Company should maintain its debt to equity ratio to not exceed eight times and with another financial institution in that the Company shall maintain its gearing ratio to not exceed 6.5 times and a minimum tangible net worth of not less than Baht 650 million. On December 31, 2022 and 2021, the Company is in compliance to the conditions as mentioned.

31. DISCLOSURE OF FINANCIAL INSTRUMENTS

Liquidity Risk

Liquidity risk arises from the problem in adequately raising fund and in time to meet commitment as indicated in the financial instruments. The management, based on the Company's current financial position and result of operations, believes that the Company's liquidity risk is minimal.

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. The Company has adopted the policy to prevent such risk by performing credit analysis on customers' information and follow-up on customer status consistently according to the Company's regulations. The maximum exposure to credit risk in the event the counter parties fail to perform their obligations is the carrying amount of the assets as recorded in the statements of financial position, net of a portion of allowance for expected credit losses.

Interest Rate Risk

Interest rate risk of financial instruments in the statements of financial position arises from the potential of a change in interest rates having an adverse effect on the net interest earnings of the Company in the current reporting period, and in future years. Interest rate risk arises from the structure and characteristics of the Company's assets, liabilities and equity or in the mismatch in repricing dates of its assets and liabilities.

As at December 31, 2022 and 2021, financial assets and liabilities exposed to interest rate risk are as follows:

	2022						
	Outstanding balances of net financial instruments						
	Reprising or maturity dates						
						Interest rate	
	Depend on market rate	With in 1 year	1-5 years	No interest	Total	Floating	Fixed
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	%	%
Financial assets							
Cash and cash equivalents	442,062	442,062	-	9,495	451,557	0.34	-
Bank deposits held as collateral	164	-	164	-	164	-	0.30
Factoring receivables	2,910,980	2,910,980	-	-	2,910,980	9.08	-
Hire purchase receivables	2,026	1,399	627	-	2,026	-	10.23
Finance lease receivables	134,865	60,750	74,115	-	134,865	8.23	-
Inventory finance receivables	149,486	149,486	-	-	149,486	9.49	-
Financial liabilities							
Short-term borrowing from financial institutions	1,615,000	1,615,000	-	-	1,615,000	2.22	-
Long-term borrowings	278,927	180,627	98,300	-	278,927	3.29	-

	2021						
	Outstanding balances of net financial instruments						
	Reprising or maturity dates						
						Interest rate	
	Depend on market rate	With in 1 year	1-5 years	No interest	Total	Floating	Fixed
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	%	%
Financial assets							
Cash and cash equivalents	325,130	325,130	-	8,638	333,768	0.11	-
Bank deposits held as collateral	164	-	164	-	164	-	0.15
Factoring receivables	3,250,475	3,250,475	-	-	3,250,475	8.70	-
Hire purchase receivables	1,527	1,527	-	-	1,527	-	10.68
Finance lease receivables	111,955	56,135	55,820	-	111,955	8.11	-
Inventory finance receivables	113,146	113,146	-	-	113,146	9.58	-
Financial liabilities							
Short-term borrowing from financial institutions	1,825,000	1,825,000	-	-	1,825,000	1.69	-
Long-term borrowings	392,833	205,567	187,266	-	392,833	2.76	-

Fair value measurements

Considerable judgment is necessarily required in estimation of fair value of financial assets or financial liabilities. Accordingly, the estimated fair value presented herein is not necessarily indicative of the amount that could be realized in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value. The following methods and assumptions were used by the Company in estimating fair values of financial instruments.

1. Financial assets or financial liabilities not measured at fair value

   Cash and cash equivalents, other receivables, bank deposits held as collateral, short-term borrowings from financial institutions and other current liabilities; the fair values approximate their carrying amounts due to the relatively short period to maturity.

   Factoring receivables, finance lease receivables and inventory finance receivables, which carry a floating interest rate receivables except for hire purchase receivables which carry a fixed interest rate receivables. The fair value is approximated by the outstanding balance less allowance for expected credit losses.

   Long-term borrowings: the fair values approximate their carrying amount presented in the statement of financial position.

2. Non-financial assets measured at cost but their fair values are disclosed

   Investment property has fair value as disclosed in Note 11 which fair value is determined based on the market price equivalent approach, fair value hierarchy level 2.

   As at December 31, 2022, non-financial assets measured at cost but their values are as follows:

	Fair value hierarchy	Carrying value Non-financial assets	Fair value
		Thousand Baht	Thousand Baht
Investment properties	Level 2	88,391	126,670

32. RECLASSIFICATIONS

A reclassification has been made in the statement of financial position as at December 31, 2021, to conform to the classification used in the statement of financial position as at December 31, 2022 as follows:

Items	Previous presentation	Current presentation	Amount Baht
Other current receivables	Other current assets	Other current receivables	5,631,155
Corporate income tax payable	Other current liabilities	Corporate income tax payable	20,665,647

33. EVENT AFTER THE REPORTING PERIOD

On February 17, 2023, the Board of Directors passed a resolution to approve a dividend payment of Baht 0.1633 per share for 493,499,975 shares, totaling Baht 80,588,546. However, the payment of dividend must be approved by the resolution of the Annual General Meeting of shareholders of the Company.

34. APPROVAL FOR ISSUANCE OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issuance by the authorized director of the Company on February 17, 2023.

IFS Capital (Thailand)
Public Company Limited

IFS 1702/2023

17th February 2023

Subject: Resolutions of the Board of Directors' Meeting

To: The President
The Stock Exchange of Thailand

We, IFS Capital (Thailand) Public Company Limited, would like to inform you that the Board of Directors' Meeting No. 1/2023 held on 17th February 2023 passed the resolutions as follows:

1. Approved the Audited Financial Statements for the year ended 31st December 2022 and this would be proposed to the 2023 Annual General Meeting of Shareholders for approval.

2. Approved the appropriation of the net profit and the dividend payment for the year 2022 as follows:

   2.1 There was no legal reserve to be appropriated from the Company's net profit in 2022 as the Company's legal reserve had reached the amount required by laws pursuant to Section 116 of the Public Limited Company Act B.E. 2535 (1992) (as amended) and Article 51 of the Company's Articles of Association;

   2.2 To distribute dividend for the year 2022 at the rate of Baht 0.1633 per share, for 493,499,975 shares, totaling Baht 80,588,546. The Record Date for the right to receive the Dividend will be on 3rd March 2023 and the Dividend shall be paid on 15th May 2023. This would be proposed to the 2023 Annual General Meeting of Shareholders for approval.

   However, the right to receive dividend is not confirmed until approved by the 2023 Annual General Meeting of Shareholders.

3. Approved the re-election of 1 director who retired by rotation for another term and the election of a new director in place of the director who retired by rotation as follows:-

   1) Ms. Chionh Yi Chian — the director who retired by rotation, shall be re-elected as the director for another term, and shall act as Director.

   2) Mr. Taveesak Saengthong — the new director, who shall be elected in place of Mr. Chayut Vishchuprapha, the director who retired by rotation. Mr. Taveesak Saengthong shall also act as Independent Director and Member of the Audit Committee.

   In this regard, Mr. Taveesak Saengthong possesses the appropriate qualifications to give comments independently in line with the relevant criteria. In addition, this candidate did not hold any directorship or executive position in any business which may cause a conflict of interest with the Company.

   This would be proposed to the 2023 Annual General Meeting of Shareholders for approval.

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ชั้น 20 อาคารลุมพินีทาวเวอร์ 1168/55 ถนนพระราม 4 แขวงทุ่งมหาเมฆ เขตสาทร กรุงเทพฯ 10120 โทรศัพท์ 66 (2) 285-6326-32, (2) 679-9140-4 โทรสาร 66 (2) 285-6335, (2) 679-9159

4. Approved the remuneration of directors for the year 2023 and this would be proposed to the 2023 Annual General Meeting of Shareholders for approval as follows:

4.1 Adoption of the revised remuneration structure of directors of the Company for the year 2023 by increasing the annual fee but maintaining the attendance fee as below:

Directors' Fee Structure

Unit: Baht

	Existing			Proposed		
	Annual Fee	Attendance Fee/Meeting		Annual Fee	Inc/(Dec)	Attendance Fee/ Meeting (No Change)
Board of Directors						
Chairman	100,000	25,000	Chairman	140,000	40,000	25,000
Deputy Chairman	80,000	20,000	Deputy Chairman	110,000	30,000	20,000
Director	50,000	20,000	Director	80,000	30,000	20,000
Audit Committee						
Chairman	80,000	25,000	Chairman	110,000	30,000	25,000
Member	50,000	20,000	Member	75,000	25,000	20,000
Compensation & Nomination Committee						
Chairman	50,000	25,000	Chairman	75,000	25,000	25,000
Member	30,000	20,000	Member	50,000	20,000	20,000

4.2 Approved the payment of bonus totaling Baht 2,142,000 for the year 2022 to the following directors of the Company:

		Baht
1.	Mr. Randy Sim Cheng Leong	714,000
2.	Mr. Sutee Losoponkul	357,000
3.	Mrs. Churairat Panyarachun	357,000
4.	Mr. Chayut Vishchuprapha	357,000
5.	Ms. Chionh Yi Chian	357,000
6.	Mr. Tan Ley Yen	-
		2,142,000

Note: There are no other benefits other than those proposed for approval.

5. Approved the appointment of 1) Ms. Lasita Magut, Certified Public Accountant No. 9039 and/or 2) Mr. Kasiti Ketsuriyonk, Certified Public Accountant No. 8833 and/or 3) Mr. Nantawat Sumraunhant, Certified Public Accountant No. 7731 of Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. to be Auditors of the Company for the year ended 31st December 2023 and fixed the total remuneration of Baht 2,265,000 (excluding out-of pocket expenses and group reporting). This would be proposed to the 2023 Annual General Meeting of Shareholders for approval.

6. Approved the convocation of the 2023 Annual General Meeting of Shareholders as follows:

6.1 The 2023 Annual General Meeting of Shareholders would be held in the form of a hybrid meeting (Physical and E-GM) on Tuesday 18th April 2023 at 2.00 p.m. at the Conference Room of IFS Capital (Thailand) PCL, No. 1168/55, 20th Floor, Lumpini Tower, Rama IV Road, Tungmahamek, Sathorn, Bangkok 10120, Thailand (Physical) and through electronic media

(E-AGM) as an option in accordance with the Emergency Decree on Electronic Meetings B.E. 2563 (2020) and relevant laws and regulations to consider the following agenda:

1. To certify the Minutes of the 2022 Annual General Meeting of Shareholders;
2. To acknowledge the Annual Report of the Board of Directors and the operating results for the year 2022;
3. To consider and approve the Financial Statements for the fiscal year ended 31st December 2022;
4. To consider and approve the appropriation of the net profit and dividend payment for the year 2022;
5. To consider and approve the election of directors to replace those who retire by rotation;
6. To consider and approve the determination of the remuneration of the directors;
7. To consider and approve the appointment of the auditors and the determination of the remuneration of the auditors for the year 2023;
8. To consider other matters (if any).

6.2 The date on which the recorded shareholders have the right to attend the 2023 Annual General Meeting of Shareholders (Record Date) was determined on 3rd March 2023.

6.3 Mr. Tan Ley Yen would be authorized to have the power under the limitation of law to amend and/or determine the date, time, place and agenda for the 2023 Annual General Meeting of Shareholders as deem appropriate.

Please be informed accordingly.

Sincerely yours,

(Mr. Tan Ley Yen)
Director and CEO