

THE UNLIMITED OPPORTUNITIES

COME WITH THE UNLIMITED PRECIOUS GIFT,
SEIZE THE CHANCE IF YOU'RE READY

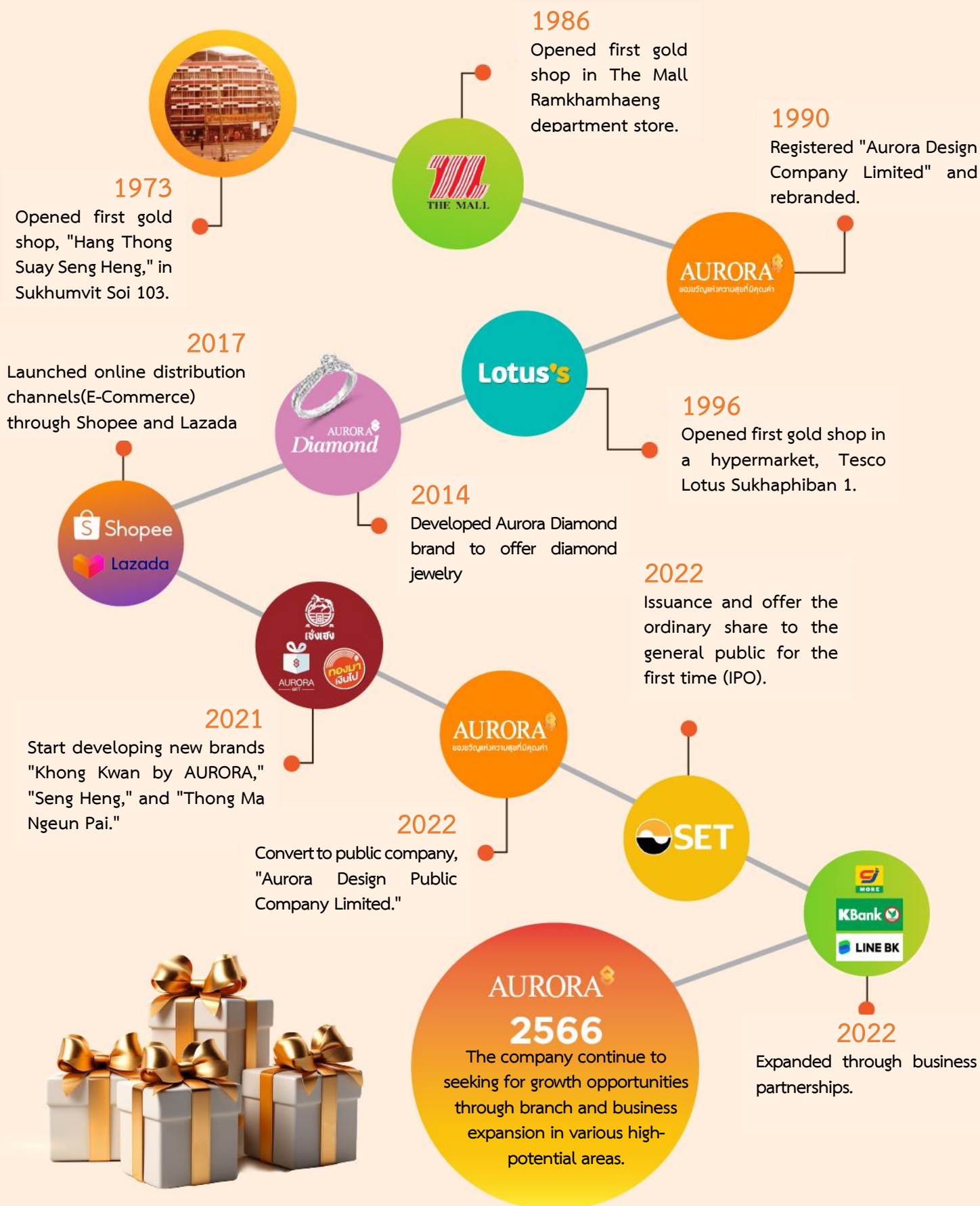




FIRST TRADING DAY

Aurora Design Public Company Limited (AURA), a leading retailer of gold jewelry, diamonds, gemstones, and related services offering a one-stop shop experience, listed its shares on the Stock Exchange of Thailand (SET) on November 29, 2022. Trading under the ticker symbol 'AURA', it marks the first publicly traded company in the retail gold jewelry and gold gift industry. The company plans to expand its nationwide presence through new branches and its pawnbroking business, aiming for sustainable growth and becoming Thailand's leading gold retailer, offering valuable and comprehensive gifts.

Key Milestones



Vision Mission

- **Vision**

Leader in delivering valuable gifts of happiness

- **Mission**

Providing a wide variety of valuable gifts with innovation and comprehensive services from a dedicated team, ensuring confidence and peace of mind throughout ownership.

Value



Table of Content

Company Overview

• Message from the Chairman	4
• Board of Director	5
• Brand coverage across Thailand	6
• Summary of Financial Information	8
• Awards and Achievement	10

Part 1 Nature of business and operating performance

1.1 Structure and nature of business operation	12
1.2 Risk Management	42
1.3 Driving Business for Sustainability	48
1.4 Management Discussion and Analysis	66
1.5 Other Information	82

Part 2 Corporate Governance

2.1 Overview of Corporate Governance Policy and Practices	87
2.2 Corporate governance structure and significant information of the Board of Director, Sub-committees, Management, Employees and Others	96
2.3 Corporate Governance Performance	112
2.4 Internal Control and Related transaction	125

Part 3 Financial Statement

Financial Statement	142
---------------------	-----

Part 4 Appendix

• Appendix 1 Details of Board of Directors, Executives and Company Secretary	221
• Appendix 2 Details of Directors of Subsidiaries and Associated Companies	237
• Appendix 3 Details about The Head of the Internal Audit and The Supervisor of The Company	238
• Appendix 4 Properties for Business Operation and Detail about the Asset appraisal items	240



Message from Chairman



To Shareholders,

In 2023, Aurora Design Public Company Limited (the "Company") operated for over 50 years in the retail gold jewelry business. In 2023 marked a successful expansion of branches according to our strategic plan, propelling sustainable growth and strong operational results.

The Company is committed to growth in the retail gold jewelry, gold products, and diamond jewelry sectors, providing valuable and diverse gifts to our customers and gift recipients. We have integrated innovative applications into our business operations, both online and offline, to meet customer needs and enhance service quality, ensuring maximum customer satisfaction through superior product quality, warranties, and exceptional service.

On behalf of the Board of Directors, I extend my sincere gratitude to all our employees, business partners, customers, shareholders and stakeholders for and trust. This has fueled our continuous development and sustainable growth, driven by a business approach that integrates strategy and sustainability within a framework of sound corporate governance.

A handwritten signature in black ink, appearing to read 'Prasit Srirungthum'.

Mr. Prasit Srirungthum

Chairman of the Board of Director

Board of Director



Mr. Prasit Srirungthum

Chairman of the Board of Director and Chairman of the Executive Committee



Mrs. Wimsri Srirungthum

Director / Chairman of the Nomination and Remuneration Committee / Director to the Executive Committee / Chief Procurement Officer



Mr. Aniwar Srirungthum

Director / Chairman of the Risk Management Committee / Director to the Executive Committee / Chief Executive Officer



Mr. Subhasiddhi Rakkasikorn

Director / Director to the Risk Management Committee / Director to the Executive Committee / Deputy of Chief Executive Officer / Chief Operating Officer (Acting)



Mr. Kanit Patsaman

Independent Director / Director to the Audit Committee / Director to the Nomination and Remuneration Committee



Mr. Chanin Archjananun

Independent Director / Director to the Audit Committee / Director to the Nomination and Remuneration Committee



Mr. Boonchai Pritivichakant

Independent Director / Director to the Audit Committee / Director to the Risk Management Committee

Brand coverage across



North	10 Branches
Northeast	34 Branches
West	8 Branches
East	76 Branches
Central	19 Branches
Bangkok Metropolitan Area	238 Branches
South	19 Branches

Totally

406 Branches

The detail as of December 31, 2023



225 Branches



36 Branches



5 Branches



138 Branches



2 Branches

“Retail business of gold jewelries, diamond, gemstone and gold present”



Modern Gold

Gold jewelry products containing 96.5% pure gold or equivalent to 23K certified by the Gold Traders Association of Thailand and the World Gold Traders Association. With a high percentage of gold content, Modern Gold products are shiny and golden with a variety of patterns to choose from.



Design Gold

99.9% gold handicrafts, gold-framed amulets, auspicious products, gifts and 75% pure gold jewelry with designs that emphasize meticulousness and fineness.



Diamond

Diamond jewelry that selects natural diamonds from the world's best diamond cutting sources. The frame is made from 75% pure gold, meticulously crafted with more than 1,000 designs to meet the needs of all customer groups at an affordable price.



Thong Ma Ngern Pai

Providing mortgage services, the number of branches has been increased to provide services to various communities in Bangkok and other provinces, another 99 branches (39+99) to make it easier to service for the target group. Customers can choose to pay the redemption fee when they want to extend the mortgage contract via the application. It is also a channel for customers to request to increase the principal amount according to the remaining amount.

Summary of Financial Information

Unit : Million Baht

Performance	2021	2022	2023
Revenue from Sale	22,095.37	29,358.20	29,578.24
Interest Income	160.18	222.42	299.56
Total Revenue	22,255.55	29,580.62	29,877.80
Cost of Sale	(20,278.71)	(27,063.34)	(27,024.64)
Gross profit	1,976.85	2,517.28	2,853.16
Operating profit	870.92	1,080.01	1,312.80
Profit for the year	591.03	707.86	850.03

Earnings per share	2021	2022	2023
Earnings per share	58.61	0.68	0.64

Statement of financial position	2021	2022	2023
Total asset	9,599.66	10,813.80	13,411.89
Total liabilities	7,197.93	5,882.79	7,734.13
Total shareholders' equity	2,401.74	4,931.01	5,677.76

Financial ratio	2021	2022	2023
Gross profit margin (%)	8.88	8.51	9.55
Net profit margin (%)	2.65	2.39	2.84
Liquidity ratio (times)	1.43	2.57	1.98
Inventory Turnover (Times)	3.49	4.21	3.55
Cash cycle (days)	90.91	76.33	90.88
Debt to equity ratio (times)	2.99	1.19	1.36
Return on equity (%)	25.79	19.31	16.02
Return on assets (%)	6.40	6.94	7.02

Financial Highlight



Revenue

29,877.8

Million Baht



Net profit

850.0

Million Baht



Branches

406

Branches



Total asset

13,411.9

Million Baht

Market

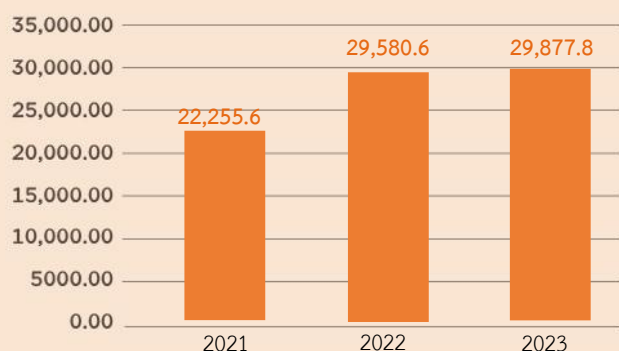
Capitalization

(as of December 31,2023)

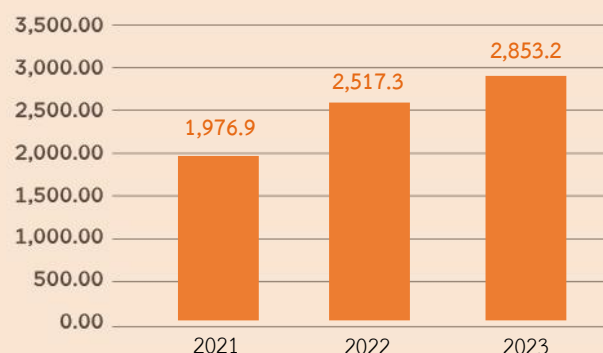
19,076.20

Million Baht

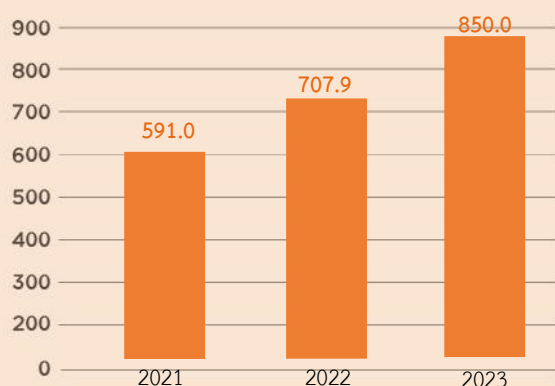
Revenue (Unit: Million Baht)



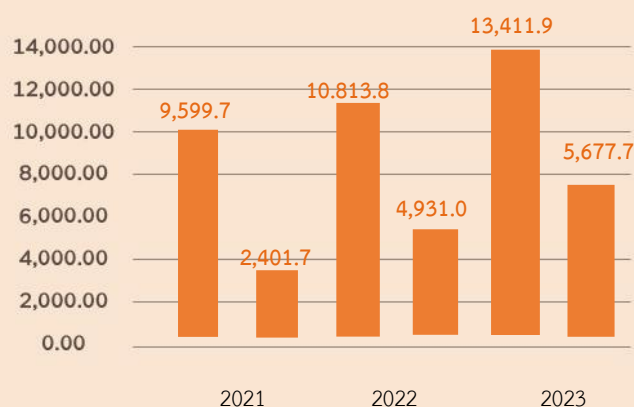
Gross profit (Unit: Million Baht)



Net profit (Unit: Million Baht)



Asset and Shareholders' Equity (Unit: Million Baht)



AWARD AND ACHIEVEMENT



World Branding Awards

BRAND OF THE YEAR 2017-2023

Aurora Design Public Company Limited

Strengthen the high-quality brands of gold and jewelry stores.

The Best Brand Award (Brand of the Year World) by the World Branding Award.
“7 consecutive years” as the best jewelry and gem brand of the year.



THAILAND ZOCIAL AWARDS 2019-2023

Aurora Design Public Company Limited

Won the award in “The Winner Best Brand Performance on Social Media” for the group Gold & Jewelry that promoted the creative use of social media at the event Thailand Social Awards 2019 – 2023 (5 consecutive years)



SHOPEE SELLER EVENT 2019-2022

The company has been selected as the “DDAY SHINING STAR” in the fashion product category by Shopee for four consecutive years. This reflects the company’s commitment to developing online gold sales to meet customer needs and gain recognition and love from customers.



LAZADA TOP PERFORMER AWARD 2021-2023

The company has been selected as the “TOP PERFORMER AWARD” in the fashion product category by LAZADA for three consecutive years. This reflects the company’s commitment to developing online gold sales to meet customer needs and gain recognition and love from customers.



In 2023 the company received the following awards:

- “Deal of the Year Awards” from the initial public offering (IPO)
- The award for fundraising with an offering value of over 3 billion baht from the Stock Exchange of Thailand, SET Awards 2023
- Outstanding CEO, CFO and IR awards from the Investment Analyst Association at the IAA Awards for Listed Companies 2023

Part 1

Company Operational Structure

Aurora Design Public Company Limited

Form 56 -1 One Report / Annual Report 2023





1. Company Operational Structure

1.1. Business Policy and Overview

Aurora Design Public Company Limited (“the Company” or “AURA”) and its subsidiaries operate a retail business in gold ornaments, diamond jewelry, and other related businesses providing comprehensive services (One Stop Service), including sales, buy-back, gold financing services, and after-sales services, such as cleaning, repair, and resizing for free throughout the product's lifetime. The main business groups are divided as follows:

(1) Retail business of gold ornaments, diamond jewelry, and gifts primarily made of gold, with three main product categories as follows:

- **Modern Gold Products**

Gold ornaments containing 96.5% pure gold in various product types, including necklaces, rings, bracelets, earrings, gold bars, etc.

- **Design Gold Products**

Other gold products (excluding Modern Gold products containing 96.5% pure gold) with four product groups: 1) Gold-encased amulets, 2) Auspicious items such as Pi Xiu bracelets, auspicious gold sheets, zodiac pendants, etc., 3) Jewelry such as necklaces, rings, bracelets, earrings, etc., and 4) Gift items such as gold craft picture frames, etc.

- **Diamond Jewelry Products**

Genuine diamond jewelry products such as diamond rings, diamond necklaces, diamond earrings, diamond bracelets, diamond pendants, etc.

(2) Sales with Right of Redemption business for gold and jewelry containing gold and diamonds (“Gold Financing Business”), where customers can redeem the items sold with right of redemption within the agreed period.

1.1.1 Vision, Mission, Goals, Competitive Advantages, and Business Strategies of the Company

1.1.1.1. Vision

“Leader in delivering valuable gifts of happiness”

1.1.1.2. Mission

Providing a wide variety of valuable gifts with innovation and comprehensive services from a dedicated team, ensuring confidence and peace of mind throughout ownership.



1.1.1.3. Goals

The Company aims to build brand awareness of AURORA to win customers' hearts, becoming a leader in the retail of gold ornaments, diamond jewelry, and related comprehensive businesses, as well as a leader in the sales with right of redemption business for gold and jewelry containing gold and diamonds. The Company plans to expand its gold shop branches and other business groups to cover all target groups, aiming to increase the number of branches to 484 by 2024 and increase receivables under gold financing contracts to 3,846 million baht by 2024.

1.1.1.4. Competitive Advantages

(1) Leadership in the retail gold ornament business with distribution channels through branches covering all regions in Thailand and online platforms

The Company has a network of branches covering key provinces nationwide, both in Bangkok and its vicinity and other provinces, to reach potential customer groups nationwide, focusing on two main areas:

1) Branches in shopping centers, department stores, and leading hypermarkets such as Central, The Mall, Robinson, Lotus, Big C, and local shopping centers in key provinces nationwide, totaling 268 branches

2) Branches in communities, including markets, large communities, and areas near industrial factories, totaling 138 branches



As of December 31, 2023, the Company had a total of 406 branches, comprising 225 AURORA brand branches, 36 Seng Heng brand branches, 138 Thong Ma Ngern Pai brand branches, 2 Gifts by AURORA brand branches, and 5 AURORA Diamond kiosks

The Company believes that its network of branches covering key provinces in Thailand, with uniform service standards, gives it a competitive advantage compared to competitors with fewer branches or only local or major city stores. The Company's branch network poses a significant barrier for competitors and new entrants to the retail gold ornament market.

Additionally, customers can purchase the Company's products online through the Company's website and online marketplaces such as Shopee, Lazada, and Tiktok, as well as social commerce platforms like Line MyShop, Line OpenChat, and Facebook.

(2) Offering quality gold ornaments and jewelry with a recognized brand and comprehensive after-sales services (One Stop Service) with uniform standards across all branches

The Company is a leader in the retail gold ornament and jewelry business in Thailand under the AURORA brand, well-known among customers who favor jewelry and gemstones. Currently, the Company has key brands including AURORA, Seng Heng, Thong Ma Ngern Pai, Gifts by AURORA, and AURORA Diamond, aiming to offer brands that cover all customer groups and ages. The Company is trusted and recognized for its beautiful, quality, and standard-weight gold ornaments and diamonds in various types and styles. The Company's products come with a warranty card that ensures lifetime care for the purchased items, along with comprehensive after-sales services.

Additionally, the Company offers gold financing services for gold and jewelry containing gold and diamonds, allowing customers who favor gold and jewelry to receive comprehensive services (One Stop Service) at AURORA stores, including sales, buy-back, gold financing services, and after-sales services, such as cleaning, repair, and resizing for free throughout the product's lifetime.

The service and product quality are uniform across all branches, providing convenience and confidence in the products and services. Key products and services with uniform standards include:

- Standardized jewelry across all branches prices for gold ornaments and
- Membership benefits for customers
- After-sales and gold financing services available at all AURORA branches nationwide
- Standardized gold financing interest rates across all branches

(3) Offering quality products and conducting business transparently for the maximum benefit of customers, to build trust and confidence among all customer groups

The Company aims to conduct the retail gold ornament and jewelry business transparently, building confidence in its products and services. For Modern Gold, Diamond, and Design Gold products, every item has a price tag and a warranty card for customers purchasing through all distribution channels, such as a product quality warranty card, a buy-back price warranty card based on the Gold Traders Association's price, and an after-sales service warranty card (providing free cleaning and repair services for products purchased from the Company throughout their lifetime).

For diamond jewelry made from quality genuine diamonds, such as the diamond jewelry in the Leva collection, there are 5C's diamond quality certificates: Carat, Color, Clarity, Cut-grade, and Confidence, which include certificates from two leading gemological institutes:

- 1) De Beers Code of Origin by De Beers Institute of Diamond, UK
- 2) Sarine from Israel.

The sales with right of redemption business for gold and jewelry containing gold and diamonds offers high loan amounts without requiring a guarantor, with loan approval within the day and immediate cash disbursement. The maximum interest rate for items sold with right of redemption is 1.25% per month. Customers can easily and conveniently access services through Thong Ma Ngern Pai branches, AURORA stores, and Seng Heng stores in key provinces nationwide, as well as the Thong Ma Ngern Pai application.



(4) A capable and experienced management team and staff

The Company's management team has experience in the retail gold ornament, diamond jewelry, and other gemstone industries, with perspectives from various business experiences in managing employees and the organization. They are capable of expanding the Company's business, creating brand identity, establishing a network of branches covering key provinces nationwide, delivering quality standard products, and maintaining service standards recognized by customers. They use their knowledge and skills to navigate various situations, including economic conditions, industry conditions, and pandemic situations. Additionally, the Company's board of directors comprises experienced, knowledgeable, and capable business professionals from various industries.

The Company supports continuous learning and development for employees. SGS Gems Co., Ltd., a subsidiary of the Company, organizes training to enhance knowledge and skills related to gold and gemstone products, work and service standards, and leadership development for employees, focusing on specific skills related to gold and gemstones through retail gold ornament courses that emphasize both classroom learning from expert instructors and practical work at branches or related units in the form of Active Learning. This training promotes career advancement for employees and maximizes customer satisfaction.

1.1.2. Business Strategies

The Company is committed to being a leader in the comprehensive gold ornament and jewelry business (One Stop Service), operating a retail business in gold ornaments, diamond jewelry, and gemstones, and gifts made from gold as the main business. The Company has expanded its operations into related businesses, such as the gold financing business, to create revenue growth opportunities and diversify business risks. The Company's key business strategies are as follows:

(1) Offering a variety of gold ornaments and diamond jewelry products or new services to meet the needs of all customer groups

With nearly 50 years of experience in the retail gold ornament business, the Company collects sales data and studies market information, including conducting market research on customer insights regarding gold ornaments and jewelry purchasing behavior. The Company uses technology to understand customers' lifestyles, tastes, and needs to offer customer-centric products and services. Examples of innovative products that meet consumer lifestyles include:

Attention to detail in every product, both in terms of functional and emotional appeal, to meet all customer needs precisely, and using Big Data as a basis for offering products and services. The use of in-depth data analysis allows the Company to select products that match customer needs and have a product mix that meets customer demands and higher profit margins. Additionally, the Company manages inventory levels at each branch to ensure sufficient display stock for immediate sale to customers. Inventory levels for each product type are considered based on sales, popular designs, and gold weight.

Besides expanding branches under existing brands, the Company has a business development department studying market opportunities to introduce new product groups and brands to meet customer needs and cover all customer groups. The Company has continuously introduced new brands to the market, receiving positive customer feedback.

(2) Expanding into related gold businesses, such as the gold financing business for gold ornaments and jewelry containing gold and diamonds

To create revenue growth opportunities and diversify business risks, the Company has expanded into related businesses, such as the gold financing business for gold ornaments and jewelry containing gold and diamonds, to expand its customer base to cover all customer segments. The Company introduced the Thong Ma Ngeri Pai brand through its branches in 2020, focusing on the gold financing business for gold ornaments and jewelry containing gold and diamonds. The Company accepts items from all brands. This business leverages the Company's expertise in assessing the purity of gold and the value of gold ornaments and jewelry containing gold and diamonds to expand its business scope, offering options to all customer segments. The Company opened Thong Ma Ngeri Pai branches in locations near communities and factories to meet the target customer groups' needs. The Company believes that the interest rates it offers are competitive compared to competitors in the same area.

The Company aims to expand the gold financing business from 1,389.3 million baht in 2022 to 3,846 million baht in 2024.



(3) Increasing the number of branches (Offline) in potential areas nationwide, along with developing online sales channels (Online)

Since customers still primarily purchase gold ornaments and jewelry containing gold through physical stores, the Company sees opportunities to expand branches to meet customer needs. As of December 31, 2023, the Company had 406 branches covering key provinces nationwide. The Company aims to expand its branches to 484 by 2024, both in Bangkok and its vicinity and other major provinces and communities, to increase access to potential customer groups nationwide.

Since the COVID-19 pandemic, consumers have increasingly purchased gold ornaments and jewelry through online channels. To accommodate changing consumer behavior, the Company has developed online distribution channels, allowing customers to purchase the Company's products online through the Company's website and online marketplaces such as Shopee, Lazada, and Tiktok, as well as social commerce platforms like Line MyShop, Line OpenChat, and Facebook.

Enabling customers to purchase the Company's products through both physical branches and online channels is a strategy the Company has developed to ensure it can quickly respond to rapidly changing customer needs, creating long-term growth opportunities. Additionally, the Company's network of stores enhances the credibility of its online sales channels, ensuring customers that the Company is real, its products are genuine, and it offers after-sales services and product warranties similar to those sold through physical branches.

The number of the Company's branches by brand as of December 31, 2022, 2023, and 2024 are as follows:

Number of branches		2021	2022	2023
1.	AURORA	206	211	225
2.	Seng Heng	15	22	36
3.	Khong Kwan by Aurora	2	2	2
4.	Sales counters (Kiosk) - AURORA Diamond	8	4	5
5.	Thong Ma Ngern Pai	19	40	138
Total		250	279	406

However, the Company not only has strategies to increase the number of branches but also focuses on enhancing the efficiency of each branch to reduce operating costs and increase profitability. The Company analyzes customer service data, spending behavior, and popular products to use this information in sales promotion strategies, product selection for display, inventory management, and studying business opportunities to introduce new products and services.

(4) The Company has long-standing and good relationships with suppliers and reputable business partners

The Company has been in business for approximately 50 years and has established a long-standing customer and supplier base. As of December 31, 2023, the Company had over 190 suppliers of gold ornaments, diamond jewelry, and other jewelry, each with a long-standing business relationship.

Additionally, the Company is trusted by world-renowned business partners to offer products to customers due to the Company's diverse and recognized brands, along with a nationwide distribution network and comprehensive retail gold ornament and jewelry business operations, such as offering quality diamond jewelry certified by leading gemological institutes worldwide, including De Beers Code of Origin certificates by De Beers Institute of Diamond, UK, and Sarine from Israel.

The Company's ability to maintain long-term relationships with suppliers, attract reputable business partners, and the credibility of its brands all contribute to the Company's ability to offer product choices that meet customer needs and differentiate from competitors.



(5) Utilizing technology to develop products and services for customers

The Company uses technology to meet customer needs, whether by applying technology to analyze Big Data to offer suitable products and services for target customer groups or focusing on developing new technologies and applications to promote product purchases, enhance customer experience, and build customer loyalty and trust in the brand, as well as supporting future after-sales services.

The Company launched the “Thong Ma Ngern Pai” application to facilitate customers in checking gold financing information and paying interest through the application without having to conduct transactions at physical branches. The Company also launched the “Aurora Gift” application in 2021 to facilitate customers in checking membership status, accumulating points, and redeeming points through the application without having to conduct transactions at physical branches, enhancing customer satisfaction and customer loyalty.

(6) Marketing plans that create differentiation and strength

The Company envisions becoming the **"Leader in delivering valuable gifts of happiness,"** aiming to transcend beyond merely being a retail store for gold and jewelry. Consequently, the Company prioritizes investment in marketing strategies to shift consumer perceptions, emphasizing that purchasing gold is not solely for investment purposes but can also be a valuable gift for special occasions or festivals. When customers think of finding a valuable gift for themselves or significant others, they will think of the AURORA brand, which offers products and services that meet customer needs to deliver happiness on various special occasions. The Company has established Pop-up stores that provide gift-wrapping services for jewelry from all brands. AURORA's gift wrapping is unique, using specially designed wrapping paper exclusive to AURORA, enhancing the value and uniqueness of the gifts.

Additionally, the Company conducts marketing through multiple channels, such as promotions via Paid Media and Owned Media, and collaborations with popular artists to design special collections. These marketing strategies aim to enhance AURORA's brand image, making it more recognizable to customers who seek special gifts for various occasions, not just as a brand that sells gold. Furthermore, the Company offers promotions and exclusive benefits for specific customer groups to retain existing customers and attract new ones, such as discount coupons for new members and sales campaigns. In the future, the Company plans to position the brand as a "Retail Gift Store" that is easily accessible to customers, providing a pleasant shopping experience with AURORA products.

1.1.3. Significant Changes and Developments

The family of Mr. Prasit Srirungtham ("the Family Group") started the business "Sui Seng Heng Gold Shop" in 1973 on Sukhumvit Road, Soi 103, to retail gold ornaments for individual customers. With meticulous attention to product details and customer needs, the business has grown continuously. Later, the Family Group saw an opportunity to enhance the efficiency of the retail operations and established Aurora Design Co., Ltd. in 1990, renaming the shop to "Aurora Gold and Diamond Shop."



Significant developments

1973

The Company's business was founded by Mr. Prasit Srirungthum, who expanded from a family of goldsmiths producing items for gold shops to opening the first gold shop named "Sui Seng Heng Gold Shop" on Sukhumvit Soi 103.

1973

1990

The Company was registered under the name Aurora Design Co., Ltd. with a registered capital of 3,000,000 baht, divided into 30,000 ordinary shares with a par value of 100.00 baht per share, to engage in the retail business of gold ornaments.

1990

The Company rebranded to "Aurora Gold and Jewelry" to create a modern, memorable, and easily pronounceable brand name and adopted orange as the brand color to differentiate from other gold retail stores that commonly use red.

The Company expanded its business scope by starting the retail business of diamond jewelry and gemstones, and the gold financing business for gold ornaments, gold containing jewelry, diamond jewelry, and gemstone jewelry.

1986

1986

Opened the first gold shop in a department store at The Mall Ramkhamhaeng, considered one of the first gold shops in a department store at that time.

1996

1996

Opened the first gold shop in a hypermarket at Tesco Lotus Sukhaphiban 1.

2007

The Company increased its registered capital by 27,000,000 baht, divided into 270,000 ordinary shares with a par value of 100.00 baht per share, resulting in an increased registered capital of 30,000,000 baht to be used as working capital for business operations and branch expansion.

2007

2014

2014

The Company began developing the "AURORA Diamond" brand to further establish its leadership in the retail diamond jewelry business.



2017

The Company increased its registered capital by 109,999,400 baht, representing 1,099,994 ordinary shares with a par value of 100 baht per share, bringing the total registered capital to 139,999,400 baht. This additional capital will be used for working capital and business expansion.

The Company launched an e-commerce platform, allowing customers to purchase products online through the Company's website, www.aurora.co.th.

The Company expanded its online distribution channels by joining major e-commerce marketplaces, Shopee and Lazada.

2021

The Company began developing the brands “Khong Kwan by AURORA,” “Seng Heng,” and “Thong Ma Ngern Pai” to expand its customer base to cover all customer segments.

Launched the “Thong Ma Ngern Pai” application, allowing customers to check gold financing information and pay interest through the application without having to conduct transactions at retail branches.

Launched the “Aurora Gift” application, allowing customers to check membership status, accumulate points, and redeem points through the application without having to conduct transactions at retail branches.

The Company launched a social commerce platform, Line MyShop.

2023

The Company expanded its branches according to the planned strategy, recognizing growth opportunities through retail sales channels in various potential growth areas, both in Bangkok and other provinces, to expand its customer base. In 2023, the Company had a total of 406 branches, an increase of 127 branches from 2022.

2017

2019

2019

The Company increased its registered capital by 860,000,600 baht, divided into 8,600,006 ordinary shares with a par value of 100.00 baht per share, offered to existing shareholders (Rights Offering), resulting in an increased registered capital of 1,000,000,000 baht.

The Company launched an online distribution channel (E-Commerce) through the online marketplace platform JD Central as an additional channel.

2021

2022

2022

The Company launched its official website, www.auroradesign.co.th, to prepare for listing on the Stock Exchange of Thailand. At the Extraordinary General Meeting of Shareholders No. 1/2022 on June 30, 2022, the Company resolved as follows:

- Approved the conversion of the Company from a limited Company to a public limited Company, with the Company registering the conversion on June 30, 2022.

- Changed the par value of the Company's ordinary shares from 100.0 baht per share to 1.00 baht per share.

- Increased the registered capital by 334 million baht, resulting in an increased registered capital from 1,000 million baht to 1,344 million baht, by issuing 334 million new ordinary shares with a par value of 1.00 baht per share, increasing the number of ordinary shares from 1,000 million shares to 1,344 million shares.

The Company became a listed Company on the Stock Exchange of Thailand and commenced trading on November 29, 2022, under the trading symbol “AURA.”

2023



Additionally, the Family Group holds shares in the ARR Trading Group, which comprises two companies: Aurora Trading Co., Ltd. ("ARR Trading") and Aurora Gold Saving Co., Ltd. ("ARR GS"). The ARR Trading Group is not included under the Company that will be listed on the stock exchange.

1.2. Nature of Business

1.2.1 Revenue Structure of the Company

The gold industry can be divided into upstream, midstream, and downstream sectors, starting from gold mining, gold refining to produce gold bars, trading in international gold markets, importing gold bars from international markets, processing and shaping gold bars into gold ornaments, and retailing gold ornaments. The Company engages in the retail business of gold ornaments, diamond jewelry, and related businesses. The Company purchases gold ornaments from wholesale gold shops and pays for these gold ornaments with gold (Barter), a common and accepted practice in the gold trading business, as it naturally hedges against gold price fluctuations.

The Company's primary revenue comes from the sale of gold ornaments, jewelry, and gifts made from gold. For the fiscal years ending December 31, 2021, 2022, and 2023, the Company's sales revenue was 19,306.3 million baht, 22,095.4 million baht, and 29,358.2 million Baht, accounting for 99.3%, 99.2%, and 99.2% of the Company's total revenue, respectively.

The following table shows the revenue structure of the Company by sales channels

Unit: Million baht

Revenue structure	Year 2021		Year 2022		Year 2023	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Revenue from sales						
1. Offline channel ⁽¹⁾	19,620.2	88.1	26,962.4	91.1	27,959.8	93.4
2. Online channel	2,475.1	11.1	2,395.8	8.1	1,618.4	5.4
Total revenue from sales	22,095.4	99.2	29,358.2	99.2	29,578.2	99.8
Interest income	160.2	0.7	222.4	0.8	299.6	1.0
Other income ⁽²⁾	14.8	0.1	23.1	0.1	47.3	0.2
Total revenue	22,270.3	100.0	29,603.7	100.0	29,925.1	100.0

Note: ⁽¹⁾ Includes revenue from sales through branch stores, sales to corporate customers, booth sales, and Tele sales channels

⁽²⁾ Other revenue includes service fees from branch stores and B2B customers, and membership fees

1.2.2 Product Information

1.2.2.1 Characteristics of the Company's Products and Services

The Company's business can be categorized into two main business groups as follows:

(1) Retail Business of Gold Ornaments, Jewelry, and Gifts Made from Gold

The Company operates the retail business of gold ornaments under the brands AURORA, Seng Heng, Gifts by AURORA, Thong Ma Ngern Pai, and diamond jewelry under the brand AURORA Diamond. The Company offers a wide variety of gold ornaments and diamond jewelry, with over 20,000 SKUs marketed and sold by the Company. Additionally, the Company buys back gold ornaments and diamond jewelry, considering the condition and completeness of the products for further actions, whether reselling the bought-back products, using them to pay for gold ornaments (Barter) for resale in the Company's stores, and/or using them as raw materials to melt into finished products or gold bars.

For the Company's retail business of gold ornaments, the net buying and/or selling status is considered daily to manage the risk of gold price volatility.

The Company's products can be divided into three main categories: (1) Modern Gold, (2) Design Gold, and (3) Diamond Jewelry. The details for each product category are as follows:

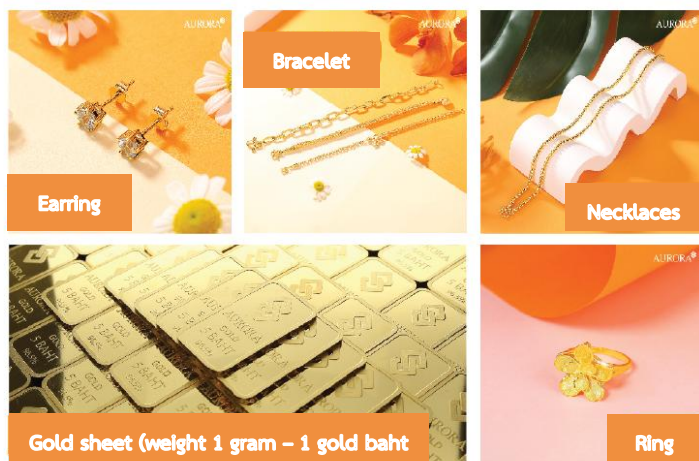
(1.1) Modern Gold

Gold ornaments with 96.5% pure gold content, the popular purity standard in Thailand. The remaining 3.5% consists of other components such as silver, copper, or other metals, enhancing the durability of the gold ornaments. The Modern Gold product line mainly includes various types of gold jewelry such as necklaces, rings, bracelets, and gold sheets of various weights. The Company issues a product warranty certificate for Modern Gold products, which are sold through AURORA, Seng Heng, and Thong Ma Ngern Pai stores. The Company offers a wide variety of Modern Gold products, with over 8,000 SKUs marketed and sold.

The Company buys back Modern Gold ornaments from both AURORA stores and other gold shops, based on the gold weight and the buyback price referenced from the Gold Traders Association's announcement, with additional discounts according to the Company's policy, excluding workmanship fees. The buyback price discount is considered based on factors such as the presence of a warranty certificate, products from different stores, and the condition of the products.



Examples of Modern Gold Products

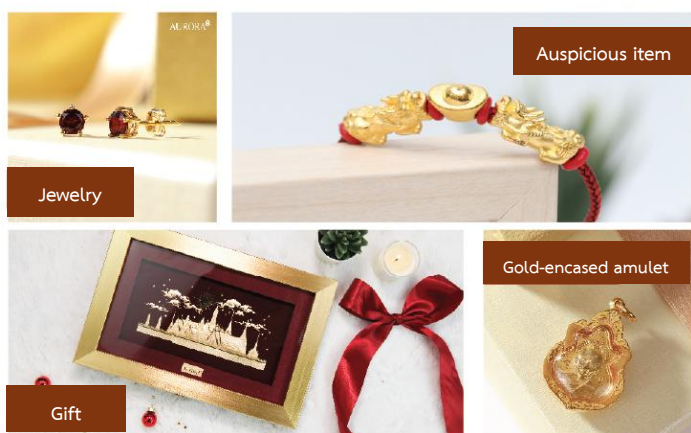


(1.2) Design Gold

Jewelry products with gold purity ranging from 40.00% to 99.99% (excluding 96.5% pure gold ornaments). There are four product groups: 1) Gold-plated amulets, 2) Auspicious items such as Pi Xiu bracelets, auspicious gold sheets, zodiac pendants, etc., 3) Jewelry such as necklaces, rings, bracelets, earrings, etc., and 4) Gift items such as gold handicraft picture frames. The Company issues a product warranty certificate for Design Gold products, which are sold through AURORA, Seng Heng, Khong Kwan by AURORA, and Thong Ma Ngerm Pai stores. The Company offers a wide variety of Design Gold products, with over 10,000 SKUs marketed and sold.

The Company buys back Design Gold products from both AURORA stores and other gold shops, based on the gold weight only, excluding other components, and the buyback price referenced from the Gold Traders Association's announcement, adjusted with discounts according to the Company's policy. The buyback price discount is mainly considered based on the presence of a warranty certificate, products from different stores, and the condition of the products.

Examples of Design Gold Products

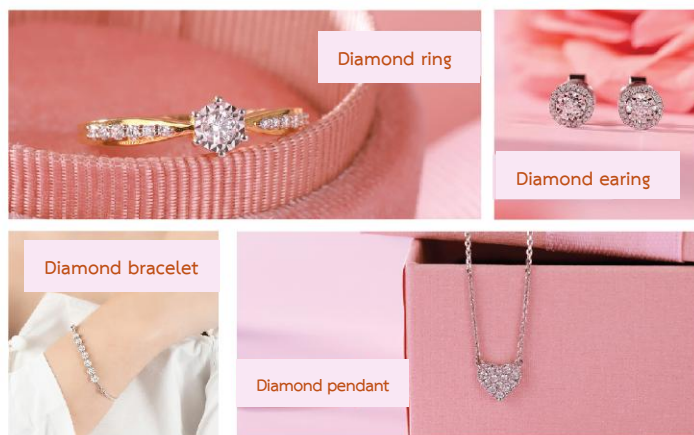


(1.3) Diamond Jewelry ("Diamond")

Jewelry adorned with real diamonds set in 75% pure gold. The Company offers a variety of diamond jewelry such as rings, pendants, earrings, necklaces, bracelets, bangles, brooches, etc. The Company provides diamond jewelry with certificates from recognized institutions such as the De Beers Code of Origin certificate from the De Beers Institute of Diamond in the UK and certificates from Sarine in Israel. Buyers receive these certificates along with the Company's product warranty. AURORA Diamond products are sold through AURORA and AURORA Diamond stores. The Company offers a wide variety of diamond jewelry, with approximately 3,000 SKUs marketed and sold.

The Company buys back diamond jewelry including both AURORA Diamond brand products and other stores' diamond jewelry. For AURORA Diamond brand products, staff can inspect the diamond characteristics at the branch stores and calculate the buyback price according to the Company's buyback policy, mainly considering the product condition and the completeness of the warranty certificate. For diamond jewelry from other stores, the quality and characteristics of the diamonds must be inspected, and the buyback price calculated according to the Company's buyback policy.

Examples of Diamond Jewelry Products



(2) Gold Financing Business for Gold Ornaments and Jewelry with Gold and Diamond Components

The Company operates a gold financing business for gold ornaments and jewelry with gold and diamond components. Customers can sell to the Company their gold ornaments and jewelry with gold and diamond components with the right to redeem. The Company provides gold financing services through AURORA, Seng Heng, and Thong Ma Ngerm Pai stores, with Thong Ma Ngerm Pai stores focusing primarily on gold financing of gold ornaments and jewelry with gold and diamond components.



Steps for Gold Financing



For the gold financing business of gold ornaments and jewelry with gold and diamond components, customers enter into a sale with right of redemption agreement and receive money based on the appraised value of the assets under sale with right of redemption agreement. Customers, as borrowers, can redeem their assets within the specified period, i.e., within 2 months and no later than 7 days after the redemption period expires. However, customers can extend the redemption period by paying the accrued interest from the first gold financing period. Customers can check the actual interest amount and pay the interest online through the Thong Ma Nern Pai application. Currently, the Company charges a maximum gold financing interest rate of 1.25% per month, with a starting service fee of 40 baht (excluding 7% VAT)⁽¹⁾

(1) In accordance with the company's policy as of December 31, 2023, which may be subject to future change

The Company considers the value of assets under sale with right of redemption agreement as follows:

Product type	Key factors considered	Asset value
1. Gold ornaments, gold sheets, and gold bars		
Gold ornaments, gold sheets, and gold bars	<ul style="list-style-type: none"> Products purchased from AURORA or other gold shops AURORA product warranty (if available) Product condition 	Set a discount from the gold bar purchase price announced by the Gold Traders Association on the date of the sale with right of redemption agreement, with additional discounts as specified for products purchased from other gold shops.
2. Gold Jewelry with a purity of 40.00% or higher		
2.1 Products valued based on sale price, such as amulet pendants	<ul style="list-style-type: none"> Product sale price AURORA product warranty Product condition 	Set a discount from the sale price of the product on the date of the customer's first purchase from the Company.
2.2 Products valued based on gold weight, such as amulet frames, earrings, PI Xlu	<ul style="list-style-type: none"> Weight of the gold content only AURORA product warranty (if available) Product condition 	Set a discount from the purchase price of gold ornaments with a purity of 96.5% on the transaction date.
3. Diamonds and diamond jewelry		
3.1 AURORA store products	<ul style="list-style-type: none"> Diamond certification, such as GIA, HRD, De Beers, etc. AURORA product warranty Product condition 	Set a discount from the sale price of the product on the date of the customer's first purchase according to the Company's policy.
3.2 Products from other stores	<ul style="list-style-type: none"> Diamond certification, such as GIA, HRD, De Beers, etc. Product condition 	Evaluate the value based on the weight of the gold, with a discount from the purchase price of 96.5% purity gold ornaments on the transaction date, according to the Company's policy, and assess the value of diamonds based on their condition



1.2.2.2 Marketing and Competition

(1) Retail Business of Gold Ornaments, Diamond Jewelry, and Gifts Made from Gold

(1.1) Target Customer Groups

I. Customer Base

General Public

The Company aims to become the number one brand in the minds of customers in the retail business of gold ornaments, jewelry, and gifts made from gold by creating customer satisfaction with products in terms of design, beauty, pre-sale and post-sale services, and expanding the brand portfolio to reach a more diverse customer base. The Company aims to reach all customer groups in every province across Thailand. In 2021-2023, the average ticket size (average value per transaction) of customers was approximately 80,000 baht per customer.

The Company is committed to meeting the needs of customers of all ages and occasions. Therefore, the Company places great importance on understanding customer needs comprehensively to respond to the rapidly changing market demands effectively. The Company hires experienced external market researchers to conduct both quantitative and qualitative market research to obtain in-depth customer insights, covering key topics such as brand expectations, consumer perceptions and attitudes towards the AURORA brand and competitors, brand loyalty levels of AURORA and competitor users, brand satisfaction, purchase interest triggers, factors influencing purchase decisions, and buying behavior for gold and jewelry, and consumer relationships with the brand (Brand Health Check). The marketing department uses the market research results to

develop and plan the Company's policies and strategies, guiding the selection of new products and continuously expanding product categories to ensure that the Company selects appropriate new products that meet the needs of the Company's target customers.

In 2023, the general public customer group accounted for approximately 94.0% of the sales revenue in the retail business of gold ornaments, jewelry, and gifts made from gold. Although the Company has branches in Bangkok, its vicinity, and major provinces across Thailand, the majority of sales revenue for the retail business of gold ornaments, jewelry, and gifts made from gold currently comes from branches in Bangkok and its vicinity.

Corporate Customers

The Company markets products, gift cards, and gold redemption cards to corporate customers who wish to purchase products in the Modern Gold, Design Gold, and diamond jewelry categories. The Company offers custom-made products with corporate logos to enhance corporate image, support marketing efforts, and serve as gifts for special occasions, such as employee awards, customer appreciation gifts, and promotional campaign prizes.

Example of corporate customer groups



II. Loyalty Program

The Company has a loyalty program for members who purchase products in the Modern Gold, Design Gold, and diamond jewelry categories, divided into two groups as follows:

Membership types	Number of members as of December 31, 2023	Membership registration fee	Benefits received
1. AURORA store members	~ 1.5 million members	500 baht (For in-store membership registration only Membership registration through the application is free of charge)	- For every purchase of 10 baht, members will earn 1 reward point. These reward points are valid for 3 years. Reward points can be redeemed for gifts or used as discounts for future purchases as determined by the Company - Discount on workmanship fees
2. Seng Heng store members	~ 50,000 members	No fee	- Discount on workmanship fees



The Company believes that having a loyalty program benefits the Company by fostering customer loyalty and encouraging repeat purchases of products and services from the Company. Additionally, it provides the Company with valuable data to analyse purchasing behaviour over different periods, enabling the Company to plan marketing strategies and select products for sale more effectively, better meeting the needs of each customer group.

(1.2) Sales and Marketing

I. Marketing Activities

The Company regularly conducts promotional activities and marketing events to increase product demand and sales. The Company studies the behavior of target customer groups to determine the activities, formats, and media for marketing and public relations at different times of the year to align with the spending behavior of target customer groups during festivals or other factors.

The Company's marketing activities are divided into

- **Main Promotional Activities:** The Company plans and implements annual marketing and public relations plans to promote sales during various festivals that align with consumer behavior, such as Chinese New Year, Valentine's Day, Songkran, Mother's Day, "11.11", "12.12", and New Year.
- **Supplementary Promotional Activities:** The Company implements supplementary marketing and public relations plans to promote special products and manage inventory, such as the AURORA GOLD EXPO and AURORA FACTORY SALE.

The Company plans the formats and types of media to align with and support the above marketing activities, using various marketing and public relations channels to cover all customer groups, including (1) traditional advertising media such as billboards, advertisements, or

public relations events, (2) digital and social media advertising such as Facebook, Line, and the Company's website to connect customers and the Company more easily. These online media provide product information and promotions, encouraging customers to visit branches to purchase products, and (3) in-store marketing.

II. Sales Promotion Activities

The Company has a policy to promote marketing (Promotion) through various sales channels to stimulate sales and ensure product circulation throughout the year, such as reducing workmanship fees, giving away prizes, and offering complimentary gifts.

III. After-Sales Service

The Company places importance on after-sales service to differentiate from competitors and promote the Company's long-term market leadership as the number one brand in customers' minds for gold ornaments, jewelry, and gifts made from gold. Key after-sales services include buying back products at standard prices at all branches, referencing the Gold Traders Association's announcement, accepting product exchanges within 3 days if the product is not damaged, and providing free cleaning and repair services for products purchased from the Company for the product's lifetime.

(1.3) Sales and Distribution Channels

Currently, the Company sells products through (1) branch stores, (2) online distribution channels, and (3) other distribution channels

The following table shows the revenue structure of the retail business of gold ornaments, jewelry, and gifts made from gold by distribution channels

Unit: Million baht

Items	Year 2021		Year 2022		Year 2023	
	Amount	Percentage ⁽¹⁾	Amount	Percentage ⁽¹⁾	Amount	Percentage ⁽¹⁾
Offline channels ⁽²⁾	19,620.25	88.80	26,962.36	91.84	27,959.8	94.5
Online channel	2,475.13	11.20	2,395.84	8.16	1,618.4	5.5
Total revenue from sales	22,095.37	100.00	29,358.20	100.00	29,578.2	100.0

Note: (1) Percentage of total sales revenue

(2) Includes revenue from sales through branch stores, sales to corporate customers, booth sales, and Tele sales channels



I. Branch Stores

Branch stores are the primary distribution channel of the Company. The Company believes that having an extensive network of branch stores, conveniently located and close to community areas, will enable the Company to reach customers, increase the customer base, and lead to revenue and profit growth. Therefore, the Company has a key strategy to carefully expand branches to cover more areas nationwide.

The Company has a business development team responsible for sourcing new branch locations that meet the Company's criteria, considering important factors such as average household income, residential population density, customer turnover, and the economic conditions of the target community or city.

Currently, the Company operates branch stores under a total of 5 brands as follows:

AURORA

- Retail of Modern Gold, Design Gold, and diamond jewelry
- Gold financing services for gold ornaments and jewelry containing gold and diamonds
- Targeting customers who prefer modern-style gold retail stores

AURORA

Seng Heng

- Retail of Modern Gold and Design Gold
- Gold financing services for gold ornaments and jewelry containing gold
- Targeting customers who prefer traditional - style gold retail stores.

เซ่งเฮง

AURORA Diamond

- Retail of diamond jewelry

AURORA
Diamond

Thong Ma Ngern Pai

- Focusing on gold financing services for gold ornaments and jewelry containing gold and diamonds
- Retail of Modern Gold and Design

ทองมา
เงินไป

Khong Kwan by Aurora

- Retail of Design Gold





The Company's branch stores offer a diverse range of Stock Keeping Units (SKUs), with most of the products being best-sellers and meeting the needs of the target customer group of each branch.

Additionally, in some locations, the Company has integrated branch stores under different brands into a single store space, such as Khong Kwan by AURORA, Thong Ma Ngern Pai, and AURORA Diamond. This allows the

Company to comprehensively meet the diverse needs of customers in selecting products at that branch. The branch stores are managed efficiently to increase revenue growth opportunities and reduce operational costs.

The total branch stores as of December 31, 2023

Location	Bangkok and its vicinity	Up - country	Total
1. AURORA			
- Super center / Hypermarket	116	106	222
- Others ⁽¹⁾	3	0	3
2. Seng Heng			
- Super center / Hypermarket	13	18	31
- Others (1)	5	0	5
3. Khong Kwan by AURORA			
- Super center / Hypermarket	1	1	1
4. Thong Ma Ngern Pai			
- Others (1)	99	39	138
5. AURORA Diamond			
- Super center / Hypermarket	2	3	5
Total	239	167	406

Note : (1) Others such as community Mall, Market and Sub Community

The total branch stores separate by region as of December 31, 2023

Location	Bangkok and its vicinity	Central	Northern	Eastern	Western	Northeastern	Southern	Total
1. AURORA	119	10	9	40	7	23	17	225
2. Seng Heng	18	2	1	5	1	5	4	36
3. Khong Kwan by AURORA	1	0	0	1	0	0	0	2
4. Thong Ma Ngern Pai	98	6	0	28	0	6	0	138
5. AURORA Diamond	2	1	0	2	0	0	0	5
Total	238	19	10	76	8	34	21	406



II. Online Distribution Channel

In 2017, the Company developed an online distribution channel (E-Commerce), allowing customers to select products online through the Company's website at www.aurora.co.th, providing customers with the option to shop online 24/7 and catering to the increasing trend of electronic media consumption. The Company has also expanded its online distribution channels to online marketplaces such as Shopee, Lazada, and Tiktok, as well as social commerce platforms like Line MyShop, Line OpenChat, and Facebook. The Company uses external logistics services to deliver products to customers, with the logistics Company being responsible for any damage or loss of products. Customers who purchase products through the online distribution channel (E-Commerce) will receive a product warranty certificate similar to those who purchase products through branch stores.

The Company believes that the online distribution channel has growth potential in the future. The Company aims to increase the proportion of sales through the online distribution channel to 14% by 2024 to align with consumer behaviour trends favouring online channels and emphasizing convenience.

III. Other Distribution Channels

The Company has established a Business-to-Business (B2B) department to manage corporate customers and business partners. This department is responsible for directly contacting and presenting products to target corporate customers and providing close and continuous customer service. This enables the Company to effectively reach and strengthen relationships with corporate customers and business partners, understand their needs, and respond to their product and service requirements appropriately, quickly, and purposefully.

(1.4) Pricing Policy

The pricing of Modern Gold products consists of two parts: 1) the price of gold ornaments and 2) the craftsmanship fee. The Company sets the selling and buy-back prices of gold ornaments based on the prices announced by the Gold Traders Association (www.goldtraders.or.th), with prices posted at branch stores and displayed on the homepage of the website www.aurora.co.th. The craftsmanship fee for gold ornaments is determined based on the intricacy and complexity of the design of each product and the marketing costs of operating the branch stores, including utilities, staff salaries, rent, and other store management expenses.

For Design Gold products, the pricing consists of two parts: 1) the price of gold and the craftsmanship fee, and 2) the cost of the product. The Company's pricing policy considers the cost of the product and adjusts prices according to changes in gold prices.

For diamond jewelry products, the Company's pricing policy considers the cost plus a profit margin as determined by the Company. Since each diamond has unique characteristics, diamond trading generally references the global market price from the Rapaport Diamond Report, which publishes weekly diamond price benchmarks. The Company regularly monitors diamond price changes to inform its product pricing decisions.

The Company's policy for adjusting product prices considers market prices, changing product costs, competitive pricing among trade competitors, and the Company's profit margins.





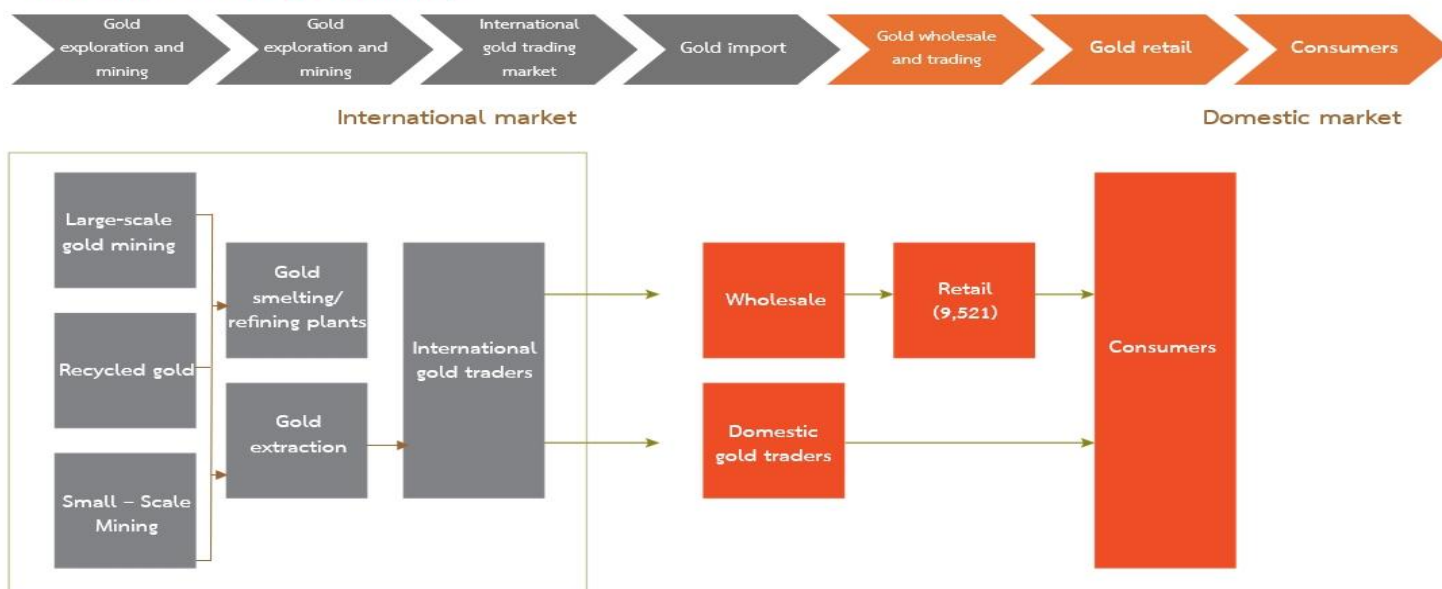
(1.5) Industry Conditions and Competition

The facts and statistics presented in this section (both actual, estimated, and forecasted) are sourced from an independent market research report prepared by Price Investor Relations Co., Ltd., a market research expert hired by the Company. Investors should be aware that some information regarding industry conditions and competition presented in this section is forward-looking. These forecasts and estimates are based on assumptions and assessments subject to various risks and uncertainties, including but not limited to the inaccuracy of the assumptions used, estimates, potential changes, and changes in social, economic, business, industry, market, legal, current and future government, and regulatory conditions.

(1.5.1) Retail Business of Gold Ornaments, Jewelry, and Gifts Made from Gold

The environment of the retail gold ornament and jewelry or gift business made from gold can be considered from the value chain of the business, key players in the industry, current environment, future trends, both domestically and internationally, including information on key players in the Thai retail gold jewelry industry, with details as follows:

Value chain of the gold industry



Note: 9,521 and 2,104 are the number of registered players under TSIC code 46492: Wholesale and 47732: Retail in the Corpus system as of February 2024

I. Value Chain of the Gold Industry

According to the World Gold Council, the retail gold ornament industry can be divided into upstream, midstream, and downstream industries, with process details as shown in the diagram below.

Upstream Industry: This industry involves sourcing raw materials from gold mining and sending them to gold refineries for production, which are then traded in international gold markets. The trading formats include both short-term and long-term contracts.

Midstream Industry: This industry involves importing gold bars from international markets through players engaged in wholesale or gold bar trading. They import 99.99% pure gold, which is more commonly used for gold bar production or investment rather than making gold ornaments. The trading is done in kilogram units, and they also wholesale 96.5% pure gold, both in bar and ornament forms, to gold shops for resale.

Downstream Industry: This industry involves retail businesses purchasing gold bars from wholesalers to process and shape them into gold jewelry for customers. Large gold shops often produce their own gold, while smaller gold shops purchase gold directly from gold factories that have already refined it to reduce costs and stamp their own brand on it.



II. Future Trends of the Gold Retail Industry

Based on information from GIT and Prachachat Turakij, the growth trends of the gold retail industry can be summarized as follows:

- Digital Technology

The gold and jewelry business has increasingly adopted digital technology to enhance service channels, improve efficiency, speed, and security in gold trading, and respond to changing consumer demands. This increases the potential and channels for those interested in real-time, fee-free international gold trading, which is convenient, fast, and highly secure.

- Omni-Channel Customer Communication

Currently, the gold jewelry retail business has shifted to using digital platforms, e-commerce, and social media more extensively, leading to new business models aligned with the Next Normal trend, where consumer lifestyles have changed post-COVID-19 pandemic. This includes adopting new digital service technologies and online platforms that address convenience and hygiene safety. Businesses need to adapt to meet customer demands, with online jewelry sales being a popular and growing channel in the future. Many gold shops have started streaming or live-selling gold jewelry on Facebook.

- Consumer Behavior

i. **Online Shopping** – The trend of online shopping has become popular since the COVID-19 pandemic, reducing consumer travel to physical stores. Many gold shops have expanded their gold sales channels online to respond to changing consumer behavior and increase revenue.

ii. **Product Design** – The purchasing behavior of the younger generation often involves buying gold as jewelry. Therefore, gold jewelry designs must meet the needs of this customer group, such as fashion designs and products that the younger generation can buy and save within a limited budget, like small gold jewelry pieces.

III. Opportunities and Success Factors for Businesses in the Gold Industry

Opportunities

1. Beyond price competition, creating brand differentiation is crucial for success in the current era.
2. Continuously studying and understanding customer needs to offer products and services that meet customer demands.
3. Maintaining product standards and providing good after-sales service to build customer trust in the brand, such as buy-back services, repair and cleaning services, and product exchange in case of defects or damage. Issuing a warranty certificate to customers upon purchase to guarantee quality and after-sales service.
4. Expanding distribution channels and conducting online and e-commerce marketing to meet consumer behavior and reach more customers, thereby increasing Company revenue.
5. Increasing the number of gold shop branches in modern trade to reach more mall customers. The advantage of selling gold in malls, besides rapid nationwide branch expansion, is that mall locations are convenient and safe for gold shop customers.

Obstacles

1. Managing risks from having a large number of gold shop branches nationwide.
2. Limitations of online gold sales include trust and delivery issues, as gold is a high-value asset. Although online gold sales are increasing, they are still limited to small, low-value items.
3. Managing the safety of assets and personnel.

IV. Gold Prices

The Gold Traders Association sets gold prices based on the Gold Spot price plus or minus the premium from international gold traders, depending on whether it is an import or export situation. The price is then calculated with the Thai baht exchange rate and converted from ounces to Thai gold weight unit called baht. The association must consider domestic gold demand and supply when announcing the domestic gold price.



The key variables in determining Thai gold prices can be summarized into four factors as follows:

1. International Gold Prices (Gold Spot)
2. Premium Rate (various costs incurred in importing/exporting gold)
3. Thai baht to US Dollar Exchange Rate
4. Domestic Gold Demand and Supply

Gold Buy-Sell Price Spread

Generally, the buy and sell prices of gold ornaments are slightly higher than gold bars due to the following reasons:

- The selling price of gold ornaments includes a craftsmanship fee, while gold bars may have a small block fee (premium fee), but it is still lower than the craftsmanship fee for gold ornaments.

- If gold ornaments are worn as jewelry for a long time, they may wear out, affecting the buy-back price. The buy-back price of gold ornaments at gold shops follows the guidelines announced by the Office of the Consumer Protection Board (OCPB), with a deduction of no more than 5% from the daily buy-back price of gold bars announced by the association for gold ornaments sold back to the same shop. For gold ornaments from different shops, additional discounts may be considered, with the buy-back price posted at all gold shops.

According to GCAP Gold, gold prices are affected by various factors, not just economic factors. Other factors impacting global and domestic gold prices can be divided into two groups based on their impact on gold demand and supply as follows:

Factors Affecting Gold Supply

1. Supply

The desire to sell gold by gold producers from gold mines, sales by central banks of various countries, and the amount of old gold circulating in the system.

Factors Affecting Gold Demand

1. Political and Financial System Risks

During international political conflicts, concerns about potential wars, currency depreciation, and high concerns about the global financial system, gold prices tend to rise as gold is seen as a stable asset and a safer store of value compared to banknotes or stocks, whose values may decrease during uncertainty.

2. Inflation Rate

There is a direct correlation between inflation rate and gold prices. Since the end of 2021, the US inflation rate has increased, and gold prices have risen accordingly as

more investment flows into gold to hedge against the declining value of money due to higher inflation.

3. Oil Prices

Oil prices affect the prices of almost all goods and can drive inflation in the form of Cost Push Inflation. Inflation and gold prices move in the same direction, with oil prices having a direct correlation with gold prices.

4. US Monetary Policy and Interest Rates

There is an inverse relationship between interest rates and gold prices. When policy interest rates rise, it reflects an improving economy and increased confidence, leading to a higher currency value and lower gold prices. Conversely, when policy interest rates fall, it reflects a slowing economy and decreased confidence, leading to a lower currency value and higher gold prices.

5. US Dollar Exchange Rate

The US dollar is the medium of exchange for currency trading, and its value has an inverse relationship with gold prices. When the US dollar weakens, it benefits gold prices as gold is seen as a stable asset, and money flows into gold instead of the US dollar, increasing gold prices. Conversely, when the US dollar strengthens, investors buy US dollars instead, lowering gold prices.

6. International Gold Prices (Gold Spot)

This is the reference price for electronic gold trading in international markets, with no actual gold delivery. It includes both bid and ask prices. When buying gold from abroad, the ask price is used as a reference, and when selling back to international gold traders, the bid price is used. The rise and fall of international gold prices reflect domestic gold price movements.

7. Premium Rate (various costs incurred in importing / exporting gold)

These are the costs of importing or exporting gold, including transportation, risk, bank interest, and insurance costs, set by international gold traders. These are the costs of importing gold from abroad for sale to consumers. In actual gold delivery transactions, the international gold price (Gold Spot) plus the premium is used. Under normal conditions, the premium is +1 to 2 dollars per ounce, but in abnormal conditions, where international gold prices rise or fall significantly and rapidly, the premium from international traders adjusts quickly and sharply, reflecting domestic gold prices.



(1.5.2) Retail Diamond Jewelry and Gift Business

The environment of the retail diamond jewelry and gift business can be considered from the value chain of the business, key players in the industry, current environment, future trends, both domestically and internationally, including information on key players in the Thai retail diamond jewelry industry, with the following topics and details:

I. Value Chain of the Retail Diamond Industry

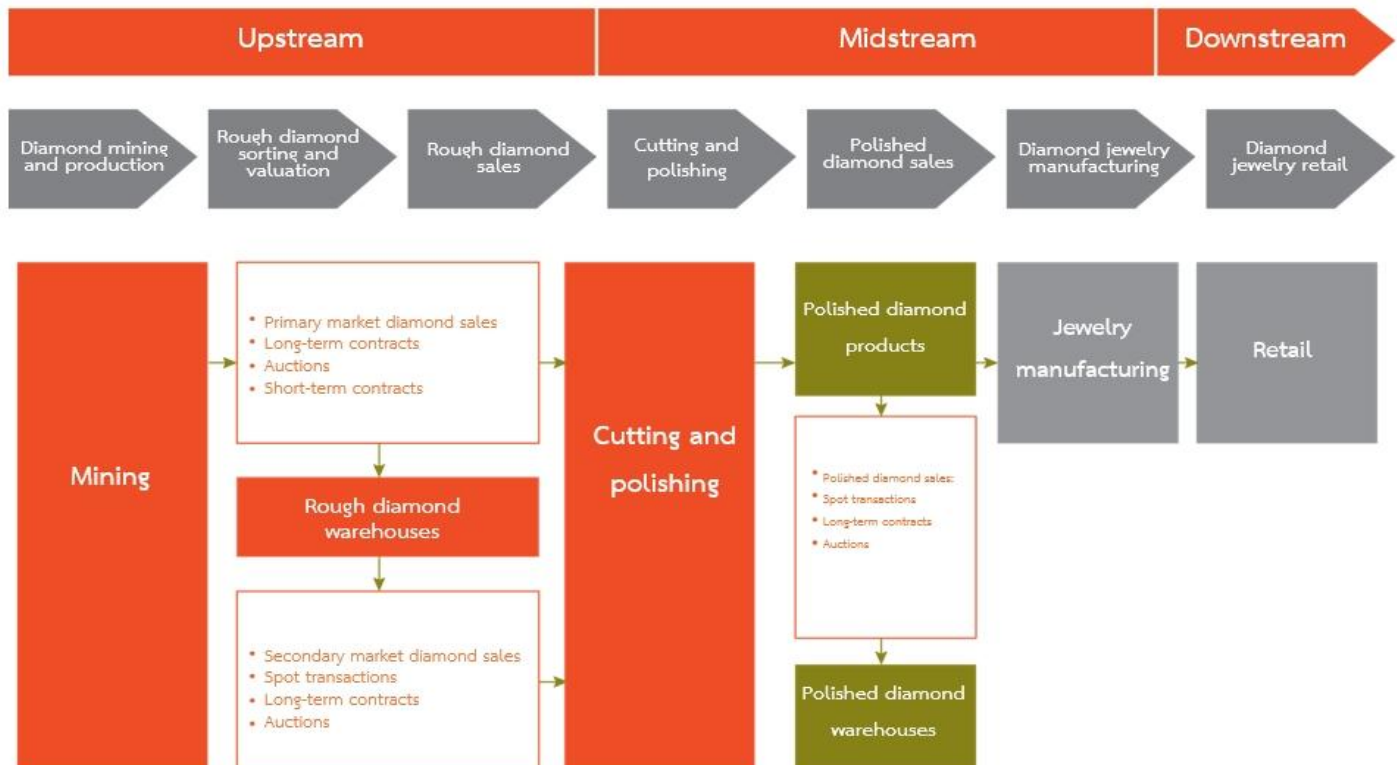
The retail diamond jewelry industry consists of two main products: diamond products and diamond jewelry products. The process can be divided into upstream, midstream, and downstream industries, with process details as shown in the diagram.

Upstream Industry: This industry involves the procurement of raw materials from mining and the sorting of rough diamonds for valuation and sale in the primary market. The trading of rough diamonds can be conducted in three forms: long-term contracts, auctions, and short-term contracts. Subsequently, the remaining rough diamonds from the primary market are sold in the secondary market through three forms: spot transactions, auctions, and long-term contracts.

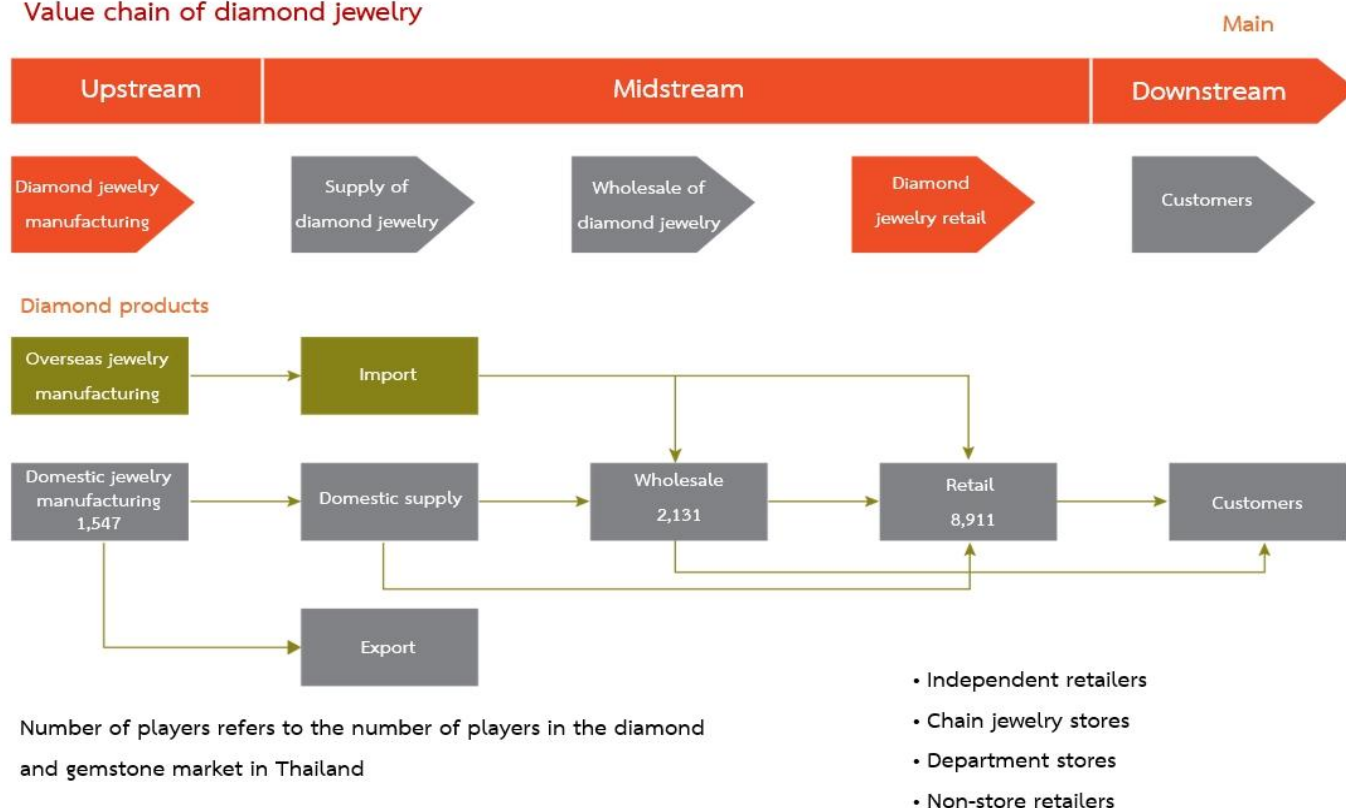
Midstream Industry: This industry involves the shaping of diamonds through cutting and polishing. The products from the midstream industry are polished diamonds, which are traded through three main forms: spot transactions, auctions, and long-term contracts. The process of manufacturing diamond jewelry serves as a link between the midstream and downstream industries.

Downstream Industry: This industry involves the production of jewelry from polished diamonds and the retail sale of diamond jewelry products to customers.

Value chain of diamonds



Value chain of diamond jewelry



II. Company Business Information Compared to Competitors

The Gem and Jewelry Institute of Thailand (Public Organization) (GIT) categorizes players in the diamond jewelry industry in Thailand into upstream, midstream, and downstream sectors, and identifies the number of players in each sector as follows:

Upstream Industry: Diamond jewelry manufacturing, with 1,547 players in Thailand. These manufacturers sell jewelry products to the midstream industry, which involves the wholesale trade of jewelry from both domestic and international manufacturers. The number of players in the wholesale diamond jewelry industry in Thailand is 2,131. The downstream industry, which involves the retail sale of diamond jewelry from wholesalers, imports, or domestic manufacturers to customers, has the highest number of players in Thailand, totaling 8,911. This includes independent retailers, chain retailers, department stores, and online retailers.

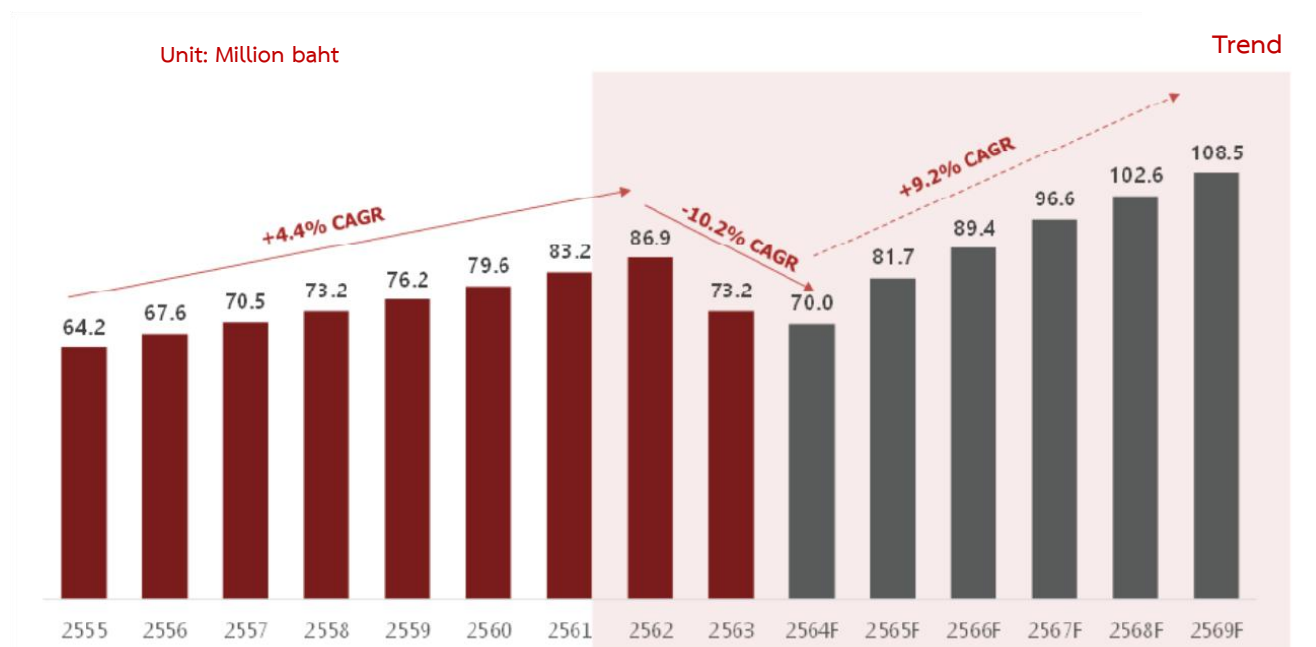
In the diamond jewelry industry, players may choose different business models, operating in the upstream, midstream, or downstream sectors alone, or integrating multiple stages of the value chain. From the data in the table above, players with a business model focused solely on the upstream industry (diamond jewelry manufacturing) include Manee Diam, Pranda Jewelry, and Goldfine Manufacturers. Players operating only in the midstream industry (wholesale jewelry) include SU-RAJ Inter Gold PVT. Players operating only in the downstream industry (retail diamond jewelry) include Aurora and Jubilee. Meanwhile, players like Prima Gold operate from the midstream to the downstream sectors, and players like Beauty Gems, K.G.K. Gems, and Jacob's Jewelry operate from the upstream to the downstream sectors.

III. Future Trends in the Retail Jewelry and Diamond Gift Industry

Market Size from Past to Present and Growth Trends

According to Euromonitor data, the overall market size and growth rate of the diamond and gemstone jewelry and gift market in Thailand can be summarized as follows:

The diamond jewelry and gift market in Thailand



Referent from Euromonitor, the overall market size and growth rate of the diamond and gemstone jewelry and gift market in Thailand can be summarized as the picture

From 2012 to 2018, the market value of diamond jewelry and gifts in Thailand grew continuously at a CAGR of 4.4%, reaching 83.2 billion baht in 2018. During 2019 to 2020, the market contracted by -10.2% per year but is expected to recover and grow continuously at 9.2% per year from 2021 to 2026.

(2) Gold Financing Business for Gold Ornaments and Jewelry with Gold and Diamond Components

(2.1) Target Customer Groups

The Company is committed to expanding from its retail business of gold ornaments, diamond jewelry, and gifts made from gold by providing gold financing services to its current customer base and other individual customers, such as small business owners and daily wage earners who need urgent credit. The collateral includes gold ornaments, gold-containing jewelry, and diamond jewelry. The Company's gold financing approval process focuses on customer convenience and speed, with branch staff approving gold financing loans based on the value of the collateral. Customers, as borrowers, can redeem their assets within the specified time.

(2.2) Sales and Marketing

I. Marketing Activities

The Company regularly conducts marketing activities to increase brand awareness and promote its gold financing services under the brands "Thong Ma Ngern Pai," "AURORA," and "Seng Heng." By studying the behavior of target customers, the Company determines the activities, formats, and media for marketing and public relations throughout the year to align with the spending patterns of target customers during key periods, such as the Back-to-School season or other events.

The Company plans the format and nature of various media to align with and respond to the aforementioned marketing activities. It uses diverse marketing and public relations channels to reach target customers, including (1) digital and social media advertising, such as Facebook, Line Official Application Thong Ma Ngern Pai, and the Company's website, to facilitate easier connection between customers and the Company. These online media provide product information and promotions, increasing customer awareness of the brand and gold financing services. (2) Traditional advertising media, such as billboards or public relations events, and (3) FM radio advertising.



II. Sales Promotion Activities

The Company has a promotion policy through various sales channels to stimulate gold financing sales and acquire new customers, such as prize draws, gold financing interest rate reduction promotions, increased gold financing loan amounts when referring friends, and increased gold financing loan amounts when joining the AURORA membership.

(2.3) Sales and Distribution Channels

As of December 31, 2023, the Company operates gold financing services primarily through 138 "Thong Ma Ngern Pai" branches in sub-communities, 225 "Thong Ma Ngern Pai" counters in AURORA branches, and 36 "Seng Heng" branches. Additionally, the Company has developed the Thong Ma Ngern Pai application to provide additional service channels and convenience for gold financing customers. The Company sends messages to remind customers of the gold financing period, and customers can check outstanding interest and pay interest through the application.

(2.4) Business Partners

One of the key strategies that has led to the rapid growth of the "Thong Ma Ngern Pai" brand is having strong partners. In 2022, the Company partnered with three main partners: collaborating with CJ MORE stores to develop a business expansion model, partnering with Kasikorn Bank to develop payment technology, and most recently, partnering with LINE BK to offer special promotions to LINE BK users through the LINE Official Account. When users receive a message and use the gold financing service at Aurora Gold Shops in all branches or Thong Ma Ngern Pai shops in nearby communities within 120 days, they will receive an additional 2% gold financing loan amount from the asset price, starting today until October 31, 2023. Currently, the response has been positive, with many LINE BK customers showing interest. Additionally, "Thong Ma Ngern Pai" is in negotiations with other partners to explore business collaboration opportunities, aiming to maximize customer satisfaction.



(2.5) Pricing Policy

The Company sets interest rates not exceeding the legal limit as stipulated by the Civil and Commercial Code. Currently, the maximum interest rate for gold financing services is set at 1.25% per month, calculated daily based on the actual gold financing period, with a minimum service fee of 40 baht (excluding 7% VAT) and a sale with right of redemption agreement period of 2 months.

(2.6) Industry Conditions and Competition

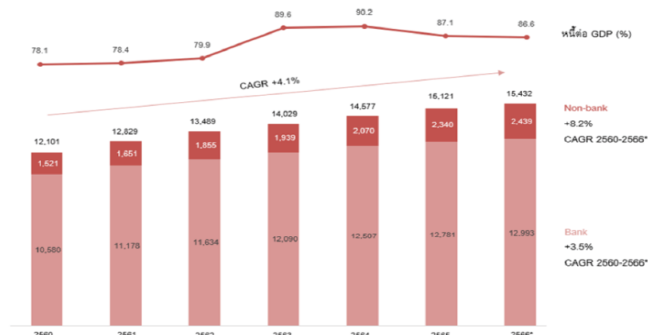
The business environment of the gold financing industry, including gold financing shops, can be assessed based on the Thai economic conditions and future trends, household borrowing and lending, household access to financial services, the overall consumer credit market, and the characteristics and key players in the gold financing industry and gold financing shop business. The topics and details are as follows:



I. Household Loans and the Ratio of Household Loans to GDP (%)

Data from the Bank of Thailand from 2017 to 2023 shows the value of household loans, the household debt-to-GDP ratio, and the ratio of household loans from non-bank financial service providers, categorized by type, as detailed in the diagram.

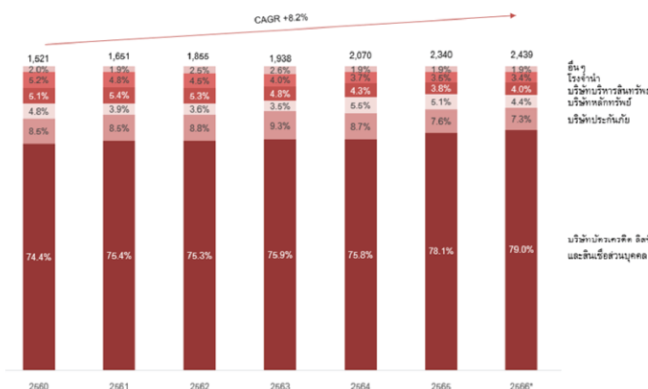
The total value of household Loans



*Latest information up to Q3/2023 as of December 28, 2023

In 2023*, the total value of household loans was 15,432 billion baht. Household debt in 2023* was divided into loans from financial institutions amounting to 12,993 billion baht (84%) and loans from non-bank financial service providers amounting to 2,439 billion baht (16%). Household debt in Q3 2023 was 86.6% of GDP. From 2017 to 2023, the overall household debt value grew by 4.1% per year. When considering the credit providers, household loans from financial institutions increased by 3.5% per year, while household loans from non-bank financial service providers increased more rapidly at 8.2% per year.

The ratio of household loans from non-bank financial service providers



*Latest information up to Q3/2023 as of December 28, 2023

When considering household loans from non-bank financial service providers, in 2023, the value was approximately 2,439 billion baht. Most of the loans were from credit cards, hire purchase companies, and personal loans, totalling 79.0%. Loans from insurance were 7.3%, from securities 4.4%, from asset management 4.0%, from gold financing 3.4%, and other household loan sources 1.9%, including the Financial Institutions Development Fund, the Government Pension Fund, the Secondary Mortgage Corporation, and the Small Industry Credit Guarantee Corporation. From 2017 to 2023, there were changes in the proportion of loans from each source as shown in the diagram above.

II. Opportunities and Obstacles, Success Factors for Business Operators in the Industry

From an interview with Mr. Sitthiwit Tangthanakiat³, founder of Easy Money of Tangthanasin Co., Ltd., and executive of Cash Express gold financing centers, he discussed the opportunities and obstacles that led his business to success as follows:

Opportunities

1. Identifying "market gaps," such as addressing consumer pain points by providing modern and accessible gold financing centers, and overcoming the cumbersome and lengthy loan application process with commercial banks in the past, which required extensive documentation and long approval times, often resulting in rejection.
2. Seeing opportunities to reach younger generations, especially those unfamiliar with and unaware of the gold financing business.
3. Addressing pain points similarly, Cash Express promotes its brand image and awareness through its brand name and logo, and by rebranding gold financing centers named after locations to Cash Express.
4. Enhancing the service experience, such as making gold financing center spaces open and airy, and having staff wear uniforms to facilitate comfortable and confident consultations about pricing for both parties.
5. Applying technology in business operations, such as using fingerprint scanning instead of black ink fingerprinting, and offering online asset valuation 24/7 to provide convenience to customers before visiting the gold financing centers.

³ Reference: Marketeer and Positioning



Obstacles

1. Risk assessment and valuation to avoid errors and reduce the risk of accepting counterfeit items for gold financing.
2. The negative image of gold financing centers, perceived as a last resort for the poor and a source of shame, leading many to seek loans from other sources, such as informal lenders or credit card debt. The gloomy atmosphere of traditional gold financing centers, with heavy iron bars and an unfriendly environment, along with rumors of price suppression and the risk of asset damage, also contribute to this perception.
3. The gold financing business market is not in a Red Ocean zone with high competition, limited growth opportunities, and low profit margins.

1.2.2.3 Product and Service Procurement

The Company emphasizes product procurement according to its vision and mission to deliver valuable gifts of happiness to givers and receivers on all occasions. To ensure it meets all customer needs accurately and continuously, the Company has a policy of diversifying procurement and purchasing from reputable and reliable manufacturers, wholesalers, and distributors both domestically and internationally. The Company maintains long-standing good relationships with these suppliers to reduce the risk of dependency on any single supplier and to enhance bargaining power for long-term product purchase prices. The procurement methods vary by product type and acquisition characteristics, as detailed below:

(1) Retail Business of Gold Ornaments, Jewelry, and Gifts Made from Gold, and Diamond Jewelry

The Company has guidelines for procuring gold ornaments, jewelry, and gifts made from gold by evaluating and selecting new suppliers before purchasing from them and reviewing the quality of suppliers annually. The evaluation considers product quality, price, reliability, and warranty conditions.

Product Selection and Supplier Relationships

Currently, the Company procures Modern Gold products from all gold ornament wholesalers in Thailand. These wholesalers must be skilled in producing quality products, certified by the Gold Traders Association, and listed in the Company's approved supplier registry. The Company ensures a variety of designs and patterns, focusing

on popular market trends and customer preferences, to stock in branches and maintain sufficient inventory to meet customer demand at different times. The products sold in branches are divided into two main groups: standard products available in all branches and products tailored to the preferences of customers in each branch. The Company regularly reviews the product list in each group for procurement planning.

The Company procures Design Gold products primarily from domestic suppliers. These suppliers must be listed in the Company's approved supplier registry, or in the case of new suppliers, their prices are compared with other sellers for consideration. The Company ensures a variety of products, focusing on popular market trends at different times, to stock in branches and maintain sufficient inventory to meet customer demand. The products sold in branches are divided into two main groups: core standard products and seasonal products. The Company regularly reviews the product list in each group for procurement planning. Simultaneously, the Company continues to seek new designs and patterns that are expected to meet customer preferences.

Diamond products are procured in two forms: 1) contracting for the assembly of single diamonds (loose diamonds) and 2) finished products. For the fiscal year ending December 31, 2023, the Company procured diamonds and diamond jewelry from domestic and international suppliers. The products are sourced from manufacturing plants, and suppliers must be listed in the Company's approved supplier registry, or in the case of new suppliers, their prices are compared with other sellers for consideration. The Company ensures a variety of products, focusing on popular market trends, to stock in branches and maintain sufficient inventory to meet customer demand. The Company regularly reviews the product list in branches for procurement planning. Simultaneously, the Company continues to seek new designs expected to meet customer preferences.



Inventory Management

The Company's inventory management begins before ordering products. The Company studies market information about the products to be ordered to estimate sales and sets a minimum safety stock level to maintain sufficient inventory in branches for sales, which is a key strategy. The Inventory Management Department and Inventory Planning Department analyze inventory levels to plan orders for various product types, ensuring fast-moving products are always available. They coordinate with the Purchasing Department to place orders to prevent inventory levels from falling below the minimum safety stock or running out of stock, which would result in lost sales opportunities.

Additionally, the Inventory Planning Department monitors product movements, including slow-moving and fast-moving products, to plan necessary actions, such as transferring products between branches or organizing promotional activities. Regular meetings are held to review plans for managing slow-moving products and to review the value of inventory regularly to consider setting aside allowances for obsolete inventory when the inventory value is lower than the expected recoverable amount or selling price.

Payment for Products

For Modern Gold, payment for gold ornaments to wholesalers is made in gold (barter), a common and accepted practice in the gold ornament trading business. This natural hedge manages the risk of gold price fluctuations. The Company pays for gold ornaments with old gold ornaments received from buybacks and gold bars.

(2) Gold Financing Business for Gold Ornaments and Jewelry with Gold and Diamond Components

In conducting the gold financing business of gold ornaments, diamond jewelry, and other precious items, the procurement of essential products and services involves securing funding for providing gold financing services. The Company sources its funds from its working capital and loans from financial institutions. The Company manages its liquidity by comparing the financial costs with the overall returns from the gold financing business operations.

(3) Opening new retail branches

(3.1) Annual investment plan approval

The Business Development Department will study and formulate the strategic investment plan for establishing branches and the annual investment plan, which will be presented to the Company's board of directors for approval.

(3.2) Establishing retail branches

The Company's Business Development Department is responsible for sourcing locations for new retail branches that meet the criteria set by the Company. The department will conduct a feasibility study and prepare a business viability report to support investment decisions, considering key factors such as average household income, residential population density, customer turnover, the economic condition of the target community or city, and the number of competitors in the vicinity. If the location meets the Company's criteria and is expected to generate a suitable return on investment with a payback period in line with the Company's policy, the Business Development Department will coordinate with the target location's landlord and negotiate short-term (approximately 3 years) and/or long-term (over 3 years) lease agreements, setting preliminary rental rates, service fees, and utility costs, either fixed or variable based on sales, as applicable.

(3.3) Procuring contractors for opening retail branches

The Company will procure efficient contractors for constructing retail branches to ensure timely completion, enabling the Company to expand branches effectively and swiftly under appropriate costs and expenses.

On average, the Company takes about 2 months to design and complete the construction of a branch. The Company will contact contractors who meet the Company's criteria to submit construction quotations and plans. The Business Development Department will evaluate the suitability in terms of work schedule, team composition, and budget. The Company will then select the appropriate contractor and enter into a contract.

(3.4) Monitoring operational performance

After opening a new branch, the Procurement Committee will monitor the operational performance monthly, comparing it with the business feasibility study report, and report to the Executive Committee for acknowledgment. If the branch's performance does not meet expectations, the Company will analyse the causes and implement corrective measures, such as promotions and sales incentives, including negotiating rent reductions with the landlord, to improve the branch's performance.



(4) Service quality inspection and control

The Company emphasizes the quality of products and services at its retail branches, thus implementing a continuous quality management system for the stores, detailed as follows:

I. Selecting quality products

The Company's Procurement Product Department, staffed with experienced personnel, selects products from suppliers, ensuring that the products meet the Company's standards and customer requirements to ensure customer satisfaction with the Company's products.

II. Service quality control

The Company has a service quality control team under the Sales Operation Department and the Internal Audit Department, as follows:

1. Area Managers are responsible for inspecting service quality at retail branches and general branch management, such as overseeing service quality, customer reception, after-sales service, inventory checks, and cash verification.

Area Managers will conduct random weekly inspections to ensure service quality, service processes, and branch management meet the set standards, including on-the-job training for staff to follow branch operational procedures.

2 Internal Control Auditors are responsible for inspecting branch operations, such as sales document verification, inventory checks, service and general operations inspection, fraud risk assessment, and ensuring service quality, general management, and sales processes meet the set standards, with inspections conducted three times a year, depending on branch sales or unusual events.

III. Handling suggestions and complaints

The Company provides multiple channels for receiving customer suggestions and complaints, such as in-store notifications, the Company's website, or direct customer surveys. The Customer Relationship Management (CRM) team and the online marketing team regularly review and follow up on suggestions and complaints through various channels. If issues are found, the CRM and online marketing teams will investigate and coordinate with relevant departments and retail branches to resolve them promptly.

(5) Managing gold price volatility risk through net position closure

The Company manages gold price volatility risk by closing its net position daily through buying and selling gold bars with wholesale gold dealers to manage the risk of gold price fluctuations. The Company does not engage in gold price speculation from net position closure transactions.

The Company collects daily purchase, sales, and financed item data from all branches and online channels to calculate the net weight difference (shortage/excess) to close the net position. If the Company's end-of-day position is a net sales position, the Company will consider purchasing gold. Conversely, if the end-of-day position is a net purchase position, the Company will consider selling gold, based on the weight difference and the average daily retail gold price (excluding workmanship fees) as the reference price.

1.2.2.4 Properties for Business Operating

As of December 31, 2023, the main fixed assets used in business operations have a net book value, after deducting depreciation and impairment reserves, as shown in the Company's consolidated financial statements, amounting to 1,197.2 million baht. The details are as follows:

Items	Book value (Million baht)	Ownership	Obligation
Investment Properties ⁽¹⁾	24.6	Owned	None
Land, Buildings, and Equipment	200.6	Owned and Leased	None
Right-of-use assets	963.9	Leasehold Rights	None
Intangible Assets	8.1	Owned	None
Total	1,197.2		

Note: ⁽¹⁾ As of December 31, 2023, the fair value of investment properties is 80.37 million baht.



For further information on Appendix 4 “Assets Used in Business Operations”

The Investment in subsidiaries

As of December 31, 2023 the Company invested in 2 subsidiaries as follows:

Subsidiaries	Nature of Business	Shareholding Proportion (%)	Investment Value (million baht)
Aurora Fin Synergy Co., Ltd	Currently not in operation and is a licensee of a nano-finance business.	100.0	100.0
S.G.S. Gems Co., Ltd	Specialized school for gems	100.0	13.0
Total Investment by cost price			113.0
Less: Allowance for impairment of investment			(113.0)
Net book value			-



1.3. Company shareholding structure

1.3.1. Group shareholding structure

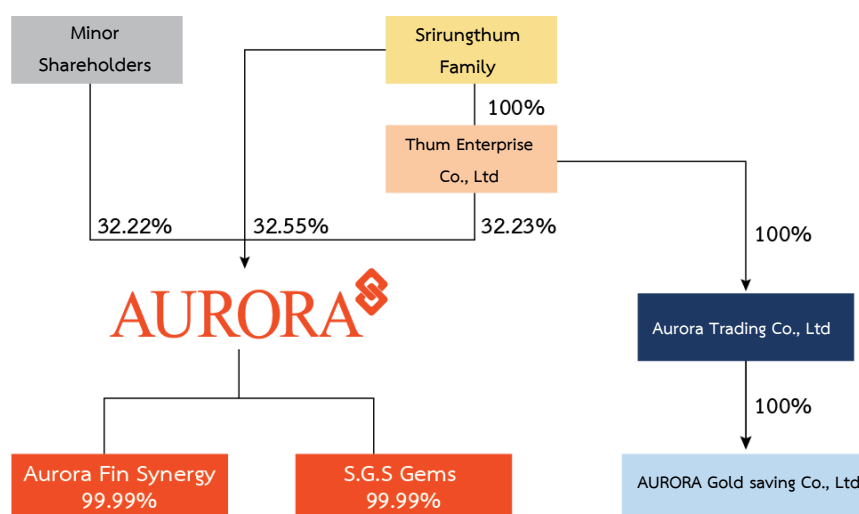
As of the date of this document, the group consists of the Company and two subsidiaries, with the Company's shareholding structure summarized as follows:



The details of Subsidiaries as follows:

No.	Subsidiaries	Objective	Location and Contact	Year of established	Paid-Up Capital (million baht)	Proportion of Shares (%)	Capital Detail
1	Aurora Fin Synergy Co., Ltd	Operating in nano-finance business.	444 Soi Udomsuk 26, Bangna Nuea, Bangna Bangkok 10260 Tel. 0-2746-5044	2013	100.00	99.99	Ordinary Share 10,000,000 shares
2	S.G.S. Gems Co., Ltd	Specialized school for gems	99 room 506, 511 5 th floor Piyamit Building Mahesak Road, Suriyawong, Bang Rak, Bangkok 10500	2003	8.00	99.99	Ordinary Share 80,000 shares

1.3.1. Relationship with the major shareholder's business group



Note : 1. Thum Enterprise Co., Ltd is Holding Company and Holding by the family consist of
 (1.) Mr. Prasit Srirungthum 20.00% , (2.) Mrs. Wimon Sri Srirungthum 20.00%, (3.) Mr. Aniwat Srirungthum 15.00% ,
 (4.) Mr. Anirut Srirungthum 15.00%, (5.) Mr. Anipat Srirungthum 15.00%, (6.) Mrs. Nichanan Srirungthum 15.00%

2. The details as of March, 2024



The Srirungthum family, the major shareholder of the Company, invests in two main gold-related business groups:

(1) The Company and its subsidiaries, which engage in the retail business of gold ornaments, diamond jewelry, and other precious items, and related businesses offering comprehensive services (One Stop Service), including sales, buybacks, g services, and after-sales services such as cleaning, repair, and extension for free throughout the product's lifespan.

(2) The ARR Trading Group, consisting of two companies: Aurora Trading Co., Ltd. ("ARR Trading") and Aurora Gold Saving Co., Ltd. ("ARR GS").

- ARR Trading engages in the import-export and wholesale business of gold bars, focusing on wholesale gold bar dealers, retail gold ornament stores, and suppliers domestically and internationally, with the purpose of gold bar trading, gold price risk management, and gold price speculation.

- ARR GS provides gold saving services, targeting investors who wish to accumulate gold bars in the medium to long term and engage in speculative trading.

The ARR Trading Group is not included under the Company, which will be listed on the stock exchange. The business models of the Company and the ARR Trading Group are distinctly different in terms of product characteristics, target customer groups, sales channels, and marketing strategies. Additionally, the Company and the ARR Trading Group do not share or significantly rely on each other's key resources, such as management, employees, and business assets. Therefore, there is no conflict of interest with the Company.

Transactions between the Company and the ARR Trading Group primarily involve buying and selling gold bars to close net positions for managing gold price volatility risk and purchasing gold bars for bartering new gold ornaments from wholesale gold dealers. These transactions are conducted under normal business conditions in the industry, based on necessity and reasonableness, and

follow general commercial terms, meaning the prices and conditions are those the Company receives from other gold bar trading service providers or those ARR Trading offers to the public. The revenue from transactions with the Company is not significant to ARR Trading's revenue.

1.3.2 Shareholders

(1) List of Shareholders

The Company's 10 major Shareholders, as of March 15, 2024, are as follows:

No.	Name of Shareholders	As of March 15, 2024	
		Shares	Percentage (%)
1	Thum Enterprise Co., Ltd ⁽¹⁾	430,000,000	32.23
2	Mrs. Nichanan Srirungthum	90,349,800	6.77
3	Mr. Aniwat Srirungthum	75,263,900	5.64
4	Mr. Anirut Srirungthum	74,600,000	5.59
5	Mr. Anipat Srirungthum	74,600,000	5.59
6	Mrs. Wimsori Srirungthum	59,952,000	4.49
7	Mr. Prasit Srirungthum	59,645,000	4.47
	Total of Srirungthum family	864,410,700	64.78
8	Mr. Thongchai Maleemongkol	23,691,300	1.78
9	Mr. Paniang Pongsatha	23,358,300	1.75
10	Mr. Thayut Srirungrojana	21,179,000	1.59
	Minor Shareholders	401,360,700	30.10
	Total	1,334,000,000	100.00

Note : 1. Thum Enterprise Co., Ltd is Holding Company and Holding by the family consist of

(1) Mr. Prasit Srirungthum 20.00% (2) Mrs. Wimsori Srirungthum 20.00%
(3) Mr. Aniwat Srirungthum 15.00% (4) Mr. Anirut Srirungthum 15.00% (5) Mr. Anipat Srirungthum 15.00% (6) Mrs. Nichanan Srirungthum 15.00%

(2) Major Shareholders Agreement

- None -



1.4. Paid – up Capital

As of December 31, 2023 the Company has a registered capital of 1,334,000,000 baht of which 1,334,000,000 baht has been paid up, divided into 1,334,000,000 ordinary shares with a par value of 1 baht per share.

1.5. Issuance of Other Securities

- None -

1.6. Dividend payment policy

1.6.1 Company's dividend payment policy

The Company's policy is to pay dividends to shareholders at a rate of not less than 50% of the net profit from the Company's separate financial statements after deducting corporate income tax and all types of reserves as required by law and the Company's regulations. Dividend payments may be lower than the specified rate, considering factors such as economic conditions, the Company's performance and financial position, cash flow, working capital, investment plans, business expansion, debt obligations, loan agreement terms, and other relevant considerations, as carefully considered by the board of directors.

Annual dividend payments must be approved by the shareholders' meeting, except for interim dividends, which the board of directors may approve from time to time if the Company has sufficient profit to do so. The Company will report such dividend payments to the shareholders' meeting at the next meeting. Dividend payments must not contravene the law and the Company's regulations.

1.6.2 Subsidiaries' dividend payment policy

The consideration of dividend payments by subsidiaries is under the authority of the subsidiaries' board of directors and/or shareholders' meetings. Dividend payments will be based on the remaining cash flow compared to the subsidiaries' investment budgets. If the subsidiaries have sufficient remaining cash flow, dividends will be paid at a rate of not less than 50% of the net profit from the subsidiaries' separate financial statements after deducting corporate income tax and all types of reserves as required by law and the subsidiaries' regulations. Dividend payments may be lower than the specified rate, considering factors such as economic conditions, the Company's performance and financial position, cash flow, working capital, investment plans, business expansion, debt obligations, loan agreement conditions terms, and other relevant considerations, as deemed appropriate by the subsidiaries' board of directors. Dividend payments must not contravene the law and the subsidiaries' regulations.



2. Risk Management



2.1 Risk Management Policy and Approach

Aurora Design Public Company Limited (“the Company”) recognizes the importance of risk management as a management tool that drives the organization’s business to grow stably, maintain a solid financial position, and generate appropriate returns for shareholders. Additionally, risk management is a crucial mechanism for checks and balances and good corporate governance, which are essential in the current competitive environment that is constantly changing due to both internal and external factors.

Therefore, the Company deems it appropriate to implement internationally recognized risk management systems in its operations, such as the COSO Enterprise Risk Management Framework or COSO ERM, and suitable management approaches under a rapidly and continuously changing business environment. This helps the Company effectively identify and manage risks, reduce the impact of risks on the business, and support sustainable business growth in the short, medium, and long term.

The Company has also established a Risk Management Committee, comprising executives and independent directors, to oversee effective risk management, cover key issues, and

appropriately support the Company’s growth. Additionally, a Risk Management Working Group has been set up to support the operations of the Risk Management Committee.

2.2 Risk Factors Affecting the Company’s Business Operations

The significant risks affecting the Company’s business operations in 2023 can be categorized into five types: Strategic Risk, Operational Risk, Financial Risk, Compliance Risk, and Environmental-Social-Governance Risk (ESG Risk), which pertains to business sustainability, as follows:

1) Strategic Risk

1.1) Risk from Gold Price Volatility

The cost of goods is a primary cost in the Company’s operations. Changes in the cost of goods directly and significantly affect the Company’s performance. If gold prices continuously increase, the cost of goods will also rise, which may negatively impact the Company’s profits and liquidity. Additionally, rising gold prices may adversely affect the purchasing power of the Company’s customers.

Gold price volatility may also impact the value of the Company’s inventory, which mainly consists of gold ornaments. In the event of a continuous decline in gold prices, the Company may be affected by the decrease in



inventory value or may incur losses from the purchase price of gold in the past compared to the current selling price.

Gold price volatility is also influenced by external factors beyond the Company's control, such as international political conflicts, war conditions, economic conditions, gold supply and demand levels, monetary policies, and interest rates both domestically and internationally, oil prices, and foreign exchange rates.

Therefore, if the Company cannot appropriately manage the risk from gold price volatility, it may significantly impact the Company's financial position, performance, and future business opportunities.

Managing Risk from Gold Price Volatility

The Company manages the risk from gold price volatility by hedging the Company's net position through buying or selling gold, based on the Company's net position each day. For instance, if the Company's end-of-day position is a net purchase, the Company will consider selling gold to hedge against gold price volatility. Conversely, if the Company's end-of-day position is a net sale, the Company will consider buying gold to hedge against gold price volatility. Additionally, the Company closely monitors gold price changes to analyze gold price trends and formulate business strategies that align with economic conditions at different times, including reviewing pricing criteria for gold financing transactions in case of significant gold price changes beyond the Company's set levels to mitigate future gold price loss risks.

1.2) Risk from Inability to Find Successors for Senior Management Positions

Most of the Company's senior management are individuals with extensive knowledge, skills, and experience in the gold and jewelry business. They are key personnel leading the direction of operations and driving growth according to the Company's vision and mission. If senior management is not ready to perform their duties and the Company cannot find successors, it may lead to a lack of continuity in guiding operations, reduced competitiveness and operational efficiency, and decreased employee morale.

Managing Risk from Inability to Find Successors for Senior Management Positions

The Company has established and regularly reviews a Succession Plan for senior management and continuously develops successors as a key risk management measure. Additionally, the Company has other measures, such as recruiting experienced and knowledgeable management personnel from external organizations and developing potential middle management within the organization (Built from Within) to promote internal personnel growth and mitigate the aforementioned risks.

1.3) Risk from Economic, Political, and Other Macroeconomic Volatility

The Company's retail business of gold, diamond jewelry, and gemstones is naturally sensitive to macroeconomic factors. In 2023, factors affecting the Company's business include international conflicts, inflation, changes in interest rates and exchange rates, household debt conditions, etc. Some factors negatively impact the Company, such as household debt, which may reduce customer motivation and purchasing power, and rising policy interest rates, which may slow economic growth and private sector investment, leading to reduced consumer spending, thereby impacting the Company's revenue and growth. Conversely, some macroeconomic factors may positively impact the Company, such as international conflicts and inflation, which increase the demand for assets that protect personal wealth and reduce inflation risk, such as gold, leading to higher demand and prices. In 2023, gold prices have significantly increased from the previous year. However, higher prices may also affect the Company's sales.

Managing Risk from Economic, Political, and Other Macroeconomic Volatility

Although changes in the aforementioned macroeconomic factors can impact the Company's operations both positively and negatively, the Company's business model is designed to generate profits in both supportive and non-supportive macroeconomic conditions. During good economic times when customers have purchasing power, the Company can generate revenue and profit from product sales. Conversely, during bad economic



times when customers have reduced purchasing power and need cash, the Company can profit from buying or selling with right of redemption transactions. Therefore, closely and consistently monitoring changes in macroeconomic factors to adjust internal operational strategies is crucial for the Company to be prepared to handle any situation.

2) Operational Risk

2.1) Risk from Operating a Business with High-Value and Easily Movable Goods

The Company operates a retail business of gold, diamond jewelry, and gemstones, which are high-value and easily movable goods. Therefore, there is a risk that goods may be lost or substituted by both external and internal individuals. External risks include theft, while internal risks include theft and substitution of goods with counterfeit items, which may occur at branches, the Company's headquarters, and during the transportation of goods.

The loss of goods may result in lost sales opportunities, reduced customer satisfaction, and operational disruptions at branches, which may negatively impact the Company's overall business.

Managing Risk from Operating a Business with High-Value and Easily Movable Goods

The Company has established a policy to control the Company's goods to prevent loss by weighing goods before and after transportation, comparing with the recorded weight in the system at each stage during the transportation from the headquarters' safe to the branches. The Company also requires two drivers for transporting goods to ensure safety during transportation. Additionally, the Company conducts daily stock counts at branches and at least once a month at the headquarters. The Company's internal audit department also conducts unannounced stock counts at branches with a frequency of at least 1-3 times per year.

For storing goods in the secure room at the headquarters, the Company has established strict entry and exit rights and records entry and exit activities. The Company also installs CCTV cameras to record operations 24 hours a day and employs security services from a security provider (SECOM).

Furthermore, the Company has obtained Jewellers Block Insurance for branch stores, the headquarters, and during the transportation of goods. For each shipment, the Company limits the risk by ensuring the value of the shipped goods does not exceed the insured amount. Therefore, in the event of a loss, the Company believes it will not significantly impact the business, financial position, and performance.

2.2) Risk from Counterfeit Goods and Difficult Verification

Gold, diamond jewelry, and gemstones are at risk of being substituted with counterfeit items or being sold or gold financed as counterfeit goods by fraudsters. If the Company lacks strict and consistent control in verifying the authenticity of goods, it may lose money or liquidity by purchasing or gold financing goods that do not benefit the business and miss opportunities to purchase genuine gold or diamonds that benefit the business, potentially significantly negatively impacting the business and future performance.

Managing Risk from Counterfeit Goods and Difficult Verification

For purchasing or gold financing of gold items, the Company verifies the product warranty (in the case of the Company's products), brand marks, weight, details, and characteristics, or may conduct additional fire tests to reduce the risk of purchasing or gold financing counterfeit goods. For diamond jewelry, the Company has equipped branches selling diamond jewelry and the headquarters with diamond verification tools. Additionally, the Company emphasizes training employees involved in evaluating the details and characteristics of gold and diamond items to develop skills and expertise in accurately assessing the authenticity of goods, thereby reducing the aforementioned risks.

2.3) Risk from IT System Malfunctions or Disruptions

The Company's business operations rely on its IT systems to record and process operational and financial data, as well as to support reliable and continuous service. Having appropriate sales systems, financial systems, accounting systems, customer databases, and other data processing systems is crucial for the Company's business operations. Therefore, if the IT systems malfunction, are disrupted, or damaged due to the Company's operations or events beyond the Company's control, such as natural



disasters, network issues, power outages, hardware problems, cybersecurity threats, etc., the Company may not be able to access information in the IT systems, or the Company's website and mobile applications may not function continuously, or there may be data loss or leakage. This could lead to reduced efficiency, delays, or disruptions in the Company's business operations, causing financial losses or missed business opportunities, customer dissatisfaction or distrust, and image and reputation issues, which, if unmanaged, could significantly negatively impact the business.

Managing Risk from IT System Malfunctions or Disruptions

The Company has established an Information Security Policy to prevent potential damage to the IT systems, regularly checks the efficiency of the IT systems, and consistently reviews and improves IT security measures to align with changing environments.

Additionally, the Company backs up data on the cloud and has a Business Continuity Plan for IT Disaster Recovery, conducting drills to respond to IT emergencies at the operational level. The Company also sets data and system access rights based on employees' authority and responsibilities, requires passwords for system access, and employs experts to monitor, improve, and control the IT systems to prevent and resolve issues promptly and limit potential damage.

3) Financial Risk

3.1) Risk from Decline in Value of Assets under Sale with Right of Redemption Agreement

One of the Company's key businesses is the gold financing services for gold and jewelry with gold and diamonds. Customers enter into sale with right of redemption agreements and receive money based on the appraised value of the assets under sale with right of redemption agreement on the agreement date. The appraisal of assets under sale with right of redemption agreement is based on the gold bar purchase price announced by the Gold Traders Association, with additional discounts according to specified conditions. Customers, as gold financing borrowers, must pay interest at a specified rate and can redeem the assets within the contract period.

Since the value of assets under sale with right of redemption agreements is referenced to gold prices, gold price volatility affects the value of assets under sale with right of redemption agreements. If gold prices decline, the value of assets under gold financing contracts may also decrease and may not cover the remaining debt value. Therefore, a decline in the value of assets under sale with right of redemption agreements may significantly negatively impact the Company's financial position, performance, and future business opportunities.

Managing Risk from Decline in Value of Assets under Sale with Right of Redemption Agreements

Although normal gold price volatility poses a risk during price declines, it also benefits the Company during price increases. Therefore, serving customers at various times helps diversify risk and reduce overall risk for the Company.

Additionally, the appraisal of assets under sale with right of redemption agreements includes a discount from the gold bar purchase price announced by the Gold Traders Association, with additional discounts according to the Company's conditions. These discounts help mitigate the impact of gold price declines. If gold prices are likely to change significantly beyond historical levels, the Company will review the pricing criteria for gold financing and may adjust the discount to align with changing business conditions. Closely monitoring gold price changes to analyze trends and formulate business strategies is another approach to managing this risk.

3.2) Financial Liquidity Risk

The Company's retail business of gold, jewelry, and gemstones involves selling, buying, and gold financing goods, requiring substantial cash flow for operations. The Company may not always manage liquidity sufficiently to handle the volume of purchases or selling with right of redemption transactions. For example, if gold prices continuously rise, consumer demand for selling may increase, potentially leading to insufficient cash to support transactions. Additionally, the Company may not be able to sell purchased goods promptly to generate cash for operations. Inefficient capital and liquidity management may prevent the Company from continuously meeting customer demand for buying and selling gold and jewelry, impacting the Company's performance.

Furthermore, the Company requires capital for branch expansion. If the Company cannot secure sufficient



funding, it may not be able to expand branches as desired, affecting the Company's revenue and growth.

Managing Financial Liquidity Risk

The Company has a liquidity management policy by closely monitoring the changes in gold prices, preparing monthly cash flow forecasts, continuously preparing reports to analyze the Company's cash flow, and regularly reporting to senior management. Additionally, the Company maintains a minimum cash reserve to support its operations. The Company is confident that it can manage its cash levels appropriately to meet its operational needs.

The Company also emphasizes maintaining financial discipline to comply with the financial conditions stipulated in loan agreements with financial institutions. Consequently, the Company has consistently received loan support for its business operations from financial institutions. Coupled with long-term financial planning and regular performance monitoring, the Company is confident that it will have sufficient cash flow to pay interest and loan repayments and comply with the financial conditions stipulated in loan agreements with financial institutions, as well as expand its business according to its set goals.

4) Compliance Risk

4.1) Risk of Non-Compliance with Business Laws and Regulations

The Company's retail business of gold ornaments, jewelry, and precious items is subject to numerous significant laws and regulations, such as the Consumer Protection Act, the Auction and Secondhand Goods Control Act, the Anti-Money Laundering Act, and the Civil and Commercial Code, among others.

Non-compliance with the aforementioned laws and regulations may result in the Company facing lawsuits and legal proceedings, leading to a loss of image and reputation, which could affect customer confidence and the Company's revenue.

Risk Management for Non-Compliance with Business Laws and Regulations

The Company has established a legal department to oversee and ensure that its business operations comply with relevant laws and regulations. This includes providing knowledge and advice to internal personnel and studying and monitoring changes in laws and regulations to enable the Company to adjust its operations appropriately in

response to such changes. In urgent or necessary cases, the Company may hire external legal consultants to provide advice, ensuring that the Company can conduct its business in accordance with legal requirements.

4.2) Risk of Non-Compliance with Personal Data Protection Laws

The Company collects, compiles, and processes a large amount of personal data from customers to analyze and improve its sales and services. Therefore, the Company faces potential risks from non-compliance with personal data protection laws or regulations. The increase in online sales activities (E-Commerce) and the expansion of the Company's branches have heightened the risk exposure.

The Company's risk may stem from changes in the details of laws or regulations, which the Company may not closely monitor or may misinterpret, or from insufficient employee training, leading to operations that conflict with laws and regulations. If the Company cannot manage these risks effectively, its image, reputation, and operational performance may be negatively impacted.

Risk Management for Non-Compliance with Personal Data Protection Laws

The Company places importance on complying with personal data protection laws and regulations by establishing a personal data protection policy and forming an internal personal data protection committee to oversee operations to ensure they are appropriate, effective, and in line with relevant laws and regulations. Additionally, the Company's legal department supports monitoring changes in relevant laws and regulations and provides knowledge and advice to internal personnel to ensure legal compliance. Furthermore, the Company has developed an effective Cyber Security System to prevent unauthorized access and theft of personal data, with continuous testing and improvement of the system.

5) Environmental, Social, and Governance (ESG) Risk

5.1) Risk from Having Major Shareholders Influencing Management Policy Decisions

The family of Mr. Prasit Srirungtham holds approximately 60% of the Company's paid-up capital, and some major shareholders also serve as directors and/or sub-committee members and/or executives of the Company. This allows the major shareholders and/or directors and/or executives to influence the Company's



management, including controlling almost all voting rights at shareholders' meetings, whether it be appointing directors or passing resolutions requiring a majority vote, except for matters requiring a three-fourths vote as stipulated by law or the Company's regulations. Consequently, other shareholders may find it challenging to gather enough votes to balance and scrutinize issues at shareholders' meetings.

Risk Management for Having Major Shareholders Influencing Management Policy Decisions

To ensure the Company's operations are transparent and not under the influence of major shareholders, and to protect the interests of shareholders and interested investors, the Company has appointed three independent directors to serve as both audit committee members and company directors. These audit committee members are recognized experts in society, enhancing the efficiency and transparency of management. Additionally, the Company ensures that more than half of the board members are not from the major shareholder group (4 out of 7 board members), increasing the checks and balances on the board's management and authority.

The Company also sets criteria for related party transactions involving directors, major shareholders, controlling persons, and individuals with potential conflicts of interest. Those with vested interests in such matters are not authorized to approve or vote on these transactions, ensuring equal and fair treatment for shareholders and stakeholders. Furthermore, the Company's management structure clearly defines the scope, authority, responsibilities, and approval limits of various committees to ensure transparency in monitoring and oversight.



5.2) Risk from Changes in Customer Behaviour and Demand

The rapid growth of modern technology, especially digital technology, and the speed of global product delivery have led to changes in customer purchasing behaviour and service preferences. Customers increasingly choose to purchase goods or services online, access competitor or substitute product information both domestically and internationally, seek products and services that reflect their identity and desired image, and demand faster transaction convenience. Consequently, customers may be less inclined to shop in department stores and may find it harder to remain loyal to any single brand. These changes in customer behaviour may result in the Company being unable to drive in-store sales as desired, hindering business growth.

Risk Management for Changes in Customer Behaviour and Demand

The Company consistently monitors customer behaviour to develop sales strategies and outperform business competitors, thereby reducing revenue risk. The Company's efforts to drive online sales through various channels, such as Lazada, Shopee, TikTok, and its own website, respond to the aforementioned changes in consumer behavior and demand. Online sales have become an additional revenue stream for the Company and a means to reach a large customer base.

However, despite having online sales channels, the Company does not diminish the importance of in-store sales. Gold, jewelry, and precious items are high-value products that customers take time to select and seeing and touching the products still significantly influence purchasing decisions. Therefore, the Company continues to enhance the attractiveness of its stores, design appealing product display areas, organize marketing and promotional activities, and source new products that meet customer needs to drive business growth.



3. Driving Business for Sustainability



3.1 Sustainability Management Policies and Goals

3.1.1 Sustainability Management Policy

The company recognizes the importance of developing and driving the business towards sustainability to ensure stable growth for the Company and its subsidiaries. The company and its subsidiaries prioritize and consider Environmental, Social, and Governance (ESG) factors in every step of their business operations, which are communicated across various operational levels. The company has established sustainability management policies in various areas as follows:

3.1.1.1 Environmental Development

The company and its subsidiaries are committed to conducting environmentally friendly business operations and considering environmental impacts by emphasizing every step of their operations as follows:

1. Maximizing the efficiency of resource utilization
2. Managing all business processes based on care, maintenance, and preservation to reduce environmental impacts in both the short and long term
3. Promoting the use of technology to enhance environmental management
4. Encouraging executives and employees at all levels to be aware of conducting business that is friendly to water, air, soil, forests, ecosystems, and climate change, including but not limited to:

4.1 Reducing greenhouse gas emissions by ensuring that vehicles used for product transportation are in good working condition to prevent incomplete fuel combustion

4.2 Efficiently managing electricity and water usage by educating employees and workers on the value of using electricity and water efficiently to maximize efficiency and reduce consumption

4.3 Reducing the use of office materials and equipment, promoting reuse or recycling, modifying packaging formats, encouraging the use of technology in related processes, and reducing activities that cause pollution

4.4 Properly disposing of waste to enable the Company and its subsidiaries to manage garbage, waste materials, and pollution efficiently

5. Collaborating with local and international organizations in resource management, environmental care, adaptation, and mitigation of climate change impacts effectively. Additionally, the Company's board of directors is responsible for overseeing that the Company and its subsidiaries conduct business beneficial to society and the environment. The Company will consider studying methods for assessing greenhouse gas emissions resulting from business operations, including hiring registered verifiers with the Thailand Greenhouse Gas Management Organization (TGO) to verify the corporate carbon footprint as appropriate.



In this regard, the Executive Committee Meeting No. 3/2022 (post-conversion) on September 14, 2022, resolved to approve the study of obtaining the corporate carbon footprint label and assigned the company secretary and relevant parties to study the details of creating the corporate carbon footprint, including hiring registered verifiers with TGO.

The company appointed a consultant to create the corporate carbon footprint for legal entities (Carbon for Organization) in October 2022 and provided training on greenhouse gases and carbon footprint registration and management on November 1, 2022. The company also prepared documents for calculating greenhouse gases and prepared for verification by verifiers in early 2023. The company expects to receive certification from the Thailand Greenhouse Gas Management Organization (Public Organization) within 2023.

3.1.1.2 Social Development

The company and its subsidiaries are committed to creating stability for society and communities, developing the skills and potential of employees to create quality personnel for society, creating jobs, and distributing income to communities to build a sustainable society as follows:

1. Supporting and respecting the protection of human rights, treating employees equally and fairly, promoting local employment, and employing disadvantaged and disabled individuals without discrimination based on race, religion, gender, age, education, beliefs, or any other factors.
2. Providing continuous training and development for personnel within the organization to enhance capabilities and improve work efficiency, motivating employees to stay with the Company to develop the organization together.
3. Providing employees with welfare, safety, and hygiene in the workplace to create job satisfaction.
4. Developing work systems within the Company and its subsidiaries by encouraging employees to participate in social benefits both directly and indirectly to drive sustainable economic growth.
5. Engaging in activities to develop youth potential, society, and public benefits by collaborating with communities, government agencies, and the public sector to improve the living conditions and environment of communities in society.





3.1.1.3 Good Corporate Governance

The company and its subsidiaries are committed to sustainable management by conducting business and seeking new business opportunities in compliance with laws and relevant regulations, including anti-corruption measures to ensure transparency and accountability. The company considers the benefits to the business and shareholders while upholding its responsibilities to stakeholders through key policies including the Good Corporate Governance Policy, Business Ethics, Anti-Corruption Policy, and Insider Information Policy.

3.2 Managing Stakeholder Impacts in the Business Value Chain

3.2.1 Business Value Chain

The company is committed to conducting business while caring for society, communities, and the environment according to the Business Code of Conduct. The company aims to grow its business based on good governance and sustainable social and environmental responsibility, considering the benefits of all stakeholder groups. The company pays attention to stakeholders such as customers, partners, employees, shareholders, competitors, creditors, society, communities, and the environment, adhering to human rights principles, ethical business practices, and social and environmental responsibility, which will enhance the Company's image and lead to balanced and sustainable economic, social, and environmental development.

The company also recognizes that supply chain management is the heart of the organization's business operations. The company emphasizes and considers stakeholders throughout the business value chain in the following key activities:

Key Activities

1) Product Selection

The company ensures the selection of quality, modern products that meet the needs of the Company's target customers through in-depth data analysis and over 50 years of experience in the gold retail industry to select product designs that promote the Company's sustainable growth.

2) Procurement of Goods and Services

The company ensures the procurement of goods from suppliers and service providers to promote sustainability by selecting partners who adhere to sustainable practices throughout the supply chain. The company has a fair and transparent procurement process, selecting suppliers and service providers based on product quality, punctuality, pricing standards, and after-sales service management according to the Company's standards.

3) Sales and Marketing

The company has a sales and marketing process that considers the Company's stakeholders by setting fair product prices. The company sets the prices of gold ornaments based on the Gold Traders Association's announcements and adjusts prices in real-time according to the association's announcements. The company also clearly labels or tags labor costs according to the Consumer Protection Board's (CPB) label format, demonstrating honesty, transparency, and accountability.

Additionally, the Company requires branch employees to provide product information such as design characteristics, durability, maintenance methods, and after-sales service information to help customers make informed purchasing decisions. For online purchases, the Company has designated personnel to promptly respond to customer inquiries through the Company's social media channels.

The company conducts marketing and offers various promotions during different festivals to make it easier for customers to access and own gold ornaments, diamond jewelry, and gold-made gifts.

4) Product Distribution

The company distributes products to its target customers through its branches across Thailand to ensure convenient access for customers. Customers can purchase products and receive after-sales services such as cleaning, repair, and extension services free of charge for the product's lifetime at any of the Company's branches. The company regularly delivers products to branches to ensure that customers can find a complete range of products at the Company's branches.

Additionally, the Company has developed online sales channels (E-Commerce) where customers can choose products online through the Company's website at www.aurora.co.th, providing customers with the option to



shop online 24/7, catering to the increasing trend of electronic media consumption. The company has also expanded online sales channels to online marketplaces such as Shopee, Lazada, and JD Central, as well as social commerce platforms like Line MyShop, Line OpenChat, and Facebook. For customers purchasing products through online channels, the Company offers express delivery within 3 hours (in specific areas of Bangkok and some surrounding areas) and provides shipping insurance to ensure customers receive their orders complete and in perfect condition.

5) After-Sales Service

The company is committed to taking care of customers after they purchase the Company's products by offering after-sales services such as cleaning, repair, and extension services free of charge for the product's lifetime. Customers can access these services at any branch nationwide. Additionally, customers can inquire, provide feedback, and file complaints through the Company's website and social media channels.

Supporting Activities

To ensure the efficiency and effectiveness of the Company's main activities, the Company emphasizes supporting activities for its core business operations with the following key details:

1) Information Technology Activities

The company provides information technology services to support various departments within the organization to conduct business efficiently, such as (1) implementing systems that can calculate branch inventory to plan and execute efficient procurement and replenishment, and (2) empowering the IT department to develop efficient software and operating systems suitable for the organization and the Company's work nature.

2) Human Resource Management, Development, and Support

The company places great importance on human resources as they are the main factor driving the organization towards success, achieving business goals, and developing into a sustainable organization. The company continuously develops and improves human resource management and development systems to enhance efficiency, aiming to develop employees' potential to fully utilize their knowledge and abilities, leading the organization to achieve its business objectives, and providing opportunities for career advancement and growth alongside the organization's success.

The company has a development plan for employees at all levels, both at the headquarters and branch employees, with development programs ranging from Functional Training, Leadership Development Program, to Special Project Assignment.

For branch employees who directly serve the Company's customers, the Company ensures that they have a thorough understanding of the Company's products and can provide quality and standard services, instilling confidence in customers when purchasing the Company's products. The company has established a department to educate and train employees to enhance their knowledge and skills related to gold and jewelry products, work standards, and service, and to promote leadership among employees, focusing on specific skills related to gold and jewelry through retail gold sales courses that include classroom learning from expert instructors and practical work at branches or related departments in the form of Active Learning.

Additionally, the Company supports continuous learning and development for employees. S.G.S. Gems Co., Ltd., a subsidiary of the Company, organizes training to enhance knowledge and skills related to gold and jewelry products, work standards, and service, and to promote leadership among employees, focusing on specific skills related to gold and jewelry through retail gold sales courses that include classroom learning from expert instructors and practical work at branches or related departments in the form of Active Learning. This training promotes career advancement for employees and maximizes customer satisfaction.





3.2.2. Stakeholder Analysis in the Business Value Chain

The company and its subsidiaries prioritize both internal and external stakeholders who are directly and indirectly related to the business value chain and establish practices to meet stakeholders' expectations as follows:

Stakeholder Groups	Stakeholder Expectations	Responding to Stakeholder Expectations
Shareholders	<ul style="list-style-type: none"> • Good performance and continuous and sustainable business growth • Good Corporate Governance • Anti-Corruption and Anti-Bribery • Appropriate Qualifications of the Board of Directors and Executives • Complete, Accurate, and Timely Disclosure of Information • Worthwhile and Sustainable Investment Returns 	<ul style="list-style-type: none"> • Creating Sustainable Performance • Transparent and Verifiable Communication Channels • Allowing Shareholders to Attend Meetings and Inquire About Performance • Preparing Meeting Documents Clearly Stating Rights and Methods of Participation • Holding Annual General Meetings and Extraordinary General Meetings of Shareholders • Organizing Opportunity Day for Listed Companies to Meet Investors • Disclosing Information Through the Stock Exchange System and the Company's Website • Organizing Roadshows for Investors and the General Public • Providing Inquiry Channels Through the Company's Website and Email
Employees	<ul style="list-style-type: none"> • Appropriate Compensation in Line with Economic Conditions • Welfare and Benefits • Career Advancement Opportunities • Developing Skills and Enhancing Knowledge for Job Performance • Workplace Happiness 	<ul style="list-style-type: none"> • Providing Appropriate Compensation and Benefits • Communicating Activities and Training Regularly to Employees at All Levels Through Various Channels and Online Electronic Media • Creating Career Paths • Policy Allowing Employees to File Complaints Through Whistleblowing Channels via Website and Office • Organizing Activities to Foster Organizational Engagement • Conducting Surveys on Satisfaction and Organizational Engagement
Customers / Consumers	<ul style="list-style-type: none"> • High-Quality Products and Good Service • Warranty and After-Sales Service • Respecting Human Rights and Not Using Personal Data Beyond Its Purpose • Providing Advice and Treating Customers Equally and Fairly • Prompt Service and Customer Assistance 	<ul style="list-style-type: none"> • Prioritizing the Selection of Standard Products that Meet Customer Needs • Selling Standard, High-Quality Products and Providing Impressive Service to Customers • Conducting Business Ethically, Following Practices and Business Ethics • Building Customer Confidence in the Company's Products and Services by Providing Care and Warranty After Sales • Communicating Company Information and Announcements, Such as News and Promotions, Through Social Media and Offline Channels • Policy Allowing Customers to File Complaints About Misconduct and Product Issues • Providing Complaint Channels Through the Website and Other Means



Stakeholder Groups	Stakeholder Expectations	Responding to Stakeholder Expectations
Business Partners and Other Service Providers	<ul style="list-style-type: none"> • Conducting Business Under Business Code of Ethics according to Company Policies • Mutual Trade Support, Receiving Quality Products at Fair Prices • Not Exploiting Partners, Paying on Time as Agreed • Fair Treatment of Partners, Business Allies, and Other Service Providers 	<ul style="list-style-type: none"> • The Company Adheres to Ethical Business Practices, Guidelines, and Business Code of Ethics • Building Good Relationships with Partners, Promoting Professionalism Together • Having Suitable and Fair Procurement Policies and Criteria for Selecting Partners • Following Procurement Processes and Trade Conditions Honestly • Continuous and Sustainable Partner Selection and Performance Evaluation Processes • Strictly Adhering to Anti-Corruption Policies • Providing Complaint Channels Through the Website and Other Means
Society, Community, and Environment	<ul style="list-style-type: none"> • Conducting Business Under Business Code of Ethics according to Company Policies Without Negative Impact on Society, Community, and Environment • Using Natural Resources Appropriately and Valuably • Promptly Addressing and Mitigating Operational Impacts • Having Products and Service Channels that Meet the Needs of Society and Community 	<ul style="list-style-type: none"> • Preventing and Ensuring the Company Does Not Cause Negative Impacts on Society, Community, and Environment • The Company Adheres to Guidelines, Policies, and Laws • Supporting Community, Social, and Environmental Activities in Line with the Company's Business • Conducting Business Prudently and Carefully to Prevent Social, Community, and Environmental Impacts • Respecting Human Rights and Promoting Social Equality
Competitors	<ul style="list-style-type: none"> • Conducting Business Under Business Code of Ethics according to Company Policies • Competing Fairly and Not Using Unethical Methods to Damage Competitors' Reputation 	<ul style="list-style-type: none"> • The Company Adheres to Ethical Business Practices, Guidelines, and Business Code of Ethics • Not Engaging in Unfair Competitive Practices • Creating Fair Competition with Competitors, Conducting Business Competition Transparently
Creditors / Financial Institutions	<ul style="list-style-type: none"> • Conducting Business Under Business Code of Ethics according to Company Policies • Complying with Contract Terms and Paying Debts on Time • Communicating and Disclosing Information Transparently and Continuously 	<ul style="list-style-type: none"> • Complying with Agreements and Contract Terms and Paying Debts on Time • The Company Adheres to Ethical Business Practices, Guidelines, and Business Code of Ethics • Continuously Communicating Accurate and Complete Information
Government	<ul style="list-style-type: none"> • Conducting Business According to Company Policies Without Violating Relevant Laws and Regulations 	<ul style="list-style-type: none"> • The Company Adheres to Announcements, Guidelines, Requirements, and Laws Related to the Company's Operations



3.3 Sustainability Management in the Environmental Dimension

3.3.1. Environmental Policies and Practices

The company is committed to conducting environmentally friendly business operations and considering environmental impacts by emphasizing operations to reduce the use of natural resources, such as planning efficient product deliveries to reduce fuel consumption, reducing paper usage in shipping documentation, encouraging employees to separate recyclable waste and reuse used paper, and implementing measures for office equipment requisition, which can only be requested when fully used, worn out, or damaged.

The company focuses on using innovation to support work processes to reduce labor and natural resource usage, such as incorporating information technology into work processes to reduce paper usage and record data electronically.

3.3.2. Environmental Performance

Although the Company's business does not have a direct significant environmental impact or cause significant pollution, the Company is currently studying the process of obtaining the corporate carbon footprint label, including studying the environmental impacts of each business activity. Therefore, the Company has not yet measured the environmental impacts of its business activities. However, the Company remains aware of the importance of environmentally conscious activities, such as having a wastewater treatment system before discharging water and encouraging employees to save electricity to avoid wasting resources.

3.4 Sustainability Management in the Social Dimension

3.4.1 Social Policies and Practices

The company emphasizes innovation in product and service development, paying close attention to the details of each product's usage, starting from design and creating product models that meet the specific needs of customers of all ages and genders. Customer feedback and comments are collected and used as a basis for product selection, incorporating design innovation with production technology to create transformed gold products under the vision of "Leading in delivering valuable gifts of happiness." Currently, the Company offers a range of gold gift products in various forms at reasonable prices, which can be resold, have unique designs, and are guaranteed by the World Branding Award

from the UK, which the Company has received for seven consecutive years from 2018 to 2024. The Brand of the Year award recognizes businesses that create valuable brands in terms of economy, society, and public trust. This award reflects the confidence and trust of consumers who choose the Company's services and products as part of giving valuable gifts on special occasions



In order to align with the Company's principles and vision, which emphasize the importance of development and driving the business towards sustainability for stable growth of the Company and its subsidiaries, the Company has established guidelines for sustainability practices in various dimensions, particularly in good corporate governance. The company is committed to conducting business in compliance with relevant laws and regulations, ensuring transparency, disclosing important information, and being auditable. It adheres to good corporate governance policies, considering the potential impacts on all stakeholders, such as shareholders, employees, communities and society, partners, customers, competitors, creditors, and government agencies.

The company will operate its business to its full potential to achieve maximum performance and establish good corporate governance policies, dividend payment policies, as well as business conduct guidelines and code of ethics to maximize benefits for shareholders. The company communicates its information or performance transparently, completely, accurately, and fairly, and grants shareholders the right to participate in shareholder meetings and inquire information from the Company's directors and executives.



The company operates with respect for human rights, which are fundamental rights that every human being should equally possess. The company supports and respects the protection of human rights, treating all stakeholders, including employees, communities, and surrounding society, with respect for human dignity, considering equality and equal freedom, without violating fundamental rights or discriminating based on race, nationality, religion, language, skin color, gender, age, education, physical condition, or social status. In selecting directors, executives, or employees, the Company considers criteria and suitability for the job without discrimination or special treatment for any individual. The company also provides opportunities for individuals whose human rights have been violated to file complaints or report human rights violations.

3.4.2 Social Performance

The company places importance on sustainability and has focused on practices that result in social performance, summarized as follows:

3.4.2.1 Quality of Products and Services

The company treats customers fairly regarding products and services without discrimination, following business conduct guidelines and code of ethics, and adhering to agreements and conditions with customers fairly. If unable to comply with agreements or conditions, the Company must promptly inform customers to find a mutual solution. The company aims to develop products that meet or exceed consumer expectations under fair conditions and provides product warranties to ensure customer confidence and peace of mind throughout ownership.

- The company emphasizes service standards, customer service responsibility, and providing accurate, sufficient, and realistic product and service information
- The company guarantees the quality of all products and provides maintenance and repair services throughout ownership at no cost.
- The company maintains customer confidentiality, not using it for personal or related parties' benefit improperly, and does not disclose customer information obtained through business operations unless required by law.
- The company controls the selection process of all products to meet customer quality requirements.
- The company emphasizes service and customer care to ensure satisfaction and delivery of high-quality, legally

compliant products as agreed with customers, aiming for the most efficient supply chain management.

- The company has procurement policies that select and compare suppliers, service providers, or business partners by evaluating quality, product or service prices, to ensure the Company receives quality and suitable products, benefiting customers the most.
- The company conducts surveys to measure customer satisfaction with services, such as sales staff service, after-sales service, products, and store promotions.

3.4.2.2 Employee Care

The company provides care for employees throughout the organization to inform them of the Company's good intentions in assisting employees by offering various benefits to boost morale. The company recognizes that the most important factor in achieving business objectives is the employees, who are valuable resources and play a crucial role in driving the Company, leading to long-term sustainable growth for both employees and the Company. The company cares for employees as follows:

- The company provides uniforms for employees at all levels to wear on workdays or during company activities at both the headquarters and branches.
- The company plans annual staffing levels appropriately for operations and recruits personnel systematically and fairly for employees.
- The company establishes guidelines and procedures for recruiting, selecting, appointing, and transferring employees appropriately, considering career growth to retain high-potential employees and maximize work efficiency and effectiveness.
- The company plans long-term sustainable succession from senior executives to employees to ensure work continuity without disruption.
- The company develops personnel development plans that include knowledge and skill development, providing training to employees, and conducting online training through electronic and online media.
- The company allows employees to file complaints regarding supervisors via the Line OA application or the website, with the Company receiving complaints from relevant departments for resolution. If the issue has a broad impact, it will be presented to senior management for further resolution.



- The company provides necessary welfare and benefits to employees, such as life insurance, accident insurance, and provident funds.
- The company promotes local employment in areas where branches are expanded across various provinces in Thailand.

Employee Engagement

The company has plans to develop employee engagement through company welfare programs to improve employee well-being, such as provident funds, health insurance, life insurance, accident and disability insurance, lunch benefits, and various financial aids.

In 2023, the voluntary employee turnover rate was 55.78%.

Fair Labor Practices and Human Rights Respect

The company manages and operates efficiently, considering work processes based on human rights principles and labor laws, responding fairly to stakeholders, and caring for employees, who are the core of business operations, prioritizing employee well-being.

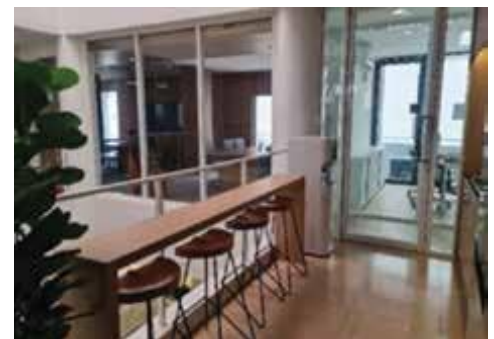
To ensure efficient management and operations, the Company complies with the constitution and the Labor Protection Act, which are regulations the Company willingly adheres to, aligning with good governance principles. This will help ensure that business operations align with sustainable business development, contributing to the country's dynamic progress. The company registers employees as insured persons under Section 33 to provide complete benefits and welfare. The company does not support illegal labor practices or human rights violations of any kind. The company treats all personnel equally, regardless of physical, mental, racial, national, religious, gender, language, age, skin color, education, cultural, customary, or other differences.

The company values personnel as a crucial part of the organization for stable and sustainable growth, supporting employees in achieving work-life balance and well-being, providing benefits and welfare to boost morale and motivation, ensuring workplace safety, and extending some benefits to employees' families to offer benefits in various context. This aims to foster employee engagement and confidence that every success strengthens operational mechanisms, leading to sustainable development for all stakeholders.

The company allocates employee benefits and entitlements by surveying and comparing with companies in the same business group and listed companies in the stock exchange, providing benefits such as lunch, diligence allowances, children's medical expenses, employee health insurance (IPD, OPD), performance-based bonuses, get-well/childbirth gift baskets, marriage celebration funds, employee/family death assistance funds, provident funds, housing/personal loans (special interest rates).

Additionally, the Company improves workplace facilities and increases convenience equipment for employees to use adequately and comprehensively, creating well-being and inspiration during work hours.

The company promotes interaction, participation, and good relationships between employees and management at all levels through various activities, such as organizational bonding activities and corporate culture communication activities.





3.4.2.3 Supply Chain Management

Fair Business Practices

The company is committed to conducting business with honesty, integrity, and social responsibility, both legally and ethically, striving to do good for individuals, communities, society, and the environment. The company operates with standardized and well-controlled systems, not offering any benefits to government officials or related parties to obtain work or other benefits.

The company recognizes business conduct guidelines and code of ethics, considering the care of stakeholders, including partners, business allies, competitors, and creditors. The company establishes procurement policies, sales, and marketing policies related to fair partner selection and equal competition, competing fairly with competitors, and not seeking competitors' trade secrets through dishonest means. The company fulfills its legal and contractual obligations with creditors, partners, or financial institutions, paying debts to trade creditors, partners, and financial institutions as agreed upon, under the specified conditions and timelines.

In dealing with partners, the Company treats them fairly, not demanding or accepting any improper benefits from partners, and if unable to comply with any conditions, promptly informs partners to find a mutual solution.

In dealing with competitors, the Company competes fairly within the rules of good competition and does not seek competitors' trade secrets through dishonest means.

Excellent Service

The company is committed to paying close attention to every detail of service and managing good customer relationships to create the best experience, leading to the highest satisfaction with products and the Company overall. The company collects all feedback to evaluate and improve service models to create the most valuable experiences, extending to product development that truly meets all needs.

The company's services cover pre-purchase, during purchase decision, and after-sales services. The company regularly evaluates customer satisfaction to use the information to improve services, ensuring they match the value of the products that customers trust the Company to be part of in

giving precious gifts to important people on all occasions and festivals.

The company focuses on service development and customer relationship management. All customers can provide feedback or complaints about products and services through all contact channels, including phone, mail, email, or online website, aligning with customers' changing lifestyles.

In 2023, the Company evaluated customer service satisfaction, divided into two parts: Part 1, evaluating satisfaction through QR CODE installed at branch entrances from January to December 2023 (121,257 participants), and Part 2, evaluating satisfaction through SMS, selecting the top 1,000 daily sales customers from January to December 2023 (9,915 participants). The total number of customers participating in satisfaction evaluation through both channels was 131,172, an increase of approximately 1,408% (122,822 participants) from 2022, due to the change in data collection methods from bi-quarterly evaluations in 2022 to increased satisfaction evaluations. The overall service satisfaction score averaged 99.03%, an increase of approximately 0.77% from 2022. The company plans to develop customer service experiences to achieve true excellence as the leading gold retail market in Thailand.

Customer Relationship Management (CRM)

The company values customer care through effective customer relationship management to create continuous brand and company loyalty. All customers who purchase the Company's products can register for membership to accumulate points from purchases and redeem rewards according to their lifestyle preferences through the "Aurora Gift" application, which the Company developed as a channel to check accumulated points and redeem rewards easily anytime, anywhere. It also serves as a channel to check daily gold prices, find branches, and learn about promotional offers.

Additionally, in managing customer relationships, the Company communicates with all customers who have consented to the use of personal data to continuously improve service models through all channels, both online and offline, leading to the most responsive customer relationship management and the best service satisfaction.



All customer data is systematically stored under the Personal Data Protection Act B.E. 2565, strictly. This membership database is used only with each customer's consent. The company uses the membership database to communicate special benefits in the Company's promotional offers, providing maximum benefits to customers, such as birthday discounts, other member-exclusive discounts, and member-priced products.

Personal Data and Privacy Protection

Following the enforcement of the Personal Data Protection Act B.E. 2562 (PDPA) in 2022, the Company places high importance on protecting all personal data, whether of customers, employees, partners, or other stakeholders, to comply with the law. The company has established a dedicated personal data protection task force to issue policies, regulations, and operational procedures covering data collection, processing, and usage to protect all personal data comprehensively according to the law. All levels of management and employees are made aware of the importance of this law strictly, with relevant management and employees undergoing training and communication both internally and externally to maximize the effectiveness of personal data protection. The company continuously improves operational regulations to ensure all stakeholders' confidence in the true protection of personal data and privacy.

3.4.2.4 Social, Community, and Environmental Care

The company collaborates, assists, volunteers, and supports activities, operations, and initiatives beneficial to society and communities, developing the environment and alleviating the hardships of local people. It also fosters good relationships between the community and employees to promote better living conditions for the community and society.



The company promotes economic growth by employing local workers in areas where branches are expanded across various provinces in Thailand, creating jobs and income for the community, ensuring local people have jobs and a good quality of life.

The company supports activities and projects that benefit the community and educational projects for local schools, creating educational opportunities for youth, supporting community education and training, and providing scholarships to young students in educational institutions.

The company provides education and internships for students in a dual education program in collaboration with Chetupon Commercial College to enable effective practical training, develop skilled, knowledgeable, and capable personnel, while keeping pace with technology advancement to meet the needs of businesses. The company also offers scholarships to students at Chetupon Commercial College and encourages scholarship recipients to intern and work at the Company, thereby continuing to build the Company's workforce.

Royal Goldsmith Curriculum Design Project

One aspect of sustainable development is educational support. Aurora Design Public Company Limited has agreed to collaborate with Kanchanapisek College of Fine Arts and the Private Education Commission to design a higher vocational certificate curriculum in the field of gem, jewelry, gold, and precious metal business management. This aims to promote professional standards and enhance the quality of education for sales operation employees in the gem and gold business, increasing their knowledge and professional skills. Additionally, the Company supports the "3 M" project (Employment, Income, and Higher Education) to develop people, develop the nation, and respond to the Ministry of Labor's policies.





3.5 The company's goals in operating according to the sustainability guidelines (ESG)



Environment สิ่งแวดล้อม

In 2023, the Company is committed to developing the organization towards sustainable business operations, with goals to care for the environment, be socially responsible, and practice good corporate governance. The company's ESG goals aim not only for profit but also to reflect environmental, social, and corporate governance aspects.

Environmentally conscious product design

From production to disposal or recycling

The company repurchases gold to reproduce or recycle, reducing the need for new purchases, with a target reproduction rate of 40% of total repurchases by 2024.



Reducing environmental impact

Designing products using environmentally friendly materials, reducing resource use, and minimizing waste can help conserve natural resources and reduce pollution.

Increasing customer appeal

Modern consumers are increasingly interested and aware of environmental issues. Therefore, products designed to reduce environmental impact are likely to gain popularity and trust from customers.

Enhancing business sustainability

Designing products with a full life cycle in mind can help businesses adapt to stricter environmental laws and standards.

Reducing long-term costs

Although sustainable design may require higher initial investment, it can reduce long-term costs by lowering material use and waste management expenses.

Strengthening supply chain stability

Using sustainable and well-managed materials can reduce risks and increase supply chain stability by decreasing reliance on potentially scarce or expensive materials in the future.

Reducing greenhouse gas emissions

The company installed solar panels to reduce greenhouse gas emissions and energy costs, with a target to reduce emissions by 2% by 2024.



Reducing production costs

Reducing energy and material use in the production process can lower production costs, such as using high-efficiency technology and certified environmentally friendly materials.

Increasing customer trust

Customers often demand environmentally friendly products. Being a business that uses energy and produces responsibly can enhance customer trust.

Saving energy and materials

Reducing energy and material use not only cuts costs but also conserves natural resources and reduces greenhouse gas emissions.

Resource efficiency

Setting goals to reduce greenhouse gas emissions emphasizes the need for businesses to think of ways to use resources more efficiently.

Becoming a leader in green initiatives

Setting goals and actions to reduce greenhouse gas emissions helps businesses lead in environmental responsibility.

Creating business opportunities

Reducing energy use and environmentally friendly production can create new business opportunities, such as developing new products that use minimal energy and materials.



Energy management for electricity savings

The company initiated a project to save electricity, aiming to reduce electricity use by 5% by 2024.



Reducing operational costs

Efficient energy management can reduce operational costs, such as electricity for lighting, cooling, and other equipment in stores or distribution centers.

Enhancing brand appeal

Businesses that care about the environment can create a positive image in the eyes of customers, making the business more attractive to environmentally conscious consumers.

Improving in-store environment

Using natural light and energy-efficient lighting systems can improve the in-store environment, potentially leading to customers spending more time in the store.

Reducing greenhouse gas emissions

By reducing energy use, businesses can help lower greenhouse gas emissions and environmental impact, mitigating climate change effects.

Increasing efficiency and professionalism

Using efficient lighting systems and equipment demonstrates good management and a commitment to continuous improvement.

Efficient water use and reduction

The company initiated a project to install automatic water-saving devices, aiming to reduce water use by 2% by 2024.



Reducing operational costs

Reducing water use can help lower production costs, such as water bills, reducing overall operational costs.

Reducing environmental impact

Efficient water use helps reduce water loss and the impact of drawing water from natural sources, preventing drought and groundwater depletion.

Enhancing business sustainability

Having a good water management system helps businesses respond better to changes in environmental laws and regulations, crucial for long-term business stability.

Creating a positive image

Businesses that demonstrate a commitment to responsible water management can create a positive image in the eyes of customers and stakeholders, leading to increased sales and customer loyalty.

Waste management, promoting recycling and reuse

The company initiated a project to switch to environmentally friendly packaging that can be reused or naturally decomposed.



Reducing natural resource use

Recycling materials such as precious metals and diamonds can reduce the demand for new natural resources, minimizing environmental impact and extending resource longevity.

Reducing costs

Using recycled materials can help lower production costs, as these materials are often cheaper than new ones.

Creating a positive image

Businesses that operate sustainably and responsibly towards the environment are often well-regarded by customers, leading to increased sales and customer loyalty.



Reducing waste volume

Effective waste management can reduce the amount of waste sent to landfills or incineration, lowering greenhouse gas emissions and soil and water contamination.

Increasing credibility and stability

Businesses with good waste management and recycling practices can reduce risks related to resource shortages and pressures from environmental laws and regulations.



Occupational health and safety management in the workplace

With the ISO45001: 2018 system for occupational health and safety management, aiming to improve the safety and health of employees and other personnel.



Reducing workplace accidents and injuries

A good health and safety management system can help reduce the risk of workplace accidents and injuries, preventing losses in human and financial resources.

Increasing employee confidence and satisfaction

Knowing that their employer cares about their health and safety can boost employees' confidence and job satisfaction, leading to increased productivity and better employee retention.

Improving brand image and credibility

Businesses that prioritize health and safety management demonstrate responsibility and care for employees, enhancing brand image and credibility.

Reducing costs associated with accidents and injuries

Reducing accidents and injuries can lower costs related to medical treatment, employee downtime, and damage to equipment or products.

Compliance with laws and regulations

A good health and safety management system helps businesses comply with relevant legal and regulatory requirements.

Promoting communication and teamwork

A good health and safety program can promote communication and collaboration among employees to identify and manage workplace risks.

Human rights and child labor



Improving image and credibility

Demonstrating a commitment to human rights standards and prohibiting child labor helps improve the business's image and credibility, increasing customer confidence in the brand.

Increasing customer satisfaction and loyalty

Consumers who are aware of human rights issues are likely to support socially responsible brands, leading to increased customer satisfaction and loyalty.

Reducing legal and reputational risks

Complying with laws and international standards on human rights and child labor reduces the risk of legal action or reputational crises.

Building good relationships with the community and employees

Ethical conduct and respect for human rights can help build good relationships with the community and employees, leading to a better working environment and community support.



Increasing competitiveness and market access

Companies that adhere to human rights standards and do not use child labor may have better opportunities to access new markets and form partnerships with other companies with similar standards.

Promoting supply chain sustainability

Commitment to human rights in the supply chain ensures that it is sustainable and free from child labor and other rights violations.

Employee Engagement

Conducting Engagement Surveys to gather employee feedback and suggestions for organizational improvement.



Increasing productivity

Engaged and committed employees tend to work harder, resulting in higher productivity.

Reducing turnover rates

Employees who feel involved and valued by the organization are more loyal, reducing the likelihood of turnover and the costs associated with recruiting and training new employees.

Increasing customer satisfaction

Happy and engaged employees tend to provide better customer service, leading to higher customer satisfaction and repeat purchases.

Promoting innovation and improvement

Engaged employees are more likely to propose new ideas and help improve work processes and products.

Creating a positive work environment

Employee engagement can foster a supportive work environment, promoting good communication and effective collaboration.

Improving image and branding

Organizations with happy and engaged employees have a positive image in the public and job market, enhancing their brand.

Maintaining confidentiality and personal data security (PDPA)

Implementing cybersecurity policies and measures within the organization, including installing advanced threat protection systems.



Improving brand credibility and image

Complying with PDPA and ensuring personal data security builds trust and enhances the brand's image in the eyes of customers.

Reducing legal risks and fines

Complying with PDPA reduces the risk of fines or legal action due to personal data breaches.

Increasing customer satisfaction and trust

Customers who feel their personal data is well-protected are more likely to be satisfied and trust the brand.

Building confidence with partners and stakeholders

Complying with PDPA demonstrates that the business is serious about responsibly managing personal data, building confidence with partners and stakeholders.

Preventing data loss and theft

Having appropriate data security measures helps prevent personal data loss or theft, which can cause damage to both customers and the business.

Promoting good data management

Complying with PDPA requires strict data management systems, helping businesses manage personal data efficiently and orderly.

Increasing market competitiveness

Businesses that comply with PDPA can use it as a selling point to emphasize their commitment to protecting customer data, gaining a competitive edge in the market.



Social assistance

With policies and objectives to provide social assistance to stakeholders.



Improving brand image and credibility

Participating in social assistance activities enhances the brand's image and credibility in the eyes of customers and the public.

Building customer loyalty

Customers are more likely to support businesses that are socially responsible and community-oriented. Social assistance can help increase customer loyalty and build a stable customer base.

Increasing employee satisfaction and engagement

Employees are likely to feel proud and committed to an organization that participates in social activities, leading to happier employees and increased productivity.

Building community relationships

Participating in social assistance activities can help build good relationships with the community and increase cooperation between the business and various community groups.

Opening doors to new markets

Reaching out to communities and new markets through social assistance can open new opportunities for business expansion.

Reducing business risks

Participating in social activities can help reduce risks related to public image and perception, which can negatively impact the business.

Supporting sustainable development

Participating in social assistance can be part of a business's sustainable development strategy, helping the Company comply with international guidelines and environmental standards.



Governance

Business growth outcomes

The company is committed to grow its business through branch expansion, upselling and cross-selling high-margin products to existing and new customers, promoting the brand to increase the customer base, increasing active members for future promotions, and implementing various sales strategies to achieve sustainable performance growth.



Improving brand image and credibility

Participating in social assistance activities enhances the brand's image and credibility in the eyes of customers and the public.

Building customer loyalty

Customers are more likely to support businesses that are socially responsible and community-oriented. Social assistance can help increase customer loyalty and build a stable customer base.

Increasing employee satisfaction and engagement

Employees are likely to feel proud and committed to an organization that participates in social activities, leading to happier employees and increased productivity.

Building community relationships

Participating in social assistance activities can help build good relationships with the community and increase cooperation between the business and various community groups.

Opening doors to new markets

Reaching out to communities and new markets through social assistance can open new opportunities for business expansion.

Reducing business risks

Participating in social activities can help reduce risks related to public image and perception, which can negatively impact the business.



Supporting sustainable development

Participating in social assistance can be part of a business's sustainable development strategy, helping the Company comply with international guidelines and environmental standards.

Sustainability policies and strategies

Communicating policies and goals to all stakeholder groups.



Increasing credibility and image

Having policies and strategies focused on sustainability can enhance the brand's image and credibility in the eyes of customers and stakeholders.

Responding to consumer expectations

Today's consumers are increasingly aware and interested in sustainability. Clear policies can meet these expectations.

Reducing long-term costs

Sustainability strategies can help reduce resource use, minimize waste, and increase energy efficiency, leading to long-term cost savings.

Increasing competitiveness

Businesses with sustainability strategies can gain a competitive advantage by offering environmentally friendly products and adhering to international standards.

Increasing employee satisfaction and commitment

Working in an organization focused on sustainability can increase employee satisfaction and commitment.

Improving risk management

Integrating sustainability strategies into business planning can help reduce risks related to climate change, environmental laws, and public expectations.

Supporting innovation

Focusing on sustainability can drive innovation and the development of new products that reduce environmental impact.

Strengthening Relationships with the Community and Stakeholders

Positive engagement with the community and demonstrating a commitment to sustainable development can strengthen relationships and garner support from the community and stakeholders.

Innovation Development

By incorporating new technologies, such as applying AI in operations, to reduce errors, increase efficiency, and lower operational costs.



Enhancing Market Differentiation

Innovation development can help businesses differentiate from competitors by offering unique jewelry products or new innovations that meet customer needs.

Increasing Product Value and Interest

Presenting jewelry with new innovations can increase value and make products more appealing to customers.

Expanding Market and Target Customers

Developing new innovations can help open new markets or reach customer groups that previously had no interest in jewelry products.

Increasing Sales and Revenue

Innovative and differentiated products can attract attention and stimulate purchases, leading to increased sales and revenue.

Supporting sustainable development

New innovations may include using sustainable materials or production processes that reduce environmental impact, thereby enhancing business sustainability.

Stimulating Competitive Capability

Continuous innovation development helps businesses maintain a competitive edge and adapt quickly to market changes.

Enhancing Brand Awareness and Acceptance

Innovation can help increase brand awareness and acceptance in the market by positioning the brand as a leader in innovation.



Establishing Business Continuity Management and Risk Management Systems

The company implemented ERM and BCM systems to ensure continuous business operations and mitigate various risks that may affect business operations.



Reducing Potential Risks

A good risk management system helps businesses identify, assess, and mitigate risks that may impact operations and revenue.

Maintaining Continuous Operations

A business continuity management system helps businesses continue operations after unexpected events, such as natural disasters or material shortages.

Increasing Confidence Among Customers and Partners

Demonstrating that the business has plans and preparations for unexpected events helps build confidence among customers and business partners.

Maintaining Brand Image and Reputation

Risk and business continuity management helps prevent damage to the brand image and reputation that may result from unreliable operations.

Preparing for Market Changes

Both systems help businesses adapt effectively to market changes or unexpected business environment conditions.

Improving Business Decision-Making

Information from risk and continuity management systems can help executives make better decisions based on quality data and risk analysis.

Enhancing Employee Attraction and Retention

A stable management system shows that the organization values safety and sustainable development, which can attract and retain employees.



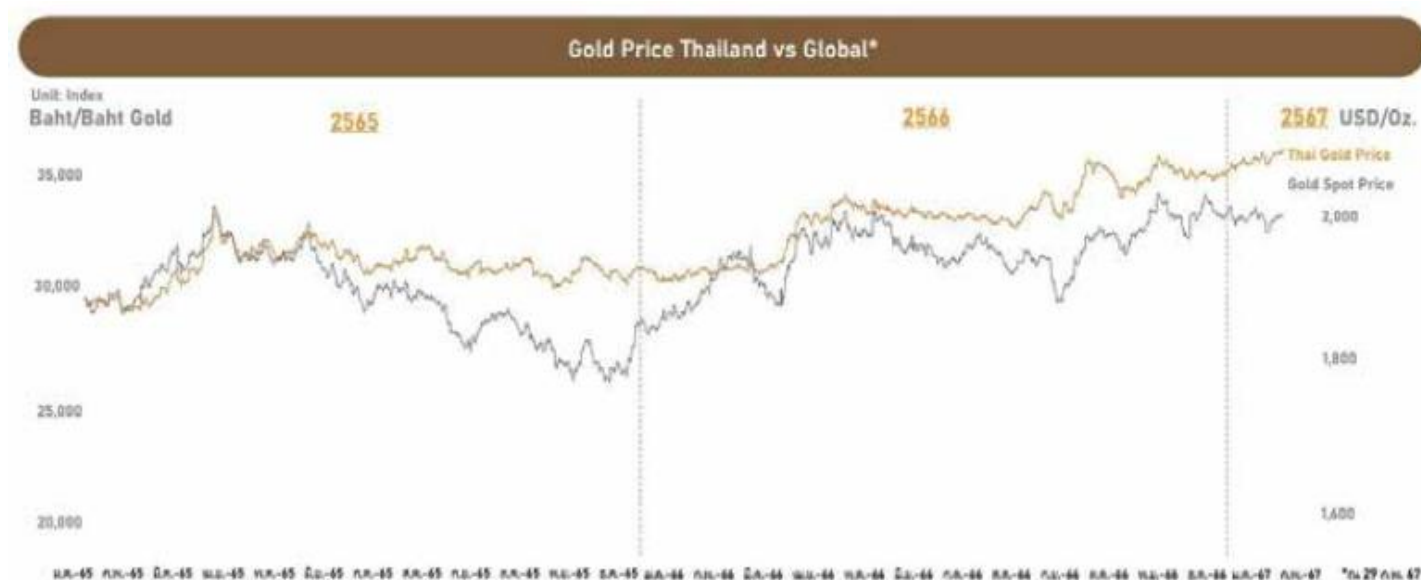


4. Management's Discussion and Analysis

4.1 Business Overview

The Company operates a retail business in gold ornaments, diamond jewelry, and other related businesses providing comprehensive services (One Stop Service), including sales, buy-back, gold financing services, and after-sales services. The Company has two main business segments: (1) Retail business of gold ornaments, diamond jewelry, and gifts primarily made of gold, and (2) Gold financing business of gold and jewelry containing gold and diamonds.

Gold selling prices as announced by the Gold Traders Association (baht per 1 Gold baht) during January 1 - December 31, 2021, 2022, and 2023



Note : Selling price of gold bar as the announced by the Gold Traders Association

Gold prices may fluctuate and depend on factors beyond the Company's control, such as economic conditions, gold supply and demand, monetary policies, and interest rates both domestically and internationally, oil prices, and foreign exchange rates.

For the fiscal years ending December 31, 2021, 2022, and 2023, the Company's total revenue from sales accounted for 98.84% – 99.21% of the total revenue. Most of the sales revenue came from Modern Gold products, which accounted for 93.76% – 93.84% of the total revenue for the fiscal years ending December 31, 2021, 2022, and 2023.

In the Company's gold-related product sales operations, the selling and buy-back prices are set based on the gold prices announced by the Gold Traders Association, including the workmanship fees according to the design of each product, in line with the Company's policy.



Overview of gold bar selling prices during January 1 - December 31, 2021, 2022 and 2023

Price in Baht per 1 baht-weight of gold

The selling price of gold jewelry	2021	2022	2023
Highest	28,950	32,100	34,400
Lowest	24,450	28,250	29,650
Highest and lowest difference	4,500	3,850	4,750
Average	27,236	29,952	32,105

Note : Selling price of gold bar as the announced by the Gold Traders Association

For the fiscal years ending December 31, 2021, 2022, and 2023, the Company had total revenues of 22,265.72 million baht, 29,603.69 million baht, and 29,925.13 million baht, respectively, with the following details:

Total revenue for fiscal as of December 31, 2021 2022 and 2023

Unit : million baht

Items	2021		2022		2023	
	amount	% ⁽¹⁾	amount	% ⁽¹⁾	amount	% ⁽¹⁾
Revenue from Sales	22,095.37	99.21	29,358.20	99.17	29,578.24	98.84
Modern Gold	20,894.68	93.82	27,781.55	93.84	28,058.69	93.76
Design Gold and diamond jewelry ⁽²⁾	1,200.69	5.39	1,576.65	5.33	1,519.55	5.08
Interest Income	160.18	0.72	222.42	0.75	299.56	1.00
Revenue from Sales and Interest Income	22,255.55	99.93	29,580.62	99.92	29,877.80	99.84
Other Income ⁽³⁾	10.17	0.07	23.07	0.08	47.33	0.16
Total Revenue	22,265.72	100.00	29,603.69	100.00	29,925.13	100.00

Note : (1) Percentage of total revenue

(2) Revenue from the sale of diamond jewelry is shown net of estimated buy back

(3) Other revenue consist by service income from branches and B2B customers (such as spare parts and gold card issuance fees) and income from membership

For the fiscal years ending December 31, 2021, 2022, and 2023, the Company's total revenue increased by 321.44 million baht or 1.09%, mainly due to the growth in offline sales from existing branches, branch expansion, and the increase in gold prices.



4.2 Performance Analysis

4.2.1 Performance Results

Unit : Million baht

Item	2021	2022	2023
Revenue from Sale	22,095.37	29,358.20	29,578.24
Interest Income	160.18	222.42	299.56
Total Revenue	22,255.55	29,580.62	29,877.80
Cost of Sale	(20,278.71)	(27,063.34)	(27,024.64)
Gross profit	1,976.85	2,517.28	2,853.16
Other income	10.17	23.07	47.33
Selling expense	(912.82)	(1,227.97)	(1,358.39)
Administrative expense	(203.28)	(232.37)	(229.31)
Profit from operations	870.92	1,080.01	1,312.80
Gain (loss) from fair value measurement of financial derivatives	14.15	12.00	0.72
Gain from lease termination and modification	15.57	24.53	12.69
Loss from disposal and written - off of assets	(1.34)	(0.93)	(1.48)
Financial costs	(200.22)	(218.78)	(262.61)
Profit before income tax	732.69	896.83	1,062.12
Tax expense	(141.66)	(188.98)	(212.09)
Profit for the year	591.03	707.86	850.03
Defined benefit plan actuarial gain	-	5.97	4.31
Income tax regarding to items that will never be reclassified	-	(1.19)	(0.86)
Total comprehensive income	591.03	712.63	853.47
Equity holders of the parent Company	586.10	712.63	853.47
Non-controlling interest	4.93	-	-
Profit for the year	591.03	712.63	853.47
Equity holders of the parent Company	586.10	712.63	853.47
Non-controlling interest	4.93	-	-
Total comprehensive income	591.03	712.63	853.47
Weighted average number of ordinary shares (shares)	10,000,000	1,034,772,603	1,334,000,000
Basic earning per share	58.61	0.68	0.64



4.2.2 Revenue from sales

The Company's sales revenue consists of sales through two main channels: offline and online, with three main product categories: (1) Modern Gold, (2) Design Gold, and (3) Diamond Jewelry.

For the fiscal years ending December 31, 2021, 2022, and 2023, the Company had sales revenues of 22,095.37 million baht, 29,603.69 million baht, and 29,578.23 million baht, respectively.

Unit : million baht

Items	2021		2022		2023	
	amount	% ⁽¹⁾	amount	% ⁽¹⁾	amount	% ⁽¹⁾
Offline ⁽²⁾	19,620.25	88.80	26,962.36	91.84	27,959.82	94.53
Online	2,4765.13	11.20	2,395.84	8.16	1,618.41	5.47
Total Revenue from Sale	22,095.37	100.00	29,358.20	100.00	29,578.23	100.00

Note : (1) Percentage of total Revenue from Sale

(2) Total revenue from branches, Corporate Customer and booth setup

Total branches as of December 31, 2021 2022 and 2023

Unit : branches

Brand	2021	2022	2023
Aurora	206	211	225
Seng Heng	15	22	36
Khong Kwan	2	2	2
Thong ma Ngern pai	19	40	138
Aurora Diamond	8	4	5
Total	250	279	406

For the fiscal years ending December 31, 2022, and 2023, the Company's sales revenue increased by 220.04 million baht or 0.75%, mainly due to (1) an increase in online sales revenue by 997.46 million baht from existing branches and branch expansion, and (2) a decrease in online sales revenue by 777.43 million baht due to customers returning to offline services.

4.2.3 Interest income

Interest income is derived from the gold financing business of gold and jewelry containing gold and diamonds, with interest received from gold financing customers. For the fiscal years ending December 31, 2021, 2022, and 2023, the Company had interest income of 160.18 million baht, 222.42 million baht, and 299.56 million baht, respectively, summarized as follows:

Item	2021	2022	2023
Interest income	160.18	222.42	299.56
Trader receivables from sales with right of redemption	1,208.43	1,746.51	2,723.73
Real Interest Rate of sales with right of redemption	13.21	14.31	12.83

For the fiscal years ending December 31, 2022, and 2023, the Company's interest income increased by 77.14 million baht or 34.68%, mainly due to the increase in the average receivables under gold financing contracts.



4.2.4 Cost of Sales

The Company's cost of sales consists solely of the cost of purchasing goods, divided into the cost of (1) Modern Gold, (2) Design Gold, and diamond jewelry. For the fiscal years ending December 31, 2021, 2022, and 2023, the Company had cost of sales of 20,278.71 million baht, 27,063.34 million baht, and 27,024.64 million baht, respectively.

The Company regularly measures the Net Realizable Value (NRV) of inventory at the end of each period by comparing the expected selling price of the products, less the cost of the products and estimated costs necessary to sell the products. If the expected selling price is less than the cost and estimated costs, the Company recognizes a loss from the NRV valuation in the cost of sales.

Cost of sale as of December 31, 2021 2022 and 2023

Unit : million baht

Items	2021		2022		2023	
	amount	% ⁽¹⁾	amount	% ⁽¹⁾	amount	% ⁽¹⁾
Modern Gold ⁽²⁾	19,672.67	97.01	26,228.15	96.61	26,263.61	97.18
Design Gold and diamond jewelry ⁽²⁾	606.04	2.99	835.19	3.09	761.03	2.82
Total Cost of Sale	20,278.71	100.00	27,063.34	100.00	27,024.64	100.00

Note : (1) Percentage of Cost of Sale

(2) Net of estimated repurchase of goods and loss or reversal of loss from net realizable valuation.

For the fiscal years ending December 31, 2022, and 2023, the Company's cost of sales decreased by 38.70 million baht or 0.14%, in line with the Company's policy to increase sales of high-margin products.

4.2.5 Gross Profit and Gross Profit Margin

The Company's gross profit from the retail business of gold ornaments, diamond jewelry, and gemstones comes from two main parts: (1) workmanship fees and (2) the difference between the selling price and the cost of the products.

For the fiscal years ending December 31, 2021, 2022, and 2023, the Company had gross profits of 1,976.85 million baht, 2,517.28 million baht, and 2,853.15 million baht, respectively, representing gross profit margins of 8.88%, 8.51%, and 9.55%, respectively, summarized as follows:

Unit : million baht

Items	2021		2022		2023	
	amount	Gross Profit Margin	amount	Gross Profit Margin	amount	Gross Profit Margin
Modern Gold ⁽¹⁾	1,222.01	5.85	1,553.40	5.59	1,795.08	6.40
Design Gold and diamond jewelry ⁽²⁾	594.65	49.53	741.46	47.03	758.51	49.92
sale with right of redemption	160.18	100.00 ⁽¹⁾	222.24	100.00 ⁽¹⁾	299.56	100.00 ⁽¹⁾
Total Gross Profit	1,976.85	8.88	2,517.28	8.51	2,853.15	9.55

Note : (1) Percentage of Cost of Sale

(2) Net of estimated repurchase and loss or reversal of loss from net realizable value



For the fiscal years ending December 31, 2022, and 2023, the Company's gross profit increased by 335.87 million baht or 13.34%, mainly due to the increase in gross profit from higher sales volumes of high-margin products, driven by the growth of existing branches and the opening of new branches, resulting in an increase in the gross profit margin from 8.51% to 9.55%.

4.2.6. Other Income

For the fiscal years ending December 31, 2021, 2022, and 2023, the Company had other income of 10.17 million baht, 23.07 million baht, and 47.33 million baht, respectively.

For the fiscal years ending December 31, 2022, and 2023, the Company's other income increased by 24.26 million baht or 105.16%, mainly due to membership fee income and business partner support for marketing activities.

4.2.7 Selling Expenses

For the fiscal years ending December 31, 2021, 2022, and 2023, the Company had selling expenses of 912.82 million baht, 1,206.63 million baht, and 1,358.39 million baht, respectively, representing 4.10%, 4.15%, and 4.55% of total revenue, respectively.

For the fiscal years ending December 31, 2022, and 2023, the Company's selling expenses increased by 130.42 million baht or 10.62%, due to business growth from branch expansion, with increased expenses in sales staff compensation, commissions, and rental costs for expanded areas to boost sales. However, the Company managed to reduce marketing and promotional expenses from the previous year while continuing to build brand and corporate awareness.

4.2.8. Administrative Expenses

For the fiscal years ending December 31, 2021, 2022, and 2023, the Company had administrative expenses of 203.28 million baht, 253.71 million baht, and 229.31 million baht, respectively, representing 0.91%, 0.79%, and 0.77% of total revenue, respectively.

For the fiscal years ending December 31, 2022, and 2023, the Company's administrative expenses decreased by 3.06 million baht or 1.32%, due to more efficient management by incorporating technology into the organization.

4.2.9. Gains from Fair Value Measurement of Financial Derivatives

Gains from fair value measurement of financial derivatives arise from the fair value measurement of interest rate swap contracts entered into by the Company to hedge against interest rate fluctuations.

For the fiscal years ending December 31, 2021, 2022, and 2023, the Company had gains from fair value measurement of financial derivatives of 14.15 million baht, 12.00 million baht, and 0.72 million baht, respectively.

4.2.10. Gains from Lease Termination and Modification

For the fiscal years ending December 31, 2022, and 2023, the Company had gains from lease termination and modification of 24.53 million baht and 12.16 million baht, respectively.

For the fiscal years ending December 31, 2022, and 2023, the Company's gains from lease termination and modification decreased by 11.84 million baht or 48.27%, mainly due to adjustments in the estimated lease term according to Financial Reporting Standard No. 16 on leases.

4.2.11. Financial cost

The Company's main financial costs consist of (1) interest on short-term and long-term borrowings and (2) interest on lease liabilities.

For the fiscal years ending December 31, 2021, 2022, and 2023, the Company had financial costs of 200.22 million baht, 218.78 million baht, and 262.61 million baht, respectively.



Unit : million baht

Items	2021		2022		2023	
	amount	%	amount	%	amount	%
Interest Cost and Fee	142.21	71.03	156.00	71.30	211.73	80.63
Interest Cost estimate	58.01	28.97	62.78	28.70	50.88	19.37
Total Financial Cost	200.22	100.00	218.78	100.00	262.61	100.00

For the fiscal years ending December 31, 2022, and 2023, the Company's financial costs increased by 43.83 million baht or 20.03%, mainly due to the increase in borrowings from financial institutions in line with the Company's growth plan.

4.2.12. Income Tax Expenses

For the fiscal years ending December 31, 2021, 2022, and 2023, the Company had income tax expenses of 141.66 million baht, 188.98 million baht, and 212.09 million baht, respectively.

4.2.13. Net Profit for the Year and Net Profit Margin

For the fiscal years ending December 31, 2021, 2022, and 2023, the Company had net profits of 591.03 million baht, 707.86 million baht, and 850.03 million baht, respectively, representing net profit margins of 2.65%, 2.39%, and 2.84%, respectively.

For the fiscal years ending December 31, 2022, and 2023, the Company's net profit increased by 142.17 million baht or 20.08%, mainly due to the increase in gross profit from higher revenue in high-margin products, which outweighed the increase in overall expenses.

4.3 Financial Position Analysis

4.3.1 Consolidated Statement of Financial Position

Consolidated Statement of Financial Position as of December 31, 2021, 2022, and 2023

Unit : million baht

Item	2021	2022	2023
Cash and cash equivalents	516.70	418.57	560.33
Trade and other receivables	1,329.35	1,895.97	2,894.81
Inventories	5,971.45	6,875.80	8,369.36
Other current assets	11.82	27.45	26.45
Total current asset	7,829.32	9,217.79	11,850.96
Restricted bank deposits	-	-	105.00
Investment property	24.62	24.62	24.62
Building and equipment	101.12	139.88	200.59
Right-of-use assets	1,403.49	1,183.89	963.93
Intangible assets	9.77	9.27	8.14
Deferred tax assets	104.68	95.47	84.78
Other non-current assets	126.65	142.88	173.87
Total non-current assets	1,770.34	1,596.01	1,560.93
Total assets	9,599.66	10,813.80	13,411.89
Short-term loans from financial institutions	1,080.00	1,055.00	3,095.00
Trade and other payables	1,299.80	987.23	1,300.82
Current portion of liabilities ⁽¹⁾	2,483.26	769.41	837.20
Short-term loans to related parties	6.96	-	-



Item	2021	2022	2023
Provision for employee benefit	-	4.17	3.17
Income tax payable	74.98	85.52	93.81
Other current liabilities	525.98	680.06	663.92
Total current liabilities	5,470.98	3,581.39	5,993.92
Long-term loans from financial institutions	483.60	1,328.73	1,026.46
Long-term lease liabilities	1,188.83	920.88	657.60
Provision for employee benefit	39.90	34.70	32.39
Provisions	14.62	17.09	23.76
Total non-current liabilities	1,726.95	2,301.40	1,740.20
Total liabilities	7,197.93	5,882.79	7,734.13
Issued and paid-up share capital	1,000.00	1,334.00	1,334.00
Premium on ordinary shares⁽²⁾	-	3,228.40	3,228.40
Retained earnings			
Appropriated - legal reserve	27.18	62.45	105.15
Unappropriated	1,374.56	306.15	1,010.20
Equity holders of the parent Company	2,401.74	4,931.01	5,677.76
Total shareholders' equity	2,401.74	4,931.01	5,677.76
Total liabilities and shareholders' equity	9,599.66	10,813.80	13,411.89

Note: (1) In October 2022, the Company obtained a loan from a group of commercial banks to fully repay the borrowings from related parties in October 2022.

(2) On November 29, 2022, the Company was listed and began trading on the Stock Exchange with a registered and paid-up capital after the IPO of 1,334 million baht, consisting of 1,000 million existing shares and 334 million newly issued shares offered to the public for the first time at a par value of 1 baht per share, with an offering price of 10.90 baht per share, resulting in a share premium.

4.3.2 Assets

As of December 31, 2021, 2022, and 2023, the Company had total assets of 9,599.66 million baht, 10,813.80 million baht, and 13,411.89 million baht, respectively. The Company's main assets consist of (1) trade and other receivables, (2) inventories, and (3) right-of-use assets, which accounted for 21.58%, 62.40%, and 7.19% of total assets, respectively.

As of December 31, 2022, and 2023, the Company's total assets increased by 2,598.09 million baht or 24.03%, mainly due to the increase in receivables under gold financing contracts in line with the growth of the gold financing business and the increase in inventories according to the Company's growth plan.

(1) Trade and Other Receivables

The Company's trade and other receivables mainly consist of trade receivables and receivables under gold financing contracts, primarily from the gold financing business. As of December 31, 2021, 2022, and 2023, the Company had trade and other receivables of 1,329.35 million baht, 1,895.97 million baht, and 2,894.81 million baht, respectively, representing 13.85%, 17.35%, and 21.58% of total assets, respectively.

**Trade and Other Receivables as of December 31, 2021, 2022, 2023**

Unit : million baht

Item	2021	2022	2023
Trade receivables from sale of good	105.85	127.31	132.35
Trade receivables from sale with right of redemption	1,208.43	1,746.51	2,723.73
Total	1,314.28	1,873.82	2,856.08
Accrued income	15.07	22.15	38.73
Total other liabilities	15.07	22.15	38.73
Trade and other receivables - Net	1,329.35	1,895.97	2,894.81

Note: (1) Overall, the Company has no losses from receivables under gold financing contracts, so no allowance for expected credit losses has been set.

As of December 31, 2022, and 2023, the Company's trade and other receivables increased by 998.84 million baht or 52.68%, mainly due to the increase in receivables under gold financing contracts and the increase in revenue and accrued interest from receivables under gold financing contracts. Most of the Company's trade receivables are settled in cash and/or credit cards.

(2) Inventories

The Company's inventories mainly consist of raw materials and finished goods used in the retail business of gold ornaments, diamond jewelry, gemstones, and gifts primarily made of gold. As of December 31, 2021, 2022, and 2023, the Company had inventories of 5,971.45 million baht, 6,875.80 million baht, and 8,369.36 million baht, respectively, representing 62.20%, 63.58%, and 62.40% of total assets, respectively.

The Company regularly measures the Net Realizable Value (NRV) of inventory at the end of each period by comparing the expected selling price of the products, less the cost of the products and estimated costs necessary to sell the products. If the expected selling price is less than the cost and estimated costs, the Company recognizes a loss from the NRV valuation in the cost of sales.

As of December 31, 2022, and 2023, the Company's inventories increased by 1,493.56 million baht or 21.27%, mainly due to the increase in finished goods in line with the number of branches added according to the business expansion plan. The Company had an average inventory turnover period of 86.33 days and 102.95 days for the fiscal years ending December 31, 2022, and 2023, respectively. The increase in the average inventory turnover period was mainly due to the opening of 64 branches in Q4, consisting of 7 Aurora branches, 8 Seng Heng branches, and 49 Thong Ma Ngern Pai branches, resulting in a significant increase in inventories at the end of the year.

(3) Other Current Assets

The Company's other current assets mainly consist of prepaid expenses, VAT receivables, and deposits for goods. As of December 31, 2021, 2022, and 2023, the Company had other current assets of 11.82 million baht, 27.45 million baht, and 26.45 million baht, respectively, representing 0.12%, 0.25%, and 0.20% of total assets, respectively.

As of December 31, 2022, and 2023, the Company's other current assets decreased by 1.00 million baht or 3.64%.



(4) Restricted Bank Deposits

As of December 31, 2023, the Company had restricted bank deposits of 105 million baht, representing 0.78% of total assets.

As of December 31, 2023, the Company's restricted bank deposits increased by 105 million baht or 100%, mainly due to using bank deposit accounts as collateral for borrowings from financial institutions.

(5) Investment Properties

The Company's investment properties include land located in Samut Prakan province to support future business expansion. As of December 31, 2021, 2022, and 2023, the Company had investment properties of 24.62 million baht, 24.62 million baht, and 24.62 million baht, respectively, representing 0.26%, 0.23%, and 0.18% of total assets, respectively, with no changes.

The fair value of investment properties as of December 31, 2023, was 80.37 million baht.

(6) Buildings and Equipment

The Company's buildings and equipment mainly consist of building improvements and office equipment used in business operations at both branch and head office levels. As of December 31, 2021, 2022, and 2023, the Company had buildings and equipment of 101.12 million baht, 139.88 million baht, and 200.59 million baht, respectively, representing 1.05%, 1.29%, and 1.50% of total assets, respectively.

As of December 31, 2022, and 2023, the Company's buildings and equipment increased by 60.71 million baht or 43.40%, mainly due to the increase in branch decoration costs and office equipment for the net addition of 127 branches.

(7) Right-of-use assets

The Company's right-of-use assets mainly consist of lease rights for branches, office buildings, and vehicles. As of December 31, 2021, 2022, and 2023, the Company had right-of-use assets of 1,403.49 million baht, 1,183.89 million baht, and 963.93 million baht, respectively, representing 14.62%, 10.95%, and 7.19% of total assets, respectively.

As of December 31, 2022, and 2023, the Company had a decrease in right-of-use assets by 219.60 million baht or a decrease of 18.58%, primarily due to the amortization of right-of-use assets according to the contract term and the adjustment of the lease term estimates in accordance with Financial Reporting Standard No. 16 on Leases.

(8) Intangible Assets

The Company's intangible assets mainly consist of computer software. As of December 31, 2021, 2022, and 2023, the Company had intangible assets amounting to 9.77 million baht, 9.27 million baht, and 8.14 million baht, respectively, which accounted for 0.10%, 0.09%, and 0.06% of the total asset value, respectively.

As of December 31, 2022, and 2023, the Company had a decrease in intangible assets by 1.13 million baht or a decrease of 12.19%, primarily due to the amortization of computer software over its useful life.

(9) Deferred Tax Assets

As of December 31, 2021, 2022, and 2023, the Company had deferred tax assets amounting to 104.68 million baht, 95.47 million baht, and 84.78 million baht, respectively, which accounted for 1.09%, 0.88%, and 0.63% of the total asset value, respectively.

As of December 31, 2022, and 2023, the Company had a decrease in deferred tax assets by THB 10.69 million or a decrease of 11.20%, primarily due to (1) the reduction in lease liabilities and (2) the reduction in the estimated allowance for asset impairment.



(10) Other Non-Current Assets

The Company's other non-current assets mainly consist of lease and service contract deposits. As of December 31, 2021, 2022, and 2023, the Company had other non-current assets amounting to 126.65 million baht, 142.88 million baht, and 173.87 million baht, respectively, which accounted for 1.32%, 1.32%, and 1.30% of the total asset value, respectively.

As of December 31, 2022, and 2023, the Company had an increase in other non-current assets by 30.99 million baht or an increase of 21.69%, primarily due to the increase in lease and service deposits from branch expansion and lease and service contract renewals.

4.3.3. Liabilities

As of December 31, 2021, 2022, and 2023, the Company had total liabilities of 7,197.93 million baht, 5,882.79 million baht, and 7,734.13 million baht, respectively.

As of December 31, 2022, and 2023, the Company had an increase in total liabilities by 1,851.34 million baht or an increase of 31.47%, primarily due to the increase in borrowings from financial institutions for inventory investment in line with branch expansion and the expansion of the gold financing center customer base.

(1) Short-term Borrowings from Financial Institutions

The Company's short-term borrowings from financial institutions mainly consist of promissory notes used as working capital. As of December 31, 2021, 2022, and 2023, the Company had short-term borrowings from financial institutions amounting to 1,080.00 million baht, 1,055.00 million baht, and 3,095.00 million baht, respectively, which accounted for 15.00%, 17.93%, and 40.02% of total liabilities, respectively.

As of December 31, 2022, and 2023, the Company had an increase in short-term borrowings from financial institutions by 2,040.00 million baht or an increase of 193.36%, primarily due to inventory investment in line with branch expansion and the expansion of the gold financing centers customer base.

(2) Trade and Other Payables

The Company's trade and other payables mainly consist of trade creditors and accrued expenses. As of December 31, 2021, 2022, and 2023, the Company had trade and other payables amounting to 1,299.80 million baht, 987.23 million baht, and 1,300.82 million baht, respectively, which accounted for 18.06%, 16.78%, and 16.82% of total liabilities, respectively.

As of December 31, 2022, and 2023, the Company had an increase in trade and other payables by 313.59 million baht or an increase of 31.76%, primarily due to the increase in purchases of Modern Gold products.

(3) Accrued Income Tax

As of December 31, 2021, 2022, and 2023, the Company had accrued income tax amounting to 74.97 million baht, 85.52 million baht, and 93.81 million baht, respectively, which accounted for 1.04%, 1.45%, and 1.21% of total liabilities, respectively.

As of December 31, 2022, and 2023, the Company had an increase in accrued income tax by 8.29 million baht or an increase of 9.69%, primarily due to the increase in profit before income tax.

(4) Other Current Liabilities

The Company's other current liabilities mainly consist of refund liabilities from estimated returns of diamond jewelry, unearned revenue, and advance receipts. As of December 31, 2021, 2022, and 2023, the Company had other current liabilities amounting to 525.98 million baht, 680.06 million baht, and 663.92 million baht, respectively, which accounted for 7.31%, 11.56%, and 8.58% of total liabilities, respectively.



As of December 31, 2022, and 2023, the Company had a decrease in other current liabilities by 16.14 million baht or a decrease of 2.37%, primarily due to the decrease in refund liabilities from estimated returns of diamond jewelry.

(5) Long-term Borrowings from Financial Institutions

As of December 31, 2021, 2022, and 2023, the Company had long-term borrowings from financial institutions amounting to 690.93 million baht, 1,784.76 million baht, and 1,511.10 million baht, respectively, which accounted for 9.60%, 30.34%, and 19.54% of total liabilities, respectively.

Long-term Loans from Financial Institutions as of December 31, 2021, 2022, and 2023

Unit : million baht

Items	2021		2022		2023	
	amount	% ⁽¹⁾	amount	% ⁽¹⁾	amount	% ⁽¹⁾
Long-term loans from financial institutions - Current portion of liabilities	207.33	30.01	456.03	25.55	484.64	32.07
Long-term loans from financial institutions – Net for Current portion of liabilities	483.60	69.99	1,328.73	74.45	1,026.46	67.93
Total Long-term loans from financial institutions	690.93	100.00	1,784.76	100.00	1,511.10	100.00

Note : (1) Percentage of total Long-term loans from financial institutions

As of December 31, 2022, and 2023, the Company had a decrease in long-term borrowings from financial institutions by 273.66 million baht or a decrease of 15.33%, due to scheduled repayments.

(6) Lease Liabilities

Lease liabilities arise from the Company's lease and service agreements for branch operations, in accordance with financial reporting standards on leases. As of December 31, 2021, 2022, and 2023, the Company had lease liabilities amounting to 1,462.32 million baht, 1,234.26 million baht, and 1,010.16 million baht, respectively, which accounted for 20.32%, 20.98%, and 13.06% of total liabilities, respectively.

Long-term Lease Liabilities as of December 31, 2020, 2021, and 2022

Unit : million baht

Items	2021		2022		2023	
	amount	% ⁽¹⁾	amount	% ⁽¹⁾	amount	% ⁽¹⁾
Long-term lease liabilities – Current portion of liabilities	273.50	18.70	313.38	25.39	352.56	34.90
Long-term lease liabilities – Net for Current portion of liabilities	1,188.83	81.30	920.88	74.61	657.60	65.10
Total Long-term lease liabilities	1,462.32	100.00	1,234.26	100.00	1,010.16	100.00

Note : (1) Percentage of total Long-term lease liabilities

As of December 31, 2022, and 2023, the Company had a decrease in lease liabilities by 224.10 million baht or a decrease of 18.16%, primarily due to adjustments in the estimated lease term in accordance with financial reporting standards No. 16 on leases and regular repayments to lease creditors.



(7) Employee Benefit Obligations

As of December 31, 2021, 2022, and 2023, the Company had employee benefit obligations amounting to 39.90 million baht, 38.88 million baht, and 35.56 million baht, respectively, which accounted for 0.55%, 0.66%, and 0.46% of total liabilities, respectively.

Unit : million baht

Items	2021		2022		2023	
	amount	%(1)	amount	%(1)	amount	%(1)
Employee Benefit Obligations – Current portion of liabilities	3.05	7.64	4.17	10.73	3.17	8.91
Employee Benefit Obligations – Net for Current portion of liabilities	36.85	92.36	34.70	89.27	32.39	91.09
Total Employee Benefit Obligations	39.90	100.00	38.87	100.00	35.56	100.00

Note : (1) Percentage of total Employee Benefit Obligations

As of December 31, 2022, and 2023, the Company had a decrease in employee benefit obligations by 3.31 million baht or a decrease of 8.52%, primarily due to the review of employee benefit assessments based on actuarial principles.

(8) Provisions

Provisions mainly consist of estimated dismantling costs due to the Company's obligation to dismantle improvements to leased premises and buildings. As of December 31, 2021, 2022, and 2023, the Company had provisions amounting to 14.62 million baht, 17.09 million baht, and 23.76 million baht, respectively, which accounted for 0.20%, 0.29%, and 0.31% of total liabilities, respectively.

As of December 31, 2022, and 2023, the Company had an increase in provisions by 6.67 million baht or an increase of 39.03%, primarily due to the increase in estimated dismantling costs from branch expansion.

4.3.4. Shareholders' Equity

As of December 31, 2021, 2022, and 2023, the Company had total shareholders' equity of 2,401.74 million baht, 4,931.01 million baht, and 5,677.76 million baht, respectively. Shareholders' equity consists of (1) issued and paid-up share capital, (2) share premium, and (3) retained earnings.

As of December 31, 2022, and 2023, the Company had an increase in shareholders' equity by 746.75 million baht or an increase of 15.14%, primarily due to the increase in operating profit and the annual dividend payment for 2022 in May 2023, and the legal reserve of 42.70 million baht in accordance with the Public Limited Companies Act.



4.3 Liquidity Analysis

Cash Flow Statements for the Fiscal Years Ended December 31, 2021, 2022, and 2023

Unit : million baht

Item	2021	2022	2023
Profit before income tax	591.03	707.86	850.03
Depreciation and amortization	361.11	379.95	406.05
Gain from lease termination and modification	(15.57)	(24.53)	(12.69)
Gain on disposal of investment in a subsidiary	(28.00)	-	-
Non-controlling interests	(0.21)	-	-
Gain on debt written-off	(5.63)	-	-
Gain from fair value measurement of derivatives	(14.15)	(12.00)	(0.72)
Loss from disposal and written - off of assets	1.34	0.93	1.48
Unrealized gain on foreign exchange rate	4.71	5.46	4,322.73
Provision for employee benefit	2.73	4.32	0.05
Interest income	(160.21)	(222.55)	(300.13)
Interest expenses	200.22	218.78	262.61
Tax expense	141.66	188.98	212.09
Profit from operations before changes in operations assets and liabilities Operating assets decrease (increase)	1,079.03	1,247.18	1,423.08
Restricted bank deposits	-	-	(105.00)
Trade and other receivables	(12.64)	(712.16)	(984.47)
Inventories	(370.10)	(302.17)	(1,493.55)
Other current assets	5.43	(15.63)	0.93
Other non-current assets	(19.40)	(16.23)	(30.99)
Operating liabilities increase (decrease)			
Trade and other payables	134.03	(395.03)	361.00
Other current liabilities	98.11	166.08	(15.42)
Cash used in from operations	914.46	(27.96)	(844.42)
Interest received	158.31	215.17	285.75
Income tax paid	(197.74)	(170.41)	(193.96)
Net cash provided by (used in) operating activities	875.03	16.80	(752.63)
Purchase of building and equipment	(55.75)	(91.13)	(122.65)
Purchase of intangible assets	(5.94)	(2.37)	(2.25)
Purchase of right-of-use assets	(8.47)	(1.20)	-
จำหน่ายอุปกรณ์	0.15	-	-
Net cash used in investing activities	(70.01)	(94.70)	(124.90)
Cash flows from financing activities			



Item	2021	2022	2023
Proceeds of short-term loans from financial institution	2,020.00	5,498.00	8,513.00
Repayment of short-term loans from financial institution	(1,860.00)	(5,523.00)	(6,473.00)
Proceeds of short-term loans from related parties	554.24	886.00	180.00
Repayment of short-term loans from related parties	(556.32)	(2,895.40)	(180.00)
Proceeds of long-term loans from financial institutions	-	1,344.00	220.00
Repayment of long-term loans from financial institutions	(179.09)	(250.16)	(493.67)
Repayment of lease liabilities	(306.10)	(364.11)	(378.65)
Increase in ordinary shares	-	3,562.40	-
Dividend paid	(157.53)	(1,932.90)	(106.72)
Interest paid	(134.73)	(345.07)	(261.66)
Net cash provided by (used in) financing activities	(619.53)	(20.24)	1,019.30
Net increase (decrease) in cash and cash equivalents	185.50	(98.13)	141.77
Cash and cash equivalents at the beginning of the year	331.20	516.70	418.57
Cash and cash equivalents at the end of the year	516.70	418.57	560.34

(1) Cash Flows from Operating Activities

For the fiscal years ended December 31, 2021, 2022, and 2023, the Company had net cash flows from (used in) operating activities amounting to 875.03 million baht, 16.80 million baht, and (752.63) million baht, respectively.

For the fiscal year ended December 31, 2023, the Company had an operating profit before changes in operating assets and liabilities amounting to 1,423.08 million baht. However, the Company had cash outflows from changes in operating assets and liabilities amounting to 2,267.50 million baht, primarily due to (1) an increase in inventories amounting to 1,493.55 million baht, (2) an increase in trade and other receivables amounting to 984.47 million baht, and (3) an increase in trade and other payables amounting to 361 million baht, resulting in net cash used in operating activities amounting to 752.63 million baht.

(2) Cash Flows from Investing Activities

For the fiscal years ended December 31, 2021, 2022, and 2023, the Company had net cash flows used in investing activities amounting to 70.01 million baht, 94.70 million baht, and 124.90 million baht, respectively.

For the fiscal year ended December 31, 2023, the Company had net cash flows used in investing activities amounting to 124.90 million baht, primarily due to branch expansion.

(3) Cash Flows from Financing Activities

For the fiscal years ended December 31, 2021, 2022, and 2023, the Company had net cash flows from (used in) financing activities amounting to (619.53) million baht, (20.24) million baht, and 1,019.30 million baht, respectively.

For the fiscal year ended December 31, 2023, the Company had net cash flows from financing activities amounting to 1,019.30 million baht, with the main cash inflows from borrowings from financial institutions, while the main cash outflows were due to repayments of long-term borrowings from financial institutions as scheduled and the annual dividend payment.



4.5 Information from Financial Statements and Key Financial Ratios

The calculation of key financial ratios, unless otherwise specified, follows the formula for financial ratios of companies in the industry and services sector, as prepared by the Securities and Exchange Commission.

4.5.1 Financial Ratios

Financial Ratios for the Fiscal Years Ended December 31, 2021, 2022, and 2023

Item	2021	2022	2023
Liquidity ratio			
Liquidity ratio (times)	1.43	2.57	1.98
Quick ratio (times)	0.34	0.65	0.58
Cash flow ratio (times)	0.21	0.01	(0.16)
Accounts receivable turnover ratio (times) ⁽¹⁾	243.71	251.83	227.82
Average collection period (days) ⁽¹⁾	1.50	1.45	1.60
Inventory Turnover ratio (Times)	3.96	4.91	4.10
Inventory Period (Days)	92.21	74.39	89.01
Inventory Turnover (Times)	3.49	4.21	3.55
Avg. Inventory Period (Days)	104.52	86.63	102.95
A/P Turnover (Times)	24.16	31.06	26.69
Avg. Payment Period (Days)	15.11	11.75	13.68
Cash Cycle (Days)	90.91	76.33	90.88
Ratios for profitability			
Gross profit margin (%)	8.88	8.51	9.55
Real interest from sale with right of redemption ratio (%)	13.21	14.30	12.88
Profit rate from operations (%)	3.91	3.65	4.39
Other income to total income ratio (%)	0.05	0.08	0.16
Cash to profitability ratio (%)	148.05	2.37	(88.50)
Net profit margin (%)	2.65	2.39	2.84
Return on equity (%)	25.79	19.31	16.02
Ratio showing operational efficiency			
Return on assets (%)	6.40	6.94	702
Return on fixed assets (%)	642.53	632.42	538.91
Asset turnover (times)	2.41	2.90	2.47
Financial Policy Analysis Ratio			
Debt to equity ratio (times)	2.99	1.19	1.36
Interest bearing debt to EBITDA	2.18	0.83	0.99
Interest coverage ratio (times)	6.46	6.84	6.59
Interest-bearing debt to earnings before interest, taxes, depreciation and amortization (times)	4.05	2.72	3.24
Obligation capability ratio (times)	0.36	0.82	0.44
Dividend payment rate (%)	58.12	275.43	51.22

Note: (1) Calculated using sales revenue and trade receivables.



5. Other Important Information

5.1 General Information

Company	:	Aurora Design Public Company Limited
Head Office	:	444 Soi Udomsuk 26, Bangna Nuea, Bangna Bangkok 10260
Registered No.	:	0107565000379
Website	:	www.auroradesign.co.th
Telephone	:	02-749-5085 and 02-749-5794
Referent	:	Thailand Securities Depository Company Limited.
Ordinary Share Registrar	:	93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400 Telephone : 0 2009-9000 Fax : 0 2009-9991 SET Contact Center: 02-009-9999 Website : www.set.or.th/tsd/th/tsd.html
Auditor	:	SIAM TRUTH AUDIT COMPANY LIMITED 338, Rachadapisek Road Soi 20, Samsennok, Huaykwang, Bangkok, 10310, Thailand Tel : 02-275-9599 Website : https://www.siamtruth.com/
Legal Advisor	:	INSIGHT LEGAL COMPANY LIMITED 89/369, MOO 5, 345, BANG TANAI, PAK KRET, NONTHABURI Telephone : 081-927-9833



5.2 Important Information

5.2.1 Key Laws and Regulations Related to the Company's Business Operations

The Company's business involves the retail of gold ornaments, diamond jewelry, and other precious items, as well as the gold financing business for gold ornaments, jewelry containing gold, diamond jewelry, and gemstone jewelry. These activities are regulated by laws and regulations pertinent to such business nature, with key details as follows:

a) Consumer Protection Laws

The Consumer Protection Act B.E. 2522 (including amendments) aims to define consumer rights and the duties of business operators to ensure fairness for consumers. It sets out criteria to protect consumer rights, such as the Announcement of the Committee on Labels, which designates gold ornaments and gemstone jewelry as controlled label products. Producers for sale, importers, or those bringing such products into the kingdom for sale must ensure that these products have labels before sale. The labels must include information such as type and kind, country of origin, name and place of business, purity of gold ornaments, weight, and minimum buy-back price as announced by the Gold Traders Association (in the case of gold ornaments).

b) Direct Selling Business Laws

The Direct Selling and Direct Marketing Act B.E. 2545 (including amendments) aims to regulate direct selling and direct marketing businesses regarding the proactive marketing of goods or services, which may disadvantage consumers and cause unfairness and social unrest. Internet sellers who sell through registered websites for their own products or act as intermediaries for selling others' products through their websites are considered direct marketing business operators. They must comply with relevant criteria, such as preparing sales documents with details as required by law and submitting business operation reports to the Secretary-General of the Consumer Protection Board.

c) Commercial Registration Laws

The Commercial Registration Act B.E. 2499 (including amendments) aims to gather statistics and evidence of commercial activities to benefit the promotion of commerce and industry. Businesses involved in the sale of gemstones or gemstone jewelry and the sale of goods or services via electronic media through the internet must register their business according to legal criteria and comply with relevant regulations, such as displaying the business name at the head office and branches openly.

d) Antique Trade Laws

The Auction and Antique Trade Control Act B.E. 2474 (including amendments) aims to control businesses involving the buying and selling of second-hand property to prevent them from becoming sources for stolen goods and to combat money laundering by criminals. Antique traders must comply with the law, such as displaying their name and license at their place of business. The antique trade license is valid for only one year, expiring on December 31 each year, and must be renewed before expiration. Since the Company's business involves buying and selling gold ornaments, diamond jewelry, and gemstone jewelry that are not first-hand sales, it is considered an antique trade business requiring an antique trade license and compliance with legal conditions and practices.

e) Anti-Money Laundering Laws

The Anti-Money Laundering Act B.E. 2542 (including amendments) aims to prevent the use of money or other assets related to criminal activities for further offenses. Gemstone, diamond, gold, or gemstone jewelry traders and antique traders must control and set criteria for various transactions, such as reporting cash transactions exceeding the value specified in the ministerial regulations to the Anti-Money Laundering Office or requiring customers to identify themselves before transactions.



f) Personal Data Protection Laws

The Personal Data Protection Act B.E. 2562 aims to establish criteria, mechanisms, or measures for the protection of personal data as a general principle. It sets out measures for the collection, use, or disclosure of personal data by data controllers. In the Company's business operations, the Company may obtain customer data, which is personal data. Therefore, the Company is considered a data controller and must comply with the criteria for collecting, using, and disclosing personal data as specified in the Personal Data Protection Act.

g) Gold financing center Laws

Sale with right of redemption agreement transactions are a specific type of sale under the Civil and Commercial Code ("C.C.C."). "Sale with the right of redemption agreement" means a sales contract where ownership of the property transfers to the buyer, with an agreement that the seller may redeem the property. If the redemption period expires without redemption, the seller loses the right to redeem the property. Additionally, the redemption price or gold financing center price must not exceed the actual gold financing center price plus a return benefit of more than 15% per year. If the redemption price or gold financing center price is set above this rate, the seller can redeem the property at the actual gold financing center price plus a return benefit of 15% per year as specified by law.

Most lease agreements have key terms and conditions summarized as follows:

Title	Details
Contracting Parties	<ul style="list-style-type: none"> - The Company ("Lessee") and - Space providers such as shopping centers, department stores, and community malls ("Lessor")
Nature of the Agreement	<ul style="list-style-type: none"> - Leasing space for branch stores. Most agreements are divided into lease agreements, service agreements, and utility usage agreements, depending on the lessor's format.
Contract Duration and Renewal	<ul style="list-style-type: none"> - Most lease agreements have a term of 3 years. - To renew the lease, the lessee must notify the lessor in writing of their intention to renew the lease before the contract term expires, as agreed.
Rental and Service Fees	<ul style="list-style-type: none"> - Most agreements stipulate a fixed rental rate, which may be adjusted annually or upon entering a new contract, based on the rate specified at the time of signing the contract.
Rental and Service Deposit	<ul style="list-style-type: none"> - Most lease agreements require a rental and service deposit. The lessee will receive the deposit back without interest upon the contract's expiration, provided there is no damage to the leased premises or outstanding payments. In each lease renewal, the lessee may need to increase the deposit if the deposit amount is adjusted.
Contract Termination	<ul style="list-style-type: none"> - If either party wishes to terminate the contract before the expiration date, they must notify the other party in writing before the contract term expires, as agreed. - If the lessee breaches any contract terms and the lessor notifies the lessee in writing to rectify the breach, but the lessee neglects or fails to rectify within the specified period.
Other Agreements	<ul style="list-style-type: none"> - The lessee shall not transfer the lease rights or sublease the leased premises, in whole or in part, to others or allow others to use the premises, whether permanently or temporarily, and whether for benefit, rent, or any compensation, unless prior written consent is obtained from the lessor.

5.2.2. Important Licenses

The company must obtain an antique trade license under Section 4 of the Antique Trade Control Act and ensure that branch offices conducting such business also have an antique trade license. This is in accordance with Section 8 (a) of the Antique Trade Control Act, which requires a license at each place of business.

The company and customers will enter into a sale with the right of redemption agreement, agreeing that customers can redeem the gold and jewelry under gold financing contracts at the redemption price and within the redemption period specified in the contract. The maximum return benefit rate under the sale with the right of redemption agreement is not more than 1.25% per month, calculated based on the actual number of days from the deposit date to the redemption date. Therefore, the interest rate charged by the Company to the seller does not exceed 15% per year as specified in the C.C.C.

5.2.3. Summary of Key Contract Terms

5.2.3.1 Branch Lease Agreement

The company has entered into lease agreements and service contracts for branch locations nationwide, such as spaces in shopping malls, community malls, hypermarkets, and retail stores. As of December 31, 2023.



5.2.3.1 Building Lease Agreement

The company has entered into building lease agreements for business operations (as the Company's office and branch locations) with related parties. As of December 31, 2023.

5.2.4 Restrictions on Foreign Shareholders

In the event that the Company issues new shares with pre-emptive rights to existing shareholders, offers new shares to existing shareholders proportionate to their shareholding (Right Offering), or issues transferable subscription rights, the Company may consider not issuing and offering such shares or securities to shareholders residing abroad if such issuance and offering would subject the Company to foreign legal obligations.

The Company has two building lease agreements with related parties for the Company's office and one for the Company's branch, with key terms and conditions summarized as follows:

Title	Details		
	Lease Agreement No. 1	Lease Agreement No. 2	Lease Agreement No. 3
Lessee	- The Company	- The Company	- The Company
Lessor	- Saeng Ngern Saeng Thong Udomsuk Co., Ltd. ⁽¹⁾	- Saeng Ngern Saeng Thong Udomsuk Co., Ltd. ⁽¹⁾	- Mr. Prasit Srirungtham
Nature of the Agreement	- Building lease agreement for business operations (as the Company's branch location) with a total area of 51.0 square meters	- Building lease agreement for business operations (as the Company's office location) with a total area of 2,599.8 square meters	- Building lease agreement for 4 buildings for business operations (as the Company's office location) with a total area of 1,623.0 square meters
Contract Duration	- The lease agreement has a term of 3 years from January 1, 2022, to December 31, 2024.		
Rental Rate	- Fixed rate of 30,000 baht per month throughout the contract term, comparable to market rates	- Fixed rate of 449,755 baht per month throughout the contract term, based on the rental rate assessed by an independent appraisal company approved by the SEC	- Fixed rate of 296,960 baht per month throughout the contract term, based on the rental rate assessed by an independent appraisal company approved by the SEC
Contract Renewal	- The lessee has the right to request a lease renewal for another 3 years, and the lessor agrees to commit to the extended lease term. The lessee must notify the lessor in writing of their intention to renew the lease at least 30 days before the lease term ends.		
Contract Termination	- If either party breaches the contract, and the other party notifies the breaching party of the breach, and the breaching party neglects or fails to rectify the breach within 30 days from the date of receiving the notice, the other party may terminate the contract.		

5.3 Other disputes

- None -

Part 2

Corporate Governance Policy

Aurora Design Public Company Limited

Form 56 – 1 One Report / Annual Report 2023





6. Corporate Governance Policy

6.1 Overview of Corporate Governance Policy and Practices

The Company has established a good corporate governance policy in accordance with the 2017 Good Corporate Governance Principles for Listed Companies by the Securities and Exchange Commission to serve as a guideline for business operations and organizational management to create sustainable value for the business. The good corporate governance practices consist of 8 principles as follows:

- Principle 1** Recognize the roles and responsibilities of the Board of Directors as organizational leaders who create sustainable value for the business.
- Principle 2** Set objectives and main goals of the business for sustainability.
- Principle 3** Enhance the effectiveness of the Board of Directors.
- Principle 4** Recruit and develop executives and manage personnel.
- Principle 5** Promote innovation and responsible business operations.
- Principle 6** Ensure appropriate risk management and internal control systems.
- Principle 7** Maintain financial credibility and information disclosure.
- Principle 8** Support shareholder participation and communication.

Details and information related to the corporate governance policy are provided in Attachment 5: Full Corporate Governance Policy and Practices, and the Business Code of Conduct prepared by the Company.

6.1.1 Policies and Practices Related to the Board of Directors

The Company has policies and practices regarding the Board of Directors, the nomination and remuneration of directors and executives, the independence of the Board from management, the development of directors, and the performance evaluation of directors, including the governance of subsidiaries and associated companies. Details and information related to the policies and practices regarding the Board of Directors are provided in Attachment 5: Full Corporate Governance Policy and Practices, and the Business Code of Conduct prepared by the Company.

6.1.1.1 Nomination and Remuneration of Company Directors and Sub-Committee Members

The Board of Directors is responsible for ensuring that the nomination and selection of directors are transparent and clear to obtain a Board of Directors with qualifications that align with the specified composition. The process involves nominating individuals with appropriate knowledge, expertise, and experience who can perform beneficial duties for the Company's business. The Board also considers the structure and remuneration rates that are appropriate for the responsibilities and can motivate directors to lead the organization towards achieving the Company's short-term and long-term goals, comparable to other organizations in the same industry, to present to the Board of Directors and/or the shareholders' meeting (as the case may be).

Additionally, the Board of Directors will consider or delegate to the Nomination and Remuneration Committee to (1) define the qualifications and criteria for nominating the Board of Directors and sub-committees, (2) select individuals with appropriate knowledge, experience, and expertise to serve as directors and sub-committee members to propose to the Board of Directors for appointment and/or to the shareholders' meeting for consideration (as the case may be), (3) propose the policy framework and forms of remuneration (both monetary and non-monetary) for directors and sub-committee members, including fixed remuneration (e.g., regular remuneration, meeting allowances) and performance-based remuneration (e.g., bonuses, gratuities, awards), considering changes and trends in remuneration, appropriateness, fairness, and compliance with the law to propose to the Board of Directors for approval, and (4) consider the remuneration of directors and sub-committee members within the policy framework and forms of remuneration to propose to the Board of Directors and/or the shareholders' meeting for approval (as the case may be).

6.1.1.2 Nomination and Remuneration of Company Executive

The Board of Directors is responsible for defining the qualifications and criteria for nominating suitable individuals for the position of Chief Executive Officer, including appointing such individuals and determining the development framework and process for the Chief Executive Officer to align with the Company's business, conditions, and the necessity to drive the organization towards the goals specified in the Board of Directors' charter.



The Board of Directors will oversee the establishment of an appropriate remuneration structure and performance evaluation for the Chief Executive Officer, with recommendations and screening by the Nomination and Remuneration Committee. The Board will manage and develop personnel to have the appropriate knowledge, skills, experience, and motivation and ensure that human resource management aligns with the Company's direction and strategy, encouraging employees to participate in training to enhance their knowledge and abilities, and ensuring fair treatment of employees to retain capable personnel.

Additionally, the Board of Directors will consider or delegate to the Nomination and Remuneration Committee to (1) define the qualifications and criteria for nominating the Chief Executive Officer, (2) select individuals with appropriate knowledge, experience, and expertise to serve as the Chief Executive Officer to propose to the Board of Directors for appointment and/or to the shareholders' meeting for consideration (as the case may be), (3) propose the policy framework and forms of remuneration (both monetary and non-monetary) for the Chief Executive Officer, including fixed remuneration (e.g., regular remuneration, meeting allowances) and performance-based remuneration (e.g., bonuses, gratuities, awards), considering changes and trends in remuneration, appropriateness, fairness, and compliance with the law to propose to the Board of Directors for approval, and (4) consider the remuneration of the Chief Executive Officer within the policy framework and forms of remuneration to propose to the Board of Directors and/or the shareholders' meeting for approval (as the case may be).

6.1.1.3 Performance Evaluation of the Board of Directors, Sub-Committees, and Individual Directors

The Board of Directors approves the criteria for evaluating the performance of the Board of Directors, sub-committees, and the Chief Executive Officer, including evaluating the performance and ensuring continuous and regular reporting of the performance of the sub-committees and the Chief Executive Officer to achieve the Company's objectives, vision, mission, policies, main goals, and business strategies. An annual performance evaluation is conducted at least once a year to review performance and issues and propose solutions to improve operational efficiency, with the results disclosed in the annual report.

6.1.1.4 Governance of Subsidiaries

In governing the operations of subsidiaries or associated companies, the Company will consider appointing representatives with appropriate qualifications and experience in the business in which the Company invests to serve as directors in the subsidiaries and associated companies to oversee the management of the subsidiaries and associated companies according to the operational plan. Additionally, in significant joint ventures, it is necessary to ensure the establishment of a Shareholder's Agreement or other agreements to clarify management authority and participation in important decision-making, and to monitor performance to use as information for preparing the Company's financial statements according to standards and timelines.

The Board of Directors will ensure that the Company appoints directors or executives in subsidiaries in proportion to the shareholding in the subsidiaries to oversee and protect the interests and returns from the investments that the Company should receive, and clearly define the scope, authority, and responsibilities of the appointed directors and executives to manage according to the Company's policies.

Additionally, the Board of Directors will (1) oversee that subsidiaries conduct transactions legally, including disclosing financial status, performance, related party transactions, significant asset acquisitions or disposals, and other important information accurately and completely, (2) ensure that subsidiaries have appropriate accounting systems, financial reporting systems, and annual information disclosure systems that are accurate, sufficient, timely, and comply with relevant rules, accounting standards, and generally accepted practices, (3) oversee that subsidiaries have information security systems, including policies and practices for maintaining confidentiality, reliability, and availability of information, and managing information that may affect stock prices, and ensure that directors, executives, employees, and related persons comply with the information security system, and (4) oversee the adequacy of financial liquidity and debt repayment ability of subsidiaries, and consider and approve plans or mechanisms to address issues if problems arise.



6.1.2 Policies and Practices Related to Shareholders and Stakeholders

The Company has policies and practices regarding shareholders and stakeholders, including shareholder care, equal treatment of shareholders, promotion of shareholder rights, prevention of insider trading, conflict of interest prevention, responsibility to stakeholders, compensation in case of rights violations, anti-corruption measures, and actions against those who do not comply with the policies and practices as follows:

6.1.2.1 Shareholder Rights and Equality

The Board of Directors will ensure that shareholders participate in considering and deciding on important matters of the Company according to shareholder rights. The Board will promote and facilitate the exercise of shareholder rights in an orderly, transparent, and efficient manner, including treating all shareholders equally as follows:

- (1) Provide information on the date, time, place, and agenda of the meeting, with explanations, reasons, and opinions of the Board of Directors on each agenda item or resolution request as specified in the shareholders' meeting invitation or attached documents, sufficiently for shareholders' decision-making. The invitation will be sent to shareholders, the Stock Exchange of Thailand, and published on the Company's website according to relevant rules, regulations, and laws, and refrain from actions that limit shareholders' opportunities to study the Company's information.
- (2) Facilitate all groups of shareholders to fully exercise their rights to attend and vote at meetings and refrain from actions that limit shareholders' opportunities to attend meetings, such as using convenient locations for travel, attaching maps showing the meeting venue in the invitation, choosing appropriate dates and times, and allocating sufficient time for the meeting to ensure that attending and voting are not complicated or excessively costly.
- (3) Before the shareholders' meeting, the Company will allow shareholders to submit comments, suggestions, questions, or propose additional agenda items in advance, with clear criteria for submitting questions and proposing agenda items in advance, and notify shareholders along with the invitation to the shareholders' meeting. The Company will publish these criteria on its website. However, executive shareholders should not add agenda items that were not previously notified unless necessary, especially important items that shareholders need time to study before making a decision.

- (4) Establish criteria and methods for minority shareholders to nominate individuals for the position of company director and publish information on the qualifications and consent of the nominees on the Company's website.
- (5) Encourage shareholders to use proxy forms that allow shareholders to specify voting directions and nominate at least one (1) independent director as an option for shareholders' proxies.
- (6) Before the shareholders' meeting begins, the chairman will explain the rules used in the meeting, the method of exercising voting rights, voting rights according to each type of share, and the method of counting votes for each agenda item that requires a resolution.
- (7) During the shareholders' meeting, the chairman will allocate appropriate time, and the Company will provide equal opportunities for all shareholders to express opinions, suggestions, or ask questions on relevant agenda items freely before voting on any agenda item.
- (8) The Company will encourage all directors and executives to attend the shareholders' meeting to answer shareholders' questions.
- (9) Arrange for separate voting on each item in the shareholders' meeting agenda if the agenda contains multiple items, such as the agenda for the appointment of company directors.
- (10) The Company will support the use of voting cards for transparency and to verify the vote counting results.
- (11) The Company will appoint independent persons to assist in counting or verifying the votes for each agenda item and disclose this to the meeting, recording it in the meeting minutes.
- (12) After the shareholders' meeting, the Company will prepare meeting minutes that accurately and completely record essential information, including significant questions, comments, and suggestions, to allow shareholders to verify. Additionally, the Company will publish the voting results for each agenda item and the meeting minutes on the Company's website for shareholders' consideration.
- (13) The Company will send a copy of the shareholders' meeting minutes to the Stock Exchange of Thailand within fourteen (14) days from the meeting date.
- (14) Encourage the Company to use technology in shareholders' meetings, including shareholder registration, vote counting, and result display, to ensure that the meeting proceedings are fast, accurate, and precise.



6.1.2.2 Responsibility to Stakeholders

The Company is committed to conducting business based on corporate governance principles, managing with transparency, accountability, and treating all stakeholders equally. To align with responsible business practices according to the corporate governance policy, the Company has established a written Business Code of Conduct as a guideline for good practices for directors, executives, and employees in conducting business to standard, under the framework of ethics, morality, and integrity. Directors, executives, and employees at all levels are required to recognize the importance of performing their duties as assigned by the Company with responsibility to all stakeholders to achieve the business goals set out in the Company's vision and mission for sustainable business growth.

The Board of Directors has set the objectives and main goals of the organization in conducting business to achieve sustainability and align with creating value for the business, customers, all stakeholders, and society as a whole. The Board communicates these principles to all levels of personnel to adhere to in performing their duties to achieve the set objectives and goals and to establish them as the organization's culture, considering 1) the environment and changing factors, as well as the use of innovation and technology to improve work and build the organization's foundation, 2) the needs of customers and stakeholders, and 3) competitiveness, expertise, opportunities, and business risks.

On January 24, 2024, the Board of Directors' meeting No. 1/2024 resolved to establish the Corporate Governance and Sustainable Development Committee and appoint directors with experience, knowledge, and capability in corporate governance and sustainable organizational management to align with the organization's goal of creating value for the business, customers, society, and all stakeholders.

6.1.2.3 Maintaining Financial Credibility and Information Disclosure

(1) The Board of Directors is responsible for overseeing that the Company has an accounting system, financial reporting, and financial statement review that comply with relevant rules and practices, and ensuring that the Company and its subsidiaries disclose information, including the Company's information, financial information, and other important general information, accurately, sufficiently, timely, and in accordance with laws, regulations, rules, standards, practices, and related regulations.

(2) The Board of Directors is responsible for preparing the annual report, annual information disclosure form (Form 56-1), and the Company's financial reports, prepared according to generally accepted accounting standards, and exercising careful judgment in their preparation, including ensuring sufficient disclosure of important information in the notes to the financial statements. The Audit Committee oversees the quality of financial reports and provides opinions to the Board of Directors.

(3) The Board of Directors will monitor the adequacy of financial liquidity and debt repayment ability of the Company and its subsidiaries to ensure that the Company's business continuity is not affected, requiring management to regularly monitor and assess the financial status and liquidity of the business and report to the Board of Directors quarterly, along with plans or mechanisms to address issues if problems arise.

(4) In the event that the Company faces financial problems or is likely to face problems, the Board of Directors will ensure that the Company has a plan to resolve the issues or other mechanisms to address financial problems, considering the rights of stakeholders.

(5) The Board of Directors will consider preparing a Sustainable Development Report as appropriate.

(6) The Board of Directors will oversee that management establishes an Investor Relations unit or responsible person to communicate with shareholders and other stakeholders, such as investors and securities analysts, appropriately, equally, and timely.

(7) The Board of Directors shall promote the use of information technology to disseminate information in addition to the channels prescribed by the regulations through the Stock Exchange of Thailand. The Board of Directors shall ensure that information is disclosed in both Thai and English through other channels, such as the Company's website, and that the information presented is up-to-date.

6.1.2.4 Prevention of Insider Trading

The company places great importance on preventing insider trading. The company has a policy prohibiting directors, executives, employees, and staff from using any information that may affect the Company's securities prices and has not yet been disclosed to the public ("insider information") or any information that affects the Company's business operations in a way that could harm or disadvantage the Company, including but not limited to operational results, trade information, or any other undisclosed information ("trade secrets"). Such information must not be disclosed directly or indirectly, used, or exploited for personal or others' benefit by any means, whether or not compensation is received. Additionally, they must not buy or sell securities or enter into futures contracts related to the Company's securities using insider information. Therefore, the Company has established the following guidelines to prevent insider trading:



(1) Reporting Changes in Securities Holdings

(1.1) The company shall educate its directors and executives about their duty to report changes in their holdings of the Company's securities and futures contracts referencing the Company's securities prices, including those of their spouses, cohabiting partners, and minor children, as well as legal entities in which the directors, executives, spouses, cohabiting partners, and minor children collectively hold more than thirty percent (30%) of the total voting rights and hold the largest proportion of shares in such legal entities (collectively referred to as "related persons").

(1.2) Directors and executives of the Company are required to report changes in their holdings of the Company's securities and futures contracts referencing the Company's securities prices, including those of related persons, to the Securities and Exchange Commission ("SEC") in accordance with the announcements issued under Section 59 of the Securities and Exchange Act B.E. 2535 (including any amendments) ("Securities Act") and to submit a copy of this report to the Company secretary on the same day the report is submitted to the SEC.

Directors and executives of the Company must report within seven (7) business days from the date of purchase, sale, transfer, or receipt of securities or futures contracts, and must comply with the following complete criteria:

(a) The company shall notify the names of directors and executives to be entered into the Company's directors and executives information system as prescribed by the SEC in the SEC's announcement regarding the form and method of notifying or changing the information of the Company's directors and executives.

(b) Persons required to report purchases, sales, transfers, or receipts of securities or futures contracts before their names appear in the Company's directors and executives information system as per (a)

For other reports not mentioned above, they must be reported within three (3) business days from the date of purchase, sale, transfer, or receipt of securities or futures contracts.

(2) Prohibition on Insider Trading

(2.1) Directors, executives, and employees of the Company who are aware of or possess insider information of the Company or its subsidiaries must refrain from buying or selling the Company's securities or entering into futures contracts referencing the Company's securities prices or using such information for personal or others' benefit by any

means before the insider information is disclosed to the public, except as permitted under Section 242 of the Securities Act. Additionally, such persons are prohibited from disclosing insider information to others until it has been publicly announced.

Furthermore, the aforementioned persons, including related persons, are prohibited from buying or selling the Company's securities or entering into futures contracts referencing the Company's securities prices for at least thirty (30) days before the Company's financial statements are disclosed to the public and within twenty-four (24) hours after the financial statements have been disclosed to the public (Black Out Period).

(2.2) Directors, executives, and employees of the Company are prohibited from using insider information or trade secrets of the Company and its subsidiaries, as well as trade secrets of business partners, which they have come to know in their positions or capacities, for the purpose of buying or selling, offering to buy or sell, or soliciting others to buy or sell the Company's securities and entering into futures contracts referencing the Company's securities prices, whether directly or indirectly, regardless of whether such use of information causes harm to the Company, its subsidiaries, or business partners, and regardless of whether such actions are for personal benefit or the benefit of others. They are also prohibited from disclosing or exploiting such information to induce others to act or refrain from acting in any way to benefit themselves or others, whether or not they receive compensation.

(3) Safeguarding Insider Information

(3.1) Directors, executives, and employees of the Company who are aware of or possess insider information of the Company and its subsidiaries must safeguard such information with caution and security to prevent it from leaking outside.

(3.2) Directors, executives, and employees of the Company must not disclose insider information of the Company and its subsidiaries to others who are not involved with such information to prevent it from being used for personal or others' benefit.

(3.3) The company must establish a system for safeguarding and preventing the use of insider information to ensure that insider information does not leak and is not used for buying or selling securities for personal or others' benefit.



(3.4) Disclosure of insider information to the public, including any communication related to insider information, must be approved by the Chief Executive Officer or the highest responsible person in accounting and finance or their designee.

(3.5) The company shall establish confidentiality agreements with consultants or other service providers before allowing them access to transactions related to insider information.

(4) Penalties

(4.1) Any violation of this policy will be considered a disciplinary offense under the Company's work regulations, with penalties ranging from verbal warnings, written warnings, probation, to termination of employment.

(4.2) Persons who fail to fulfill their duty to report changes in securities holdings under Section 59 of the Securities Act to the SEC are also subject to penalties under Section 275 of the Securities Act.

6.1.2.5 Prevention of Conflicts of Interest

The company places importance on preventing conflicts of interest by adhering to the principle that individuals involved or having any interest, whether directly or indirectly, in any transactions of the Company and its subsidiaries must not participate in the approval of such transactions. This is to ensure that business decisions of the Company and its subsidiaries are made for the best interest of the Company and its shareholders. Therefore, the Company has established this policy to ensure that directors, executives, and employees avoid actions that may cause conflicts of interest and are required to notify the Company of their relationships or interests in such transactions and must not participate in the decision-making or have the authority to approve such transactions, with the following guidelines:

(1) Directors and executives should refrain from engaging in businesses that are similar to or compete with the Company's and/or its subsidiaries' businesses or becoming partners or shareholders with decision-making power or holding positions as directors, executives, or consultants in such businesses, whether for personal benefit or others, unless they have held such positions before becoming directors and executives of the Company and have reported to the Board of Directors' meeting and/or the shareholders' meeting before their appointment (as the case may be).

(2) Directors and executives should disclose to the Company any personal, family, or relative business activities or businesses under their care that may cause conflicts of interest with the Company and/or its subsidiaries, such as:

- Investing or having any interests with business partners dealing with the Company or its subsidiaries or customers of the Company or its subsidiaries.
- Holding any positions or being a consultant to business partners dealing with the Company or its subsidiaries or customers of the Company or its subsidiaries.
- Trading goods or providing services to the Company or its subsidiaries directly or through other persons.

(3) Directors and executives are responsible for disclosing and submitting their interests and those of related persons promptly or upon becoming aware of such interests, and for disclosing and submitting their interests at the end of each year by reporting to the Company secretary. The company secretary must submit this interest report to the Chairman of the Board, the Chairman of the Audit Committee, and the Board of Directors within seven (7) business days from the date of receiving the interest report or immediately before the transaction is made to inform them of the relationships and transactions with the Company and its subsidiaries that may cause conflicts of interest. The company has assigned the Company secretary to review the interests of directors, executives, and/or related persons annually and present this information to the Audit Committee and the Board of Directors at least once (1) a year.

(4) Directors, executives, and employees must not seek benefits for themselves or others and must not disclose or exploit the Company's or its subsidiaries' confidential and/or undisclosed information, such as plans, revenues, meeting resolutions, business forecasts, product design results, or bid prices, for personal or others' benefit, whether or not it causes harm to the Company or its subsidiaries. They must also strictly comply with the Company's insider trading prevention policy.

(5) Directors, executives, and employees must adhere to business conduct guidelines and ethics and must not allow personal interests, related persons, or close relatives to influence decisions that deviate from principles, prioritizing the interests of the Company and its subsidiaries. They must not participate in decision-making or approve transactions in which they, related persons, or close relatives have interests or conflicts of interest, whether directly or indirectly.



In cases where employees, related persons, or close relatives have interests or conflicts of interest, the employees must report such interests to their supervisors on a case-by-case basis.

(6) Directors, executives, and employees must not be involved in the decision-making process for hiring new personnel related to themselves to ensure transparency and fairness in the consideration process.

The company shall ensure that its subsidiaries follow these guidelines by analogy.

6.1.2.6 Anti-Corruption Policy

The company recognizes the importance of anti-corruption and is committed to conducting business with integrity under good corporate governance principles. The company adheres to ethical, transparent, fair, and accountable business practices and strictly complies with regulations, rules, and laws to ensure that the Company, its personnel, and its subsidiaries do not accept corruption. Therefore, the Company has established a written anti-corruption policy to prevent corruption in all business activities, both domestically and internationally, and to ensure that decisions and business operations with potential corruption risks are reviewed and comply with this policy to provide clear guidelines for business conduct and develop a sustainable organization.

(1) Definitions

"Corruption" means the misuse of power for improper benefits, including bribery in any form, by offering, promising, committing, demanding, giving, or receiving money, property, or other improper benefits to government officials, state agencies, private agencies, or responsible persons, whether directly or indirectly, to induce such persons to act or refrain from acting or to obtain or maintain improper business benefits.

"Charity" means activities involving the expenditure of money without tangible returns.

"Public Benefit Donation" means the expenditure of money for projects or activities that benefit the community, society, or groups of people, where the Company may not receive tangible returns.

"Political Contributions" means assistance in the name of the Company, whether financial or otherwise, to support political activities. Financial assistance includes loans, and other forms of assistance (in-kind), such as providing goods or services, promoting or supporting political parties, purchasing tickets for fundraising events, or donating money to organizations closely related to political parties, except for supporting democratic processes as permitted by law.

"Sponsorships" means money paid for services or benefits that are difficult to measure and track, which may be linked to bribery. Sponsorships may have hidden purposes, using charity sports or charitable organizations as a front to gain advantages in the consideration of government officials or related persons (examples of advantages include awarding contracts, business opportunities or bids, reducing or waiving fees, providing assistance, or waiving requirements for various licenses that do not comply with normal government decision-making processes, reducing or waiving legal requirements, or providing or assisting in accessing government officials).

"Government Officials" means "government officials" as defined in the law on the prevention and suppression of corruption, including civil servants, officers, state enterprise employees, employees, agents, or any other persons representing ministries, departments, or state agencies, international organizations, political parties, regulatory agencies (such as the Securities and Exchange Commission, the Bank of Thailand, the Stock Exchange of Thailand, etc.), including state enterprises or companies or other organizations owned or controlled by the state or state agencies.

(2) Anti-Corruption Policy

(2.1) Directors, executives, and employees at all levels of the Company must not request or engage in any actions that involve giving, receiving, or accepting corruption in any form, whether directly or indirectly, for the benefit of the organization, themselves, their families, friends, acquaintances, or for business benefits. This policy covers both domestic and international business, as well as all related units of the Company and its subsidiaries.



(2.2) Business operations and procurement must be transparent, honest, and comply with relevant laws.

(2.3) The company must regularly review compliance with this anti-corruption policy and review practices and operational requirements to align with business changes, regulations, rules, and legal requirements. Any violations involving corruption, support, assistance, or cooperation with corruption will be subject to penalties according to the Company's regulations.

(3) Responsibilities

(3.1) The Board of Directors is responsible for defining and approving the anti-corruption policy by establishing an effective system to support anti-corruption efforts, ensuring that all levels of the Company's personnel recognize the importance of anti-corruption and implement it as part of the corporate culture, and providing advice and monitoring compliance with the anti-corruption policy.

(3.2) The Audit Committee is responsible for reviewing the adequacy of the accounting and financial reporting system, internal control system, and reviewing operations to ensure compliance with the anti-corruption policy, requirements, and relevant laws.

(3.3) Management is responsible for implementing the anti-corruption policy by establishing systems, promoting, supporting, supervising, and communicating to employees to ensure that all parties comply with the anti-corruption policy, as well as reviewing the appropriateness of systems and measures to align with business changes, regulations, and legal requirements.

(3.4) The Internal Audit Department is responsible for auditing and monitoring the performance to ensure compliance with policies, practices, procedures, and relevant laws to ensure that there is an appropriate and sufficient internal control system to prevent potential corruption risks. This includes the duty to conduct risk assessments related to corruption and report to the Audit Committee.

(3.5) Directors, executives, and employees at all levels of the Company must adhere to the anti-corruption policy by not engaging in corruption, either directly or indirectly.

(4) Scope and Guidelines

(4.1) The company mandates that directors, executives, and employees at all levels must perform their duties with caution to prevent all forms of corruption as follows:

(1) Giving and Receiving Bribes

It is strictly prohibited to give or receive bribes in any form in exchange for business benefits, and it is forbidden to assign others to give or receive bribes on one's behalf.

(2) Gifts, Hospitality, and Other Benefits

The giving or receiving of gifts, hospitality, or any benefits to or from customers, partners, government officials, or individuals associated with the Company must comply with the Company's regulations, be conducted transparently, be auditable, and follow customary practices.

(3) Political Contributions

The company, including directors, executives, and employees, must conduct business activities neutrally, without political bias, not support politicians, and not provide financial or material support to political parties, political groups, political authorities, or political candidates at local, regional, or national levels. If directors, executives, and employees participate in activities under personal rights and freedoms, they must not claim to be personnel or representatives of the Company or its subsidiaries, nor use the Company's or subsidiaries' assets, equipment, or tools for political purposes.

(4) Donations, Charitable Contributions, Public Benefit Donations, and Sponsorships

The company stipulates that donations, charitable contributions, public benefit donations, and sponsorships must comply with the following requirements:

(1) They must be transparent, lawful, and not contrary to morality, and must not cause any harm to the public.

(2) They must not be related to or used for bribery.

(3) They must follow the Company's procedures for reviewing and approving charitable contributions, public benefit donations, or sponsorships. In case of doubt about whether an action conflicts with these guidelines, seek written advice from the Legal Department, or for significant matters, have the management consider them.



(4.2) Directors, executives, and employees at all levels of the Company must not ignore or neglect when witnessing actions that may constitute corruption related to the Company and its subsidiaries and personnel. They must report to the responsible person and cooperate in investigating the facts.

(4.3) The company will provide training and orientation for new directors, executives, or employees regarding the anti-corruption policy to ensure awareness and implementation.

(4.4) Directors and executives at all levels of the Company and its subsidiaries must demonstrate integrity and set a good example in adhering to the anti-corruption policy. The company secretary is responsible for disseminating knowledge, fostering understanding, and promoting serious and continuous adherence to the anti-corruption policy until it becomes part of the corporate culture.

(4.5) The anti-corruption policy covers personnel management processes, from recruitment or selection of personnel, promotion, training, and performance evaluation of employees. Supervisors at all levels must communicate and ensure that employees under their responsibility understand and comply with the policy effectively.

(4.6) The company will implement the anti-corruption policy, relevant laws, company regulations, and operational manuals, as well as any other practices the Company may establish in the future.

(4.7) The company will review the anti-corruption policy regularly, at least once a year.

Anyone witnessing corruption related to the organization can report corruption through the channels specified by the Company under the whistleblowing policy. The company will provide measures to protect whistleblowers.

(5) Dissemination of the Anti-Corruption Policy

To ensure that everyone in the organization, including partners, customers, and individuals the Company conducts business with, is aware of the anti-corruption policy, the Company will undertake the following actions:

(5.1) The company will post the anti-corruption policy in prominent locations for everyone in the organization to read.

(5.2) The company will disseminate the anti-corruption policy through the Company's communication channels, such as the Company's website, annual information disclosure forms, and annual reports.

The Company will ensure that its subsidiaries adapt this anti-corruption policy as appropriate.

6.2 Business Ethics

The Company is committed to conducting business based on corporate governance principles, managing with transparency, accountability, and treating all stakeholders equally. To align with responsible business practices according to the corporate governance policy, the Company has established a written Business Code of Conduct as a guideline for good practices for directors, executives, and employees in conducting business to standard, under the framework of ethics, morality, and integrity. Directors, executives, and employees at all levels are required to recognize the importance of performing their duties as assigned by the Company with responsibility to all stakeholders to achieve the business goals set out in the Company's vision and mission for sustainable business growth.

The Board of Directors approved the business conduct guidelines and code of ethics at the Board of Directors meeting No. 8/2564 on September 29, 2021.

Details and information related to the business conduct guidelines and code of ethics are provided in Attachment 5: Full Corporate Governance Policy and Business Ethics prepared by the Company.

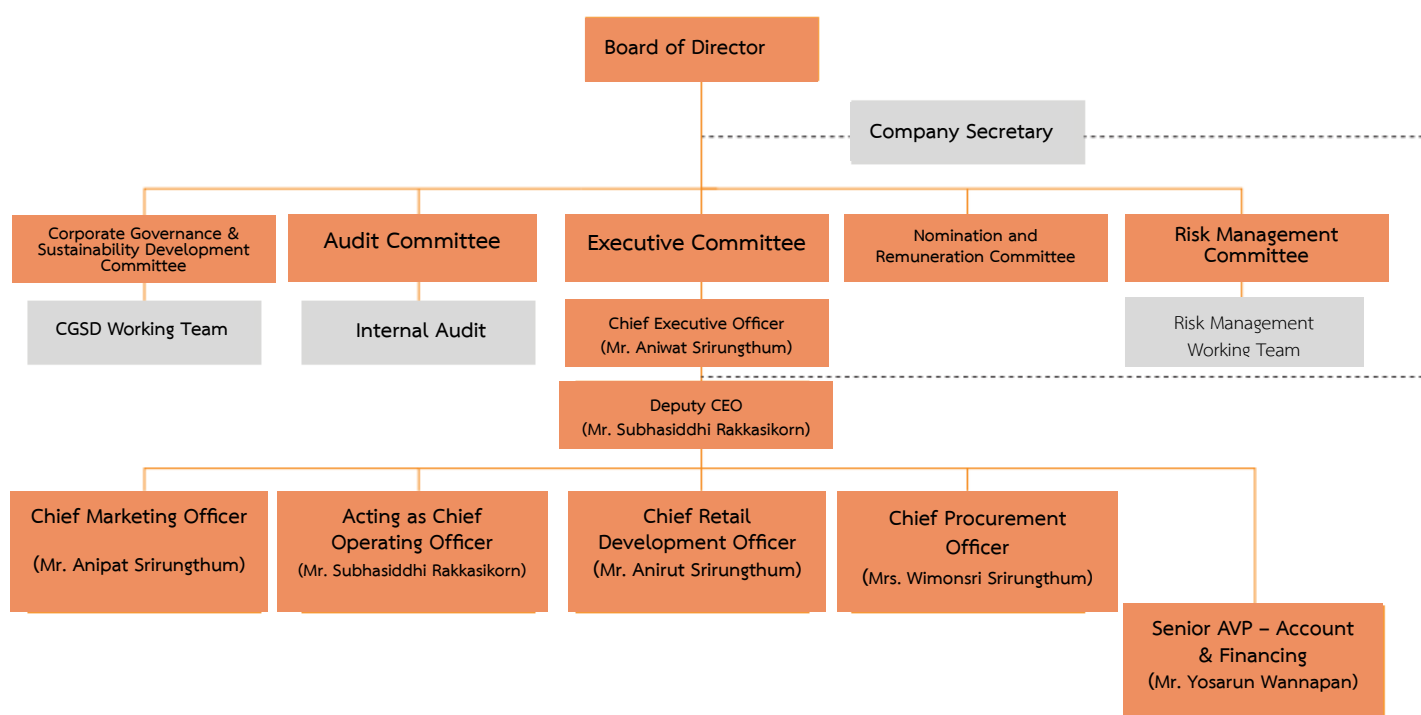
6.3 Significant Changes and Developments in Policies, Practices, and Corporate Governance Systems in the Past Year

The company adheres to the 2017 Good Corporate Governance Principles for Listed Companies, and the Board of Directors has a process to review the application of these principles to suit the business context at least once a year.



7. Corporate Governance Structure and Key Information about the Board of Directors, Sub-Committees, Executives, Employees, and Others

As of February 28, 2024, the corporate governance structure of the Company comprises the Board of Directors and five sub-committees, namely: (1) Audit Committee, (2) Nomination and Remuneration Committee, (3) Executive Committee, (4) Risk Management Committee, and (5) Good Corporate Governance and Sustainable Development Committee* as follows:



Note : On January 24, 2024, the Board of Directors' meeting No. 1/2024 resolved to appoint the Good Corporate Governance and Sustainable Development Committee.

7.2 Information about the Board of Directors

7.2.1 Composition of the Board of Directors

As of February 28, 2024, the Board of Directors consists of 7 members, in compliance with relevant laws and the Company's regulations. There are 4 non-executive directors (57.1% of the total number of directors) and 3 executive directors (42.9% of the total number of directors). Currently, the Board of Directors includes 3 independent directors (42.9% of the total number of directors), which is not less than one-third of the total number of directors and meets the qualifications as per relevant laws.

The information and details related to the Company's directors are provided in Attachment 1.



7.2.2 Individual Director Information

As of February 28, 2024, the Company's Board of Directors consists of 7 members, with the following names:

Name	Position
1. Mr. Prasit Srirungthum	Chairman of the Board of Directors and Chairman of Executive Committee
2. Mrs. Wimonsee Srirungthum	Directors / Chairman of the Nomination and Remuneration Committee / Member of the Executive committee / Chief Procurement Officer
3. Mr. Aniwat Srirungthum	Director / Chairman of the Risk Management Committee Chief / Member of the Executive committee / Member of the Corporate Governance & Sustainability Development Committee/ Chief Executive Officer
4. Mr. Subhasiddhi Rakkasikorn	Director / Member of the Risk Management Committee Chief / Member of the Executive committee / Member of the Corporate Governance & Sustainability Development Committee / Deputy of Chief Executive Officer
5. Mr. Kanit Patsaman	Independent Director / Chairman of the Audit Committee / Member of the Nomination and Remuneration Committee
6. Mr. Chanin Archjananun	Independent Director / Member of the Audit Committee / Member of the Nomination and Remuneration Committee
7. Mr. Boonchai Pritivichakan	Independent Director / Member of the Audit Committee / Member of the Risk management Committee

Since the Chairman of the Board is not an independent director and the Chairman and the Chief Executive Officer are family members, the Board of Directors' meeting No. 1/2022 (post-conversion) on July 6, 2022, resolved to appoint the Chairman of the Audit Committee, who is an independent director, to co-determine the agenda of the Board of Directors' meetings. In the event that the Chairman of the Audit Committee is unable to perform this duty, any other independent director shall perform the duty of co-determining the agenda of the Board of Directors' meetings in place of the Chairman of the Audit Committee to comply with the 2017 Good Corporate Governance Principles for Listed Companies of the SEC and to align with the Board of Directors' charter.

Authorized Directors to Bind the Company

The authorized directors to bind the Company are Mr. Prasit Srirungtham or Mrs. Wimonsee Srirungtham, signing jointly with Mr. Aniwat Srirungtham or Mr. Supasit Rakasikorn, totaling two directors signing jointly and affixing the Company's seal.

Company Secretary

Ms. Sumana Puangpeksuk is the company secretary, as appointed by the Board of Directors' meeting No. 4/2023 on August 15, 2023.

7.2.3 Information about the Roles and Responsibilities of the Board of Directors and the Chairman

7.2.3.1 Scope of Authority and Responsibilities of the Board of Directors

The Extraordinary General Meeting of Shareholders No. 1/2022 on June 30, 2022, approved the Board of Directors' charter, and the Board of Directors' meeting No. 2/2024 on February 28, 2024, resolved to amend the Board of Directors' charter, including the scope of authority, duties, and responsibilities as follows:

- (1) Perform duties and oversee the Company's operations in compliance with the law, objectives, regulations, resolutions of the Board of Directors' meetings, and resolutions of the shareholders' meetings with responsibility, caution, and honesty to protect the rights and interests of the Company and all shareholders.
- (2) Determine the Company's objectives, vision, mission, policies, main goals, strategies, business plans, budgets, management structure, and delegation of authority, including overseeing the management and operations of the Company's management and subsidiaries to align with the policies, goals, plans, and budgets set for the maximum benefit of the Company and shareholders.



- (3) Oversee the Company and its subsidiaries to conduct business ethically, respect rights, and be responsible to shareholders and other stakeholders, and conduct business beneficial to society and the environment, including adapting to changing factors under good corporate governance principles.
- (4) Develop the Company's and its subsidiaries' competitiveness and potential to become a leading company in the industry.
- (5) Determine and review the board structure regarding the number of directors, proportion of independent directors, and diverse qualifications to suit the Company's business operations.
- (6) Consider and approve the criteria for nominating individuals to serve as company directors, sub-committee members, and the Chief Executive Officer (as defined by the SEC) ("Executives") as proposed by the Nomination and Remuneration Committee.
- (7) Consider and approve the policy framework and remuneration structure for company directors, sub-committee members, and the Chief Executive Officer as proposed by the Nomination and Remuneration Committee.
- (8) Consider and approve the remuneration of company directors and sub-committee members to be proposed to the shareholders' meeting for approval, and consider and approve the remuneration of the Chief Executive Officer. The remuneration consideration should take into account factors such as experience, duties, scope, and responsibilities, alignment with the Company's short-term and long-term strategies and goals, industry remuneration standards, and the expected benefits from each director.
- (9) Appoint sub-committees such as the Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Executive Committee, and/or other sub-committees to assist and support the Board of Directors' duties as appropriate.
- (10) Consider and approve the performance evaluation criteria for the Board of Directors, sub-committees, and the Chief Executive Officer as proposed by the Nomination and Remuneration Committee.
- (11) Approve the performance evaluation results and oversee the continuous and regular reporting of the Chief Executive Officer's performance to ensure the Company achieves its objectives, vision, mission, policies, main goals, and business strategies.
- (12) Conduct annual performance evaluations both collectively and individually to assess performance and issues, and propose solutions to improve operational efficiency, and disclose such actions in the annual report.
- (13) Establish a succession plan to prepare for the succession of the Chief Executive Officer and executives, with the Chief Executive Officer reporting the progress of the succession plan to the Board of Directors at least once a year, and oversee the appointment of individuals to manage and develop personnel with appropriate numbers, knowledge, skills, experience, and motivation.
- (14) Oversee the Company and its subsidiaries to have adequate, appropriate, and effective risk management and internal control systems, assigning the Audit Committee to review the risk management system, internal control system, and internal audit system to ensure they are appropriate and effective.
- (15) Consider, approve, and/or provide opinions on transactions that significantly impact the Company, including the acquisition or disposal of assets and related party transactions of the Company and/or its subsidiaries as stipulated by relevant laws, announcements, and regulations.
- (16) Oversee, control, prevent, and manage conflicts of interest that may arise between the Company's and its subsidiaries' stakeholders and the management, Board of Directors, or shareholders, including but not limited to the improper use of the Company's and its subsidiaries' assets and transactions with related parties inappropriately. In cases where any director has an interest in any transaction with the Company or changes in shareholding in the Company and/or its subsidiaries, the director must promptly notify the Company.
- (17) Consider and approve the principles of commercial agreements with general trading conditions for transactions between the Company, its subsidiaries, and directors, executives, or related persons to set the framework for the Executive Committee and management's actions, in compliance with relevant laws and regulations.
- (18) Establish good corporate governance policies, social responsibility, including anti-corruption measures, and communicate them at all levels of the Company, its subsidiaries, and external parties to ensure practical implementation.



- (19) Establish mechanisms for receiving complaints and handling whistleblowing cases, providing opportunities for all stakeholders to contact or file complaints directly with the assigned persons.
- (20) Emphasize and support the creation of innovations that add long-term value to the business while benefiting customers or related parties, being responsible to society and the environment, and promoting the use of information technology to increase business opportunities and operational performance in line with the set policies effectively and efficiently to maximize value for the Company and shareholders, considering all relevant stakeholders.
- (21) Ensure the Company appoints directors or executives in subsidiaries or joint ventures in proportion to the shareholding in the subsidiaries or joint ventures to oversee and maintain the benefits and returns from the investments that the Company should receive, and clearly define the scope of authority and responsibilities of the appointed directors and executives to ensure management aligns with the Company's policies.
- (22) Oversee subsidiaries to conduct transactions in compliance with the law, including disclosing financial status, operating results, related party transactions, significant asset acquisitions or disposals, and other important information accurately and completely.
- (23) Ensure the Company and its subsidiaries have appropriate accounting systems, financial reporting systems, and the preparation of annual information disclosure forms accurately, sufficiently, and timely, in accordance with generally accepted rules, accounting standards, and practices.
- (24) Consider and approve the selection and appointment of auditors and appropriate remuneration as proposed by the Audit Committee before presenting to the shareholders' meeting for approval at the annual general meeting.
- (25) Consider and approve quarterly financial statements reviewed by the auditor and reviewed by the Audit Committee, including considering and approving the annual financial statements audited by the auditor and reviewed by the Audit Committee before presenting to the shareholders' meeting for approval at the annual general meeting.
- (26) Consider and approve interim dividend payments to the Company's shareholders and report such dividend payments to the shareholders' meeting at the next shareholders' meeting.

- (27) Consider and oversee the Company's disclosure of important information accurately, sufficiently, and timely, in accordance with relevant rules, standards, and practices.
- (28) Oversee the Company and its subsidiaries to have information security systems, including policies and practices for maintaining confidentiality, reliability, and availability of information, and managing information that may affect the securities prices, ensuring that directors, executives, employees, and related persons comply with the information security systems.
- (29) Oversee the adequacy of financial liquidity and debt repayment ability of the Company and its subsidiaries, including considering and approving plans or mechanisms to address issues if problems arise.
- (30) Ensure that shareholders participate in making important decisions of the Company.
- (31) Hold the annual general meeting of shareholders within four (4) months from the end of the Company's fiscal year and conduct the shareholders' meeting in an orderly, transparent, and efficient manner, ensuring the disclosure of meeting resolutions and the preparation of accurate and complete shareholders' meeting minutes.
- (32) Acknowledge the audit reports of the Audit Committee and other sub-committees of the Company.
- (33) Seek professional opinions from external organizations if necessary to make appropriate decisions.
- (34) Appoint a company secretary with appropriate knowledge, experience, and qualifications to assist the Board of Directors in performing various tasks to ensure the Company's business operations comply with relevant laws, announcements, and regulations.
- (35) Consider and approve matters with fairness to the interests of shareholders and all stakeholder groups of the Company.

7.2.3.2 Scope of Authority and Responsibilities of the Chairman

The authority, duties, and responsibilities of the Board of Directors are defined by the Public Limited Companies Act B.E. 2535 (including amendments), the Securities and Exchange Act B.E. 2535 (including amendments), and the Company's regulations. Additionally, the Board of Directors' meeting No. 1/2022 (post-conversion) on July 6, 2022, resolved to approve the scope of authority, duties, and responsibilities of the Chairman as follows:



1. The Chairman of the Board shall call the Board of Directors' meetings. In the absence of the Chairman, the Vice Chairman shall call the Board of Directors' meetings. If there is no Vice Chairman, two (2) or more directors may jointly call the Board of Directors' meetings. The meeting notice, agenda, and supporting documents shall be sent to all directors at least three (3) days before the meeting date, which may be sent electronically to allow directors sufficient time to study the information, except in urgent cases to protect the Company's rights or benefits, where the meeting notice may be given by other means or the meeting date may be set earlier.
2. In the absence of the Chairman at the meeting or if the Chairman is unable to perform duties, if the Vice Chairman is present, the Vice Chairman shall act as the Chairman of the meeting. If there is no Vice Chairman or the Vice Chairman is not present or unable to perform duties, the directors present at the meeting shall elect one director to act as the Chairman of the meeting.
3. The resolution of the meeting shall be by majority vote. In case of a tie, the Chairman of the meeting shall have an additional casting vote.

7.3 Information about Sub-Committees

As of February 28, 2024, the Company has five sub-committees, which are: (1) Audit Committee, (2) Nomination and Remuneration Committee, (3) Executive Committee, (4) Risk Management Committee, and (5) Good Corporate Governance and Sustainable Development Committee.

Each sub-committee has a charter approved by the Board of Directors, specifying the objectives, composition, qualifications, term of office, authority, duties and responsibilities, meetings, quorum and voting, performance evaluation, etc., with a provision for reviewing the charter as appropriate. The sub-committees must report their performance to the Board of Directors.

7.3.1 Scope of Duties and Responsibilities of Sub-Committees

7.3.1.1 Scope of Duties and Responsibilities of the Audit Committee

The Extraordinary General Meeting of Shareholders No. 2/2024 on February 28, 2024, approved the Audit Committee's charter, including the scope of authority, duties, and responsibilities as follows:

- (1) Review the Company's financial reports and disclosure of information in the Company's financial statements to ensure completeness, accuracy, reliability, and timeliness by coordinating with the auditor and the executives responsible for preparing the financial reports, both quarterly and annually. The Audit Committee may recommend the auditor review or audit any significant and necessary items during the Company's audit.
- (2) Review significant transactions that are not normal business transactions occurring in the past year (if any) by considering the reasonableness of such transactions, the impact on the financial position and operating results, and the accuracy and completeness of the disclosure of information.
- (3) Review the internal control system and internal audit system to ensure that the Company and its subsidiaries have appropriate and effective internal control systems, approve the annual audit plan of the Company, and consider and approve significant revisions to the audit plan, including overseeing the internal audit department's operations to align with the approved annual audit plan and international standards for internal audit practice.
- (4) Evaluate the quality of internal audit performance annually, including evaluating the quality of internal audit performance by independent external parties at least every five (5) years, and consider the internal audit reports to provide opinions before submitting the internal audit reports to the Board of Directors.
- (5) Consider the independence of the internal audit unit and approve the appointment, transfer, or dismissal of the head of the internal audit department or any other unit responsible for internal audit.
- (6) Consider and approve the annual budget, staffing, and necessary resources for the internal audit department's operations.
- (7) Attend meetings with the Head of Internal Audit to discuss significant issues at least once (1) a year without the presence of management.
- (8) Review the Company's compliance with the Securities and Exchange Act, regulations, and announcements of the Stock Exchange of Thailand, and other relevant laws applicable to the Company and/or its business, and regularly acknowledge progress reports on key compliance issues and related laws.



- (9) Consider, select, propose the appointment, and propose the dismissal of an independent person to act as the Company's auditor, propose the auditor's remuneration, and attend meetings with the auditor at least once (1) a year without the presence of management.
- (10) Consider related party transactions or transactions that may have conflicts of interest in accordance with the Securities and Exchange Act, regulations, and announcements of the Stock Exchange of Thailand, and/or other relevant laws applicable to the Company and/or its business, to ensure that such transactions are reasonable and in the best interest of the Company.
- (11) Prepare the Audit Committee's report to be presented to the Board of Directors and disclosed in the Company's annual report, which must be signed by the Chairman of the Audit Committee and should include at least the following information:
 - (a) Opinions on the accuracy, completeness, and reliability of the Company's financial reports.
 - (b) Opinions on the adequacy of the Company's internal control system.
 - (c) Opinions on compliance with the Securities and Exchange Act, regulations, and announcements of the Stock Exchange of Thailand, and other relevant laws applicable to the Company and/or its business.
 - (d) Opinions on the appropriateness of the auditor.
 - (e) Opinions on transactions that may have conflicts of interest.
 - (f) The number of Audit Committee meetings and the attendance of each Audit Committee member.
 - (g) Overall opinions or observations received by the Audit Committee from performing their duties according to the charter.
 - (h) Any other items that the Company's shareholders and general investors should be informed of under the scope of authority, duties, and responsibilities assigned by the Board of Directors.
- (12) Investigate related parties under the authority of the Audit Committee and have the power to hire or bring in specialists to assist in the audit work, with the Company bearing the expenses.
- (13) If any transactions or actions are found or suspected to have a significant impact on the Company's financial status and operating results, the Audit Committee should report to the Board of Directors for corrective action within a timeframe deemed appropriate by the Audit Committee.
 - (a) Transactions that cause conflicts of interest.
 - (b) Fraud, irregularities, or significant deficiencies in the internal control system.
 - (c) Violations of the Securities and Exchange Act, regulations, and announcements of the Stock Exchange of Thailand, or other relevant laws applicable to the Company and/or its business.

If the Board of Directors does not take corrective action within the aforementioned timeframe, any member of the Audit Committee may report such transactions or actions to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.
- (14) Facilitate the receipt of complaints and whistleblowing regarding misconduct, fraud, corruption, or non-compliance with laws, regulations, and the Company's business ethics, and oversee the investigation of facts and the consideration of penalties independently and appropriately according to relevant policies determined by the Board of Directors.
- (15) Review, reconsider, and provide opinions on policies and reports on good corporate governance, social responsibility, and anti-corruption.
- (16) Have the authority to summon and direct management, department heads, or employees of the Company and its subsidiaries to provide opinions, attend meetings, or submit documents deemed necessary, and seek independent opinions from other professional advisors when necessary, at the Company's expense.
- (17) Review or amend the Audit Committee's charter to align with circumstances at least once (1) a year and propose it to the Board of Directors for acknowledgment or approval, as the case may be.
- (18) Conduct an annual performance evaluation, both as a committee and individually, and report the annual performance results to the Board of Directors for consideration, including preparing the Audit Committee's report.
- (19) Perform any other duties as assigned by the Board of Directors or according to policies determined by the Board of Directors.



In the event of the appointment of an Audit Committee member and/or changes in the duties of the Audit Committee, the Company must disclose the resolution of the appointment, the scope of operations, and/or the resolution of changes in the duties of the Audit Committee according to the notification form and the scope of operations of the Audit Committee as specified by the Stock Exchange of Thailand to the Stock Exchange within three (3) business days from the date of such appointment and/or change.

7.3.1.2 Scope of duties and responsibilities of the Executive Committee.

The Board of Directors' meeting No. 2/2024 on February 28, 2024, resolved to approve the Executive Committee's charter, which includes the following scope, authority, duties, and responsibilities:

- (1) Consider and determine the Company's objectives, vision, mission, policies, main goals, and strategies as proposed by the Chief Executive Officer for approval by the Board of Directors.
- (2) Consider and screen the business plan, budget, management structure, and Delegation of Authority of the Company to align with the Company's objectives, vision, mission, policies, main goals, and business strategies of the Company and its subsidiaries as proposed by the Chief Executive Officer for approval by the Board of Directors and proceed according to the Board of Directors' approval.
- (3) Manage, monitor, and follow up on the Company's and its subsidiaries' operations and general management to ensure efficiency and effectiveness, including screening various proposals from management.
- (4) Approve the execution of contracts and/or transactions related to the Company's normal business operations (such as buying, selling, investing, or joint ventures with others for normal business transactions of the Company and for the benefit of operations according to the Company's objectives) within the limits specified in the Delegation of Authority or as determined by the Board of Directors.
- (5) Approve borrowing and credit requests from financial institutions, lending, pledging, mortgaging of the Company, or acting as a guarantor for subsidiaries within the limits specified in the Delegation of Authority or as determined by the Board of Directors.
- (6) Approve the appointment of necessary consultants for the Company's operations within the budget framework approved by the Board of Directors each year.

- (7) Have the authority to invite management, executives, or any relevant persons of the Company and its subsidiaries to provide opinions, attend meetings, or provide necessary information.
- (8) In performing duties within the scope of authority, the Executive Committee has the power to summon and direct management or relevant employees to provide opinions, attend meetings, or submit necessary documents. Additionally, in performing duties under the scope of this charter, the Executive Committee may seek advice from external independent consultants or other professional experts if deemed necessary and appropriate, at the Company's expense, and disclose the information and independence of such consultants in the annual report (if any).
- (9) Perform any other duties as deemed appropriate and assigned by the Board of Directors.

7.3.1.3 Scope of duties and responsibilities of the Nomination and Remuneration Committee.

The Board of Directors' meeting No. 2/2024 on February 28, 2024, resolved to approve the Nomination and Remuneration Committee's charter, which includes the following scope, authority, duties, and responsibilities:

- (1) Consider and propose the structure and composition of the Board of Directors and sub-committees in terms of the number of directors to be appropriate for the size, type, and complexity of the Company's business, and align with the business strategy and changing environment.
- (2) Consider and determine the qualifications and criteria for nominating directors, sub-committee members, and the Chief Executive Officer for approval by the Board of Directors.
- (3) Consider and select individuals with knowledge, expertise, work experience, diversity of skills (Board Skill Matrix), and specific qualifications necessary for the Company's business operations to achieve balance in various fields and the best interest of the Company, considering the list of directors or director pool from reputable organizations.
- (4) Consider the independence qualifications of independent directors to ensure that the Company's independent directors are independent and fully qualified according to relevant criteria.



- (5) Provide for the development of directors and sub-committee members to enhance and develop knowledge and skills in line with the Company's business, economic conditions, technology, laws, or regulations related to the Company's business.
- (6) Provide for the development plan of the Chief Executive Officer to enhance and develop knowledge and skills in line with the Company's business and prepare the Company for the succession of senior executives (Succession Plan) to ensure the Company's management can continue smoothly and review the plan annually.
- (7) Consider the criteria and forms of remuneration for directors, sub-committee members, and the Chief Executive Officer, both monetary and non-monetary, by comparing with listed companies in the Securities and Exchange Commission of Thailand with similar characteristics, considering the duties and scope of roles and responsibilities, the Company's performance, and alignment with the Company's long-term strategy and goals, and propose the remuneration to the Board of Directors. The Board of Directors will approve the Chief Executive Officer's remuneration, while the directors' remuneration will be proposed to the shareholders' meeting for annual approval.
- (8) Determine the performance evaluation criteria and evaluate the performance of the Chief Executive Officer for approval by the Board of Directors.
- (9) Recommend methods for evaluating the performance of the Board of Directors and sub-committees, review the evaluation methods annually, and follow up on the evaluation results and report to the Board of Directors for improvement of performance efficiency, including enhancing the knowledge and capabilities of the Board of Directors and sub-committees.
- (10) In performing duties within the scope of authority, the Nomination Committee has the power to summon and direct management or relevant employees to provide opinions, attend meetings, or submit necessary documents. Additionally, in performing duties under the scope of this charter, the Nomination Committee may seek advice from external independent consultants or other professional experts if deemed necessary and appropriate, at the Company's expense, and disclose the information and independence of such consultants in the annual report (if any).
- (11) Perform any other duties as deemed appropriate and assigned by the Board of Directors.

7.3.1.4 Scope of duties and responsibilities of the Risk Management Committee.

The Board of Directors' meeting No. 2/2024 on February 28, 2024, resolved to approve the Risk Management Committee's charter, which includes the following scope, authority, duties, and responsibilities:

- (1) Consider and approve the organization's risk appetite.
- (2) Consider and approve the risk management policy that aligns with the Company's objectives, vision, mission, policies, main goals, strategies, and risk appetite to provide a framework for risk management operations of the Company and its subsidiaries in a consistent direction.
- (3) Oversee the Company to identify risks arising from both internal and external factors, ensuring that risk identification covers strategic risk, operational risk, financial risk, compliance risk, environmental, social, and governance (ESG) risk, and emerging risk at a minimum.
- (4) Oversee the Company to have responsible parties for implementing the risk management policy or establish a risk management working group to formulate strategies or approaches for risk management that align with the risk management policy, support the analysis, assessment, management, and monitoring of risk management results.
- (5) Oversee the Company to prioritize risks and have appropriate risk management approaches to ensure efficient resource management in reducing risk levels to acceptable levels.
- (6) Communicate with the Board of Directors, Audit Committee, Executive Committee, and management regarding significant risks.
- (7) Recommend, promote, and support directors, executives, and employees to have knowledge and understanding of risk management and drive the risk management system and culture to comply with international standards, capable of coping with the volatility and rapid changes in the business environment, and align with laws, regulations, organizational rules, government agencies, and regulatory bodies, as well as good corporate governance and sustainability principles according to nationally and internationally accepted standards.



- (8) Regularly review the appropriateness and adequacy of the Company's and its subsidiaries' risk management policies, strategies, and practices to ensure that such policies, strategies, and practices align with the Company's and its subsidiaries' business direction and changing business context.
- (9) Consider and approve the risk management report disclosed to investors in the annual report (One Report).
- (10) In performing duties within the scope of authority, the Risk Management Committee has the power to summon and direct management or relevant employees to provide opinions, attend meetings, or submit necessary documents. Additionally, in performing duties under the scope of this charter, the Risk Management Committee may seek advice from external independent consultants or other professional experts if deemed necessary and appropriate, at the Company's expense, and disclose the information and independence of such consultants in the annual report (if any).
- (11) Perform any other duties as deemed appropriate and assigned by the Board of Directors.

7.3.1.5 Scope of duties and responsibilities of the Corporate Governance and Sustainability Development Committee.

The Board of Directors' meeting No. 2/2024 on February 28, 2024, resolved to approve the Corporate Governance and Sustainability Development Committee, which includes the following scope, authority, duties, and responsibilities:

(1) Corporate Governance

- Consider and determine guidelines, propose policies/practices related to business ethics and morality, as well as anti-corruption policies/measures according to the good corporate governance system to the Board of Directors and management for establishing organizational practices to ensure standard and correct organizational practices.

- Recommend, review policies/practices related to the Company's responsibility to various stakeholders, and oversee, advise, monitor progress, and evaluate the effectiveness of good corporate governance operations.
- Promote integrated organizational management, including corporate governance, risk management, internal control, and compliance (Governance, Risk Management & Internal Control, and Compliance: GRC) to achieve effectiveness.

(2) Sustainability Development

- Consider, determine, review policies, strategies, and improve the Company's sustainability development goals to balance environmental, social, and governance (ESG) aspects, and align with good practices according to national and international standards.
- Provide recommendations and promote the establishment of principles, policies, and strategies, as well as the Company's operations to align with sustainability development principles, achieve set goals, and maintain leadership in sustainability from external organizations, and support directors, executives, and employees to effectively follow the Company's sustainability development guidelines.
- Oversee, monitor, evaluate, and disclose information on sustainability development operations to ensure balance and efficiency, maximizing benefits for the Company and stakeholders.

(3) Others

- Perform any other duties as assigned by the Board of Directors.
- Review the appropriateness of the Corporate Governance and Sustainability Development Committee's charter annually, and if there are any amendments, propose them to the Board of Directors for approval.



7.3.2 List of sub-committees

(1) The Audit Committee

As of December 31, 2023 the Audit Committee consists of 3 members as follows:

Name	Position
1. Mr. Kanit Patsaman	Chairman of the Audit Committee
2. Mr. Chanin Archjananun	Member of the Audit Committee
3. Mr. Boonchai Pritivichakan	Member of the Audit Committee

Mr. Kanit Patsaman is the Independent Director who has knowledge and experiences in relation to review the financial statements of the Company

Acting Sub Lt. Hariphong Janya acts as Secretary of the Audit Committee, appointed by the Audit Committee Meeting No. 5/2023 held on August 11, 2023

(2) The Executive Committee

As of December 31, 2023 the Executive Committee consists of 7 members as follows:

Name	Position
1. Mr. Prasit Srirungthum	Chairman of Executive Committee
2. Mr. Aniwat Srirungthum	Member of the Executive committee
3. Mr. Subhasiddhi Rakkasikorn	Member of the Executive committee
4. Mrs. Wimonsri Srirungthum	Member of the Executive committee
5. Mr. Anipat Srirungthum	Member of the Executive committee
6. Mr. Anirut Srirungthum	Member of the Executive committee
7. Mr. Yosarun Wannaphan	Member of the Executive committee

Ms. Sumana Puangperksuk acts as Secretary of the Executive Committee, appointed by the Executive Committee Meeting No. 8/2023 held on August 15, 2023

(3) The Nomination and Remuneration Committee

As of December 31, 2023 the Nomination and Remuneration Committee consists of 3 members as follows:

Name	Position
1. Mrs. Wimonsri Srirungthum	Chairman of the Nomination and Remuneration Committee
2. Mr. Kanit Patsaman	Member of the Nomination and Remuneration Committee
3. Mr. Chanin Archjananun	Member of the Nomination and Remuneration Committee

Ms. Sakaoruth Saelim acts as Secretary of the Nomination and Remuneration Committee, appointed by the Nomination and Remuneration Committee Meeting No. 2/2023 held on December 26, 2023



(4) The Risk Management Committee

As of December 31, 2023 the Risk Management Committee consists of 3 members as follows:

Name	Position
1. Mr. Aniwat Srirungthum	Chairman of the Risk Management Committee
2. Mr. Boonchai Pritivichakan	Member of the Risk Management Committee
3. Mr. Subhasiddhi Rakkasikorn	Member of the Risk Management Committee

Mr. Pawasak Kotprathum acts as Secretary of the Risk Management Committee, appointed by the Risk Management Committee Meeting No. 2/2023 held on November 8, 2023



7.4 Executives

7.4.1 Information about executives

As of December 31, 2023, the Company's executives, as defined by the SEC's announcement No. KorJor. 17/2551 regarding the definition in announcements related to the issuance and offering of securities (including amendments), consist of 6 individuals as follows:

Name	Position
1. Mr. Aniwat Srirungthum	Chief Executive Officer
2. Mr. Subhasiddhi Rakkasikorn	Chief Operating Officer (Acting) and Deputy of Chief Executive Officer
3. Mrs. Wimonsri Srirungthum	Chief Procurement Officer
1. Mr. Anipat Srirungthum	Chief Marketing Officer
2. Mr. Anirut Srirungthum	Chief Retail Development Officer
3. Mr. Yosarun Wannaphan	Senior Vice President Finance and Accounting

Information and details about the Company's executives are provided in Attachment 1 *"Details about Directors, Executives, Controlling Persons, Persons Assigned to be Responsible for Accounting and Finance, Persons Assigned to be Directly Responsible for Accounting Supervision, and Company Secretary."*

Scope of authority, duties, and responsibilities of the Chief Executive Officer.

The scope of authority, duties, and responsibilities of the Chief Executive Officer, as approved by the Board of Directors' meeting No. 1/2022 (post-conversion) on July 6, 2022, are detailed as follows:

The Chief Executive Officer of the Company has the scope of authority, duties, and responsibilities as specified below, the approval authority matrix, and as determined by the Executive Committee and/or the Board of Directors

- (1) Define the objectives, vision, mission, policies, main goals, and business strategies of the Company and its subsidiaries, and propose them to the Executive Committee for further consideration and approval by the Board of Directors.
- (2) Establish the operational plan and annual budget plan of the Company as presented by the management, including determining the management structure and Delegation of Authority, and propose them to the Executive Committee for further consideration and approval by the Board of Directors.

- (3) Oversee, manage, operate, and communicate with the management to ensure the Company's daily operations align with the policies, goals, plans, and budgets approved by the Executive Committee and/or the Board of Directors and/or as assigned by the Executive Committee and/or the Board of Directors.
- (4) Continuously develop and improve the operations of the Company and its subsidiaries, support the creation of innovations that add value for sustainable organizational growth, and align with the Company's strategic plan.
- (5) Ensure that the management participates in promoting an ethical corporate culture and good corporate governance.
- (6) Monitor the performance of the Company, its subsidiaries, and associated companies (if any) to report to the Executive Committee and the Board of Directors.
- (7) Monitor the information of subsidiaries to prepare financial reports and disclose significant information of the Company accurately, sufficiently, and timely, to be presented to the Audit Committee and the Board of Directors, and to comply with relevant regulations and practices.
- (8) Approve the execution of contracts and/or transactions related to the Company's normal business operations (such as buying and selling, investing or co-investing with others for the Company's normal transactions and for the benefit of operations according to the Company's objectives) within the conditions and limits specified in the Delegation of



- Authority and/or as determined by the Executive Committee and/or the Board of Directors and/or according to relevant laws and regulations and/or the Company's regulations.
- (9) Approve borrowing and credit requests from financial institutions, lending, as well as pledging and mortgaging of the Company or acting as a guarantor for subsidiaries within the conditions and limits specified in the Delegation of Authority or as determined by the Executive Committee and/or the Board of Directors.
 - (10) Conduct studies on investment opportunities in new projects that benefit the Company, can generate good returns for the Company's shareholders, and align with the Company's investment policy to be proposed to the Executive Committee or the Board of Directors as the case may be.
 - (11) Ensure the Company complies with the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand regarding related party transactions and the acquisition and disposal of assets, as well as the Company's regulations approved by the Executive Committee and/or the Board of Directors.
 - (12) Appoint various consultants necessary for the Company's operations within the conditions and limits specified in the Delegation of Authority and/or as determined by the Executive Committee and/or the Board of Directors.
 - (13) Determine the organizational structure and staffing levels to be sufficient, appropriate, and efficient for the Company's business operations.
 - (14) Consider and approve the nomination, remuneration, salary adjustments, bonus determination, compensation, and rewards for executives below the C Level to the Manager level of the Company.
 - (15) Consider and approve the recruitment policy framework and compensation model for executives below the C Level to the Manager level, as approved and proposed by the Director of Human Resources.
 - (16) Evaluate and approve the performance reports of executives below the C Level to the employee level at least once (1) a year.
 - (17) Issue orders, regulations, announcements, guidelines, and various internal records for the benefit of the Company, including maintaining internal discipline, delegating authority, and/or sub-delegating authority

to any person or persons to act on behalf of the Chief Executive Officer within the scope of authority specified in the Company's power of attorney and/or regulations, rules, or resolutions of the Board of Directors.

- (18) Perform other duties as assigned by the Executive Committee and/or the Board of Directors, including having the authority to take any necessary actions to perform such duties.

7.4.2 Policy and methods for determining compensation for executive directors and executives

The Board of Directors' meeting No. 8/2021 on September 29, 2021, approved the Human Resource Policy, which includes the principles for determining executive compensation, considering the goals, key performance indicators (KPIs) of the organization, and functional KPIs, the Company's performance, experience, scope of roles, duties, and responsibilities. The Chief Executive Officer approves the compensation of executives according to the policy framework approved by the Board of Directors' meeting.

The Nomination and Remuneration Committee has the authority, duties, and responsibilities to determine the compensation of directors, sub-committee members, and the Chief Executive Officer according to the Nomination and Remuneration Committee Charter. The Nomination and Remuneration Committee meeting No. 2/2024 on February 28, 2024, approved the compensation of the Board of Directors and sub-committees. In 2024, the Nomination and Remuneration Committee meeting No. 2/2024 on February 28, 2024, approved the performance evaluation of the Chief Executive Officer and the compensation of the Chief Executive Officer, considering the achievement of key performance indicators (KPIs) such as revenue targets, net profit targets, branch expansion targets, inventory turnover management, etc. In 2023, the Chief Executive Officer met the targets and received a performance evaluation for 2023 in the good range (grade level 3 out of 5).



(1) Monetary compensation

For the fiscal year ended December 31, 2022, and for the year ended December 31, 2023, the Company paid compensation to executives with the following details:

	As of December 31, 2022	As of December 31, 2023
Number of Executive	6 ¹	6
Salary and Bonus (million baht)	20.2	25.5
Contributions to the Provident Fund and others (baht)	0.3	0.5

(1) Mr. Anirut Srirungthum appointed as Chief Retail Development Officer on May 9, 2022

(2) Other compensation

The Company has established a provident fund for executives, with the Company contributing at a rate of 3% of the salary. For the year ended December 31, 2023, the Company contributed a total of 0.3 million baht to the provident fund for three executives (excluding the accounting manager).

Additionally, the Company provides non-monetary compensation, including a company car for the Chairman of the Executive Committee and the Chief Executive Officer, and fuel expenses (Fleet card) for executives at the C-level.

The Company's subsidiaries do not provide other compensation to the Company's executives who hold positions as directors or executives in the subsidiaries. However, executives receive discounts on the Company's products similar to the Company's employees.

7.5 Employees information

7.5.1. Number of personnel

As of December 31, 2023, the Group had a total of 2,059 employees (excluding executives), with the following details:

	Department	Number of employees
1	CEO Office	15
2	Customer Assistant	1,503
3	Retail Marketing	21
4	Online Marketing	58
5	Brand Marketing	36
6	Sales Operation	60
7	Inventory Management	181
8	Procurement	20
9	Retail Development	27
10	Accounting	32
11	Finance Planning & Strategy	13
12	Internal Audit	17
13	Legal	5
14	Information Technology	32
15	Human Resources And Property Management	40
	Total	2,059



7.5.2. Significant changes in the number of personnel over the past 3 years

Number of employee (excluding the executive)	Number of people	Increase /(decrease) Number of people	Increase / (decrease) (%)
As of December 31, 2023	2,059	418	20.3
As of December 31, 2022	1,641	152	9.2
As of December 31, 2021	1,489	116	8.4

For the years 2021, 2022, and 2023, the number of employees increased continuously by 116, 152, and 418 people, or 8.4%, 9.2%, and 20.3%, respectively. The new employees consist of mainly sales staff, online marketing staff, which corresponds with the growth in the number of branches and the growth of online sales of the Company.

7.5.3. Employee compensation

Employee compensation (excluding executives) of the Company and its subsidiaries for the fiscal year ended December 31, 2021, and for the fiscal year ended December 31, 2023, amounted to 455.4 million baht and 536.3 million baht, respectively. This employee compensation includes salaries, bonuses, overtime pay, social security fund contributions, and other compensation, etc

7.5.4. Provident fund

The Company has a provident fund managed by Kasikorn Asset Management Co., Ltd. under the name "K Master Pooled Fund." As of December 31, 2023, the Company and its subsidiaries had 672 employees participating in the provident fund, accounting for 34.18% of the total employees of the Company and its subsidiaries.

7.5.5. Personnel development policy

The Board of Directors' meeting No. 8/2021 on September 29, 2021, approved the Human Resource Management Policy, which includes the personnel development policy. The Company promotes employees' knowledge, skills, and expertise through Upskill and Reskill Training to respond to the Company's future development, focusing on online Micro Learning to allow learners to exchange knowledge within the class.

For 2023, the Company developed courses for employees at all levels as follows: Senior executives attended the Director Certification Program (DCP), Risk Management Program for Corporate Leaders (RCL Online),

and Company Secretary Program (CSP) by the Thai Institute of Directors Association, and risk management courses for management to assess potential risks and plan prevention.

For sales staff development, the Company conducted an Onboarding Program to ensure that the Company's sales staff have sufficient knowledge to provide impressive customer service through the Service Excellence course and retail gold jewelry sales course, along with basic knowledge exams for promotion and career path development. The Company also promotes Digital Literacy skills for employees across the organization by providing courses on work-related programs such as Libre Office, Point Of Sales Program, and Microsoft Dynamic AX operating system. Additionally, life skills courses such as personal finance/debt management, fire safety applicable to daily life and residences, along with annual fire drill training, are provided.

7.5.6. Significant labor disputes in the past 3 years

- None -

7.6 Other important information

7.6.1 Persons directly responsible for overseeing accounting, company secretary, head of internal audit, and head of compliance

7.6.1.1 Persons directly responsible for overseeing accounting

The Board of Directors' meeting No. 8/2024 on September 29, 2021, appointed Ms. Pichaman Iamsamang as the Accounting Manager and Chief Accountant of the Company, who is directly responsible for overseeing the Company's accounting. She supervises accounting transactions, manages and oversees the Company's accounting and financial systems efficiently and in



accordance with the Company's regulations, requirements, and accounting standards.

7.6.1.2 Company Secretary

The Board of Directors' meeting No. 4/2023 on August 15, 2023, appointed Ms. Sumana Puangpeuksuk as the Company Secretary to comply with Sections 89/15 and 89/16 of the Securities and Exchange Act B.E. 2535. (The qualifications of the Company Secretary and the scope of authority, duties, and responsibilities are detailed in Attachment 1).

7.6.1.3 Head of Internal Audit

The Audit Committee meeting No. 5/2023 on August 11, 2023, approved the appointment of Lt. Haripong Janya as the Head of Internal Audit of the Company. Lt. Haripong Janya has over 21 years of work experience, understands the Company's activities and operations, has recognized educational qualifications and knowledge, and has completed relevant internal audit training courses. Therefore, it is considered that Acting Sub Lt. Haripong Janya has sufficient qualifications to serve as the Head of Internal Audit of the Company and perform the duties accordingly.

The qualifications of the Head of Internal Audit are detailed in Attachment 3 "Details of the Head of Internal Audit and Head of Compliance".

7.6.1.4 Head of Compliance

The Company has assigned Ms. Sumana Puangpeuksuk as the Head of Compliance to oversee compliance with the regulations of regulatory agencies governing the Company's business operations. The qualifications of the Head of Compliance are detailed in Attachment 3 "Details of the Head of Internal Audit and Head of Compliance".

7.6.2 Head of Investor Relations and contact information

To ensure accurate, timely, and transparent disclosure of important information, the Company has established an Investor Relations Department and assigned Ms. Mathura Suthiprapa as the Head of Investor Relations. She acts as the central point for disclosing important information to shareholders and investors, including financial information such as quarterly performance and financial statements, quarterly management reports, and analysis, etc., to keep shareholders and investors informed regularly, equally, and comprehensively (information as of December 31, 2023).

The Investor Relations Department can be contacted at phone number 02-749-5044 ext. 1407 or Email: IR@aurora.co.th.

7.6.3 Auditor compensation

Audit Fee

For the fiscal year ended December 31, 2023, the Company and its subsidiaries paid a total audit fee of 3.82 million baht to Siam Truth Audit Co., Ltd.

The 2023 Annual General Meeting of Shareholders of the Company on April 26, 2023, appointed Mr. Banjong Pichayaprasat, a representative auditor of Siam Truth Audit Co., Ltd., who is a certified auditor by the SEC, as the auditor of the Company and its subsidiaries for 2023 and approved the audit fee of the Company not exceeding 4.00 million baht.



8. Report on Key Corporate Governance Activities

8.1 Summary of the Board of Directors' Duties for the Year 2023

The performance of the Board of Directors in 2023 can be summarized as follows:

The Board of Directors has established corporate governance policies, business practices, and ethics, including key policies and strategies to drive the organization towards becoming a listed company on the Stock Exchange. The Board is committed to setting policies that enhance the Company's capabilities in management structure, internal control systems, and efficient and effective accounting systems, enabling close monitoring of the group's performance and financial status. This allows management to operate and resolve issues swiftly, thereby increasing the competitiveness of the retail group in gold ornaments, diamond jewelry, gemstone jewelry, and precious items.

The Board of Directors and the Audit Committee have adopted the 2017 Good Corporate Governance Principles for Listed Companies by the Securities and Exchange Commission as the foundation for the Company's corporate governance policies and consistently adhere to them. The agenda for each Board meeting is jointly set by the Chairman of the Audit Committee and the Chairman of the Board, covering the adequacy of internal control systems and organizational risk management. The roles of internal departments are clearly defined, and plans are made to enhance the effectiveness of internal control and risk management systems for future benefits in developing the group. In financial reporting, the Board and the Audit Committee emphasize accuracy, completeness, and compliance with relevant financial reporting standards to ensure shareholders receive accurate and complete information for maximum benefit. This is a crucial step towards the Company's stable and sustainable development and entry into the Stock Exchange of Thailand.

8.1.1 Recruitment, Development, and Performance Evaluation of the Board of Directors

8.1.1.1 Independent Directors

The Board of Directors collectively considers the qualifications of individuals to serve as independent directors, ensuring they meet the criteria and do not possess any prohibitive characteristics as per the Public Limited Companies Act B.E. 2535 (and its amendments), the Securities and Exchange Act B.E. 2535 (and its amendments), the Capital Market Supervisory Board's announcements, and other relevant regulations. Additionally, the Board selects independent directors based on their expertise, work experience, and other relevant qualifications, and presents them to the shareholders' meeting for appointment. The Board Charter stipulates that at least one-third of the total number of directors must be independent directors, with a minimum of three. As of December 31, 2023, the Board comprises three independent directors out of a total of seven, meeting the one-third requirement. The qualifications of independent directors are as follows:

- (1) Holding no more than one percent (1%) of the total voting shares of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling persons, including shares held by related persons of the independent director.
- (2) Not being or having been involved in the management, employment, or advisory roles with regular salary, or controlling persons of the Company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling persons, unless having been free from such roles for at least two (2) years prior to the appointment. This prohibition does not apply to cases where the independent director was a government official or advisor to a government agency that is a major shareholder or controlling person of the Company.



- (3) Not having any blood or legal relationship in the form of father, mother, spouse, sibling, or child, including the spouse of a child, with other directors, executives, major shareholders, controlling persons, or persons to be nominated as directors, executives, or controlling persons of the Company or its subsidiaries.
- (4) Not having or having had any business relationship with the Company, its parent company, subsidiaries, associates, major shareholders, or controlling persons in a manner that may interfere with independent judgment, and not being or having been a significant shareholder or controlling person of any entity having a business relationship with the Company, its parent company, subsidiaries, associates, major shareholders, or controlling persons, unless having been free from such relationships for at least two (2) years prior to the appointment.
- (5) Not being or having been an auditor of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling persons, and not being a significant shareholder, controlling person, or partner of the audit firm which employs auditors of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling persons, unless having been free from such relationships for at least two (2) years prior to the appointment.
- (6) Not being or having been a professional service provider, including legal or financial advisors, receiving service fees exceeding two million baht per year from the Company, its parent company, subsidiaries, associates, major shareholders, or controlling persons, and not being a significant shareholder, controlling person, or partner of such professional service providers, unless having been free from such relationships for at least two (2) years prior to the appointment.
- (7) Not being a director appointed as a representative of the Company's directors, major shareholders, or shareholders related to major shareholders.
- (8) Not engaging in any business of the same nature and in significant competition with the Company or its subsidiaries, or not being a significant partner in a partnership, or an executive director, employee, staff, advisor with regular salary, or holding more than one percent (1%) of the total voting shares of

another company engaging in the same nature of business and in significant competition with the Company or its subsidiaries.

- (9) Not having any other characteristics that prevent the provision of independent opinions on the Company's operations.

Upon appointment as an independent director meeting the above criteria, the independent director may be assigned by the Board to make decisions on the Company's operations, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling persons in a collective decision-making manner.

8.1.1.2 Recruitment and Appointment of Directors and Senior Executives

The Company has established a Nomination and Remuneration Committee, with the scope of authority and duties as per the committee's charter, to recruit qualified individuals for the positions of directors, sub-committee members, and Chief Executive Officer. The committee also considers policies for determining the framework and forms of remuneration for directors, sub-committee members, and the Chief Executive Officer, to be proposed to the Board and/or the shareholders' meeting for approval as appropriate.

Recruitment and Appointment of Directors and Senior Executives

The scope of authority, duties, and responsibilities of the Nomination and Remuneration Committee are as follows:

- (1) Consider the structure and composition of the Board in terms of the number of directors to be appropriate for the size, type, and complexity of the Company's business, and align with the business strategy and changing environment.
- (2) Determine the qualifications and criteria for recruiting the Board, sub-committee members, and the Chief Executive Officer for approval by the Board.
- (3) Select individuals with appropriate knowledge, experience, and expertise for the positions of directors, sub-committee members, and the Chief Executive Officer, and propose their names to the Board for appointment and/or to the shareholders' meeting for election as appropriate.
- (4) Review and ensure the independence qualifications of each independent director to confirm that the



- Company's independent directors are truly independent and meet all relevant criteria.
- (5) Promote the development of the Company's directors and sub-committee members to enhance their knowledge and skills in line with the Company's business, economic conditions, technology, laws, or regulations related to the Company's business.
 - (6) Review and develop the Chief Executive Officer's development plan to enhance knowledge and skills in line with the Company's business and prepare for succession planning to ensure the Company's continuous management.
 - (7) Propose the framework and forms of remuneration (both monetary and non-monetary) for directors, sub-committee members, and the Chief Executive Officer, including fixed remuneration (e.g., regular compensation, meeting allowances) and performance-based remuneration (e.g., bonuses, gratuities, awards), considering changes and trends in remuneration, appropriateness, fairness, and legal compliance, for approval by the Board.
 - (8) Consider the remuneration of directors, sub-committee members, and the Chief Executive Officer within the framework and forms of remuneration for approval by the Board and/or the shareholders' meeting as appropriate.
 - (9) Set evaluation criteria for the performance of the Board and sub-committees for approval by the Board.
 - (10) Set evaluation criteria and review the performance evaluation of the Chief Executive Officer for approval by the Board.
 - (11) Review or amend the Nomination and Remuneration Committee Charter to align with current conditions at least once a year and propose it to the Board for acknowledgment or approval as appropriate.
 - (12) Conduct annual performance evaluations, both as a committee and individually, and report the annual performance results to the Board for consideration, including preparing the Nomination and Remuneration Committee's report.
 - (13) Seek independent opinions from other professional advisors when deemed necessary, at the Company's expense, and disclose the information and independence of such advisors in the annual report (if any).

- (14) Request information from various departments of the Company to support additional considerations on various matters.
- (15) Perform other duties as assigned by the Board or as determined by the Board's policies.

The information and details related to the scope, authority, duties, and responsibilities of the Nomination and Remuneration Committee Charter.

Appointment and Removal of Directors

The Board of Directors has the authority to determine and/or amend the Board Charter, including the appointment and term of office of directors, as follows:

- (1) The Nomination and Remuneration Committee will recruit and nominate individuals who meet the qualifications specified in item 3. (Qualifications of the Board of Directors) for the position of company director. The names of such individuals will be presented to the Board for approval and then proposed to the shareholders' meeting for election.
- (2) The shareholders' meeting elects the Company directors. In the case of electing a director to fill a vacancy other than by rotation, the Board may select a qualified individual as specified in item 3. above to fill the position at the next Board meeting, unless the remaining term of the director is less than two (2) months. The individual appointed as a director in such a case will serve only for the remaining term of the director who vacated the position.
- (3) Independent directors can serve continuously for no more than nine (9) years from the date of their first appointment as independent directors after the Company became a public limited company. If reappointing an independent director beyond this term, the Board should reasonably consider the necessity.
- (4) At each annual general meeting of shareholders, one-third (1/3) of the total number of directors must retire. If the number of directors cannot be divided exactly into three parts, the number closest to one-third (1/3) will retire. Directors who retire may be re-elected. In the first and second years after the Company's registration, the directors to retire will be determined by drawing lots. In subsequent years, the directors who have been in office the longest will retire.



In addition to the term expiration mentioned above, a director may vacate the position when:

- (a) Death
- (b) Resignation, by submitting a resignation letter to the Chairman of the Board
- (c) Lack of qualifications to be a director or possessing prohibitive characteristics as per the Public Limited Companies Act or showing unfitness to be entrusted with managing a public company as per the Securities and Exchange Act
- (d) Removal by a resolution of the shareholders' meeting
- (e) Court order for removal

As stipulated in the Company's regulations, the shareholders' meeting elects directors according to the following criteria and procedures:

- (1) Each shareholder has one (1) vote per share.
- (2) Each shareholder may use all their votes to elect one or several individuals as directors. In the case of electing several individuals, the votes cannot be divided among the candidates.
- (3) The individuals receiving the highest votes in descending order will be elected as directors up to the number of directors to be elected. In the case of a tie in votes for the last available position, the Chairman of the meeting will cast the deciding vote.

8.1.2 Attendance and Remuneration of Individual Directors

The attendance of the Board of Directors for the year 2023 (from January 1, 2023, to December 31, 2023) is as follows:

Name	Number of Attendance / Number of Meeting	
	Board of Director's Meeting	AGM Meeting
	1 January to 31 December 2023	1 January to 31 December 2023
1. Mr. Prasit Srirungthum	7/7	1/1
2. Mrs. Wimon Sri Srirungthum	7/7	1/1
3. Mr. Aniwat Srirungthum	7/7	1/1
4. Mr. Subhasiddhi Rakkasikorn	7/7	1/1
5. Mr. Kanit Patsaman	7/7	1/1
6. Mr. Chanin Archjananun	7/7	1/1
7. Mr. Boonchai Pritivichakan	7/7	1/1



Monetary compensation

The Nomination and Remuneration Committee has considered the remuneration of the Board and sub-committees by comparing it with the remuneration of directors of listed companies in the fashion business group. The Extraordinary General Meeting of Shareholders No. 1/2022 on June 30, 2022, approved the remuneration of the Board and sub-committees for the year 2023 as follows:

Board of Director ⁽¹⁾	Remuneration per meeting (Baht/ meeting)	Remuneration (Baht / month)
Board of Director		
- Chairman of the Board of Director	20,000	120,000
- Member of the Board of Director	12,000	30,000
The Audit Committee		
- Chairman of the Audit Committee	20,000	None
- Member of the Audit Committee	12,000	None
The Executive Committee		
- Chairman of the Executive Committee	None	None
- Member of the Executive Committee	None	None
The Nomination and Remuneration Committee		
- Chairman of the Nomination and Remuneration Committee	20,000	None
- Member of the Nomination and Remuneration Committee	12,000	None
The Risk Management		
- Chairman of the Executive Committee	20,000	None
- Member of the Executive Committee	12,000	None

Note : (1) Directors who hold executive positions in the Company will not receive remuneration as directors of the Company and its subcommittees, or directors who hold director positions in subsidiaries will not receive remuneration as directors of subsidiaries.



The table shown the individual director remuneration

(1) The remuneration between January 1, 2023 – December 31, 2023

Name	Total remuneration (baht) January 1, 2023 – December 31, 2023						Total
	Board of Director		Audit Committee	Executive Committee	Nomination & Remuneration Committee	Risk Management Committee	
	Remuneration /month	Remuneration /month	Remuneration /month	Remuneration /month	Remuneration /month	Remuneration /month	
1. Mr. Prasit Srirungthum	1,200,000	160,000	-	-	-	-	1,360,000
2. Mrs. Wimon Sri Srirungthum	-	-	-	-	-	-	-
3. Mr. Aniwat Srirungthum	-	-	-	-	-	-	-
4. Mr. Subhasiddhi Rakkasikorn	-	-	-	-	-	-	-
5. Mr. Kanit Patsaman	240,000	96,000	160,000	-	48,000	-	544,000
6. Mr. Chanin Archjananun	240,000	84,000	96,000	-	48,000	-	468,000
7. Mr. Boonchai Pritivichakan	240,000	96,000	96,000	-	-	36,000	468,000
8. Mr. Anipat Srirungthum	-	-	-	-	-	-	-
9. Mr. Anirut Srirungthum	-	-	-	-	-	-	-
10. Mr. Yosarun Wannapan	-	-	-	-	-	-	-
Total	1,920,000	436,000	352,000	-	96,000	36,000	2,840,000

Other Remuneration

- None -



8.1.3 Supervision of Subsidiaries and Associates

The Company has established policies for supervising the operations of subsidiaries and associates to set measures and mechanisms, both direct and indirect, to ensure effective management of subsidiaries and associates in compliance with the Public Limited Companies Act, Civil and Commercial Code, Securities Law, and other relevant laws, as well as announcements, regulations, and guidelines of the Capital Market Supervisory Board and the Stock Exchange of Thailand. This aims to protect the Company's investment interests in subsidiaries and associates, thereby increasing shareholder confidence. The details are as follows:

(1) Management of Subsidiaries and Associates

The Company will oversee the management and operations of subsidiaries and associates to ensure efficiency and establish measures to monitor the management of subsidiaries and associates to protect the Company's investment interests. The details are as follows:

- (1.1) The Company will appoint qualified and knowledgeable individuals suitable for the business operations of subsidiaries and associates as directors or executives of subsidiaries and associates, reflecting the Company's shareholding proportion in those entities, unless restricted by law. These individuals will oversee that subsidiaries and associates operate in compliance with laws, policies, and business plans of the Company. They must manage with ethics and avoid any acts of fraud or corruption, adhering to the Company's business ethics and anti-corruption policies.
- (1.2) Scope of Duties and Responsibilities of Directors and Executives Representing the Company in Subsidiaries and Associates
 - (a) Directors and executives of subsidiaries and associates have significant authority, duties, and responsibilities as per the objectives, regulations, Board resolutions, and shareholders' meeting resolutions of those subsidiaries and associates.
 - (b) Directors and executives of subsidiaries and associated companies must perform their duties to

the best of their abilities for the benefit of the subsidiaries and associated companies, in alignment with the policies and business plans of the parent company. This is to support the group of companies in achieving their long-term objectives and goals. They must exercise discretion in managing the subsidiaries and associated companies for the benefit of the subsidiaries, associated companies, and the group of companies as a whole. Additionally, they must regularly report the progress of operations to the Company's board of directors for acknowledgment and consideration.

- (c) Directors and executives of subsidiaries are responsible for ensuring that the subsidiaries have appropriate, effective, and sufficient internal control and risk management systems.
- (d) Directors of subsidiaries must ensure that individuals with vested interests or conflicts of interest with the subsidiaries, whether directly or indirectly, do not participate in the approval of related matters.
- (e) Directors of subsidiaries must ensure and take necessary actions to establish, review, and update policies and significant business plans related to the operations of the subsidiaries regularly, ensuring they are current and appropriate for the nature of the business, and in alignment with the parent company's policies and significant business plans that may change.
- (f) Directors of subsidiaries must consider, monitor, and provide necessary recommendations to the subsidiaries to establish clear, efficient, and effective operational systems for business operations.
- (g) Directors of subsidiaries must propose the annual budget of the subsidiaries to the Company's board of directors for approval before the subsidiaries' board meetings to approve the annual budget, except in cases where the approval authority (Delegation of Authority) of the subsidiaries has already been approved by the Company's board of directors.



(2) The Company's governance mechanism for the disclosure of information by subsidiaries.

- (2.1) Any significant transactions or actions by subsidiaries that impact the financial status and performance of the parent company, or that fall under the acquisition or disposal of assets as per the relevant announcements, or related party transactions as per the related party transaction announcements, which require the parent company to seek approval from the board of directors and/or shareholders' meeting and/or relevant regulatory authorities before proceeding, can only be executed by the subsidiaries after receiving the necessary approvals.

Additionally, if any transactions or events by the subsidiaries necessitate the parent company to disclose information to the Stock Exchange of Thailand as per the relevant announcements, the directors or executives representing the subsidiaries must immediately inform the parent company's management upon knowing that the subsidiaries plan to enter into such transactions or when such events occur.

- (2.2) The parent company will establish necessary measures and procedures to ensure that subsidiaries disclose information about their financial performance and status accurately and completely. The parent company will take necessary actions to monitor the complete and accurate disclosure of such information.

8.1.4 Monitoring compliance with corporate governance policies and practices

(1) Compliance with corporate governance policies and practices

The Company is committed to conducting business responsibly, transparently, and fairly, adhering to the principles of ethics and balancing sustainable benefits. The Company has established a good corporate governance policy based on the 2017 Corporate Governance Code for Listed Companies by the Securities and Exchange Commission to guide business operations and organizational management for sustainable value creation. The board of directors

oversees the Company and its subsidiaries to ensure ethical business practices, respect for rights, and responsibility towards shareholders and other stakeholders, and to conduct business beneficial to society and the environment, while adapting to changing factors according to good corporate governance principles. The Company communicates its corporate governance policy, practices, and business ethics to new employees during monthly orientations and has a training plan to communicate and review the policy and business ethics with employees every six months (January and July each year).

(2) Compliance with policies and practices to prevent conflicts of interest

The Company emphasizes preventing conflicts of interest by adhering to the principle that individuals involved or having any vested interest, directly or indirectly, in any transactions of the Company and its subsidiaries must not participate in the approval of such transactions. This ensures that business decisions of the Company and its subsidiaries are made for the maximum benefit of the Company and its shareholders. The Company has established a conflict of interest prevention policy requiring directors, executives, and employees to avoid actions that may cause conflicts of interest and to disclose their relationships or vested interests in such transactions to the Company, and they must not participate in decision-making or have the authority to approve such transactions.

(3) Compliance with policies and practices on the use of inside information for personal gain

The Company has a policy prohibiting directors, executives, employees, and staff from using any information that may affect the Company's stock price, which has not been disclosed to the public, or any information that affects the Company's business operations, which could harm or disadvantage the Company, including but not limited to financial performance data, trade information, or any other undisclosed information, for personal gain or for others, whether directly or indirectly, and regardless of whether compensation is received. They must not buy or sell securities or enter into futures contracts related to the Company's securities using inside information.



(4) Compliance with policies and practices on anti-corruption

The Company recognizes the importance of anti-corruption and is committed to conducting business ethically under good corporate governance principles, adhering to good governance, ethical business practices, transparency, fairness, and accountability, and strictly complying with regulations, rules, and laws to ensure that the Company, its personnel, and subsidiaries do not accept corruption. The Company has established a written anti-corruption policy to prevent corruption in all business activities, both domestically and internationally, ensuring that decisions and business operations with potential corruption risks are thoroughly reviewed and comply with this policy, providing clear guidelines for business operations and developing towards a sustainable organization.

The Company has assigned the Company secretary to conduct anti-corruption policy training for internal and new employees regularly, at least twice a year, following the employee training plan every six months.

(5) Whistleblowing

The Company has a policy to protect and ensure fairness to whistleblowers who report information or provide tips about corruption, legal violations, company regulations, practices, policies, and business ethics of the Company and its subsidiaries. The Company has established procedures, complaint channels, and measures to protect whistleblowers under the Whistleblower Policy. The internal audit department and relevant departments have prepared a summary report of complaints, whistleblowing on misconduct and corruption, as of December 31, 2022, and presented it to the audit committee. In case of complaints or whistleblowing, the Company prioritizes resolving the issues immediately, adhering to the principles and practices of witness protection and whistleblower confidentiality, in compliance with the Personal Data Protection Act B.E. 2562.



8.2 Report on the performance of the audit committee for the past year

8.2.1 Number of meetings and attendance of individual audit committee members

Details of the audit committee meetings for the year 2023 (from January 1, 2023, to December 31, 2023) are as follows:

Name	Meeting Attendance / Total Meeting (times) As of December 31, 2023
1. Mr. Kanit Patsaman	6/6
2. Mr. Chanin Archjananun	6/6
3. Mr. Boonchai Pritivichakan	6/6

8.2.2 Explanation of the audit committee's performance

In 2023, the audit committee held seven meetings with management, internal auditors, and external auditors, and one meeting without management, attended by internal auditors and external auditors. The key activities and opinions of the audit committee presented to the board of directors are as follows

- (1) The audit committee reviewed and provided opinions on the 2022 annual financial statements, Q1/2023 financial statements, Q2/2023 financial statements, Q3/2023 financial statements, and the pro forma financial information for 2022 with management and external auditors to ensure that the Company's financial reports were accurately prepared according to generally accepted accounting standards and adequately and reliably disclosed.
- (2) Reviewed and provided opinions on the necessity and reasonableness of intercompany transactions, including normal business transactions or normal business support transactions with general commercial terms, and related party transactions that are other transactions.
- (3) Oversaw internal audit operations to ensure independence by appointing BK IA & IC Co., Ltd., an external internal audit service provider, as the Company's internal auditor.
- (4) Evaluated the internal control system according to the guidelines set by the Securities and Exchange

- Commission, covering organizational internal control, risk management, operational control, information systems, and communication, as well as monitoring systems. The audit committee concluded that the Company has sufficient and effective internal control.
- (5) Reviewed the audit committee charter and the scope, authority, and responsibilities of the internal audit department to ensure that the guidelines for performing duties are appropriate and consistent with current situations and changes.
- (6) Approved the Company's internal audit plan for 2023
- (7) Reviewed the internal audit results for 2022, Q1/2023, Q2/2023, and Q3/2023 by BK IA & IC Co., Ltd.
- (8) Reviewed the independence, knowledge, understanding of the business, quality of work, and qualifications of the external auditors, as well as the appropriateness of the audit fees, and agreed to appoint Mr. Banjong Phichayaprasat, Certified Public Accountant No. 7147, from Siam Truth Audit Co., Ltd., as the external auditor for 2023 for the Company and its subsidiaries, and as the signing auditor on the Company's financial statements, who meets the requirements and is approved by the Securities and Exchange Commission, to be presented to the shareholders' meeting for approval.
- (9) Reviewed the annual risk management framework and acknowledged the Company's annual risk assessment for 2023 and the risk management committee's report.



8.3 Summary of the performance of other sub-committees

8.3.1 Number of meetings and attendance of other sub-committees

(1) Executive Committee

Details of the executive committee meetings for the year 2023 are as follows:

Name	Meeting Attendance / Total Meeting (times) As of December 31, 2023
1. Mr. Prasit Srirungthum	12/12
2. Mrs. Wimon Sri Srirungthum	12/12
3. Mr. Anipat Srirungthum	12/12
4. Mr. Aniwat Srirungthum	12/12
5. Mr. Anirut Srirungthum	12/12
6. Mr. Subhasiddhi Rakkasikorn	12/12
7. Mr. Yosarun Wannapan	12/12

(2) Nomination and Remuneration Committee

Details of the nomination and remuneration committee meetings for the year 2023 are as follows:

Name	Meeting Attendance / Total Meeting (times) As of December 31, 2023
1. Mrs. Wimon Sri Srirungthum	2/2
2. Mr. Chanin Archjananun	2/2
3. Mr. Boonchai Pritivichakan	2/2

(3) Risk Management Committee

Details of the risk management committee meetings for the year 2023 are as follows:

Name	Meeting Attendance / Total Meeting (times) As of December 31, 2023
1. Mr. Aniwat Srirungthum	2/2
2. Mr. Boonchai Pritivichakan	2/2
3. Mr. Subhasiddhi Rakkasikorn	2/2



8.3.2 Performance of other sub-committees

(1) Executive Committee

The performance of the executive committee for the year 2023 can be summarized as follows:

- (1) Collaborated with management in formulating policies, business strategies, goals, and operational plans, financial targets, and budgets for the Company and its subsidiaries, considering industry and economic conditions, as well as social and technological changes that may impact the Company's business, to present and seek approval from the board of directors.
- (2) Oversaw and advised on the business operations of the Company and its subsidiaries to ensure alignment with policies, goals, and operational plans, and monitored the management of various investment project budgets of the Company.
- (3) Collaborated with management in considering and providing recommendations on the governance and progress of listing the Company on the Stock Exchange of Thailand, in line with the planned schedule.
- (4) Reviewed and provided opinions to management on business continuity management plans to ensure that the Company and its subsidiaries can maintain performance according to targets.
- (5) Approved normal business transactions of the Company according to the investment budget or budget approved by the board of directors, with the transaction amount for each item as specified in the approval authority and budget approved by the board of directors, including entering into related contracts.
- (6) Reviewed the executive committee charter and the scope, authority, and responsibilities of the Chief Executive Officer (CEO) to ensure that the guidelines for performing duties are appropriate and consistent with current situations and changes.

(2) Nomination and Remuneration Committee

The performance of the nomination and remuneration committee for the year 2023 can be summarized as follows:

- (1) Reviewed the nomination and remuneration committee charter to ensure that the guidelines for performing duties are appropriate and consistent with current situations and changes.
- (2) Reviewed and provided opinions on the remuneration of the Company's directors and sub-committees, considering the appropriateness for the business organization, environment, and assigned duties and responsibilities, before presenting to the board of directors and shareholders' meeting for approval.
- (3) Proposed the nomination and appointment of directors to replace those retiring by rotation, before presenting to the board of directors and shareholders' meeting for approval.
- (4) Reviewed the performance evaluation and determined the remuneration of the Chief Executive Officer and executives before presenting to the board of directors for approval.
- (5) Provided opinions and recommendations on the succession plan for senior executives and the career path and progression plan for key positions in the Company.
- (6) Reviewed and approved the criteria for allocating shares to employees of the Company and its subsidiaries.
- (7) Reviewed and approved the allocation of newly issued common shares to individuals related to the Company.
- (8) Considered providing opportunities for shareholders to propose candidates for election as directors.
- (9) Reviewed the criteria and nomination form for candidates for election as directors for the annual general shareholders' meeting.



(3) Risk Management Committee

The performance of the risk management committee for the year 2023 can be summarized as follows:

- (1) Reviewed the risk management committee charter and risk management policy to ensure that the guidelines for performing duties are appropriate and consistent with current situations and changes.
- (2) Determined the objectives of risk management within the organization.
- (3) Reviewed the enterprise risk management plan for the year 2023.
- (4) Reviewed the Company's annual risk assessment for 2022.
- (5) Reviewed the guidelines for anti-money laundering and combating the financing of terrorism and the proliferation of weapons of mass destruction.
- (6) Reviewed the Company's risk assessment for the year 2023.
- (7) Reviewed the risks associated with the gold financing business and risk mitigation measures.
- (8) Reviewed the risks associated with branch expansion and obtaining a second-hand goods trading license.

8.3.3 Evaluation of the performance of the board of directors

For the year 2023, the board of directors and sub-committees conducted self-assessments of their performance as follows:

Self-assessment of the board of directors by committee to evaluate the performance of the board, consisting of six main topics:

1. Structure and qualifications of the board
2. Roles, duties, and responsibilities of the board
3. Board meetings
4. Performance of directors
5. Relationship with management
6. Self-development

The Evaluation of the performance of the Board of directors and executive development average score of 3.41 (Good).

Self-assessment of the sub-committees on a per-committee basis to evaluate the performance of the sub-committees, which comprises three main topics:

1. The structure and qualifications of the committee are appropriate, enhancing the efficiency of the committee's work.
2. The sub-committee meetings are conducted to ensure that the committee can perform its duties effectively during meetings.
3. The roles, duties, and responsibilities of the sub-committees are given due importance, with sufficient time allocated for consideration, review, and compliance.

The overall average score from the assessment is 3.40 (Good).

Individual self-assessment to evaluate the performance of the Company's directors and sub-committee members, which comprises three main topics:

1. The structure and qualifications of the committee.
2. The committee meetings.
3. The roles, duties, and responsibilities of the committee.

The overall average score from the assessment is 3.33 (Good).



9. Internal Control and Intercompany Transactions

9.1 Internal Control

9.1.1 Board of Directors' Opinion on the Internal Control System

The Board of Directors places significant importance on establishing a robust internal control system. The Board oversees that the Company and its subsidiaries have adequate, appropriate, and effective risk management and internal control systems. The Board has appointed an Audit Committee that can perform its duties effectively and independently, possessing qualifications as required by law and relevant regulations. The duties include reviewing and/or assessing the adequacy, appropriateness, and effectiveness of the internal control system, compliance with laws, and the independence of the internal audit unit.

At the Board of Directors' meeting No. 2/2023 on February 27, 2023, attended by three Audit Committee members, the Board evaluated the adequacy of the Company's internal control system across various aspects. The evaluation results of the Company's internal control system were summarized into five components based on the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework as follows:

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring Activities

The Board of Directors opines that the Company and its subsidiaries have an adequate and appropriate internal control system relative to the size of the business. The Company has sufficient personnel to effectively implement the internal control system and monitor operations to prevent the misuse or unauthorized use of the Company's and subsidiaries' assets by directors or executives.

9.1.2 Internal Control System Audit Report

The Company engaged BK IA & IC Co., Ltd. ("BK") as a consultant to evaluate the internal control system, reviewing both organizational and process levels, including the IT system of the Company and its subsidiaries. The evaluation followed the COSO internal control framework, and BK provided recommendations for improvements to ensure the Company and its subsidiaries have adequate and appropriate internal control systems. BK conducted audits in all four quarters of 2022.

BK issued a report on the internal control review and recommendations for improvements, which were presented to the Audit Committee and the Board of Directors for acknowledgment. BK also followed up on outstanding issues and issued quarterly internal audit reports. The Company and its subsidiaries addressed the significant observations as recommended, and BK's follow-up audits confirmed that all identified issues had been resolved.

The scope of the overall internal control review at both the organizational and key operational process levels of the Company and its subsidiaries, according to the 2022 annual internal audit plan, includes the following:

1. Sales recording and payment receipt control processes across all sales channels, including the purchase/exchange of old products (in-store) (Q1/2023)
Procurement-return processes and payment/barter of each BU, including non-product procurement and general service contracting (Q2/2022)
3. IT system control processes, personnel control, and employee database control according to the Personal Data Protection Act (Q3/2023)
4. Inventory control processes/gold financed and redeemed items control, and inter-branch transfer control between headquarters and branches (Q4/2022)

9.1.3 Head of Internal Audit



According to the resolution of the Audit Committee meeting No. 1/2021 on November 13, 2021, the Audit Committee assigned Ms. Boonnee Kusolsopit as the Head of Internal Audit, effective from November 13, 2021. She is the primary person responsible for performing internal audit duties and preparing reports and recommendations to align with the Company's internal control plan and policy (please refer to Attachment 3 for more details about the Head of Internal Audit and the Head of Compliance).

The Audit Committee reviewed Ms. Boonnee Kusolsopit's qualifications and found her suitable for the role due to her qualifications, educational background, work experience, and appropriate training. The appointment, removal, or transfer of the internal auditor must be approved by the Audit Committee.

9.1.4 Head of Compliance

The Company assigned Mr. Chanodom Areerob as the Head of Compliance to oversee compliance with the regulations of the regulatory bodies governing the Company's and its subsidiaries' business operations. The qualifications of the Head of Compliance are detailed in Attachment 3 - Details about the Head of Internal Audit and the Head of Compliance.

9.2.1. Related Parties and Nature of Relationships

The related parties of the Company that had transactions with the Company and its subsidiaries for the fiscal year ended December 31, 2023, are as follows:

	Persons or Entities with Potential Conflicts of Interest	Nature of Business	Nature of Relationship with the Company(1)
1.	Aurora Trading Co., Ltd. ("ARR Trading")	Gold Bullion Trading Business	<ul style="list-style-type: none"> - Five directors and executives of the Company are major shareholders: (1) Mr. Prasit Srirungtham indirectly holds 20.00% (2) Mrs. Wimalasri Srirungtham directly and indirectly holds 20.00% (3) Mr. Aniwat Srirungtham directly and indirectly holds 15.00% (4) Mr. Anipat Srirungtham indirectly holds 15.00% and (5) Mr. Anirut Srirungtham indirectly holds 15.00% - A related person of the Company's directors and executives is a major shareholder: Ms. Nichanan Srirungtham (daughter of Mr. Prasit and Mrs. Wimalasri Srirungtham and sibling of Mr. Aniwat, Mr. Anipat, and Mr. Anirut Srirungtham) indirectly holds 15.00% - One director is shared with the Company: Mr. Aniwat Srirungtham
2.	Aurora Gold Saving Co., Ltd. ("ARR GS")	Gold Savings Service Business	<ul style="list-style-type: none"> - Five directors and executives of the Company are major shareholders: (1) Mr. Prasit Srirungtham directly and indirectly holds 20.00% (2) Mrs. Wimalasri Srirungtham directly and indirectly holds 20.01% (3) Mr. Aniwat Srirungtham directly and indirectly holds 15.01% (4) Mr. Anipat Srirungtham indirectly holds 15.00% and (5) Mr. Anirut Srirungtham indirectly holds 15.00% - A related person of the Company's directors and executives is a major shareholder: Ms. Nichanan Srirungtham (daughter of Mr. Prasit and Mrs. Wimalasri Srirungtham and sibling of Mr. Aniwat, Mr. Anipat, and Mr. Anirut Srirungtham) indirectly holds 15.00% - One director is shared with the Company: Mr. Aniwat Srirungtham
3.	Rungcharoen 965 Co., Ltd	Gold Jewelry Manufacturing Service Business	<ul style="list-style-type: none"> - related person of the Company's director, Mr. Sakchai Maleemongkol (sibling of Mrs. Wimalasri Srirungtham) is a major shareholder, directly holding 37.50%
4.	Bay Palace Co., Ltd.	Hotel, Resort, and Condominium Business	<ul style="list-style-type: none"> - Mr. Prasit Srirungtham, a director of the Company, is a major shareholder, directly holding 50.02% - One director is shared with the Company: Mr. Aniwat Srirungtham - A company executive holds a director position: Mr. Anirut Srirungtham





	Persons or Entities with Potential Conflicts of Interest	Nature of Business	Nature of Relationship with the Company(1)
5.	Sang Ngern Sang Thong Udomsuk Co., Ltd.	Real Estate Buying and Selling Business for Residential Purposes	<ul style="list-style-type: none"> - Five directors and executives of the Company are major shareholders: (1) Mr. Prasit Srirungtham indirectly holds 20.00% (2) Mrs. Wimal Sri Srirungtham directly and indirectly holds 20.02% (3) Mr. Aniwat Srirungtham directly and indirectly holds 15.02% (4) Mr. Anipat Srirungtham indirectly holds 15.00% and (5) Mr. Anirut Srirungtham indirectly holds 15.00% - Related persons of the Company's directors and executives are major shareholders: Ms. Nichanan Srirungtham (daughter of Mr. Prasit and Mrs. Wimal Sri Srirungtham and sibling of Mr. Aniwat, Mr. Anipat, and Mr. Anirut Srirungtham) indirectly holds 15.00% - Two directors are shared with the Company: Mr. Prasit Srirungtham and Mr. Aniwat Srirungtham
6.	Thum Residence Co., Ltd.	Real Estate Rental and Operation Business	<ul style="list-style-type: none"> - Five directors and executives of the Company are major shareholders: (1) Mr. Prasit Srirungtham indirectly holds 18.00% (2) Mrs. Wimal Sri Srirungtham directly and indirectly holds 18.00% (3) Mr. Aniwat Srirungtham directly and indirectly holds 16.00% (4) Mr. Anipat Srirungtham indirectly holds 16.00% and (5) Mr. Anirut Srirungtham indirectly holds 16.00% - Related persons of the Company's directors and executives are major shareholders: Ms. Nichanan Srirungtham (daughter of Mr. Prasit and Mrs. Wimal Sri Srirungtham and sibling of Mr. Aniwat, Mr. Anipat, and Mr. Anirut Srirungtham) indirectly holds 16.00% - Two directors are shared with the Company: Mr. Prasit Srirungtham and Mr. Aniwat Srirungtham - A company executive holds a director position: Mr. Anirut Srirungtham
7.	Thum Real Estate Co., Ltd	Hotel, Resort, and Condominium Business	<ul style="list-style-type: none"> - Four directors and executives of the Company are major shareholders: (1) Mr. Prasit Srirungtham directly holds 30.00% (2) Mrs. Wimal Sri Srirungtham directly holds 30.00% (3) Mr. Aniwat Srirungtham directly holds 20.00% and (4) Mr. Anirut Srirungtham directly holds 20.00% - One director is shared with the Company: Mr. Prasit Srirungtham - A company executive holds a director position: Mr. Anirut Srirungtham
8.	Aurora Resort Partnership	Resort and Accommodation Service Business	<ul style="list-style-type: none"> - Two directors and executives of the Company are partners: (1) Mr. Prasit Srirungtham invested 50.00% and (2) Mr. Aniwat Srirungtham invested 50.00% - Mr. Prasit Srirungtham is the managing partner



	Persons or Entities with Potential	Nature of Business	Nature of Relationship with the Company(1)
9.	Thum Enterprises Co., Ltd.	Holding Company Business Investing in Other Companies, Not Primarily in Financial Businesses	<ul style="list-style-type: none"> - Major shareholder of the Company, holding 32.23% - Five directors and executives of the Company are major shareholders: (1) Mr. Prasit Srirungtham directly holds 20.00% (2) Mrs. Wimolsri Srirungtham directly holds 20.00% (3) Mr. Aniwat Srirungtham directly holds 15.00% (4) Mr. Anipat Srirungtham directly holds 15.00% and (5) Mr. Anirut Srirungtham directly holds 15.00%
10.	Mr. Prasit Srirungtham	-	- Directors and Major Shareholders of the Company
11.	Mrs. Wimolsri Srirungtham	-	- Director, Executive, and Major Shareholder of the Company
12.	Mr. Aniwat Srirungtham	-	- Director, Executive, and Major Shareholder of the Company
13.	Mr. Anirut Srirungtham	-	- Executive and Major Shareholder of the Company
14.	Mr. Anipat Srirungtham	-	- Executive and Major Shareholder of the Company
15.	Ms. Nichanan Srirungtham	-	- Related person of the company's directors and executives (daughter of Mr. Prasit and Mrs. Wimolsri Srirungtham and sibling of Mr. Aniwat, Mr. Anipat, and Mr. Anirut Srirungtham)
16.	Mr. Yosaran Wannapan	-	- Executive of the Company
17.	Ms. Pichaman Iamsamang	-	- Executive of the Company

Note: (1) Data as of December 31, 2023



9.2.2. Intercompany Transactions between the Company and its Subsidiaries and Related Parties

The intercompany transactions between the Company and its subsidiaries and related parties for the fiscal year ended December 31, 2023, can be summarized as follows:

Nature of Transactions	Related Parties	Transaction Value (Million baht)	Necessity and Reasonableness of Transactions	Audit Committee's Opinion
		For the fiscal year ended December 31, 2023		
1. Gold Bullion Sales	<u>Aurora Trading Co., Ltd.</u> - Revenue from Gold Bullion Sales - Gold Bullion Sales Orders	1,125.09 925.64	<ul style="list-style-type: none"> - The company sells gold bullion to Aurora Trading Co., Ltd. ("ARR Trading"), a gold bullion trading service provider, primarily to close net buy positions and manage the risk of gold price volatility. - Since the Company has a higher daily purchase volume of gold ornaments than its sales volume, it closes positions by selling gold bullion. The company uses the daily average selling price of gold ornaments as a reference price for determining the gold bullion selling price ("Reference Price"). - The gold bullion selling price is compared to the Reference Price and uses the spot rate of gold bullion at the time of the sales order (real-time), which is the market price and general commercial terms. 	This is a normal business transaction for the Company, with the transaction price being the market price and general commercial terms, similar to transactions with external parties. Therefore, it is considered appropriate and reasonable.
2. Gold Bullion Purchases	<u>Aurora Trading Co., Ltd.</u> - Gold Bullion Purchases - Gold Bullion Purchase Orders - Administrative Expenses (Late Payment Penalties.	7,237.96 918.03 0.68	<ul style="list-style-type: none"> - The company purchases gold bullion from ARR Trading, a gold bullion trading service provider, to (1) close net sell positions to manage the risk of gold price volatility, (2) use gold bullion to pay for new gold ornaments purchases (Barter) from gold ornaments wholesalers, and (3) use as raw material for producing gold sheets to sell as the Company's products. - The company closes positions by purchasing gold bullion because it has a higher daily sales volume of gold ornaments than its purchase volume. The company uses the daily average selling price of gold ornaments as a reference price for determining the gold bullion purchase price ("Reference Price"). - The gold bullion purchase price is compared to the Reference Price and uses the spot rate of gold bullion at the time of the purchase order (real-time), which is the market price and general commercial terms. - The company incurs late payment penalties for payments made later than the credit term received, as part of working capital management. The penalties are considered not to disadvantage the Company, as the penalty rate does not exceed the bank loan interest rate. 	This is a normal business transaction for the Company, with the transaction price being the market price and general commercial terms, similar to transactions with external parties. Therefore, it is considered appropriate and reasonable.



Nature of Transactions	Related Parties	Transaction Value (Million baht)	Necessity and Reasonableness of Transactions	Audit Committee's Opinion
		For the fiscal year ended December 31, 2023		
3. Transactions Related to Gold Redemption Cards	3.1 <u>Aurora Gold Saving Co., Ltd.</u> - Gold Bullion Purchases	5.42	<ul style="list-style-type: none">- Aurora Gold Saving Co., Ltd. ("ARR GS") operates a gold savings service where customers accumulate money to purchase gold. When ARR GS customers accumulate enough money to exchange for gold, they bring the gold redemption card received from ARR GS to redeem gold ornaments at the Company's retail branches.- The company sells gold redemption cards to ARR GS, whereby the cardholders (gold savers with ARR GS) can redeem gold ornaments according to the weight specified on the gold redemption card at the Company's retail branches.- In selling gold redemption cards to ARR GS, ARR GS pays the price in gold bars according to the weight of gold specified in the gold redemption card. Therefore, the Company has a transaction of purchasing gold bars from ARR GS. The company's acceptance of gold bars as payment for the sale of gold redemption cards is a normal business practice in the industry.- The purchase price of gold bars is the selling price of 96.5% purity gold bars as announced by the Gold Traders Association on the date and time of the transaction, and it is a general trading condition.	This is a normal business transaction for the Company, with the transaction price being the market price and general commercial terms, similar to transactions with external parties. Therefore, it is considered appropriate and reasonable.
	3.2. <u>Aurora Gold Saving Co., Ltd.</u> - Advance revenue from gold redemption cards	0.41	<ul style="list-style-type: none">- In selling gold redemption cards to ARR GS, in 2022, the Company adjusted the issuance fee of gold redemption cards to a rate of 30 baht per card, which is comparable to the issuance fee of gold redemption/gift cards charged to other customers of the Company and is under general trading conditions.- When ARR GS customers redeem gold ornaments at the Company's retail branches, they must pay the workmanship fee according to the Company's standard rate. The company shares 50% of the workmanship fee with ARR GS. However, the total workmanship fee received by the Company must not be less than the standard labor cost policy for 96.5% purity gold for corporate customers (B2B) of the Company and is under general trading conditions.	It is a normal business transaction of the Company, with the transaction price being comparable to transactions with external parties and under general trading conditions. Therefore, it is considered that the transaction is appropriate and reasonable.



Nature of Transactions	Related Parties	Transaction Value (Million baht)	Necessity and Reasonableness of Transactions	Audit Committee's Opinion
		For the fiscal year ended December 31, 2023		
4. Service revenue	<u>Aurora Trading Co., Ltd.</u> - Service revenue - Other receivables	3.33 0.30	<div><div>- The company provides services to ARR Trading customers through the Company's retail branches with the following service details: (1) buying and selling gold bars, (2) receiving and delivering gold bars to customers who buy and sell gold bars with ARR Trading, and (3) providing initial advice and facilitation to those who wish to open an online gold trading account with ARR Trading. The company has entered into a gold bar trading service agreement with ARR Trading, where the Company provides the services as detailed in (1) – (3) above. The service period is 3 years, starting from January 1, 2022, to December 31, 2024. Providing these services to ARR Trading customers allows the Company to diversify and integrate its product offerings, increase sales opportunities from ARR Trading customers using the services, and efficiently utilize the retail branches without managing gold bar inventory.</div><div>- The service fee rate for gold bar trading services charged to ARR Trading is calculated using the cost-plus margin method, which covers the Company's operating expenses.</div><div>- The service fee rate for receiving and delivering gold bars and providing initial advice to those wishing to open an online gold trading account is calculated using the cost-plus margin method, which covers the Company's operating expenses and promotional expenses for the Company's employees.</div><div>- The company has other receivables, including receivables for damages from theft due to a robbery at the Company's retail branch. The stolen assets included gold bars of ARR Trading and gold ornaments of the Company. The defendant is paying the damages in installments to ARR Trading, and ARR Trading has forwarded the portion of the damages belonging to the Company to the Company.</div></div>	It is a normal business support transaction of the Company to diversify and integrate its product offerings and efficiently utilize the retail branches. The transaction price is comparable to the profit-sharing ratio in other sales channels and is calculated using the cost-plus margin method, which covers the Company's operating expenses and promotional expenses for the Company's employees. Therefore, it does not disadvantage the Company and is under general trading conditions. It is considered that the transaction is appropriate and reasonable.
5. Gold sheet melting fee	<u>Rungcharoen 965 Co., Ltd.-</u> - Service cost	8.89	<div><div>- Rungcharoen 965 Co., Ltd. operates a gold melting service business.</div><div>- The company hires Rungcharoen 965 Co., Ltd. to melt gold sheets of various sizes as specified by the Company.</div><div>- The gold sheet melting service fee rate is comparable to the melting service fee rates from other service providers and is under general trading conditions.</div></div>	This is a normal business transaction for the Company, with the transaction price being the market price and general commercial terms, similar to transactions with external parties. Therefore, it is considered appropriate and reasonable.



Nature of Transactions	Related Parties	Transaction Value (Million baht)	Necessity and Reasonableness of Transactions	Audit Committee's Opinion
		For the fiscal year ended Decembzer 31, 2023		
6. Rental fee	6.1 <u>Sang Ngern Sang Thong Udomsuk Co., Ltd.</u> - Financial cost - Amortization of right-of-use assets - Right-of-use assets - Lease liabilities	1.13 5.27 21.10 22.58	<p>- (1) Mr. Prasit Sirirungtham, (2) Bay Palace Co., Ltd., (3) Sang Ngern Sang Thong Udomsuk Co., Ltd., (4) Tham Residence Co., Ltd., and (5) Tham Real Estate Co., Ltd. have placed their assets as collateral under the loan agreement between the Company and a commercial bank, with the purpose of providing working capital for business operations. The company is charged a collateral usage fee.</p> <p>- From January 1, 2022, the Company entered into a collateral usage fee agreement with the parties mentioned in (1) – (5) above, effective from January 1, 2022. The collateral usage fee rate is calculated at 1% of the collateral's appraised value by an independent appraiser approved by the SEC or the average outstanding loan amount of each month of the previous year, whichever is lower. At the end of the year, the average outstanding loan amount of each month of the current year will be reviewed to adjust the collateral usage fee if the outstanding loan amount is lower than the collateral's appraised value. This rate is comparable to the bank guarantee issuance fee rates of commercial banks. The company's financial cost, including the collateral usage fee, does not exceed the interest rate of non-rated debentures with collateral issued in 2021.</p>	<p>It is a normal business support transaction of the Company to diversify and integrate its product offerings and efficiently utilize the retail branches. The transaction price is comparable to the profit-sharing ratio in other sales channels and is calculated using the cost-plus margin method, which covers the Company's operating expenses and promotional expenses for the Company's employees. Therefore, it does not disadvantage the Company and is under general trading conditions. It is considered that the transaction is appropriate and reasonable.</p>
	6.2 <u>Mr. Prasit Sirirungtham</u> - Financial cost - Amortization of right-of-use assets - Right-of-use assets - Lease liabilities	0.70 3.26 13.06 13.98		
7. Collateral usage fee	7.1 <u>Mr. Prasit Sirirungtham</u> - Collateral usage fee - Other payables	3.60 0.17	<p>- (1) Mr. Prasit Sirirungtham, (2) Bay Palace Co., Ltd., (3) Sang Ngern Sang Thong Udomsuk Co., Ltd., (4) Tham Residence Co., Ltd., and (5) Tham Real Estate Co., Ltd. have placed their assets as collateral under the loan agreement between the Company and a commercial bank, with the purpose of providing working capital for business operations. The company is charged a collateral usage fee.</p> <p>- From January 1, 2022, the Company entered into a collateral usage fee agreement with the parties mentioned in (1) – (5) above, effective from January 1, 2022. The collateral usage fee rate is calculated at 1% of the collateral's appraised value by an independent appraiser approved by the SEC or the average outstanding loan amount of each month of the previous year, whichever is lower. At the end of the year, the average outstanding loan amount of each month of the current year will be reviewed to adjust the collateral usage fee if the outstanding loan amount is lower than the collateral's appraised value. This rate is comparable to the bank guarantee issuance fee rates of commercial banks. The company's financial cost, including the collateral usage fee, does not exceed the interest rate of non-rated debentures with collateral issued in 2021.</p>	<p>It is a financial assistance transaction, arising out of necessity and benefiting the Company. The collateral usage fee rate is comparable to the bank guarantee issuance fee rates of commercial banks. Therefore, it is considered that the transaction is appropriate and reasonable.</p>
	7.2 <u>Bay Palace Co., Ltd.</u> - Collateral usage fee	2.94		
	7.3 <u>Sang ngern Sang Thong Udomsuk Co., Ltd.</u> - Collateral usage fee	0.91		
	7.4 <u>Tham Residence Co., Ltd.</u> - Collateral usage fee	0.52		
	7.5 <u>Tham Real Estate Co., Ltd.</u> - Collateral usage fee	0.20		



Nature of Transactions	Related Parties	Transaction Value (Million baht)		Necessity and Reasonableness of Transactions	Audit Committee's Opinion
		For the fiscal year ended Decembzr 31, 2023			
8. Meeting room fee, Training and seminar fee, Food and cleaning service fee	8.1 Bay Palace Co., Ltd. - Service fee - Other payables	3.35 0.13		<ul style="list-style-type: none">- The company provides accommodation benefits for employees attending company meetings/training by using the accommodation services of Bay Hotel Srinakarin, managed by Bay Palace Co., Ltd.- The company provides food for employees as a benefit by hiring Bay Palace Co., Ltd. to cater the food.- The company hires Bay Palace Co., Ltd. to provide cleaning services at the Company's office buildings.- The accommodation fee rate is comparable to the rate charged by Bay Palace Co., Ltd. to external parties, and the food and cleaning	It is a normal business support transaction of the Company, with the transaction price being comparable to transactions with external parties and under general trading conditions. Therefore, it is considered that the transaction is appropriate and reasonable.
9. Product sales - diamond jewelry, gemstones, and gold-plated items	9.1 Aurora Trading Co., 9.2 Relatives of Mr. Prasit Sriungtham	0.13 0.02		<ul style="list-style-type: none">- The company organizes a project to sell stock items to the Company's employees and general customers, offering discounts based on the product type.- The product sale prices offer discounts comparable to those given to external parties and are under general trading conditions.	It is a normal business transaction of the Company, with the transaction price being comparable to transactions with external parties and under general trading conditions. Therefore, it is considered that the transaction is appropriate and reasonable.
10. Product sales - gold sheets and gold ornaments	10.1 Directors and executives 10.2 Relatives of Mr. Prasit Sriungtham	21.78 2.91		<ul style="list-style-type: none">- Purchase of gold sheets and gold ornaments from the Company, with the transaction price being the retail price of gold ornaments on the transaction date and the standard workmanship fee comparable to the prices charged to other general customers and under general trading conditions.	It is a normal business transaction of the Company, with the transaction price being comparable to transactions with external parties and under general trading conditions. Therefore, it is considered that the transaction is appropriate and reasonable.
11. Purchase of Gift Vouchers for accommodation	11.1. Aurora Resort General Partnership - Service fee - Other payables	0.06 0.00		<ul style="list-style-type: none">- The Company purchases accommodation Gift Vouchers from Aurora Resort General Partnership when the Company's customers wish to redeem their accumulated points.- The accommodation rate is comparable to market prices and is under general trading conditions.	It is a normal business support transaction of the Company, with the transaction price being comparable to market prices and under general trading conditions. Therefore, it is considered that the transaction is appropriate and reasonable.



9.2.3. Measures and Procedures for Approving Intercompany or Related Party Transactions

9.2.3.1. Measures and Procedures for Approving Related Party Transactions

In conducting related party transactions, the Company and its subsidiaries comply with the Company's regulations, the Securities and Exchange Act B.E. 2535 (including amendments) ("**Securities Act**"), as well as the regulations, announcements, orders, or requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand ("**SET**"). The Company also adheres to the disclosure requirements for related party transactions as stipulated under the regulations, announcements, orders, or requirements, including financial reporting standards set by the Federation of Accounting Professions under the Royal Patronage ("**FAP**") and other relevant criteria. Interested parties are not entitled to vote on matters related to such transactions.

If the law requires that related party transactions must be approved by the Board of Directors' meeting and/or the shareholders' meeting (as the case may be), the Company will convene an Audit Committee meeting to consider and provide opinions on the necessity and reasonableness of the transactions before the Board of Directors' meeting and/or the shareholders' meeting. For normal business transactions or regular business support transactions with general commercial terms, and other related party transactions.

9.2.3.2. Future Policy on Related Party Transactions

In the event of future related party transactions, the Company will comply with the Company's regulations, the Securities Act, the regulations, announcements, orders, or requirements of the Capital Market Supervisory Board and the SET, and other relevant criteria. Such transactions must not involve the transfer or diversion of the Company's benefits. The Company will also adhere to the disclosure requirements for related party transactions of the Company and its subsidiaries according to the accounting standards and other relevant criteria. The transactions must consider the best interests of the Company and all shareholders. Interested parties are not entitled to vote on matters related to such transactions.

For normal business transactions or regular business support transactions that occur continuously in the future, the Company has established criteria and guidelines to comply with general commercial terms, referencing appropriate and fair prices and conditions. These transactions are reviewed by the Audit Committee and approved by the Board of Directors as a framework for management.

The Company must compile and prepare a summary report of such transactions for the Audit Committee and the Board of Directors' meetings every quarter.

Part3

Financial

Statement

Aurora Design Public Company Limited

Form 56-1 One Report / Annual Report 2023





AUDITOR'S REPORT

To the Shareholders of Aurora Design Public Company Limited

Opinion

I have audited the accompanying consolidated and separate financial statements of Aurora Design Public Company Limited and its subsidiaries (“the Group”) and of Aurora Design Public Company Limited (“the Company”), respectively, which comprise the consolidated and separate statement of financial position as at 31 December 2023, the consolidated and separate statement of comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Aurora Design Public Company Limited and its subsidiaries and of Aurora Design Public Company Limited as at 31 December 2023, and their consolidated and separate financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



Key Audit Matters

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

<i>The key audit matter</i>	<i>Audit procedures</i>
<p>Revenue from sales</p> <p>The Company is engaged the business in trading gold jewelry, diamond jewelry, gems, and k-gold. The revenue from sales in each distribution channels are recognized in according to its type of sale at the various terms and condition on delivery of the goods. Those revenue from sale is significant high value transaction. For the year ended 31 December 2023, the book value of revenue from sales was of Baht 29,578 million as disclosed in note 28 to the financial statements.</p> <p>I have identified revenue from sales to be the key audit matters as its high value is significant to the financial statements and a various delivery terms of distribution channels.</p>	<p>Other than making the inquiries, the audit procedures for revenue from sales included sampling test as follows:</p> <ul style="list-style-type: none"> - assessing the efficiency and test of internal control relates to the sales system; - inspecting sale documents occurred during the year, including, before and after the reporting period to test the delivery terms and the proper period of revenue recognition in accordance to the contract regarding the control of the goods transferred to the customers in each distribution channel.
<p>Inventories</p> <p>Inventories are significant high value transaction and are principal assets for the Company's business operations. As at 31 December 2023, the net book value of inventories was of Baht 8,369 million as disclosed in note 7 to the financial statements. The inventories principally are gold jewelry, diamond jewelry, gems, and k-gold which their selling price are determined on a daily basis referring to the market prices of commodity goods mainly as gold that are fluctuated and may affect to the valuation of inventories at the ended year measured at the lower of cost or net realizable value and related to the management exercise the judgement.</p> <p>I have identified inventories to be the key audit matters as its high value is significant to the financial statements.</p>	<p>Other than making the inquiries, the audit procedures for inventories included sampling test as follow:</p> <ul style="list-style-type: none"> - assessing the appropriateness and test the calculation of net realizable value of inventories at the end of reporting period, the consideration of reasonableness of market price, expected to make a sale and necessary cost to make sales, including inspecting to the related documents.



Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report of the Group, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the consolidated and separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.



As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's 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 Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Group and business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the Group audit. I remain solely responsible for my audit opinion.



I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine 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. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Bunjong Pichayaprasat

Certified Public Accountant Registration
Number 7147

Siam Truth Audit Company Limited
Bangkok

28 February 2024



AURORA DESIGN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF
FINANCIAL POSITION

AS AT 31 DECEMBER 2023

Baht

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Assets					
Current assets					
Cash and cash equivalents	5	560,332,926	418,567,147	457,733,397	315,601,002
Trade and other receivables	6	2,894,813,757	1,895,973,325	2,895,164,600	1,896,115,264
Short-term loans to related parties	4	-	-	6,963,438	6,963,438
Inventories	7	8,369,359,207	6,875,804,867	8,369,359,207	6,875,804,867
Other current assets	8	26,452,848	27,445,988	26,452,848	27,445,988
Total current assets		11,850,958,738	9,217,791,327	11,755,673,490	9,121,930,559
Non-current assets					
Restricted bank deposits	9	105,001,000	-	105,001,000	-
Investment property	11	24,620,000	24,620,000	24,620,000	24,620,000
Building and equipment	12	200,585,826	139,876,734	200,580,380	139,863,039
Intangible assets	14	8,142,247	9,268,831	8,142,247	9,268,831
Right-of-use assets	13	963,929,850	1,183,893,236	963,929,850	1,183,893,236
Deferred tax assets	32	84,776,373	95,469,053	84,776,373	95,469,053
Other non-current assets	15	173,873,159	142,882,691	173,738,786	142,702,924
Total non-current assets		1,560,928,455	1,596,010,545	1,560,788,636	1,595,817,083
Total assets		13,411,887,193	10,813,801,872	13,316,462,126	10,717,747,642



AURORA DESIGN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

Baht

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	16	3,095,000,000	1,055,000,000	3,095,000,000	1,055,000,000
Trade and other payables	17	1,300,822,168	987,229,051	1,300,708,723	987,337,767
Current portion of liabilities	18	837,198,038	769,411,933	837,198,038	769,411,933
Provision for employee benefit	22	3,170,000	4,174,857	3,170,000	4,174,857
Income tax payable		93,814,476	85,518,410	93,808,783	85,307,891
Other current liabilities	19	663,916,036	680,057,502	663,915,357	680,056,348
Total current liabilities		5,993,920,718	3,581,391,753	5,993,800,901	3,581,288,796
Non-current liabilities					
Long-term loans from financial institutions	20	1,026,457,410	1,328,730,000	1,026,457,410	1,328,730,000
Long-term lease liabilities	13	657,598,216	920,879,860	657,598,216	920,879,860
Provision for employee benefit	22	32,389,180	34,700,595	32,389,180	34,700,595
Provisions	23	23,760,000	17,090,000	23,760,000	17,090,000
Total non-current liabilities		1,740,204,806	2,301,400,455	1,740,204,806	2,301,400,455
Total liabilities		7,734,125,524	5,882,792,208	7,734,005,707	5,882,689,251
Shareholders' equity					
Share capital	24				
Ordinary shares		1,334,000,000	1,334,000,000	1,334,000,000	1,334,000,000
Premium on ordinary shares		3,228,403,463	3,228,403,463	3,228,403,463	3,228,403,463
Retained earnings	25, 26				
Appropriated - legal reserve		105,154,000	62,454,000	105,154,000	62,454,000
Unappropriated		1,010,204,206	306,152,201	914,898,956	210,200,928
Total shareholders' equity		5,677,761,669	4,931,009,664	5,582,456,419	4,835,058,391
Total liabilities and shareholders' equity		13,411,887,193	10,813,801,872	13,316,462,126	10,717,747,642



AURORA DESIGN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023

Baht

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Revenue from sales	28	29,578,235,946	29,358,195,066	29,578,235,946	29,358,195,066
Interest income	28	299,559,366	222,423,288	299,559,366	222,423,288
Total		29,877,795,312	29,580,618,354	29,877,795,312	29,580,618,354
Cost of sales	7	(27,024,638,737)	(27,063,337,853)	(27,024,638,737)	(27,063,337,853)
Gross profit		2,853,156,575	2,517,280,501	2,853,156,575	2,517,280,501
Other income	28	47,334,132	23,070,475	47,373,286	23,184,029
Selling expenses	29	(1,358,386,792)	(1,227,974,898)	(1,358,386,793)	(1,227,974,899)
Administrative expenses	29	(229,305,097)	(232,370,044)	(228,714,561)	(232,912,553)
Profit from operations		1,312,798,818	1,080,006,034	1,313,428,507	1,079,577,078
Gain from fair value measurement of financial derivatives		718,046	12,003,615	718,046	12,003,615
Gain from lease termination and modification		12,687,326	24,529,277	12,687,326	24,529,277
Loss from disposal and written - off of assets		(1,479,971)	(930,257)	(1,479,971)	(930,257)
Finance costs	31	(262,609,189)	(218,777,650)	(262,609,189)	(221,125,585)
Profit before income tax		1,062,115,030	896,831,019	1,062,744,719	894,054,128
Tax expense	32	(212,089,988)	(188,975,016)	(212,073,654)	(188,491,808)
Profit for the year		850,025,042	707,856,003	850,671,065	705,562,320
Other comprehensive income					
Items that will never be reclassified subsequently to profit or loss					
Defined benefit plan actuarial gain	32	4,308,703	5,967,809	4,308,703	5,967,809
Income tax regarding to items that will never be reclassified subsequently to profit or loss	32	(861,740)	(1,193,562)	(861,740)	(1,193,562)
Other comprehensive income - net of tax		3,446,963	4,774,247	3,446,963	4,774,247
Total comprehensive income		853,472,005	712,630,250	854,118,028	710,336,567
Earnings per share	27				
Basic earning per share		0.64	0.68	0.64	0.68
Weighted average number of ordinary shares (shares)		1,334,000,000	1,034,772,603	1,334,000,000	1,034,772,603



AURORA DESIGN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

Baht

Consolidated financial statements

	Note	Retained earnings				Total
		Issued and paid-up share capital	Premium on ordinary shares	Appropriated to legal reserve	Unappropriated	
Balance as at 1 January 2022		1,000,000,000	-	27,175,000	1,374,560,951	2,401,735,951
Increase in ordinary shares	24	334,000,000	3,228,403,463	-	-	3,562,403,463
Dividend payment	25	-	-	-	(1,745,760,000)	(1,745,760,000)
Legal reserve	26	-	-	35,279,000	(35,279,000)	-
Total comprehensive income		-	-	-	712,630,250	712,630,250
Balance as at 31 December 2022		1,334,000,000	3,228,403,463	62,454,000	306,152,201	4,931,009,664
Dividend payment	25	-	-	-	(106,720,000)	(106,720,000)
Legal reserve	26	-	-	42,700,000	(42,700,000)	-
Total comprehensive income		-	-	-	853,472,005	853,472,005
Balance as at 31 December 2023		1,334,000,000	3,228,403,463	105,154,000	1,010,204,206	5,677,761,669



**AURORA DESIGN PUBLIC COMPANY LIMITED AND ITS
SUBSIDIARIES**

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

*Baht***Separate financial statements**

	Note	Retained earnings				Total
		Issued and paid-up share capital	Premium on ordinary shares	Appropriated to legal reserve	Unappropriated	
Balance as at 1 January 2022		1,000,000,000	-	27,175,000	1,280,903,361	2,308,078,361
Increase in ordinary shares	24	334,000,000	3,228,403,463	-	-	3,562,403,463
Dividend payment	25	-	-	-	(1,745,760,000)	(1,745,760,000)
Legal reserve	26	-	-	35,279,000	(35,279,000)	-
Total comprehensive income		-	-	-	710,336,567	710,336,567
Balance as at 31 December 2022		1,334,000,000	3,228,403,463	62,454,000	210,200,928	4,835,058,391
Dividend payment	25	-	-	-	(106,720,000)	(106,720,000)
Legal reserve	26	-	-	42,700,000	(42,700,000)	-
Total comprehensive income		-	-	-	854,118,028	854,118,028
Balance as at 31 December 2023		1,334,000,000	3,228,403,463	105,154,000	914,898,956	5,582,456,419



AURORA DESIGN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit before income tax	850,025,042	707,856,003	850,671,065	705,562,320
Adjustments to reconcile profit before income tax to cash generated (paid) from operating activities				
Depreciation and amortization	406,046,806	379,947,676	406,038,557	379,939,428
Gain from lease termination and modification	(12,687,326)	(24,529,277)	(12,687,326)	(24,529,277)
Loss from disposal and written - off of assets	1,479,971	930,257	1,479,971	930,257
Gain from fair value measurement of derivatives	(718,046)	(12,003,615)	(718,046)	(12,003,615)
Unrealized gain on foreign exchange rate	4,321,851	5,457,179	4,321,851	5,457,179
Provision for employee benefit	45,448	4,321,148	45,448	4,321,148
Interest income	(300,128,346)	(222,552,732)	(300,167,523)	(222,666,286)
Interest expenses	262,609,189	218,777,650	262,609,189	221,125,585
Tax expense	212,089,988	188,975,016	212,073,654	188,491,808
Profit from operations before changes in operations assets and liabilities	1,423,084,577	1,247,179,305	1,423,666,840	1,246,628,547
Operating assets decrease (increase)				
Restricted bank deposits	(105,001,000)	-	(105,001,000)	-
Trade and other receivables	(984,466,512)	(712,156,994)	(984,675,415)	(712,298,934)
Inventories	(1,493,554,340)	(302,172,418)	(1,493,554,340)	(751,439,447)
Other current assets	931,140	(15,625,240)	931,141	(15,897,591)
Other non-current assets	(30,990,469)	(16,228,689)	(31,035,864)	(16,260,916)
Operating liabilities increase (decrease)				
Trade and other payables	360,995,093	(395,031,527)	360,772,878	48,776,316
Other current liabilities	(15,423,423)	166,078,538	(15,422,948)	166,080,752
Cash used in from operations	(844,424,934)	(27,957,025)	(844,318,708)	(34,411,273)
Interest received	285,754,426	215,174,358	285,793,602	215,287,913
Income tax paid	(193,962,982)	(170,412,570)	(193,741,822)	(169,486,530)
Net cash provided by (used in) operating activities	(752,633,490)	16,804,763	(752,266,928)	11,390,110



AURORA DESIGN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Short-term loans to related parties	-	-	-	(6,963,438)
Purchase of building and equipment	(122,649,150)	(91,129,771)	(122,649,150)	(91,129,771)
Purchase of intangible assets	(2,251,200)	(2,372,259)	(2,251,200)	(2,372,259)
Purchase of right-of-use assets	-	(1,200,000)	-	(1,200,000)
Net cash used in investing activities	(124,900,350)	(94,702,030)	(124,900,350)	(101,665,468)
Cash flows from financing activities				
Proceeds of short-term loans from financial institution	8,513,000,000	5,498,000,000	8,513,000,000	5,498,000,000
Repayment of short-term loans from financial institution	(6,473,000,000)	(5,523,000,000)	(6,473,000,000)	(5,523,000,000)
Proceeds of short-term loans from related parties	180,000,000	886,000,000	180,000,000	946,000,000
Repayment of short-term loans from related parties	(180,000,000)	(2,895,401,004)	(180,000,000)	(3,042,209,155)
Proceeds of long-term loans from financial institutions	220,000,000	1,344,000,000	220,000,000	1,344,000,000
Repayment of long-term loans from financial institutions	(493,667,063)	(250,164,888)	(493,667,063)	(250,164,888)
Repayment of lease liabilities	(378,651,115)	(364,101,013)	(378,651,115)	(364,101,013)
Increase in ordinary shares	-	3,562,403,463	-	3,562,403,463
Dividend paid	(106,720,000)	(1,932,898,628)	(106,720,000)	(1,932,898,628)
Interest paid	(261,662,203)	(345,073,600)	(261,662,149)	(347,421,535)
Net cash provided by (used in) financing activities	1,019,299,619	(20,235,670)	1,019,299,673	(109,391,756)
Net increase (decrease) in cash and cash equivalents	141,765,779	(98,132,937)	142,132,395	(199,667,114)
Cash and cash equivalents at the beginning of the year	418,567,147	516,700,084	315,601,002	515,268,116
Cash and cash equivalents at the end of the year	560,332,926	418,567,147	457,733,397	315,601,002

**AURORA DESIGN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2023****1. GENERAL INFORMATION**

Aurora Design Public Company Limited (“the Company”) is incorporated in Thailand.

Its registered office is at 444 Soi Udomsuk 26, Bang Na Nuea, Bang Na, Bangkok 10260.

The Company has 406 shopfronts for sales and rendering services in Bangkok and upcountry (Year 2022: 279 branches).

The Company was listed on the Stock Exchange of Thailand on 29 November 2022.

The Company and its subsidiaries (“the Group”) are engaged in principal businesses as follows:

- Trading of gold jewelry, diamonds, gems and k-gold.
- Rendering service of sale with rights of redemption for gold jewelry, diamonds, gems and k-gold.

The Company’s major shareholders were as follows:

Major shareholders	Country/ Nationality	Shareholding	
		31 December	
		2023	2022
Thum Enterprise Co., Ltd.	Thailand	32.23	32.23
Mr.Prasit Srirungthum and family	Thai	32.15	31.77

The financial statements have been approved for issue by the Company’s Board of Directors on 28 February 2024.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), including the related interpretations and guidelines promulgated by the Federation of Accounting Professions (“TFAC”) and the financial reporting requirements of the Securities and Exchange Commission.

The financial statements in Thai language are presented in Thai Baht, which is the Group’s functional currency. The preparation of these official statutory financial statements is issued for Thai reporting purposes. The financial statements in English language have been translated from the financial statements in Thai language.

The preparation of the financial statements in conformity with Thai Financial Reporting Standards (“TFRS”) requires management to make judgments estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis



of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that accounting period, and in the accounting period of the revision and future periods, if the revision affects both current and future accounting periods.

BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements include the financial statements of Aurora Design Public Company Limited and its subsidiaries (together referred to as the “Group”) as follows:

Company	Country of incorporation	Business type	%	
			Shareholding	
			31 December	
			2023	2022
Subsidiaries				
Aurora Fin Synergy Co., Ltd. (Formerly named : Aurora International Co., Ltd.)	Thailand	Nano finance	100	100
S.G.S. Gems Co., Ltd.	Thailand	School of gemological science	100	100

The preparations of the consolidated financial statements have been based on the same accounting policies for the same or similar accounting transactions or accounting events.

Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group, other than those with entities under common control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group take into consideration potential voting rights that currently are exercisable.

Subsidiaries

Subsidiaries are an entity controlled by the Group. The Company is deemed to have control over subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the subsidiaries, and it has the ability to affect those returns through its power over the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income or expenses arising from intra-group transactions, are eliminated.



New financial reporting standards

a) New financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards, including the accounting guidances which are effective for fiscal years beginning on or after January 1, 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most clarification of accounting practices and accounting guidances to users of TFRSs.

The management assessed there are not any significant impact on the Group's financial statement in the year those financial reporting standards are initially adopted.

b) Financial reporting standard that will become effective in the future

The Federation of Accounting Professions promulgated the numbers of revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the clarification of accounting practices and accounting guidances to users of TFRSs.

The management of the Group believes that the revision of TFRSs does not have any significant impact on the Group's financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The measurement bases used in preparing the financial statements

Other than those disclosed elsewhere in the significant accounting policies and other notes to the financial statements, the financial statements are prepared on the historical cost basis.

Revenue

The Group accounts for a contract with a customer when it has entered into an agreement between counter parties that creates enforceable rights and obligations. The Group has to identify its performance obligations and allocate a transaction price to each obligation on an appropriate basis.

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, net of value added tax ("VAT"). Depending on the terms of the contract and the laws that apply to the contract, control of the asset may be transferred over time or at a point in time.



Revenue for rendering of services is recognized as services are provided.

Contract assets stated at net book value after allowance for terminate contracts.

Allowance for terminate contracts is mostly assessed primarily on analysis of payment histories, future expectations of customer payments and cancellation contracts history. Contract assets will be written off when contracts are cancelled.

No revenue is recognized if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, including that revenue and cost incurred cannot be measured reliably or it is highly probable will be returned.

Sale of goods and rendering of services

Revenue from sales of goods is recognized when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Therefore, the amount of revenue recognized is adjusted for estimated returns.

For bundled packages, the Group accounts for individual products and services separately if they are distinct, or a product or service is separately identifiable from other items and a customer can benefit from it, or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices of products and services.

Provision for estimated returns

The Company estimates the products return for sale contract with the return conditions at the agreed rate of return price, including the completeness of return evidences and products condition by considering the level of returns over historical experiences. In addition, the Company provides an allowance for devaluation of such expected products return.

The customers have right to return the purchased products in accordance with the sale conditions. The Company recognizes liabilities for products return for the consideration to which the Company does not expect to be entitled. Liabilities for products return will be reviewed at the end of reporting period, any changes incurred by returning from customer will be adjusted to revenue from sales, in accordingly, the Company recognizes the right to recover products return at cost value and adjusts to cost of sales.

Customer loyalty programme

The consideration received are allocated based on the relative stand-alone selling price of the products and the loyalty points. The amount allocated to the loyalty points is recognized as contract liabilities and revenue is recognized when loyalty points are redeemed or the likelihood of the customer redeeming the loyalty points becomes remote or option expire. The stand-alone selling prices of the points is estimated based on discount provided to customers, fair value of



products or services increased and the likelihood that the customers will redeem the points. The estimate shall be reviewed at the end of the reporting period.

Advances

Advances received from customers is classified as current liabilities and recognized as revenue when the Group transferred control over the goods to the customers. For the advances that contain a significant financing component, they include the interest expense accreted on the contract liability under the effective interest method. The Group uses practical expedient which is not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

Revenue from rendering of services

The Group recognized services revenue over the contract period. Such recognition is on a straight-line basis according to the proportion of the rendered services over the contract period.

Rental income

Rental income is recognized on a straight-line basic over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income. Contingent rentals are recognized as income in the accounting period in which they are earned.

Rental income and its related services

Rental income and its related services [from investment property] are recognized on a straight-line basis over the term of the lease. Contingent rentals are recognized as income in the accounting period in which they are occurred. The related service income is recognized over the term of the lease.

Interest income

Interest income is recognized using the effective interest method.

Interest income is calculated by applying the effective interest rate to the gross book value of financial assets.

When financial assets are determined to credit impair, interest income is calculated by applying the effective interest rate to the net book value (gross book value less allowance for expected credit losses) of the financial assets. If the financial assets are not credit impaired, interest income is calculated basing on the original gross book value.

Dividend received

Dividend received is recognized as income when the Group has the right to receive dividends.



Other income

Other income is recognized on an accrual basis.

Consideration payable to the customer

The Group recognizes the consideration payable to the customer as a reduction of the revenue from contract with customers.

Expenses

Finance cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets.

All other borrowing costs are expensed in the period they are incurred basing on the effective interest method. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds, unwinding of the discount on provisions and contingent consideration.

The interest component of finance lease payments is recognized using the effective interest method.

Interest expenses are recognized as an expenses over the term of loan. Interest expenses are calculated from the outstanding of loan principal on an accrual basis using the effective interest method.

Expenses are recognized on an accrual basis.

Deferred financial fees

Financial expenses related to borrowings that are typically incurred on or before signing facility agreements and before actual draw down of the loans are recorded as deferred financial fees and presented as a deduction against the related loan account and amortized using the effective interest method over the term of loan.

Financial instruments

Financial assets and financial liabilities are recognized in the Group's consolidated and separate statements of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities and subsequently measured at amortized cost or fair value through other comprehensive income are added to or deducted from the fair value of the financial assets or financial liabilities. Subsequently measured. 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.



Classification and measurement of financial assets and financial liabilities

Financial assets classified as debt instruments

The Group classifies financial assets that are debt instruments as financial assets that are subsequently measured at amortized cost or fair value depends on the Group's business model for managing financial assets and the contractual cash flow characteristics of the financial assets as follows:

- Financial assets measured at amortized cost

The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially recognized at fair value on trade date and subsequently measured at amortized cost net of allowance for expected credit losses (if any).

- Amortized cost basing on the effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. Interest income is recognized in profit or loss and is included in the "interest income" item.

Offsetting

Financial assets and financial liabilities are offset, and the net amount is presented in the statement of financial position when the Group has a legal right to offset the amounts and intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

Derecognition of financial assets

The Group derecognizes a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows on the financial asset in a transaction in which all or substantially all the risks and rewards of ownership are transferred. Any interest from transferred financial assets, which is created, controlled or retained by the Group, are still recognized as financial assets and recognized as borrowing which have collateral for 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.



Write-off

The Group writes off debts (either partially or in full) 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 legal criteria for bad debts written-off, whichever occurs sooner. Bad debt written-off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. However, the Group continues to execute the case, in order to comply with the Group's recovery policy.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognized as a reversal of impairment in profit or loss in the period in which the recovery occurs.

Allowance for expected credit losses on financial assets

The Group applies the Simplified Approach/ the General Approach for recognition of expected credit losses of financial assets - debt instruments which are deposit at financial institutions, trade receivables and the contractual assets, investment in debt instruments, loans and certain of other assets.

The Group recognizes allowance for expected credit losses at an amount equal to the lifetime expected credit losses in cases where there has been a significant increase in credit risk since initial recognition, but the assets are not credit impaired, or where the assets are credit impaired.

At every reporting date, the amount of allowance for expected credit losses is reassessed to reflect changes in credit risk of financial assets since initial recognition of related financial instruments.

Simplified Approach

The measurement of expected credit losses on financial assets by applying the Simplified Approach is a calculation to estimate using a provision matrix depended on the Group's historical credit loss experience adjusted with the factors that are specific to the receivables, general economic conditions, forecast of future economic conditions, an assessment of both the current as well as the forecast direction of conditions at the reporting date, and time value of money, as appropriate. In addition, the Group shall principally determine the past due status of the customers and also their capability to maintain the value of collateral relative to the terms of contract.

At every reporting date, the Group determines whether the credit risk of other debt instruments and deposit at financial institutions has increased significantly since initial recognition, by mainly taking into account internal and external credit rating of the counterparties as well as overdue status.



The Company assesses whether the credit risk has increased significantly from the date of initial recognition on an individual or collective basis. In order to perform collective evaluation of impairment, the Group classifies financial assets on the basis of shared credit risk characteristics, such as the type of instrument, internal credit rating, overdue status, and other relevant factors.

Financial assets are assessed to be credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the counterparties have occurred, there are indications that the borrower is experiencing significant financial difficulties, or there is a breach of contract, as well as delinquency.

The Group recognizes an allowance for expected credit losses by adjusting to the carrying amount of related accounts. For the increase (decrease) in an allowance for expected credit losses is recognized as expenses during the period in the profit or loss, except for investments in debt instruments that are measured at fair value through other comprehensive income, for which the allowance for loss is recognized in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Financial liabilities

Financial liabilities are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method or at fair value through profit or loss.

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 a shorter period, to the amortized cost of a financial liability.

Financial liabilities designated at fair value through profit or loss

Financial liabilities may be designated at fair value through profit or loss upon initial recognition if;

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis.

Financial liabilities that are designated at fair value through profit or loss are measured at fair value, with any gains or losses arising on changes in fair value recognized in profit or loss.



Financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognized in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are transferred to retained earnings upon derecognition of the financial liability.

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group'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.

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective date is at least 10 percent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between; (1) the carrying amount of the liability before the modification; and (2) the present value of cash flows after modification should be recognized in profit or loss as the modification gain or loss within other gains and losses.

Trade and other accounts receivable

Trade and other receivables are stated at their invoice value less allowance for expected credit losses.

A receivable is recognized when the Group has an unconditional right to receive consideration. If revenue has been recognized before the Group has an unconditional right to receive consideration, the amount is recognized as a contract asset that means accrued income.

Employee benefits

Short-term benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.



Post-employment benefits

The Group and its employees have jointly established the provident funds which is a monthly contributed and defined contribution plan. The fund's asset of the provident fund is separated from the Group's asset and has been managed by a licensed fund manager.

The provident fund receives a cash contribution from employee and the Group. The contribution expenditure of the provident fund and obligation in respect of defined contribution plan is recognized as expense in profit or loss for the period that transaction incurred.

The employee benefit obligations in relation to the severance payment under the labor law and the additions determined by the Group are recognized as a charge to results of operations over the employee's service period. It is calculated by the estimation of the amount of future benefit to be earned by the employee in return for the service provided to the Group through the service period up to the retirement age and the amount is discounted to determine the present value. The reference discount rate is the yield rate of government bonds as at the reporting date. The calculation is based on the actuarial technique using the Projected Unit Credit Method.

When the employee benefits are improved, the portion of the increased benefit relating to past service rendered by employee is recognized in profit or loss on a straight-line basis over the average period until the benefits become vested.

When the actuarial assumptions are changed, the Group recognizes actuarial gains (losses) immediately in other comprehensive income.

Past service costs relating the amendment of plan are recognized as an expense in other comprehensive income when the plan amendment is effective.

Termination benefits

Termination benefits are recognized as liability and as expense in profit or loss when the Group are committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy or the Group have made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the end of the reporting period, then they are discounted to their present value.

Income tax

Income tax for the year comprises current tax and deferred tax.

Current tax and deferred taxes are recognized in profit or loss.



Deferred tax in the extent that they relate to items recognized directly in shareholders' equity are recognized in other comprehensive income.

Current tax

The expected tax payable or receivable is calculated on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the end of reporting period date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes.

Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the end of reporting period date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change their judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

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, including unutilized taxable losses. Deferred tax assets are reviewed at the end of reporting period date and reduced its carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized against to the temporary differences and unutilized taxable losses.



Cash and cash equivalents

Cash and cash equivalents comprise cash, cash at banks type current accounts and saving accounts, cash at bank with an original maturity not exceeding 3 months, including negotiable certificate of deposit and highly liquid short-term investments in bill of exchange or promissory notes issued by financial institutions due at call or with original maturities of three months or less, excluded deposits at bank on obligation or subject to withdrawal restrictions and insignificant risk of change in value.

Inventories

Inventories as gold jewelry and raw materials as diamond , gems jewelery and k-gold are stated at the lower of cost or net realizable value. Cost of inventories is calculated by using the first in – first out method.

Inventories as diamond jewelry are stated at the lower of cost or net realizable value. Cost of inventories is calculated by using the specific method.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

The Group records the allowance for devaluation of inventories for all deteriorated, damaged, obsolete and slow-moving inventories.

A right to recover returned products is recognized when the products are expected to be returned by customers and measured by reference to the former carrying amount of the sold inventories less any expected costs to recover those products.

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The refund liability is reassessed at each reporting date and make a corresponding change to the amount of revenue recognized.

Investments in subsidiaries

Investments in subsidiaries in the separate financial statements are accounted for using the cost method net of allowance for impairment (if any).

Impairment losses, if any, are recognized in profit or loss.



Investment property

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured at cost less accumulated depreciation and accumulated impairment losses (if any).

Building and equipment

Owned assets

Building and equipment are measured at cost less accumulated depreciation and allowance for impairment losses (if any).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, including capitalized borrowing costs when meets the criteria.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of building and equipment have different consumption patterns or useful lives, they are accounted for as separate items (major components) of building and equipment.

Gains and losses on disposal of an item of building and equipment are determined as the difference between the net disposal proceeds less cost to sale and the carrying amount of building and equipment, and are recognized net within other income or other expenses in profit or loss.

An item of building and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognized.

Leased assets

Leases in terms of which the Group substantially assume all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalized at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and allowance for impairment losses (if any).

Lease payments are apportioned between the finance cost and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance cost are recognized in the profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment and cost of renovations are recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the



Group within more than one accounting period, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount of building and equipment, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Assets from cost of replacement and cost of renovations are depreciated over the remaining useful life of the related asset.

Depreciation is calculated basing on a straight-line basis over the estimated useful lives of each component of an item of assets.

The estimated useful lives are as follows:

	<i>Years</i>
Building improvement	3 - 5
Machinery and equipment	10
Office equipment	3 - 5
Vehicles	5

Depreciation is recognized as an expense in profit or loss.

No depreciation is provided on freehold land and assets under construction.

Depreciation for the finance lease assets is charged as expense for each reporting period. The depreciation method for leased assets is consistent with that for depreciable assets that are owned by the Group.

The residual value of an asset is the estimated amount that the Group would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

The depreciation method, residual value and useful life of an asset should be reviewed at least at each financial year-end and, if expectations differ from previous estimates, any change is accounted for prospectively as a change in estimate.

Intangible assets

Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and allowance for impairment losses (if any).



Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

Amortization

Amortization is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

The estimated useful lives are as follows:

	<i>Years</i>
Software licences	10

No amortization is provided on intangible assets under development and installation.

The amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Gains and losses on disposal are determined by comparing the proceeds from disposal with the carrying amount, and are recognized in profit or loss.

Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets in respect of property, plant and equipment, intangible assets, right-of-use assets and other assets, are reviewed at each reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.



Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

Reversals of impairment

An impairment loss in respect of financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognized in profit or loss.

Impairment losses recognized in prior periods in respect of other non-financial assets are assessed at each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of accumulated depreciation or accumulated amortization, if no impairment loss been recognized.

Leases

As a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognizes right-of-use assets and lease liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses (if any) and adjusted for any remeasurement of lease liabilities.



The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement date less any lease incentives received, including any initial direct costs.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, such provision is recognized and measured to the extent that the costs relate to a right-of-use asset.

In case that the lessee is unable to allocate the consideration in the contract to each lease component and non-lease component on the basis of its relative stand-alone prices, as a practical expedient, a lessee may elect not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Depreciation of right-of-use assets is calculated by reference to their costs, on the straight-line basis over the shorter of the estimated lease term and the estimated useful lives as follows:

	<i>Years</i>
Sales area	3 - 17
Buildings	3 - 5
Vehicles	4 - 5

If ownership of the underlying asset transfers to the Group at the end of the lease term they are classified as part of property, plant and equipment or investment property. The cost of such asset reflects the exercise of a purchase option. The amortization is calculated using the estimated useful life of the asset.

If the Group is unable to obtain reasonable assurance that the ownership of the underlying asset is substantially transferred to the Group at the end of the lease term, the right-of-use assets will be amortized on the straight-line method from the commencement date to the end of the useful lives or the end of the lease term, which is earlier.

The Group applies the derecognition and impairment requirements, in according to the financial instrument principle, to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments to be made over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The lease payments included fixed payments less any lease incentive receivable and amounts expected to be payable under a residual value guarantee. The lease payments also include amount under purchase, extension or termination option if the Group is reasonably certain to exercise option.



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. Interest expense is recognized in profit or loss.

The lease liability is remeasured when there is a change in lease term, change in lease payments, change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of purchase, extension or termination options. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group recognized payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, as expenses on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the lease assets are consumed.

Foreign currencies

Functional and presentation currency

The financial statements of each entity within the Group are presented in the functional currency which is the currency of the primary economic environment in which the entity operates. The financial statements of the Group are presented in the presentation currency as Thai Baht in accordance with the regulatory requirements in Thailand. The functional currency of the Company and its subsidiaries in Thailand is Thai Baht.

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency using the exchange rate at the date of transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency using the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies measured at cost at the reporting date are translated to the functional currency using the exchange rate at the date of transaction.

Foreign currency differences arising from the translation are recognized in profit or loss in the reporting period as incurred.



Provisions

A provision is recognized in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provision for decommissioning

The Group is obligated to remove decoration and fixtures and restore the rental spaces before returning them to the lessors at the end of the rental agreements. The Group records a provision for decommissioning whenever it is highly probable that an obligation will arise as a result of a past event and the amount of the obligation can be reliably estimated. In estimating of decommissioning costs, the management exercises judgement in predicting future decommissioning costs, discount rate and economic useful lives of the assets.

Dividends

Dividend and interim dividend payment are recorded in the period in which they are approved by Shareholders' meeting and Board of Directors' meeting.

Debt issued and other borrowings

Debt issued and other borrowings are initially recognized at the fair value of the proceeds received. Debt issued and other borrowings are subsequently measured at amortized cost, using the effective interest method. Any difference between proceeds and the redemption value is recognized as an interest expense in profit or loss over the period of the borrowings.

Derivatives

The Group enters into derivative transactions to reduce the risk of fluctuations in foreign exchange rates and interest rates. These are forward contracts and interest rate swap.

The Group initially records the obligations under derivative contracts as off-balance sheet items and recognizes such contracts as assets or liabilities at fair value at the transaction date (trade date). The Group will subsequently measures them at fair value at the end of each reporting period whereby gains or losses as a result of changes in the fair value will be recognized in profit or loss.

The fair value of forward contracts is calculated using the exchange rate at the end of the reporting period.

Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the profit (loss) for the years attributable to ordinary Shareholders' of the Group by the weighted average number of ordinary shares issued during the years.



Judgements of management

The preparation of financial statements in conformity with financial reporting standards requires management to make subjective judgments to determine the accounting policies, estimates regarding matters that are inherently uncertain and various assumptions.

Significant judgements and accounting estimates are as follows:

a) Recognition and derecognition of assets and liabilities

In considering whether to recognize or to derecognize assets or liabilities, the management is required to make judgment on whether the Group transfers or have been transferred the significant risk and rewards of those assets or liabilities, based on their best knowledge of the current circumstances and arrangements.

b) Fair value of financial instruments

In determining the fair value of financial instruments that are not actively traded and for which quoted market prices are not readily available, the management exercise judgment, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risks, liquidity, correlation and long-term volatility of financial instruments. Any changes in assumption related to the inputs may affect to the fair value stated in the financial statements and disclosure of fair value hierarchy.

c) Allowances for expected credit loss for financial assets

Allowances for expected credit loss for financial assets are intended to adjust the value of receivables for probable credit losses. The management is required to use judgement in estimating allowance for expected credit loss for financial assets. The Group's calculation of allowance for expected credit loss depends on the criteria used for assessment of a significant increase in credit risk, the development of a model, the risk that collateral value cannot be realized, collective and individual analyses of the status of receivables, the probability of debt collection and the selection of the forecasted macroeconomic data inputs used in the model. However, the use of different estimates and assumptions could affect the amounts of allowances for expected credit loss and adjustments to the allowances may therefore be required in the future.

d) Allowance for impairment on investments

The Group treats investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment of the management.



e) Building and equipment

The recognition of cost incurred in the carrying amount of an item of building and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

In determining depreciation of buildings and equipment, the management is required to make estimates of the useful lives and residual values of buildings and equipment and to review estimated useful lives and residual values when circumstance changes.

The management is required to review plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

f) Intangible assets

The initial recognition and measurement of other intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

g) Deferred tax assets

The Group recognizes deferred tax assets for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences can be utilised, including unutilized taxable loss. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future taxable profits.

h) Leases

The Group assesses whether a contract is or contains a lease, at inception of the contract. The management is required to use judgement in evaluating the condition and term of a contract to determine whether the Group transfers or have been transferred the risk and rewards of leased assets.

Determining the lease term of contracts with renewal or termination options

In determining the lease term, the management is required to use judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease considering all relevant facts and circumstances that create an economic incentive for it to exercise either the renewal or termination.



Incremental borrowing rate

In the case that the Company cannot readily determine the interest rate implicit in the lease, the Company is required to use its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

i) Post-employment benefits

The obligation under the defined benefit plan is determined based on actuarial techniques which depends on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

j) Litigation

The contingent liabilities as a result of commercial disputes and litigation, the management is required to use judgement to assess of the results of the commercial disputes and litigation based on the causes of the commercial disputes and litigation and other evidence documents including consulting with legal counsel for significant commercial disputes and litigation. The provision of contingent liabilities is recognized at the end of reporting period. In the event that the management believes that no loss will incur, therefore, no contingent liabilities are recorded as at the end of reporting period.

k) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

l) Revenue from contracts with customers

Identification of performance obligations

In identifying performance obligations, the management is required to use judgement regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a goods or services is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.

Determination of timing of revenue recognition

In determining the timing of revenue recognition, the management is required to use judgement regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the arrangement. The Group recognizes revenue over time in the following circumstances:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group perform



- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced
- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Where the above criteria are not met, revenue is recognized at a point in time. Where revenue is recognized at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

m) Advance received from customers

Service contract made with customers stipulates that the Group is entitled to receive payments from customers when the contract has commenced such as booking payment, contract payment and down payment. The Group determines that there are no significant financing components arising from the payments received from customers because they are not the Group's funding but the customers' guarantee for partial or entire contractual performance.

n) Allowance for devaluation of inventories

The Group treats inventories costs as impaired when a significant decline in the fair value is noted. The management determines the devaluation based on net realisable value. However, the determination of what is "significant" and the amount of devaluation requires the management to exercise judgment.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applied a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measured fair value using valuation techniques that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- | | |
|---------|---|
| Level 1 | Use of quoted market prices for such identical assets or liabilities in an observable active market and the entity can access at the measurement date |
| Level 2 | Use of other observable inputs for such assets or liabilities other than quoted prices included within Level 1, whether directly or indirectly |
| Level 3 | Use of unobservable inputs for such assets or liabilities as the information related to future cash flows estimated by the Group |

At the end of reporting period, the Group assesses whether transfers have to be occurred between levels within the fair value hierarchy for assets and liabilities held at the end of reporting period that are measured at fair value on a recurring basis.



4. TRANSACTIONS WITH RELATED PARTIES

A related party is a person or entity that has control or are controlled by, the Company and subsidiaries, whether directly or indirectly which are under common control with the Company and subsidiaries.

They also include a person which directly or indirectly own a voting interest in the Company and subsidiaries that gives them significant influence over the Company, key management personnel, directors or officers with authority in the planning and direction of the Company's and subsidiaries' operations, including, close family members of mentioned person and entity that has control or significant influence whether directly or indirectly.

Significant transactions with related parties for the years ended 31 December 2023 and 2022 were as follows:

	<i>Baht</i>			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Related companies				
Purchase of gold bars	7,243,378,441	7,899,527,515	7,243,378,441	7,899,527,515
Sell of gold bars	1,125,093,736	1,935,981,751	1,125,093,736	1,935,981,751
Purchase order of gold bars	918,031,217	1,108,182,303	918,031,217	1,108,182,303
Sell orders of gold bars	925,635,547	1,155,700,592	925,635,547	1,155,700,592
Profit from closing trading orders of gold bars	7,604,330	47,518,289	7,604,330	47,518,289
Purchase of gold jewelry				
Director	17,883,900	-	17,883,900	-
Related person	1,697,150	-	1,697,150	-
Revenue from sales				
Related companies	133,761	100,722	133,761	100,722
Director	19,028,207	1,401,919	19,028,207	1,401,919
Related person	5,688,645	4,287,961	5,688,645	4,287,961
Revenue from services				
Related companies	3,341,160	3,610,480	3,341,160	3,610,480
Interest income				
Subsidiaries	-	-	208,903	141,940
Service expenses				
Subsidiaries	-	-	-	1,209,000
Director	7,639	2,000	7,639	2,000
Related companies	3,888,557	2,872,060	3,888,557	2,872,060
Related person	59,280	70,308	59,280	70,308
Amortization expense of the right-of-use assets				
Director	3,262,262	3,262,262	3,262,262	3,262,262
Related companies	5,270,362	5,270,362	5,270,362	5,270,362

**Baht**

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Collateral fee				
Director	3,594,516	3,594,516	3,594,516	3,594,516
Related companies	4,559,167	4,754,300	4,559,167	4,754,300
Cost of service				
Related companies	8,887,135	10,262,380	8,887,135	10,262,380
Interest expenses				
Subsidiaries	-	-	-	2,347,935
Director	698,907	21,709,766	698,907	21,709,766
Related companies	1,568,848	1,806,689	1,568,848	1,806,689
Related person	-	27,992,301	-	27,992,301
Late payment fee				
Related companies	676,450	2,086,338	676,450	2,086,338
Selling expenses				
Related companies	18,897	24,874	18,897	24,874
Fee				
Related companies	-	1,294,407	-	1,294,407

Management and director personnel compensation

Management and director personnel compensation for the years ended 31 December 2023 and 2022 consisted of:

Baht

	Consolidated and Separate financial statements	
	2023	2022
Management compensation		
Short-term benefits	27,698,639	22,141,805
Post-employment benefits	529,482	492,502
Total	28,228,121	22,634,307
Directors' remuneration	3,224,000	2,840,000

Directors' remuneration represents benefits paid to the director of the Company in accordance with Section 90 of the Public Company Limited Act B.E.2535, exclusive of salaries and related benefit payable to directors who hold executive positions.



The significant balances of assets and liabilities with related parties as at 31 December 2023 and 2022 were as follows:

Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Other receivables				
Subsidiaries	-	-	350,843	141,940
Related companies	295,395	207,334	295,395	207,334
Right-of-use assets				
Director	13,057,987	16,320,249	13,057,987	16,320,249
Related companies	21,095,886	26,366,248	21,095,886	26,366,248
Trade payables				
Related companies	-	202,075	-	202,075
Other payables				
Subsidiaries	-	-	-	206,000
Director	2,004,251	2,028,251	2,004,251	2,028,251
Related companies	143,171	189,876	143,171	189,876
Related person	2,229,060	944,203	2,229,060	944,203
Lease liabilities				
Director	13,976,695	16,841,308	13,976,695	16,841,308
Related companies	22,580,109	27,208,047	22,580,109	27,208,047
Advance payment				
Related companies	404,501	208,000	404,501	208,000

Short-term loans to related parties

Short-term loans to related parties as at 31 December 2023 and 2022 consisted of:

Baht

	Separate financial statements	
	2023	2022
Subsidiaries	6,963,438	6,963,438



Movements of short-term loans to related parties for years ended 31 December 2023 and 2022 were as follows:

Baht

	Separate financial statements	
	2023	2022
Beginning balance	6,963,438	-
Increase	-	6,963,438
Decrease	-	-
Ending balance	6,963,438	6,963,438

The Company entered into the loan agreement with related parties which is due at call, interest charged at the rate of 3% per annum and unsecured.

Short-term loans from related parties

Movements of short-term loans from related parties for the years ended 31 December 2023 and 2022 were as follows:

Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Beginning balance	-	6,963,438	-	-
Increase	180,000,000	886,000,000	180,000,000	946,000,000
Decrease	(180,000,000)	(892,963,438)	(180,000,000)	(946,000,000)
Ending balance	-	-	-	-

The Company entered into the loan agreement with related parties that is due within 16 April 2022, except the repayment to purchase the increased ordinary shares in the proportion of the existing shareholders, with the interest charged at the rate of 3% per annum and unsecured.

On 4 April 2022, the Company made a memorandum of amendment to the loan agreement to extend the repayment period of principal and interest to be due within 16 April 2023 and the Company could gradually repay the principal before the maturity date.

On 25 October 2022, the Company made a repayment for loan from related parties including interest in full amount.

During the year 2023, the Company has short-term loan from related parties by issuing the promissory notes for the period of 30 days, interest charged at the rate of 3% per annum and unsecured.



Obligations

The Company had the obligations regarding purchase orders and sell orders of gold bars with Aurora Trading Co., Ltd. as at 31 December 2023 and 2022 as follows:

Baht

Consolidated and Separate
financial statements

2023	2022
------	------

Status

Purchase orders of gold bars	319,724,209	223,094,208
------------------------------	-------------	-------------

Events after the accounting period

Payment and receiving transaction of gold bars	319,724,209	223,094,208
--	-------------	-------------

Significant agreement with related parties

The Company entered into a rental agreement for area and office building with related parties as follows:

Counterparties	Type of agreement	For the period		Monthly rental and service
		Start	End	
Saengngernsaengthongudomsuk Co., Ltd.	Rental for office area	1 January 2022	31 December 2024	449,755
Saengngernsaengthongudomsuk Co., Ltd.	Rental for distribution area	1 January 2022	31 December 2024	30,000
Mr.Prasit Srirunghum	Rental for office area	1 January 2022	31 December 2024	296,960

Co-guarantee for liabilities

As at 31 December 2023 and 2022, related parties had co-guaranteed liabilities (see notes 16 and 20) as follows:

- 1) The related company mortgaged certain of its existing land and constructions and/or to be constructed in the future as collateral.
- 2) The director mortgaged the existing land and constructions and/or to be constructed in the future as collateral.
- 3) The related companies and director pledged bank deposits as collateral for credit facilities for loan from the financial institutions of the Company.



Nature of relationship

Company/person name	Country	Relationship	Type of relation
Aurora Fin Synergy Company Limited (Formerly named : Aurora International Company Limited)	Thailand	Subsidiary	Direct shareholding
S.G.S. Gems Company Limited	Thailand	Subsidiary	Direct shareholding
Aurora Trading Company Limited	Thailand	Related parties	Common shareholders and directors
Bay Palace Company Limited	Thailand	Related parties	Common shareholders and directors
Saengngernsaengthongudomsuk Company Limited	Thailand	Related parties	Common shareholders and directors
Thum Residence Company Limited	Thailand	Related parties	Common shareholders and directors
Thum Real Estate Company Limited	Thailand	Related parties	Common shareholders and directors
Aurora Gold Saving Company Limited	Thailand	Related parties	Common shareholders and directors
Thum Enterprise Company Limited	Thailand	Related parties	Common shareholders and directors
Rungcharoen 965 Company Limited	Thailand	Related parties	Common shareholders
Thai Wah Public Company Limited	Thailand	Related parties	Common directors
Aurora Resort Khao Yai Ordinary Partnership	Thailand	Related person	Common shareholders and directors/authorized person
Aurora Resort Kanchanaburi Ordinary Partnership	Thailand	Related person	Common shareholders and directors/authorized person
Krunghai Card Public Company Limited	Thailand	Related parties	Directors are close member



Bases of measurement for intercompany revenues and expenses

	Pricing policies
Trading of gold bars	Market price
Sales of gold jewelry	Market price
Sales of diamond jewelry	Selling price less employee discount
Revenue from services	Contract price
Interest income	Referred to the commercial bank's interest rate
Rental and service expenses	Market price
Purchase of goods / Other expenses	Cost/ Cost plus margin
Collateral fee	Referred to the fee rate of commercial bank
Interest expenses	Referred to the interest rate of corporate debt securities

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at 31 December 2023 and 2022 consisted of:

Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash	84,650,287	83,290,779	84,650,287	83,290,779
Cash at banks	475,682,639	335,276,368	373,083,110	232,310,223
Total	560,332,926	418,567,147	457,733,397	315,601,002
				%
Interest rate	0.15 - 0.55	0.15 - 0.45	0.15 - 0.55	0.15 - 0.45

**6. TRADE AND OTHER RECEIVABLES**

Trade and other receivables as at 31 December 2023 and 2022 consisted of:

Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade receivables				
Trade receivables from sale of goods	132,353,741	127,310,939	132,353,741	127,310,939
Trade receivables from sales with right of redemption	2,723,732,949	1,746,514,772	2,723,732,949	1,746,514,772
Total	2,856,086,690	1,873,825,711	2,856,086,690	1,873,825,711
Other receivables				
Accrued income	36,094,915	21,929,897	36,094,915	21,929,897
Others	2,632,152	217,717	2,982,995	359,656
Total	38,727,067	22,147,614	39,077,910	22,289,553
Grand total	2,894,813,757	1,895,973,325	2,895,164,600	1,896,115,264

Sales with right of redemption agreement were detailed as follows:

Baht

	Consolidated and Separate financial statements	
	2023	2022
Trade receivables from sales with right of redemption		
Gold jewelry	2,673,751,306	1,687,198,203
Diamond jewelry , gems and k-gold	49,981,643	59,316,569
Total	2,723,732,949	1,746,514,772
Accrued income	36,094,915	21,929,897
Number of contracts	131,387	94,395

Trade receivables from sales with right of redemption are transaction that, the Company provides loan to the general customers in the form of sales with right of redemption agreement for gold jewelry, diamond jewelry, gems and k-gold. The agreement is valued not exceed fair value of gold and diamond at the date of agreement with a period not more than 2 months, with an additional delay period of 14 days when due, and interest charged at the rate does not exceed 15% per annum. During the year , the Group will determine a special conditions for the periodical or celebration as increasing the principal , providing an interest rate not exceeding 1% per month for the 4-month period. The Company holds jewelry as



the collateral for loan in according to the agreement of sales with right of redemption. The customers are granted the right to repay the principal and interest together with redemption for those collateral within the term of agreement, including the renewal option upon the due date with no default on interest payment. Accordingly, when the redemption period expires, the customers fail to repay the principal and interest including redeem the collateral or do not renew the agreement including made the interest payment, the Company can immediately seize the collateral jewelry and recognizes as completed purchase transaction in accordance with the accounting principles.

As at 31 December 2023 and 2022, the Group had outstanding balances of trade receivables aged by number of months as follows:

Baht

	Consolidated and Separate financial statements	
	2023	2022
Trade receivables from sale of goods		
Current	132,179,624	119,156,433
Overdue		
Not over 3 months	174,117	8,154,506
Total	132,353,741	127,310,939
Trade receivables from sales with right of redemption		
Current	2,660,714,503	1,657,609,854
Additional delay period not over 14 days	63,018,446	88,904,918
Total	2,723,732,949	1,746,514,772
Grand total	2,856,086,690	1,873,825,711

As at 31 December 2023 and 2022, the Group pledged the right on claim under the sale with right of redemption agreement as collateral for loan from financial institution (see note 20) which its net carrying value were as follows:

Baht

	Consolidated and Separate	
	financial statements	
	2023	2022
Loan from financial institution	1,442,000,000	1,142,000,000



7. INVENTORIES

Inventories as at 31 December 2023 and 2022 consisted of:

Baht

	Note	Consolidated and Separate financial statements	
		2023	2022
Raw materials		597,929,873	620,462,090
Semi-finished goods		33,596,639	33,521,939
Finished goods		7,381,228,256	5,798,770,186
Packaging		6,429,518	1,710,091
Goods in transit		47,319,917	152,914,333
Right to recover products return	19	381,770,044	381,356,375
Supplies		5,055,944	1,971,017
Total		8,453,330,191	6,990,706,031
Less Allowance for devaluation of inventories		(83,970,984)	(114,901,164)
Inventories-net		8,369,359,207	6,875,804,867

For the years ended 31 December 2023 and 2022, cost of inventories was included in cost of sale as follows:

Baht

	Consolidated and Separate financial statements	
	2023	2022
Cost of sale	27,055,568,917	27,080,859,410
Adjustment for allowance for devaluation of inventories	(30,930,180)	(17,521,557)
Net	27,024,638,737	27,063,337,853

Movements of allowance for devaluation of inventories for the years ended 31 December 2023 and 2022 were as follows:

Baht

	Consolidated and Separate financial statements	
	2023	2022
Beginning balance	114,901,164	132,422,721
Less Reversal of loss from devaluation of inventories	(30,930,180)	(17,521,557)
Ending balance	83,970,984	114,901,164



As at 31 December 2023 and 2022, the Group pledged inventories as collateral for credit facilities from financial institution (see note 20) which its carrying value were as follows:

BahtConsolidated and Separate
financial statements

Loan from financial institutions

2023	2022
2,902,000,000	2,102,000,000

8. OTHER CURRENT ASSETS

Other current assets as at 31 December 2023 and 2022 consisted of:

BahtConsolidated and
Separate financial statements

Deposits for goods

Prepaid expenses

Intermediate value added tax

Others

Total

2023	2022
2,485,938	865,940
14,548,675	10,124,319
2,840,407	10,366,329
6,577,828	6,089,400
26,452,848	27,445,988

9. RESTRICTED BANK DEPOSITS

Restricted bank deposits as at 31 December 2023 consisted of:

Baht

Consoildated and

Cash at banks	Separate financial statements	Note	Collateral for
Saving Account	105,001,000	16	Credit facilities for promissory notes and bank overdrafts.



10. INVESTMENT IN SUBSIDIARIES

Investment in subsidiaries as at 31 December 2023 and 2022 consisted of:

Subsidiaries	Paid-up share capital		Shareholding		Cost method		Allowance for impairment		Net book Value		Dividend income	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Aurora Fin Synergy Co., Ltd. (Formerly named : Aurora International Co., Ltd.)	100,000,000	100,000,000	100	100	100,000,000	100,000,000	(100,000,000)	(100,000,000)	-	-	-	-
S.G.S. Gems Co., Ltd.	8,000,000	8,000,000	100	100	13,000,000	13,000,000	(13,000,000)	(13,000,000)	-	-	-	-
Total					113,000,000	113,000,000	(113,000,000)	(113,000,000)	-	-	-	-

**11. INVESTMENT PROPERTY**

Movements of investment property for the years ended 31 December 2023 and 2022 were as follows:

		<i>Baht</i>	
		Consolidated and Separate	
		financial statements	
		Land	
Cost			
As at January 1, 2022		24,620,000	
Increase		-	
Disposal		-	
As at December 31, 2022		24,620,000	
Increase		-	
Disposal		-	
As at December 31, 2023		24,620,000	

		<i>Baht</i>	
		Consolidated and Separate	
		financial statements	
		2023	2022
Land		80,370,000	73,340,000

Fair value of investment property was determined by basing on the asset valuation method as follows:

An empty land which its carrying amount of Baht 24.62 million were appraised by an independent appraiser (based on market comparison approach).

**12. BUILDING AND EQUIPMENT**

Movements of building and equipment for the years ended 31 December 2023 and 2022 were as follows:

Baht

	Consolidated financial statements					
	Building improvement	Machinery and equipment	Office Equipment	Vehicles	Construction in progress	Total
Cost						
As at 1 January 2022	179,697,380	329,673	70,304,917	26,592,359	4,070,000	280,994,329
Purchase / transfer-in	63,758,177	-	31,979,620	-	69,857,429	165,595,226
Disposal / transfer-out	(12,046,663)	-	(3,252,513)	-	(66,797,929)	(82,097,105)
As at 31 December 2022	231,408,894	329,673	99,032,024	26,592,359	7,129,500	364,492,450
Purchase / transfer-in	68,958,345	-	43,808,359	-	88,837,366	201,604,070
Disposal / transfer-out	(11,461,672)	-	(820,228)	-	(70,544,616)	(82,826,516)
As at 31 December 2023	288,905,567	329,673	142,020,155	26,592,359	25,422,250	483,270,004
Accumulated depreciation						
As at 1 January 2022	129,375,408	310,296	30,897,689	19,289,481	-	179,872,874
Depreciation	34,337,150	7,311	16,446,616	3,289,491	-	54,080,568
Disposal / transfer-out	(6,468,864)	-	(2,868,862)	-	-	(9,337,726)
As at 31 December 2022	157,243,694	317,607	44,475,443	22,578,972	-	224,615,716
Depreciation	42,205,429	7,311	23,136,615	2,012,933	-	67,362,288
Disposal / transfer-out	(8,604,135)	-	(689,691)	-	-	(9,293,826)
As at 31 December 2023	190,844,988	324,918	66,922,367	24,591,905	-	282,684,178
Net book value						-
Owned assets	74,165,200	12,066	54,282,455	297,082	7,129,500	135,886,303
Right-of-use assets	-	-	274,126	3,716,305	-	3,990,431
As at 31 December 2022	74,165,200	12,066	54,556,581	4,013,387	7,129,500	139,876,734
Owned assets	98,060,579	4,755	74,672,083	189,128	25,422,250	198,348,795
Right-of-use assets	-	-	425,705	1,811,326	-	2,237,031
As at 31 December 2023	98,060,579	4,755	75,097,788	2,000,454	25,422,250	200,585,826

**Baht**

Separate financial statements

	Building improvement	Office Equipment	Vehicles	Construction in progress	Total
Cost					
As at 1 January 2022	179,697,380	68,330,646	26,592,359	4,070,000	278,690,385
Purchase / transfer-in	63,758,177	31,979,620	-	69,857,428	165,595,225
Disposal / transfer-out	(12,046,663)	(3,252,513)	-	(66,797,929)	(82,097,105)
As at 31 December 2022	231,408,894	97,057,753	26,592,359	7,129,499	362,188,505
Purchase / transfer-in	68,958,345	43,808,359	-	88,837,366	201,604,070
Disposal / transfer-out	(11,461,672)	(820,228)	-	(70,544,616)	(82,826,516)
As at 31 December 2023	288,905,567	140,045,884	26,592,359	25,422,249	480,966,059
Accumulated depreciation					
As at 1 January 2022	129,375,409	28,925,983	19,289,481	-	177,590,873
Depreciation	34,337,150	16,445,678	3,289,491	-	54,072,319
Disposal / transfer-out	(6,468,864)	(2,868,862)	-	-	(9,337,726)
As at 31 December 2022	157,243,695	42,502,799	22,578,972	-	222,325,466
Depreciation	42,205,429	23,135,677	2,012,933	-	67,354,039
Disposal / transfer-out	(8,604,135)	(689,691)	-	-	(9,293,826)
As at 31 December 2023	190,844,989	64,948,785	24,591,905	-	280,385,679
Net book value					
Owned assets	74,165,199	54,280,828	297,082	7,129,499	135,872,608
Right-of-use assets	-	274,126	3,716,305	-	3,990,431
As at 31 December 2022	74,165,199	54,554,954	4,013,387	7,129,499	139,863,039
Owned assets	98,060,578	74,671,394	189,128	25,422,249	198,343,349
Right-of-use assets	-	425,705	1,811,326	-	2,237,031
As at 31 December 2023	98,060,578	75,097,099	2,000,454	25,422,249	200,580,380

**Baht**

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
As at 31 December				
The gross carrying amount of fully depreciated that is still in use	<u>160,691,469</u>	<u>130,806,223</u>	<u>158,428,770</u>	<u>128,543,524</u>

Movements of the right-of-use assets recognized as equipment for the years ended 31 December 2023 and 2022 were summarized as follows:

Baht

	<u>Consolidated and Separate financial statements</u>
Net book value	
As at 1 January 2022	6,762,225
Less Amortization	<u>(2,771,794)</u>
As at 31 December 2022	3,990,431
Less Amortization	<u>(1,753,400)</u>
As at 31 December 2023	<u>2,237,031</u>

The Group entered into the lease agreement for vehicles and office equipment with other parties. The Group recognized the right-of-use assets as part of equipment.

**13. LEASES**

Right-of-use assets

Movements of the right-of-use assets for the years ended 31 December 2023 and 2022 as follows:

Baht

	Distribution area	Office building	Vehicles	Total
Net book value				
As at 1 January 2022	1,368,830,777	24,108,208	10,551,943	1,403,490,928
Increase	98,883,232	-	5,297,848	104,181,080
Lease modification	18,087,777	25,132,615	96,674	43,317,066
Lease termination	(41,788,715)	-	-	(41,788,715)
Less Amortization	(309,849,376)	(8,203,058)	(4,812,487)	(322,864,921)
Less Loss for impairment	(2,442,202)	-	-	(2,442,202)
As at 31 December 2022	1,131,721,493	41,037,765	11,133,978	1,183,893,236
Increase	173,694,270	-	10,937,877	184,632,147
Lease modification	(58,409,009)	-	-	(58,409,009)
Lease termination	(11,625,007)	-	(731,530)	(12,356,537)
Less Amortization	(322,223,844)	(8,203,058)	(4,817,832)	(335,244,734)
Add Reversal of impairment loss	1,414,747	-	-	1,414,747
As at 31 December 2023	914,572,650	32,834,707	16,522,493	963,929,850

The Group entered into a number of lease agreement for distribution areas , office building and vehicles with a period of 3-17 years, including renewal options at the end of lease term. The rental is payable monthly as specified in the agreement. The Group leased a photocopier and equipment for 3 years and paid fixed and variable lease payment that are based on usage over the lease term. These payment terms are common.

Baht

	Consolidated and Separate financial statements	
	2023	2022
For the year 31 December		
Fixed payment	5,933,437	5,018,872
Variable payment	401,288	345,996
Total	6,334,725	5,364,868



Extension options

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

Lease liabilities

As at 31 December 2023 and 2022, leases liabilities consisted of:

	<i>Baht</i>	
	Consolidated and Separate financial statements	
	2023	2022
Amount to be paid under the lease	1,082,986,488	1,350,566,389
Less Deferred interest	(72,829,129)	(116,307,963)
Lease liabilities	1,010,157,359	1,234,258,426
Less Current portion	(352,559,143)	(313,378,566)
Long-term lease liabilities	657,598,216	920,879,860

The Group entered into the lease agreement for distribution area, office building and vehicles.

Movements of lease liabilities for the years ended 31 December 2023 and 2022 were as follows:

	<i>Baht</i>	
	Consolidated and Separate financial statements	
	2023	2022
Beginning balance	1,234,258,426	1,462,324,692
Enter into the lease	184,864,347	103,275,199
Lease modification	(67,627,960)	10,338,377
Amortized interest	49,933,826	62,155,983
Lease payment	(378,651,115)	(364,101,013)
Lease termination	(12,620,165)	(39,734,812)
Ending balance	1,010,157,359	1,234,258,426



As at 31 December 2023 and 2022, lease liabilities presented by term of repayment period were summarized as follows:

<i>Baht</i>			
Consolidated and Separate financial statements			
Due of payment	Present value	Deferred interest expenses	Minimum lease payment
2023			
Within 1 year	352,559,143	38,381,238	390,940,381
More than 1 year but not over 5 years	654,939,802	34,062,433	689,002,235
Over 5 years	2,658,414	385,458	3,043,872
Total	<u>1,010,157,359</u>	<u>72,829,129</u>	<u>1,082,986,488</u>
2022			
Within 1 year	313,378,566	49,228,304	362,606,870
More than 1 year but not over 5 years	917,027,180	66,557,347	983,584,527
Over 5 years	3,852,680	522,312	4,374,992
Total	<u>1,234,258,426</u>	<u>116,307,963</u>	<u>1,350,566,389</u>

Lessor

Expenses relating to lease agreement recognized in profit or loss were as follow:

<i>Baht</i>				
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
For the year ended 31 December				
recognized in profit or loss				
Interest expense from lease liabilities	49,933,826	62,155,983	49,933,826	62,155,983
Expenses relating to short-term leases	20,771,073	13,016,527	20,578,329	12,821,023
Expenses relating to leases of low-value-assets	6,334,725	5,364,868	6,334,725	5,364,868

As at 31 December 2023 and 2022, the Group had the minimum lease payment under short-term lease relating to low-value-assets and non-cancellable agreement other than those lease liabilities as follows:

<i>Baht</i>		
Consolidated and Separate financial statements		
Due of payment	2023	2022
Within 1 year	27,574,843	14,359,398
More than 1 year but not over 5 years	9,495,700	6,316,000
Total	<u>37,070,543</u>	<u>20,675,398</u>

**14. INTANGIBLE ASSET**

Movements of intangible asset for the years ended 31 December 2023 and 2022 were as follows:

Baht

Consolidated and
Separate financial statements

Computer
software

Cost

As at 1 January 2022	19,498,649
Purchase/ transfer-in	2,478,150
Disposal/ transfer-out	(112,600)
As at 31 December 2022	21,864,199
Purchase/ transfer-in	2,251,200
Disposal/ transfer-out	-
As at 31 December 2023	24,115,399

Accumulated amortization

As at 1 January 2022	9,727,677
Amortization	2,874,399
Disposal / transfer-out	(6,708)
As at 31 December 2022	12,595,368
Amortization	3,377,784
Disposal / transfer-out	-
As at 31 December 2023	15,973,152

Net book value

As at 31 December 2022	9,268,831
As at 31 December 2023	8,142,247

Baht

Consolidated and
Separate financial statements

2023 2022

As at 31 December

The gross carrying amount of fully
amortized that is still in use

8,258,606	6,263,556
-----------	-----------



15. OTHER NON-CURRENT ASSETS

Other non-current assets as at 31 December 2023 and 2022 as follows:

Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Security deposits for rental and service agreement	168,233,696	138,487,991	168,233,696	138,487,990
Other security deposit	895,790	695,790	895,790	695,790
Deposits	4,679,363	3,585,996	4,609,300	3,519,144
Others	64,310	112,914	-	-
Total	173,873,159	142,882,691	173,738,786	142,702,924

16. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Short-term loans from financial institutions as at 31 December 2023 and 2022 consisted of:

Baht

	Consolidated and Separate financial statements	
	2023	2022
Promissory notes	3,095,000,000	1,055,000,000

Credit limits from financial institutions are detailed as follows:

Baht

Type of credit facilities	Referred interest rate	Consolidated and Separate financial statements	
		2023	2022
Bank overdraft	MOR	81,500,000	36,500,000
Import credit/promissory notes	MLR or MMR	3,475,000,000	2,380,000,000
Forward contracts		13,000,000	13,000,000

Collateral

- The related companies mortgaged land with existing construction and/or to be constructed in the future. (see note 4)
- The Company's directors mortgaged land with existing construction and/or to be constructed in the future. (see note 4)
- The Company registered the secured transaction that is the right on claim under the sale with right of redemption agreement and/or movable properties subjected to the conditions of the right to redeem as collateral.

**17. TRADE AND OTHER PAYABLES**

Trade and other payables as at 31 December 2023 and 2022 consisted of:

Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade payables				
Related parties	-	202,075	-	202,075
Other parties	1,158,042,605	866,806,783	1,158,042,605	866,806,783
Other payables				
Related parties				
Accrued expenses	4,376,482	3,162,330	4,376,482	3,368,330
Other parties				
Accrued expenses	137,580,009	115,939,235	137,466,564	115,841,951
Others	823,072	1,118,628	823,072	1,118,628
Total	1,300,822,168	987,229,051	1,300,708,723	987,337,767

18. CURRENT PORTION OF LIABILITIES

Current portion of liabilities as at 31 December 2023 and 2022 consisted of:

Baht

	Note	Consolidated and Separate financial statements	
		2023	2022
Loans from financial institutions	20	484,638,895	456,033,367
Lease liabilities	13	352,559,143	313,378,566
Total		837,198,038	769,411,933

**19. OTHER CURRENT LIABILITIES**

Other current liabilities as at 31 December 2023 and 2022 consisted of:

		Baht			
		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Deferred income		61,569,020	48,513,280	61,569,020	48,513,280
Advances received		6,242,384	9,045,443	6,242,384	9,045,443
Unearned income		85,180,756	86,884,028	85,180,736	86,884,008
Liabilities for products return		450,157,118	480,913,526	450,157,118	480,913,526
Undue value added tax					
and withholding tax		19,944,674	19,268,400	19,944,015	19,267,266
Deposits and securities		40,401,975	34,294,670	40,401,975	34,294,670
Financial liabilities					
swap agreement	20	38,706	1,138,155	38,706	1,138,155
Interest rate					
Foreign exchange forward contract		381,403	-	381,403	-
Total		663,916,036	680,057,502	663,915,357	680,056,348

The Company estimates the return of diamond jewelry , which determined the indefinite return period for the products sold before year 2023 and the 3-year return period for the products sold from year 2023 onwards basing on the data of actual returns over historical experiences since the selling date to estimate the expected products return in the 10-year future and the 3-year future since the selling date , respectively. The Group determines the rate of return price for each product types, including the completeness of return evidences and products condition. In addition, the Group provides an allowance for devaluation of such expected products return.

The Group recognizes liabilities for products return by adjusting to decrease revenue from sales and records “Liabilities for products return” accounts with the rate of return price, in accordingly, adjusting to decrease cost of sale and records “Right to recover products return” account with the cost value.

The return estimate shows the details as follows:

		Baht	
		Consolidated and	
		Separate financial statements	
	Note	2023	2022
Liabilities for products return		450,157,118	480,913,526
Right to recover products return	7	381,770,044	381,356,375
Allowance for devaluation of inventories	7	14,193,890	14,606,424

**20. LOANS FROM FINANCIAL INSTITUTIONS**

Loans from financial institutions as at 31 December 2023 and 2022 consisted of:

Consolidated and Separate financial statements				Baht	%	
Financial institutions	Credit limit	Principal		Referred interest rate	Interest installment	Term of Payment
		2023	2022			
Commercial bank	145,000,000	-	5,553,367	MLR	End of month	29 March 2018 - 29 March 2023
	400,000,000	106,520,000	186,560,000	THBFIX	End of month	1 May 2019 - 30 April 2025
	260,000,000	91,130,000	143,090,000	THBFIX	End of month	26 September 2019 - 30 September 2025
	20,000,000	-	14,960,000	MLR	End of month	1 April 2022 - 31 March 2025
	200,000,000	93,440,000	133,400,000	FIXED	End of month	31 May 2021 - 30 April 2026
	220,000,000	190,606,305	-	MLR	End of month	23 March 2023 - 28 February 2028
	642,000,000	492,200,000	620,600,000	MLR	End of month	25 October 2022 - 31 October 2027
	321,000,000	246,100,000	310,300,000	MLR	End of month	25 October 2022 - 31 October 2027
	321,000,000	246,100,000	310,300,000	MLR	End of month	25 October 2022 - 31 October 2027
	60,000,000	45,000,000	60,000,000	MLR	End of month	28 December 2022 - 31 December 2026
Total		1,511,096,305	1,784,763,367			
Less Current portion		(484,638,895)	(456,033,367)			
Long-term loan		1,026,457,410	1,328,730,000			



Movements of loans from financial institutions for the years ended 31 December 2023 and 2022 were summarized as follows:

Baht

	Consolidated and Separate financial statements	
	2023	2022
Beginning balance	1,784,763,367	690,928,255
Add Increase in loan	220,000,000	1,344,000,000
Less Repayment	(493,667,062)	(250,164,888)
Ending balance	<u>1,511,096,305</u>	<u>1,784,763,367</u>

The Group entered into an interest rate swap agreement for a long-term loans from a financial institution to swap the floating interest rate to a fixed interest rate.

Fair value of derivatives for the interest rate swap agreement for loan from financial institutions as at 31 December 2023 was of Baht 0.04 million (Year 2022: Baht 1.14 million) (see note 19). The Group recognized gain (loss) on fair value measurement of Baht 1.10 million (Year 2022: Baht 12 million) in profit or loss which consisted of:

Baht

Financial institutions	Credit limit	Fair value of derivatives		Repayment period
		2023	2022	
Commercial bank	400,000,000	55,763	733,546	30 April 2019 - 30 April 2025
Commercial bank	260,000,000	94,548	627,955	26 September 2019 - 31 August 2025
Commercial bank	<u>200,000,000</u>	<u>(111,605)</u>	<u>(223,346)</u>	31 May 2021 - 30 April 2026
Total	<u>860,000,000</u>	<u>38,706</u>	<u>1,138,155</u>	

Collateral

The Company registered the secured transaction for raw material and/or inventories (see note 7).

The Company mortgaged land in investment properties (see note 11).

The related companies mortgaged land with constructions and guaranteed for credit facilities from financial institutions (see note 4).

The Company registered the secured transaction that is the right on claim under the sale with right of redemption agreement and/or movable properties subjected to the conditions of the right to redeem as collateral (see note 6).



As at 31 December 2023 and 2022, loan from financial institution presented by term of repayment period were summarized as follows:

Baht

	Consolidated and Separate financial statements	
	2023	2022
Due date of payment		
Within 1 year	484,638,895	456,033,367
More than 1 year but not over 5 years	1,026,457,410	1,328,730,000
Total	1,511,096,305	1,784,763,367

The loan agreement from financial institutions stipulates the following regulations:

- a) Debt to Equity Ratio
- b) Debt Service Coverage Ratio
- c) Debt to Gold Inventory Ratio
- d) Interest bearing debt to EBITDA
- e) Debt to Assets Ratio
- f) Loan to Value Ratio
- g) Short term loan to working capital
- h) Inventory Turnover
- i) Right of redemption
- j) Maintain the proportionate shareholding in the borrower

21. DEBENTURE

The Annual General Meeting of Shareholders held on April 26, 2023 passed a resolution to approve the issuance and offering of debenture in the amount not exceeding of Baht 5,000 million which detailed as follows:

Type of Debentures	Any and all types of debentures, including without limitation, name registered debentures, bearer debentures, secured or unsecured debentures, with or without debenture holders' representative, and subordinated or unsubordinated debentures, depending on market conditions or any other factor at the time of each issuance and offering of debentures.
Offering Amount	The principal amount of debentures (at par value) proposed for approval shall not exceed Baht 5,000 million (or equivalent in any other currency). The principal amount of the debentures redeemed and/or repurchased and/or repaid by the Company shall be counted



towards the remaining principal amount of debentures that can be issued by the Company (Revolving).

Objective	To support investment, the business expansion and increasing financial liquidity and ability to pay debts.
Denomination	In Baht currency and/or any other currency.
Tenure	Except for perpetual debentures, the debentures to be issued by the Company shall have tenure of not exceeding 15 years from their respective issue date. In the case of perpetual debentures.
Offering	Debentures may be issued and offered in one or several tranches, domestically and/or internationally, by way of public offering and/or a private placement, and/or may be offered to high-net worth investors and/or institutional investors and/or any person(s) and investor(s) in accordance with the relevant regulations of the Capital Market Supervisory Board and/or the Office of the SEC, as well as other relevant regulations which are in force at the time of issuance of debentures.

As at 31 December 2023, the Group had not issued the debentures approved by the shareholders in the amount of Bath 5,000 million.

22. PROVISIONS FOR EMPLOYEE BENEFIT

Provisions for employee benefit as at 31 December 2023 and 2022 consisted of:

Baht

	Consolidated and Separate financial statements	
	2023	2022
Post-employment benefits		
Present value of the obligations	24,987,012	26,607,155
Other long-term benefit	10,572,168	12,268,297
Provisions for employee benefit	35,559,180	38,875,452
Less Current portion	(3,170,000)	(4,174,857)
Provisions for long-term	32,389,180	34,700,595



Movements of the present value of provisions for employee benefit for the years ended 31 December 2023 and 2022 were summarized as follows:

Baht

	Consolidated and Separate financial statements	
	2023	2022
Post-employment benefit plan		
Present value of provisions for employee benefit		
At 1 January	26,607,155	28,895,643
Included in profit or loss:		
Current service cost	3,230,686	3,185,078
Interest cost	742,730	494,243
Included in other comprehensive income (loss) :		
Actuarial gain (loss) incurred from		
- Demographic assumptions	(2,548,246)	(184,519)
- Financial assumptions	504,713	(7,267,867)
- Experience adjustments	(2,265,168)	1,484,577
Less Benefit paid during the year	(1,284,858)	-
At 31 December	24,987,012	26,607,155

Principal actuarial assumptions as at 31 December 2023 and 2022 were as follows:

%

	Consolidated and Separate financial statements	
	2023	2022
Discount rate	2.87	2.63
Salary increase rate	4.00	4.00
Turnover rate	3-25	3-24
Disability rate	5	5
Retirement rate	100	100
Mortality rate	100% of the 2017 mortality schedule	

Discount rate were the market yields on government's bond for legal severance payments plan.

Salary increase rate depended on the management's policies.

Turnover rate depended on the length of service.

Mortality rate were the reference rate from TMO2017: Thai Mortality Ordinary Table 2017.

**Sensitivity analysis**

The result of sensitivity analysis for significant assumptions that affect the present value of the provisions for post-employment benefit as at 31 December 2023 and 2022 are summarized below:

Baht

	Consolidated and Separate financial statements			
	2023		2022	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(1,557,446)	1,680,440	(1,681,247)	1,813,476
Salary increase rate (0.5% movement)	1,467,221	(1,366,924)	1,551,383	(1,444,419)
Turnover rate (10% movement)	(2,271,880)	2,598,045	(2,227,066)	2,504,459
Disability rate (0.5% movement)	(5,852)	5,853	(5,977)	5,978
Mortality rate (0.5% movement)	(6,172)	6,174	(6,303)	6,304

The Group presented the related expenses in the statement of comprehensive income for the years ended 31 December 2023 and 2022 as follow:

Baht

	Consolidated and Separate financial statements	
	2023	2022
Selling expenses	3,017,818	5,087,194
Administrative expenses	884,373	1,429,599
Management remuneration	203,115	149,355
Finance cost	946,983	623,257
Total	<u>5,052,289</u>	<u>7,289,405</u>

**23. PROVISIONS**

Movements of provisions for the years ended 31 December 2023 and 2022 were summarized as follow :

Baht

Provision for costs
of dismantling

Net book value

As at 1 January 2022	14,620,000
Increase	3,250,000
Reversal of provisions	<u>(780,000)</u>
As at 31 December 2022	17,090,000
Increase	7,900,000
Reversal of provisions	<u>(1,230,000)</u>
As at 31 December 2023	<u>23,760,000</u>

Costs of dismantling

The Group recognizes provisions for costs of dismantling due to the Group has obligations and commitments to dismantle and removing the items of improvement of the leased area and building.



24. SHARE CAPITAL

Movements of share capital for the years ended 31 December 2023 and 2022 were summarized as follows:

Baht

	Per share	2023		Par value	2022	
		Number	Amount		Number	Amount
Share capital (Par value)						
Ordinary shares						
At 1 January	1	1,334,000,000	1,334,000,000	100	10,000,000	1,000,000,000
Change in par value		-	-		990,000,000	-
Increase in ordinary shares	1	-	-	1	334,000,000	334,000,000
At 31 December	1	1,334,000,000	1,334,000,000	1	1,334,000,000	1,334,000,000
Issued and paid-up shares (Paid-up value)						
Ordinary shares						
At 1 January	1	1,334,000,000	1,334,000,000	100	10,000,000	1,000,000,000
Change in par value		-	-		990,000,000	-
Increase in ordinary shares	1	-	-	1	334,000,000	334,000,000
At 31 December	1	1,334,000,000	1,334,000,000	1	1,334,000,000	1,334,000,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Registered share capital

The Extraordinary General Meeting of Shareholders held on 30 June 2022 passed the special resolution to approve as follows:

- Convert to a public company limited.
- Change the par value of share capital from Baht 100 each to Baht 1 each.
- Increase the authorized share capital from Baht 1,000 million to Baht 1,334 million by issuing new ordinary shares of 334 million shares with the par value of Baht 1 each.

The Company has registered the change in its par value and the increase of its registered share capital with the Ministry of Commerce on 30 June 2022.

- Allot the increased ordinary shares of 334 million shares with par value of Baht 1 each for the Initial Public Offering.
- Submit the ordinary shares to be registered as listed securities on the Stock Exchange of Thailand.
- During 21-23 November 2022, the Company initially offered the ordinary shares of 334 million shares to the public at the offering price of Baht 10.90 per share.

The Company received the share subscriptions of Baht 3,640.60 million (the Company recorded the share issuing cost of Baht 78.20 million by deducting from share premium account).

The Company had already registered the change in its paid-up share capital from Baht 1,000 million to Baht 1,334 million with Department of Business Development, the Ministry of Commerce on 25 November 2022.

**Premium on share capital**

According to the Public Companies Act B.E. 2535, Section 51 the Company is required to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“premium on share capital”). Premium on share capital is not available for dividend distribution.

25. DIVIDEND***Baht***

			Dividend	Dividend	Dividend
Dividend	Approval	Approval date	payment date	Per share	payment
The Company					
Year 2022	The Board of Directors' Meeting	9-Nov-2022	25-Nov-2022	1.74576	302,016,480
			28-Nov-2022	1.74576	1,443,743,520
	Total				1,745,760,000
Year 2023	The Ordinary General Meeting of Shareholders	26-Apr-2023	22-May-2023	0.08	106,720,000

26. LEGAL RESERVE

According to the Public Limited Companies Act B.E. 2535, Section 116, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any) until the reserve reaches 10 percent of the registered share capital. The statutory reserve is not available for dividend distribution.

Civil and Commercial Code

Legal reserve is set up under the provision of the Civil and Commercial Code, which requires that a company shall allocate not less than 5% of its net profit to a reserve account (“legal reserve”) upon each dividend distribution, until the balance reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribution.

Baht

		Consolidated and Separate	
		financial statement	
		2023	2022
For the year ended 31 December			
Appropriated to legal reserves		42,700,000	35,279,000



27. EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share for the years ended 31 December 2023 and 2022 were calculated by dividing profit for the year by the weighted average number of ordinary shares issued and paid-up during the year.

During the year 2022, the Company changed its par value and adjusted the number of ordinary shares for the year ended 31 December 2022 to reflect the effect from changing its par value in the proportion to the change in the number of ordinary shares.

For the years ended 31 December 2023 and 2022 were summarized as follows:

Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit for the year	850,025,042	707,856,003	850,671,065	705,562,320
Weighted average number of ordinary shares (Shares)				
Ordinary shares at the beginning of year	1,334,000,000	1,000,000,000	1,334,000,000	1,000,000,000
Effect from ordinary shares issued	-	34,772,603	-	34,772,603
Weighted average number of ordinary shares	<u>1,334,000,000</u>	<u>1,034,772,603</u>	<u>1,334,000,000</u>	<u>1,034,772,603</u>
Basic earnings per share	<u>0.64</u>	<u>0.68</u>	<u>0.64</u>	<u>0.68</u>

**28. REVENUE FROM CONTRACTS WITH CUSTOMERS**

Disaggregation of revenue for the years ended 31 December 2023 and 2022 were summarized as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Type of goods or services				
Revenue from sales	29,578,235,946	29,358,195,066	29,578,235,946	29,358,195,066
Interest income	299,559,366	222,423,288	299,559,366	222,423,288
Total	29,877,795,312	29,580,618,354	29,877,795,312	29,580,618,354
Other income	47,334,132	23,070,475	47,373,286	23,184,029
Grand total	29,925,129,444	29,603,688,829	29,925,168,598	29,603,802,383
Timing of revenue recognition				
At a point in time	29,625,001,097	29,381,136,133	29,625,001,074	29,381,136,097
Over time	300,128,347	222,552,696	300,167,524	222,666,286
Total	29,925,129,444	29,603,688,829	29,925,168,598	29,603,802,383

**29. EXPENSES BY NATURE**

Expenses by nature for the years ended 31 December 2023 and 2022 were summarized as follows:

Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Selling expenses				
Employee benefits	579,848,062	513,180,546	579,848,062	513,180,546
Rental and service expenses	72,031,052	34,537,417	72,031,052	34,536,077
Promotional expenses	83,785,320	103,696,962	83,785,320	103,696,962
Depreciation and amortization	368,970,010	351,254,897	368,970,010	351,254,897
Utility expenses	27,920,699	22,586,047	27,920,699	22,586,047
Packaging and consumables used	31,738,252	24,342,357	31,738,252	24,342,357
Administrative expenses				
Employee benefits	108,363,068	113,445,193	108,363,068	113,445,193
Rental and service expenses	31,498,746	31,039,453	31,065,802	30,509,681
Depreciation and amortization	37,076,796	28,692,779	37,068,548	28,684,531
Utility expenses	9,282,193	6,630,301	9,193,597	6,558,397
Packaging and consumables used	10,518,780	16,179,756	10,518,780	16,179,390

30. EMPLOYEE BENEFIT EXPENSES

Employee benefit expenses for the years ended 31 December 2023 and 2022 were summarized as follows:

Baht

	Consolidated and Separate financial statements	
	2023	2022
Salaries and wages	663,985,497	599,612,548
Benefits determined by the length of service period	407,731	836,845
Post-employment benefits	3,872,401	6,666,148
Provident fund	3,566,181	3,822,617
Others	16,379,320	15,687,581
Total	688,211,130	626,625,739

**Provident fund**

The provident funds established by the Group for its employees under the Provident Fund Act A.D. 1987 comprises contributions made monthly by the employees and by the Group. The provident fund will be paid to the employees upon termination in accordance with the rules of the Fund. At the present, the provident funds are managed by Kasikorn Asset Management Company Limited under K Master Pool Fund.

Baht**Consolidated and Separate financial statements****2023****2022**

For the year ended 31 December

Contributions paid to the provident fund

3,566,181**3,822,617****31. FINANCE COSTS**

Finance costs for the year ended 31 December 2023 and 2022 were summarized as follow:

Baht**Consolidated financial statements****Separate financial statements****2023****2022****2023****2022**

Interest expenses

250,410,262**192,284,918****250,410,262****194,632,852**

Bank charges

12,198,927**26,492,732****12,198,927****26,492,732****Total****262,609,189****218,777,650****262,609,189****221,125,585**

**32. INCOME TAX**

Income tax of the Group for the years ended 31 December 2023 and 2022 was calculated at a rate specified by the Revenue Department on net earnings after adjusting certain conditions according to the Revenue Code. The Group recorded the corporate income tax as expense for the years and recorded the accrued portion as liabilities in the statements of financial position.

Tax expense for the years ended 31 December 2023 and 2022 were as follows:

Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Income tax recognized in profit or loss				
Current tax expense				
Current year	(201,467,046)	(181,028,565)	(201,450,712)	(180,473,106)
Prior year	(792,002)	72,251	(792,002)	-
Deferred tax				
Movements in temporary differences	(9,830,940)	(8,018,702)	(9,830,940)	(8,018,702)
Tax expense	(212,089,988)	(188,975,016)	(212,073,654)	(188,491,808)

Baht

	Consolidated and Separate financial statements					
	2023			2022		
	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
Income tax recognized in other comprehensive income						
Defined benefit plan actuarial gain	4,308,703	(861,740)	3,446,963	5,967,809	(1,193,562)	4,774,247



Reconciliation of effective tax rate

Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	%	%	%	%
	<u>Tax rate</u>	<u>Tax rate</u>	<u>Tax rate</u>	<u>Tax rate</u>
Profit before income tax		1,062,115,030		1,062,744,719
Income tax using the Thai corporation tax rate	20	(212,423,006)	20	(212,548,944)
Expenses not deductible for tax purposes		(3,704,896)		(3,715,836)
Additional expenses deductible for tax purposes		1,183,156		1,183,156
Income not subject to tax		13,630,912		13,630,912
Current year loss		(153,212)		-
Income tax for the current year	19	(201,467,046)	19	(201,450,712)
Overstated income tax in prior year		(792,002)		(792,002)
Movement in temporary differences		(9,830,940)		(9,830,940)
Tax expenses	20	(212,089,988)	20	(212,073,654)
			21	(188,491,808)

**Deferred tax**

Deferred tax as at 31 December 2023 and 2022 consisted of:

Baht

	Consolidated and Separate	
	financial statements	
	2023	2022
Deferred tax assets	145,892,285	149,648,050
Deferred tax liabilities	(61,115,912)	(54,178,997)
Deferred tax assets - net	84,776,373	95,469,053

Movements of deferred tax assets and deferred tax liabilities occurred during the years were summarized as follows:

Baht

	Consolidated and Separate financial statements					
	As at 1 January	Profit	Other	As at 31 December	Profit	Other
	2022	or loss	comprehensive	2022	or loss	comprehensive
			income (loss)			income (loss)
						As at 31 December
						2023
Deferred tax assets						
Investment	22,599,995	-	-	22,599,995	-	-
Non-current assets	114,652	-	-	114,652	-	-
Lease liabilities	17,086,068	(7,458,748)	-	9,627,320	(666,488)	-
Provision for employee benefit	7,979,770	988,882	(1,193,562)	7,775,090	198,486	(861,740)
Deferred income	13,387,257	(3,684,600)	-	9,702,657	2,611,148	-
Provisions	2,924,000	494,000	-	3,418,000	1,334,000	-
Liabilities under the interest rate swap contracts	2,628,353	(2,400,723)	-	227,630	(219,889)	-
Liabilities for products return	72,190,229	23,992,477	-	96,182,706	(6,151,282)	-
Total	138,910,324	11,931,288	(1,193,562)	149,648,050	(2,894,025)	(861,740)
Deferred tax liabilities						
Inventories	(33,518,856)	(19,772,186)	-	(53,291,042)	(6,268,770)	-
Building and equipment	(710,151)	(177,804)	-	(887,955)	(548,927)	-
Trade and other payables	-	-	-	-	(119,218)	-
Total	(34,229,007)	(19,949,990)	-	(54,178,997)	(6,936,915)	-



33. OPERATING SEGMENT

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance measured basing on segment operating profit or loss on a basis consistent with that used to measure operating profit or loss in the financial statements.

Business segment

The Group identified their common business segment due to the shared utilization of resources as follows:

- 1) Trading of jewelry as gold jewelry, diamonds, gems and k-gold.
- 2) Sell with right of redemption for gold jewelry, diamonds, gems and k-gold.

All inter-segment income is eliminated in preparing the consolidated financial statements.

Operating segment for the years ended 31 December 2023 and 2022 were summarized as follows:

Baht

	Consolidated financial statements			
	Gold jewelry	Diamond jewelry, gems and k-gold	Sales with right of redemption	Total
Year 2023				
Revenue from sales and services	28,058,688,901	1,519,547,045	299,559,366	29,877,795,312
Cost of sales	(26,263,605,424)	(761,033,313)	-	(27,024,638,737)
Segment gross profit	1,795,083,477	758,513,732	299,559,366	2,853,156,575
Year 2022				
Revenue from sales and services	27,781,547,902	1,576,647,164	222,423,288	29,580,618,354
Cost of sales	(26,228,146,535)	(835,191,318)	-	(27,063,337,853)
Segment gross profit	1,553,401,367	741,455,846	222,423,288	2,517,280,501

Cost of services in the segment of sales with right of redemption for gold jewelry mostly comprises interest expenses from financing activities used in operations with other segments and are included in "finance costs"

**Major customers**

No single customer represents a major customer because the Group has a large number of customers, who are all over individual.

Geographical segments

The Group operate in a single geographical segment principally in Thailand. There are no material revenues derived from or assets located in foreign countries. The Group's customers are all over in Thailand.

34. COMMITMENTS

As at 31 December 2023 and 2022, the Group has commitments as follows:

34.1 The Group entered into a consulting and services agreement with a period of 1 years and the minimum payment in the future were as follows:

Period	<i>Baht</i>	
	Consolidated and	
	Separate financial statements	
	2023	2022
1 year	2,480,000	1,300,000

34.2 The Group entered into the rental and services agreement for area equipment with a period of 1-2 years and the minimum lease payment in the future were as follows:

Period	<i>Baht</i>	
	Consolidated and	
	Separate financial statements	
	2023	2022
1 year	29,352,195	15,176,398
More than 1 year but not over 2 years	9,533,700	6,316,000

34.3 The Group entered into the advertising agreement (Year 2022 : Baht 15.27 million)

35. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity.

Significant financial instruments of the Group presented in the statement of financial position principally comprise cash and cash equivalents, deposits at banks, trade and other receivables, trade and other payables, loan from financial institutions, and lease liabilities.



Risk management policy

The Group are exposed to risks from changes in interest rates and currency exchange rates and risks from non-performance of contractual obligations by counterparties. The Group uses derivatives, as and when it considers appropriate, to manage such risks. In addition, the Group has a policy to enter into contracts with creditworthy counterparties. Therefore, the Group does not expect any material financial losses to arise from that the counterparties will fail to discharge their obligations as stipulated in the financial instruments contracts.

The accounting policies of derivatives are disclosed in note 3 to the financial statements.

a) Interest rate risk

Interest rate risk is the risk that future fluctuations in market interest rates will affect the operating result and cash flows of the Group.

The exposure to interest rate risk of the Group relates primarily to their deposits at financial institutions, receivables from sale with right of redemption, loans to related parties, loan from financial institutional from related, liabilities under the interest rate swap contracts and lease liabilities. However, as most of the financial assets and liabilities carry floating interest rate which fluctuates in line with the market interest rates or carry fixed interest rate which approximates to the current market interest rate, the Group do not use derivatives to manage their interest rate risk.

**Baht**

	Consolidated financial statements		Separate financial statements	
	Interest rate		Interest rate	
	Floating	Fixed	Floating	Fixed
As at 31 December 2023				
Financial assets				
Bank deposit	475,682,639	-	373,083,110	-
Loans to related parties	-	-	6,963,438	-
Receivables from sale with right of redemption	-	2,723,732,949	-	2,723,732,949
Financial liabilities				
Short-term loans from financial institutions	3,095,000,000	-	3,095,000,000	-
Long-term loans from financial institutions	1,511,096,305	-	1,511,096,305	-
Liabilities under the interest rate swap agreement	38,706	-	38,706	-
Foreign exchange forward contracts	381,403	-	381,403	-
Lease liabilities	-	1,010,157,359	-	1,010,157,359
As at 31 December 2022				
Financial assets				
Bank deposit	335,276,368	-	232,310,223	-
Loans to related parties	-	-	6,963,438	-
Receivables from sale with right of redemption	-	1,746,514,772	-	1,746,514,772
Financial liabilities				
Short-term loans from financial institutions	1,055,000,000	-	1,055,000,000	-
Long-term loans from financial institutions	1,784,763,367	-	1,784,763,367	-
Liabilities under the interest rate swap agreement	1,138,155	-	1,138,155	-
Lease liabilities	-	1,234,258,426	-	1,234,258,426



b) Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations, resulting in a financial loss to the Group.

The Group is exposed to credit risk primarily with respect to trade and other receivables. However, the Group controls such risk by establishing credit limits for clients and counter parties and analysing their financial position as an ongoing basis. The Group is not expected to have much concentration risk of credit exposure and the maximum possible credit loss is the carrying amount shown in the statement of financial position.

The Group determines the impairment of trade receivables, other receivables basing on an expected credit loss model which the Group have established and maintain an appropriate credit loss model. The risk management department periodically reviews the parameters and the data used in the credit loss model.

c) Liquidity risk

Liquidity risk is the risk that the Group will be unable to liquidate financial assets and/or procure sufficient funds to discharge obligations in a timely manner, resulting in a financial loss.

The maturity dates of financial instruments held as of 31 December 2023 and 2022, counting from the statements of financial position date were as follows:

Baht

	Consolidated financial statement					
	As at 31 December 2023					
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Total
Financial assets						
Trade and other receivables	-	2,894,813,757	-	-	-	2,894,813,757
Financial liabilities						
Short-term loans from						
financial institutions	-	3,095,000,000	-	-	-	3,095,000,000
Trade and other payables	-	1,300,822,168	-	-	-	1,300,822,168
Long-term loans from financial institutions	-	484,638,895	1,026,457,410	-	-	1,511,096,305
Lease liabilities	-	352,559,143	657,598,216	-	-	1,010,157,359
Liabilities under the interest rate						
swap agreement	-	-	38,706	-	-	38,706
Foreign exchange forward contracts	-	381,403	-	-	-	381,403

**Baht**

Consolidated financial statement

As at 31 December 2022

Financial assets

At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Total
Trade and other receivables	-	1,895,973,325	-	-	1,895,973,325

Financial liabilities

Short-term loans from

financial institutions	-	1,055,000,000	-	-	1,055,000,000
------------------------	---	---------------	---	---	---------------

Trade and other payables	-	987,229,051	-	-	987,229,051
--------------------------	---	-------------	---	---	-------------

Long-term loans from financial institutions	-	456,033,367	1,328,730,000	-	1,784,763,367
---	---	-------------	---------------	---	---------------

Lease liabilities	-	313,378,566	920,879,860	-	1,234,258,426
-------------------	---	-------------	-------------	---	---------------

Liabilities under the interest rate

swap agreement	-	-	1,138,155	-	1,138,155
----------------	---	---	-----------	---	-----------

Baht

Separate financial statement

As at 31 December 2023

Financial assets

At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Total
Trade and other receivables	-	2,895,164,600	-	-	2,895,164,600

Loans to related parties	6,963,438	-	-	-	6,963,438
--------------------------	-----------	---	---	---	-----------

Financial liabilities

Short-term loans from

financial institutions	-	3,095,000,000	-	-	3,095,000,000
------------------------	---	---------------	---	---	---------------

Trade and other payables	-	1,300,708,723	-	-	1,300,708,723
--------------------------	---	---------------	---	---	---------------

Long-term loans from financial institutions	-	484,638,895	1,026,457,410	-	1,511,096,305
---	---	-------------	---------------	---	---------------

Lease liabilities	-	352,559,143	657,598,216	-	1,010,157,359
-------------------	---	-------------	-------------	---	---------------

Liabilities under the interest rate

swap agreement	-	-	38,706	-	38,706
----------------	---	---	--------	---	--------

Foreign exchange forward contracts	-	381,403	-	-	381,403
------------------------------------	---	---------	---	---	---------

**Baht**

Separate financial statement

As at 31 December 2022

	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Total
Financial assets						
Trade and other receivables	-	1,896,115,264	-	-	-	1,896,115,264
Loans to related parties	6,963,438	-	-	-	-	6,963,438
Financial liabilities						
Short-term loans from financial institutions	-	1,055,000,000	-	-	-	1,055,000,000
Trade and other payables	-	987,337,767	-	-	-	987,337,767
Long-term loans from financial institution	-	456,033,367	1,328,730,000	-	-	1,784,763,367
Lease liabilities	-	313,378,566	920,879,860	-	-	1,234,258,426
Liabilities under the interest rate swap agreement	-	-	1,138,155	-	-	1,138,155

d) Foreign exchange risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has foreign exchange risk arisen from the fluctuation of foreign exchange rate from purchases, sales, payment of machines and equipment and other receipt and payment which are denominated in foreign currencies. The Group manages that risk by entering forward exchange contracts to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the end of the reporting period also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

Cross currency swap agreement

The Group entered into an interest rate swap agreement used for hedging the receipt and payment transactions denominated in foreign currencies with the commercial bank by swapping foreign currencies to a functional currency.

e) Fair value

The fair value disclosures of financial instruments, considerable judgment is necessarily required in estimation of fair value. Accordingly, the estimated fair value presented herein is not necessarily indicative of the amount that could be amid 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 fair value disclosure does not include fair value information for financial assets and financial liabilities measured at amortized cost if the carrying amount is a reasonable approximation of fair value.

**Baht**

Consolidated and Separate financial statements

Book value				Fair value			
Fair value through profit or loss	Fair value through Other comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3	Total

As at 31 December 2023**Financial liabilities****Measured at fair value**

Liabilities under the interest rate swap agreement	38,706	-	-	38,706	-	38,706	-	38,706
Foreign exchange forward contracts	381,403	-	-	381,403	-	381,403	-	381,403

As at 31 December 2022**Financial liabilities****Measured at fair value**

Liabilities under the interest rate swap agreement	1,138,155	-	-	1,138,155	-	1,138,155	-	1,138,155
--	-----------	---	---	-----------	---	-----------	---	-----------

- Level 1: inputs are quoted prices (unadjusted) in active markets (the Stock Exchange) for identical assets or liabilities that the Group 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 such as the future cash flow estimated by the Group.

The fair values of forward exchange contracts and commodity contracts were calculated using the rates initially quoted by the Group's bankers which were based on market conditions existing at the end of the reporting period to reflect current fair values of the contracts.

36. EVENTS AFTER THE REPORTING PERIOD

The Board of Directors' Meeting held on 28 February 2024 passed a resolution to approve to propose to the Shareholders' Meeting for the approval the interim dividend payment at the rate of Bath 0.31 per share, totalling of Bath 414 milliom.

**37. RECLASSIFICATION**

The Group had reclassified certain accounts in the financial statement for the year ended 31 December 2022 to conform to the presentation of statements of current year as follow:

Baht

	Consolidated financial statements		
	Before	Reclassification	After
Statement of financial position			
Trade and other receiveable	2,048,887,658	(152,914,333)	1,895,973,325
Inventories	6,722,890,534	152,914,333	6,875,804,867
Statement of comprehensive income			
Selling expenses	(1,206,633,482)	(21,341,416)	(1,227,974,898)
Administrative expenses	(253,711,460)	21,341,416	(232,370,044)

Baht

	Separate financial statements		
	Before	Reclassification	After
Statement of financial position			
Trade and other receiveable	2,049,029,597	(152,914,333)	1,896,115,264
Inventories	6,722,890,534	152,914,333	6,875,804,867
Statement of comprehensive income			
Selling expenses	(1,206,633,483)	(21,341,416)	(1,227,974,899)
Administrative expenses	(254,253,969)	21,341,416	(232,912,553)

Appendix

Aurora Design Public Company Limited
Form 56 – 1 One Report / Annual Report 2023





Appendix 1

1. Details of Directors, Executives, Authorized Persons, Personnel Assigned to be Responsible for Accounting and Financial Operations, Personnel Assigned to Oversee Accounting Practices, and the Company Secretary (as of December 31, 2022)

Name-Surname / Position / Date of Commencement of Duties	Age (years)	Educational Qualifications/ Training History	Shareholding in the Company (percentage) (1)	Familial relationship and executives	Work Experience			
					Duration	Position	Organization Name/Company Name	Business type
1. Mr. Prasit Srirungthum - Chairman (The date of appointment August 10, 1990) - Chairman of the Executive Committee (The date of appointment January 2, 2021) - Authorized directors	68	- Junior high school, general education, year 3, Sibutbunmang School - Director Certification Program (DCP) Class 299/2021 Thailand Institute of Directors : IOD	4.47	1. The spouse of Mrs. Wimon Sri Srirungthum 2. Father of Mr. Aniwat Srirungthum 3. Father of Mr. Anirut Srirungthum 4. Father of Mr. Anipat Srirungthum	1990 - Present	Chairman of the Board of Directors	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
					2021 - Present	Chairman of the Executive Committee	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
					2017 - Present	Member of the Board of Directors	Saengngern Saengthong udomsuk Company Limited	Construction of condominium buildings for sale and rent.
					2016 - Present	Member of the Board of Directors	Bay Palace Company Limited	Hotels and resort hotels
					2014 - Present	Member of the Board of Directors	Thum Development Company Limited	Joint investment, trading of stocks, purchase and sale, mortgage of real estate, and movable property.



Name-Surname / Position / Date of Commencement of Duties	Age (years)	Educational Qualifications/ Training History	Shareholding in the Company (percentage) (1)	Familial relationship and executives	Work Experience			
					Duration	Position	Organization Name/Company Name	Business type
					2014 - Present	Member of the Board of Directors	Thum Enterprise Company Limited	Joint investment, trading of stocks, purchase and sale, mortgage of real estate, and movable property.
					2013 - Present	Member of the Board of Directors	Aurora International Company Limited	Nano Finance Business
					2013 - Present	Member of the Board of Directors	Phai Pun Suk Company Limited	Souvenir shop business, food and bakery services, accommodations, and a bamboo garden for tourism
					2011 - Present	Member of the Board of Directors	Thum Real Estate Company Limited	Hotels and resort hotels
					2011 - Present	Member of the Board of Directors	Thum Residence Company Limited	Rental of rooms, apartments, and condominiums.
					2007 - Present	Member of the Board of Directors	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
2. Mrs. Wimon Sri Srirungthum	62	- Junior high school, general education, year 1, Samut Prakan Girls' School - Director Certification Program (DCP) Class 299/2563 Thai Institute of Directors : IOI)	4.49	1. The spouse of Mr. Prasit Srirungthum 2. Mother of Mr. Aniwat Srirungthum 3. Mother of Mr. Anirut Srirungthum 4. Mother of Mr. Anipat Srirungthum	2021 - Present	Chairman of the Nomination Remuneration Committee/ Executive committee	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.



Name-Surname / Position / Date of Commencement of Duties	Age (years)	Educational Qualifications/ Training History	Shareholding in the Company (percentage) (1)	Familial relationship and executives	Work Experience			
					Duration	Position	Organization Name/Company Name	Business type
<ul style="list-style-type: none"> - Chief Procurement Officer (The date of appointment April 1, 2017) - Risk Management Working Team (The date of appointment November 13, 2021) - Authorized director of the company 					2021 – Present	Risk Management Working Team	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
					2017 – Present	Chief Procurement Officer	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
					2022 – Present	Member of the Board of Directors	Thum Enterprise Company Limited	Joint investment, trading of stocks, purchase and sale, mortgage of real estate, and movable property.
					2013 – Present	Member of the Board of Directors	Aurora International Company Limited	Nano Finance Business
3. Mr. Aniwat Srirungthum <ul style="list-style-type: none"> - Member of the Board of Directors (The date of appointment April 1, 2017) - Chief Executive Officer (The date of appointment April 1, 2017) - Executive committee The date of appointment January 2, 2021) - Chairman of the Risk Management Committee (The date of appointment May 12, 2022) - Authorized director of the company 	38	<ul style="list-style-type: none"> - Master's degree in Business Administration, Cass Business School, London, United Kingdom. - Director Certification Program (DCP) Class 180/2556 Thai Institute of Directors : IOD) - Risk Management Program for Corporate Leaders (RCL Online) Class 27/2565 Thai Institute of Directors : IOD) 	5.59	<ol style="list-style-type: none"> 1. Son of Mr. Prasit Srirungthum 2. Son of Mrs. Wimon Sri Srirungthum 3. Brother of Mr. Anirut Srirungthum 4. Brother of Mr. Anipat Srirungthum 	2017 – Present	Chief Executive Officer	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
					2021 – Present	Executive committee	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
					2022 – Present	Chairman of the Risk Management Committee	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.



Name-Surname / Position / Date of Commencement of Duties	Age (years)	Educational Qualifications/ Training History	Shareholding in the Company (percentage) (1)	Familial relationship and executives	Work Experience			
					Duration	Position	Organization Name/Company Name	Business type
					2021 – 2022	Risk Management Working Team	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
					2021 – Present	Member of the Board of Directors	ARR EX Company Limited	Gold bar trading
					2017 – Present	Member of the Board of Directors	Max Money Exchange Company Limited	Foreign exchange business
					2011 - Present	Member of the Board of Directors	Quality Hub Company Limited	Car rental business
					2020 - Present	Member of the Board of Directors	Gash Network Company Limited	Trading and exchanging gold on the GASH platform
					2017 - Present	Member of the Board of Directors	BF Garage Company Limited	Car maintenance and repair services
					2018 - Present	Member of the Board of Directors	AURORA Gold saving Company Limited	Providing gold saving services
					2010 - Present	Member of the Board of Directors	Thum Residence Company Limited	Rental of rooms, apartments, and condominiums.
					2010 - Present	Member of the Board of Directors	AURORA Trading Company Limited	Gold bar trading
					2016 – Present	Member of the Board of Directors	S.G.S. GEMS Company Limited	A business engaged in running a school
					2013 - Present	Member of the Board of Directors	Aurora International Company Limited	Nano Finance Business



Name-Surname / Position / Date of Commencement of Duties	Age (years)	Educational Qualifications/ Training History	Shareholding in the Company (percentage) (1)	Familial relationship and executives	Work Experience			
					Duration	Position	Organization Name/Company Name	Business type
4. Mr. Subhasiddhi Rakasikorn - Member of the Board of Directors (The date of appointment September 8, 2021) - Deputy CEO (The date of appointment April 1, 2020) - Executive committee (The date of appointment January 2, 2021) - Chairman of the Risk Management Committee (The date of appointment June 1, 2022) - Member of the Risk Management Committee (The date of appointment May 12, 2022) - Authorized director of the company	52	- Bachelor of Business Administration, Marketing, Assumption University - Director Accreditation Program (DAP) Class 159/2562 Thai Institute of Directors : IOD - Director Certification Program (DCP) Class 325/2565 Thai Institute of Directors : IOD	0.06	- None -	2017 – Present	Member of the Board of Directors	Saengngem Saengthong udomsuk Company Limited	Construction of condominium buildings for sale and rent.
					2016 – Present	Member of the Board of Directors	Bay Palace Company Limited	Hotels and resort hotels
					2020 – Present	Deputy Chief Executive Officer	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
					2021 – Present	Executive committee	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
					2022 – Present	Member of the Risk Management Committee	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
					2022 – Present	Chairman of Risk Management Working Team	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
					2011 – Present	Risk Management Working team	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.



Name-Surname / Position / Date of Commencement of Duties	Age (years)	Educational Qualifications/ Training History	Shareholding in the Company (percentage) (1)	Familial relationship and executives	Work Experience			
					Duration	Position	Organization Name/Company Name	Business type
					2021 – Present	Member of the Board of Directors	Aurora Design Public Company Limited	Comprehensive customer relationship management.
					2017 – 2022	Member of the Board of Directors	Bangkok Lighting Import Export Company Limited.	Retail store for electrical lighting equipment
					2018 – 2022	Independent Director And member of Audit Committee	Nex Point Public Company Limited	Commercial automotive business
					2018 – 2022	Member of the Board of Directors	World Inspiration Company Limited	Production of print materials, advertising media, and electronic presentations
					2014 - 2016	Chief Marketing Officer/Sustainability Committee/ Member of the Risk Management Committee	Smart i-Mobile Public Company Limited	Import, export, wholesale, and retail of mobile phones and mobile phone accessories
					2010 - 2016	MD/ Member of the Board of Directors	I-SPORT Company Limited	Providing sports news services through interactive media
					2010 - 2016	MD/ Member of the Board of Directors	I-SPORT Media Company Limited	Providing radio broadcasting and television broadcasting services
					2010 – 2016	MD/ Member of the Board of Directors	I-SPORT Multimedia Company Limited	Producing and providing entertainment news and information services
					2010 – 2016	Member of the Board of Directors	Entertainment Tree Company Limited	Producing, selling, and providing entertainment information services



Name-Surname / Position / Date of Commencement of Duties	Age (years)	Educational Qualifications/ Training History	Shareholding in the Company (percentage) (1)	Familial relationship and executives	Work Experience			
					Duration	Position	Organization Name/Company Name	Business type
5. Mr. Kanit Patsaman - Independent Director (The date of appointment September 8, 2021) - Chairman of Audit Committee (The date of appointment September 8, 2021) - Member of Nomination and Remuneration Committee (The date of appointment November 13, 2021)	60	<ul style="list-style-type: none"> - MBA, National Institute of Development Administration - Bachelor of Economics, Ramkhamhaeng University - Director Certification Program (DCP) - Class 156/2555 Thai Institute of Directors : IOO - Audit Committee Program (ACP) Class 40/2555 Thai Institute of Directors : IOO - IT Governance and Cyber Resilience Program (ITG) Class 5/2559 Thai Institute of Directors : IOO - The Role of Chairman Program (RCP) Class 45/2562 Thai Institute of Directors : IOO - Corporate Governance for Board of Directors and Top Management of State Enterprise and Public Organization (PDI Class 11) - King Prajadhipok's Institute 	- None -	- None -	2010 – 2016	Member of the Board of Directors	Smart Interactive Media Company Limited	Selling products and providing fortune-telling services
					2009 – 2016	Member of the Board of Directors	Benzol Cycle Company Limited	Developing software and mobile applications
					2021-Present	Independent Director/ Chairman of Audit Committee/ Member of Nomination and Remuneration Committee	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
					2017 – Present	Independent Director/ Chairman of Audit Committee/ Independent Director/ Chairman of Audit Committee	Pra-ram 9 Hospital Public Company Limited	Hospital
					2014 - Present	Independent Director/ Member of Audit Committee/ Member of Nomination and Remuneration Committee/ Member of Nomination and Remuneration Committee/ Member of Sustainable Development Committee	Carabao Group Public Company Limited	A holding company investing primarily in subsidiaries that are engaged in the production, marketing, distribution, and comprehensive management of energy drinks and other beverages.



Name-Surname / Position / Date of Commencement of Duties	Age (years)	Educational Qualifications/ Training History	Shareholding in the Company (percentage) (1)	Familial relationship and executives	Work Experience			
					Duration	Position	Organization Name/Company Name	Business type
					2015 – 2020	Member of the Board of Directors	Gifts for Health Company Limited	Selling, producing, and trading food products, health supplements, cosmetics, equipment
					2013 – 2014	Member of the Board of Directors	Bank for Agriculture and Agricultural Co- operatives	Financial institution
					2013	Member of the Board of Directors	Thai Credit Guarantee Corporation	Financial institution
					2012 – 2014	Member of the Board of Directors	National Housing Authority	Government enterprise
					2005 – 2013	Advisor to Liquidation directors and authorized representative of liquidation directors	National Housing Authority	Financial institution
					2021 - Present	Independent Director/ Chairman of Audit Committee/ Member of Nomination and Remuneration Committee	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services
					2017 – Present	Member of the Board of Directors	JS ASSET PLUS Public Company Limited	Agriculture, forestry, and fisheries, providing services in integrated farming.
					2017 – Present	Member of the Board of Directors	Gourmet Enterprise Company Limited	Other real estate-related service activities performed for a fee or under a contract.
6. Mr.Chanin Archjananun - Independent Director (The date of appointment September 8, 2021) - Member of Audit Committee (The date of appointment September 8, 2021) - Member of Nomination and Remuneration Committee (The date of appointment November 13, 2021)	59	- Master's degree in Business Administration, Faculty of Business Administration, Western Illinois University, USA - Bachelor's degree in Business Administration, Major in Marketing, Faculty of Business Administration, Assumption University. - Director Certification Program (DCP) Class 231/2559 Thai Institute of Directors :IOD	- None -	- None -				



Name-Surname / Position / Date of Commencement of Duties	Age (years)	Educational Qualifications/ Training History	Shareholding in the Company (percentage) (1)	Familial relationship and executives	Work Experience			
					Duration	Position	Organization Name/Company Name	Business type
		- Advanced Audit Committee Program (AACP) Class 34/2562 Thai Institute of Directors : IOD			2022 – Present	Member of the Board of Directors	Vision Ventures Company Limited	Activities of holding companies that do not primarily invest in financial businesses.
					2016 - Present	Independent Director/ Chairman of Audit Committee/ Member of the Risk Management Committee/ Member of Nomination and Remuneration Committee	THAI WAH Public Company Limited	Manufacturing and selling tapioca starch products and starch-based foods such as vermicelli, noodles, and sago.
					2018 – Present	Member of the Board of Directors	Intermart (Thailand) Company Limited	Supermarket business
					2016 – Present	consultant	Masan Consume (Thailand) Company Limited	Distributing consumer goods
					2018 – Present	Member of the Board of Directors	Natura Harvest Company Limited	Providing services in Integrated farming
					2013 – 2015	Vice President/ Business Development, in Asia	Friesland Campina Asia Company Limited (Foremost Asia)	Manufacturer and distributor of dairy products
					2010 – 2013	Managing Director	Friesland Campina (Thailand) Company Limited	Manufacturer and distributor of dairy products



Name-Surname / Position / Date of Commencement of Duties	Age (years)	Educational Qualifications/ Training History	Shareholding in the Company (percentage) (1)	Familial relationship and executives	Work Experience			
					Duration	Position	Organization Name/Company Name	Business type
7. Mr. Boonchai Pritvichakan - Independent Director - (The date of appointment September 8, 2021) - Member of Audit Committee (The date of appointment September 8, 2021) - Member of the Risk Management Committee (The date of appointment May 12, 2022)	65	<ul style="list-style-type: none"> - Thai Barrister at Law, The Faculty of Law, The Institute of Legal Education under the Thai Bar Association - Bachelor's degree in Law, Thammasat University - Director Accreditation Program (DAP) Class 11/2547 Thai Institute of Directors : IOD 	- None -	- None -	2021 – Present	Member of Audit Committee	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
					2005 - Present	Member of the Board of Directors	Unique Engineering and Construction Public Company Limited	Construction contracting
					2001 – Present	Legal consultant	Muang Thai Life Assurance Public Company Limited	Life insurance
					2009 – 2018	Legal consultant/ Member of Audit Committee	THAISRI Insurance Public Company Limited	All types of general insurance
					2006 – 2020	Member of the Board of Directors	SATHORN 7 Company Limited	Renting out buildings, premises, and furniture
					2004 – 2020	Member of the Board of Directors	PARAGON CAR RENTAL Company Limited	Car rental service
					2000 – 202-	Member of the Board of Directors	Cathay Lease Plan Public Company Limited	Leasing (asset leasing) and hire purchase of assets



Name-Surname / Position / Date of Commencement of Duties	Age (years)	Educational Qualifications/ Training History	Shareholding in the Company (percentage) (1)	Familial relationship and executives	Work Experience			
					Duration	Position	Organization Name/Company Name	Business type
8. Mr. Anipat Srirungthum - Chief Marketing Officer z - (The date of appointment February 1, 2016) - Executive committee z (The date of appointment January 2, 2021)	32	- Master's degree International Business, Hult International Business School, Shanghai (China) & Dubai (UAE) - Bachelor's degree Communication Design Faculty of Architecture, Chulalongkorn University - Director Certification Program (IDCP) Class 320/2565 Thai Institute of Directors :IOD	5.59	1. Son of Mr.Prasit Srirungthum 2. Son of Mrs. Wimonstri Srirungthum 3. Brother of Mr. Aniwat Srirungthum 4. Brother of Mr. Anirut Srirungthum	2016 – Present	Chief Marketing Officer	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
					2021 – Present	Executive committee	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
9. Mr. Anirut Srirungthum - Chief Retail Development Officer (The date of appointment May 9, 2022) - Executive committee (The date of appointment May 12, 2022)	37	- Bachelor's degree in Business Administration, Ramkhamhaeng University	5.59	1. Son of Mr.Prasit Srirungthum 2. Son of Mrs. Wimonstri Srirungthum 3. Brother of Mr. Aniwat Srirungthum 4. Brother of Mr. Anipat Srirungthum	2022 – Present	Chief Retail Development Officer	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
					2022 – Present	Executive committee	Aurora Design Public Company Limited	Retail of gold jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
					2016 – Present	Member of the Board of Directors	Bay Palace Company Limited	Hotels and resort hotels



Name-Surname / Position / Date of Commencement of Duties	Age (years)	Educational Qualifications/ Training History	Shareholding in the Company (percentage) (1)	Familial relationship and executives	Work Experience			
					Duration	Position	Organization Name/Company Name	Business type
					2013 – Present	Member of the Board of Directors	Chow Tai Fook Company Limited	Selling and providing services, consulting, and advising on franchise businesses.
					2013 – Present	Member of the Board of Directors	PHAI PUN SUK Company Limited	Food service in restaurants
					2010 – Present	Member of the Board of Directors	Thum Residence Company Limited	Rental of rooms, apartments, and condominiums.
					2021 – Present	Member of the Board of Directors	Thum Real Estate Company Limited	Hotels and resort hotels
					2014 – Present	Member of the Board of Directors	Thum Development Company Limited	Joint investment, trading of stocks, purchase and sale, mortgage of real estate, and movable property.
					2018 – Present	Member of the Board of Directors	BF Garage Company Limited	Automobile repair and maintenance services
					2013 – Present	Member of the Board of Directors	Aurora International Company Limited	Nano Finance Business
					2021 - Present	Senior Vice President Finance & Accounting	Aurora Design Public Company Limited	Retail of gold, jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
					2021 - Present	Executive committee	Aurora Design Public Company Limited	Retail of gold, jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.



Name-Surname / Position / Date of Commencement of Duties	Age (years)	Educational Qualifications/ Training History	Shareholding in the Company (percentage) (1)	Familial relationship and executives	Work Experience			
					Duration	Position	Organization Name/Company Name	Business type
11. Ms. Pichamon leamsamang		<ul style="list-style-type: none"> - Chief Financial Officer Certification Program Class 21, 2018 The Accounting Profession Council 	- None -	- None -	2017 - 2021	Vice President Finance & Accounting	Aurora Design Public Company Limited	Selling and providing services, consulting, and advising on franchise businesses.
					2014 - 2017	Corporate Accounts Manager	SHANGRI-LA Hotel Public Company Limited	Hotel
					2008 - 2014	Assistant Auditor		Conducting an audit and expressing an opinion on the Company's financial statement.
					2020 - Present	Account Manager	Aurora Design Public Company Limited	Retail of gold, jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
		<ul style="list-style-type: none"> - Master's degree in Finance, Ramkhamhaeng University - Bachelor's degree in Accounting, Huachiew Chalermprakiet University - CFO in Practice Class 10 The Federation of Accounting Professions 21 hours - A person who qualifies as an accountant according to the announcement of the Department of Business Development. 	- None -	- None -	2009 - Present	Member of the Board of Directors	My audit Company Limited	Audit services
					2005 - 2009	Assistant Auditor	ANS AUDIT Company Limited	Audit services

Note: (1) Shareholding percentage in the company as of December 31, 2022.



Name-Surname / Position / Date of Commencement of Duties	Age (years)	Educational Qualifications/ Training History	Shareholding in the Company (percentage) (1)	Familial relationship and executives	Work Experience			
					Duration	Position	Organization Name/Company Name	Business type
Ms. Sumana Puangperksuk - Company Secretary (The date of appointment August 15, 2022)	43	- Master of Arts in European Studies, Chulalongkorn University - Bachelor of Laws, Chulalongkorn University - Bachelor of Arts Program in English, Thammasat University - Company Secretary Program 2008 Thai Institute of Directors : IOD - Fundamental & Advances for Company Secretary Thai Institute of Directors : IOD	0.0000	- None -	2019 - 2021	Company Secretary Manager	Singha Estate Public Company Limited	Property development
					2018 - 2019	Company Secretary	Real Asset Development Company Limited	Property development
					2017 - 2018	Company Secretary Manager	Oishi Group Public Company Limited	Food and Beverage
					2016 - 2017	Company Secretary Manager	Siam City Cement Public Company Limited	Construction Materials
					2007 - 2015	Company Secretary Manager	AP (Thailand) Public Company Limited	Property development



3. The Position of Directors and Executives in the Company, Subsidiaries, and Affiliated Companies

3.1 Subsidiary Company

Company name	Mr. Prasit Srirungthum	Mrs. Wimonstri Srirungthum	Mr. Aniwat Srirungthum	Mr. Kanit Patsaman	Mr. Chanin Archjananun	Mr. Boonchai Pritvivichakan	Mr. Subhasiddhi Rakkasikorn	Mr. Anipat Srirungthum	Mr. Anirut Srirungthum	Mr. Yotsaran Wannaphan
1. S.G.S. GEMS Company Limited			/							
2. Aurora International Company Limited	/	/	/						/	

Note: X = Chairman of the Board / = Director // = Executive Committee /// = Executive IV = Audit Committee V = Nomination and Remuneration Committee

U = Risk Management Committee

3.2 Affiliated Company

Company name	Mr. Prasit Srirungthum	Mrs. Wimonstri Srirungthum	Mr. Aniwat Srirungthum	Mr. Kanit Patsaman	Mr. Chanin Archjananun	Mr. Boonchai Pritvivichakan	Mr. Subhasiddhi Rakkasikorn	Mr. Anipat Srirungthum	Mr. Anirut Srirungthum	Mr. Yotsaran Wannaphan
1. JS ASSET PLUS Public Company Limited					/					
2. Bay Palace Company Limited			/						/	
3. Arrex Company Limited			/							



	Company name	Mr. Prasit Srirungthum	Mrs. Wimonssi Srirungthum	Mr. Aniwat Srirungthum	Mr. Kanit Patsaman	Mr. Chanin Archjananun	Mr. Boonchai Pritivichakan	Mr. Subhasiddhi Rakkasikorn	Mr. Anipat Srirungthum	Mr. Anirut Srirungthum	Mr. Votsaran Wannaphan
4.	Gash Network Company Limited			/							
5.	Natura Harvest Company Limited					/					
6.	Max Money Exchange Company Limited			/							
7.	Saengngern Saengthong Udomsuk Company Limited	/		/							
8.	Chow Tai Fook Company Limited									/	
9.	Pra-ram 9 Hospital Public Company Limited				IV						
10.	THAI WAH Public Company Limited					IV					
11.	PHAI PUN SUK Company Limited	/								/	
12.	Gourmet Enterprise Company Limited					/					
13.	Quality Hub Company Limited			/							
14.	Carabao Group Public Company Limited				IV						
15.	Thum Residence Company Limited	/		/						/	
16.	Thum Real Estate Company Limited	/								/	
17.	Thum Enterprise Company Limited	/	/								
18.	Thum Development Company Limited	/								/	
19.	BF Garage Company Limited			/						/	
20.	Unique Engineering and Construction Public Company Limited						/				
21.	One to One Contacts Public Company Limited.							/			
22.	Vision Ventures Company Limited					/					
23.	AURORA Trading Company Limited			/							
24.	AURORA Gold saving Company Limited			/							
25.	ARR EX Company Limited			/							
26.	Intermart (Thailand) Company Limited					/					

Note: X = Chairman of the Board / = Director // = Executive Committee /// = Executive IV = Audit Committee V = Nomination and Remuneration Committee

U = Risk Management Committee



Appendix 2

1. Details of Directors of Subsidiaries and Associated Companies as of December 31, 2023

	Company name	Mr. Prasit Srirungthum	Mrs. Wimonst Srirungthum	Mr. Anipat Srirungthum	Mr. Aniwat Srirungthum	Mr. Kanit Patsaman	Ms. Somjit Srirungthum	Ms. Somrudee Srirungthum
1.	S.G.S. GEMS Company Limited	/	/	/	/	/	/	/
2.	Aurora International Company Limited	/	/	/	/	/	/	/

Note : / = Director X = Chairman of Director // = Executive Director O = Executive

1. Details about The Head of the Internal Audit and The Supervisor of the Company are as follows :

The Company has assigned Acting Sub-Lieutenant Hariphong Janya as the Head of Internal Audit, with the following details.

Name-Surname / Position / Date of Commencement of Duties	Age (years)	Educational Qualifications/ Training History	Work Experience			
			Duration	Position	Organization Name /Company Name	Business type
1. Acting Sub Lt. Hariphong Junya Head of the Internal Audit	42	1. Bachelor of Business Administration (Accountancy Program), Rajamangala University of Technology Krungthep 2. Certified Professional Internal Audit of Thailand No. 210 3. Independent Auditor Training, Collective Action Against Corruption 4. Company Secretary Program 2008 Thai Institute of Directors : IOD 5. Fundamental & Advances for Company Secretary Thai Institute of Directors : IOD	2023 - present	Assistant Vice President of the Internal Audit	Aurora Design Public Company Limited	Retail of gold, jewelry, diamond and gemstone accessories, and other related businesses offering comprehensive one-stop services.
			2021 - 2022	Senior Manager of Internal Audit	The Mall Group Company Limited	Department stores, rental of places
			2013 - 2021	1. Chief of Internal Audit 2. Head of Compliance	YLG Bullion and Futures Company Limited	Futures Trading Agent





Name-Surname / Position / Date of Commencement of Duties	Age (years)	Educational Qualifications/ Training History	Work Experience			
			Duration	Position	Organization Name /Company Name	Business type
			2008 - 2013	Senior Internal Audit Officer	MBK Public Company Limited	Shopping center business, Hotel and tourism business, Golf business, Real estate business, Food Solution business, Financial business, Auction business and Corporate Supporting Center.
			2006 - 2008	Senior Internal Audit Officer	Chanwanich Security Printing Company Limited	Anti-counterfeiting publications
			2004 - 2006	Internal Audit Officer	Charoen Pokphand Group Company Limited	Agro-industry and food, Retail, Communication and telecommunications, E-commerce and digital, Real estate, Automotive and industrial, Pharmaceutical and medical supplies, Finance and banking



Appendix 4

1. Assets Used in Business Operations

As of December 31, 2023, the main fixed assets used in business operations have a net book value, after deducting depreciation and impairment reserves, as shown in the Company's consolidated financial statements, amounting to 1,197.2 million baht. The details are as follows:

Items	Net Book Value as of December 31, 2023 (Million baht)	Ownership Type	Encumbrances
Investment Properties (1)	24.6	Owned	None
Land, Buildings, and Equipment	200.6	Owned and Leased	None
Right-of-use assets	963.9	Leasehold Rights	None
Intangible Assets	8.1	Owned	None
Total	1,197.3		

Note: ⁽¹⁾ As of December 31, 2023, the fair value of investment properties is 80.37 million baht.

The classification of the Company's main fixed assets as shown above can be detailed by asset type as follows:

(1) Investment Properties

As of December 31, 2023, the Company has investment properties, including vacant land intended to support future business expansion, with a net book value according to the Company's consolidated financial statements of 24.6 million baht, or 0.18% of the total net book value of assets. The details are as follows:

Company	Location	Area Size (Rai-Ngan- Square Wah)	Net Book Value as of December 31, 2023 (Million baht)	Usage Purpose	Ownership Type	Encumbrances
The Company	Ban Khlong Suan Subdistrict, Phra Samut Chedi District, Samut Prakan Province	25-0-46	24.6	Vacant Land	Owned	None



(2) Land, Buildings, and Equipment

As of December 31, 2023, the Company has land, buildings, and equipment with a net book value according to the Company's consolidated financial statements of 200.6 million baht, or 1.50% of the total net book value of assets.

Type of Land, Buildings, and Equipment	Usage Purpose	Net Book Value as of December 31, 2023 (Million baht)	Ownership Type	Encumbrances
Building Improvements	Head Office Building Improvements	98.2	Owned	None
Office Equipment	Used in the operations of branch stores and head office	75	Owned	None
Vehicles	Used as operational vehicles	2	Owned and Leased	None
Work in Progress	Work in progress for office building improvements and branch decoration	25.4	Owned	None
Total		200.6		

(3) Right-of-use assets

As of December 31, 2023, the Company has right-of-use assets from leasing branch store spaces, office buildings, and vehicles, with a net book value according to the Company's consolidated financial statements of 963.8 million baht, or 7.19% of the total net book value of assets.

Order	Items	Details	Value as of December 31, 2023 (Million baht)
1	Sales Area	The Company leases branch store spaces with monthly rental payments as specified in the contract	914.6
2	Office Buildings	The Company leases office buildings with monthly rental payments as specified in the contract	32.8
3	Vehicles	The Company leases vehicles with monthly rental payments as specified in the contract	16.5
Total			963.9

(4) Intangible Assets

As of December 31, 2023, the Company has intangible assets, including computer programs, with a net book value according to the Company's consolidated financial statements of 8.1 million baht, or 0.06% of the total net book value of assets.



(5) Trademarks and Service Marks

As of December 31, 2023, the Company owns trademarks and service marks related to its business operations, registered in Thailand with the Department of Intellectual Property, Ministry of Commerce. The summary details are as follows:

Trademarks/Service Marks	Registration Number	For Products	Duration
	201126441	Enamel Gold Bracelets, Decorative Bracelets, Gemstone Bracelets, Gold Bars, Gold Rings, Gold Rings with Diamonds, Gold Rings with Gemstones, Anklets as Jewelry, Gemstone Anklets, Bracelets as Jewelry, Gemstone Bracelets, Necklaces as Jewelry, Gemstone Necklaces, Diamond Necklaces	April 10, 2018 - April 9, 2028
	B34172	Business management for the sale of jewelry and gemstones	April 12, 2006 - April 11, 2026
	K253724	Rings, Earrings, Bracelets, Necklaces, and Pendants	April 12, 2006 - April 11, 2026
	K253725	Rings, Earrings, Bracelets, Necklaces, and Pendants	April 12, 2006 - April 11, 2026
	161109149	Gold Bars, Gold Ornaments, Diamond Jewelry, Silver Jewelry, Nakhon Jewelry, Gemstone Jewelry	September 11, 2022 - September 10, 2032 ⁽¹⁾
	171114521	Sale of precious metals and gemstones	September 12, 2022 - September 11, 2032 ⁽¹⁾
	231105341	Gold financing services, secured loans, financial services	February 3, 2022 - February 2, 2032
	231118696	Product/Service Items: Diamond Studs, Necklace Sets, Rings, Diamond Bracelets, Diamond Earrings, Necklace and Earring Sets, Diamond Necklaces, Diamond Brooches, Diamonds, Diamond Medals, Gold Rings with Diamonds, Diamond Rings, Necklace Pendants, Necklace Pendants	January 21, 2022 - January 20, 2032



(6) Insurance Policy Contracts

The Company has arranged for insurance related to its business operations and considers that the overall coverage under the Company's insurance is at an appropriate level. The Company has product liability insurance (Jewelers Block Insurance) and property risk insurance (Accidental Damage (Property) Insurance) for its products and offices. The key insurance details are as follows:

Insured	Policy Type	Insured Property	Insurance Coverage	Insurance Period
The Company and/or subsidiaries	Product Liability Insurance (Jewelers Block Insurance)	<ul style="list-style-type: none"> - Inventory and business operation items, including banknotes, gift cards, jewelry, gold, platinum, gold bars, uncut gemstones, gems, pearls, and watches - This insurance covers physical loss or damage 	<ul style="list-style-type: none"> - At branch stores: 7.5 million baht for products and 50,000 baht for cash per store - At the head office: 50 million baht for products and 50,000 baht for cash - During transportation by car or plane (with two employees overseeing): 20 million baht - During transportation with individuals: 3 million baht - Cash during transportation: 50,000 baht - At trade shows: 10 million baht 	February 13, 2023 - February 13, 2024
The Company	Property Risk Insurance (Accidental Damage (Property) Insurance)	Udomsuk Office 25 <ul style="list-style-type: none"> - Building structures, including building improvements and extensions - Furniture, decorations - Machinery, related equipment, including tools, lift systems - This insurance covers loss or damage due to fire, lightning, explosion, vehicle impact, smoke, aircraft, water, storm, flood, earthquake, volcanic eruption, protest, and unforeseen accidents from external or internal factors 	<ul style="list-style-type: none"> - 50 million baht 	December 31, 2023 - December 31, 2024



Insured	Policy Type	Insured Property	Insurance Coverage	Insurance Period
The Company	Small Business Comprehensive Insurance	<p>Udomsuk Office 26</p> <ul style="list-style-type: none">- Covers loss or damage to insured property due to fire insurance, loss of income, theft insurance, cash insurance, glass insurance, and third-party liability- Covers damage from fire, lightning, explosion (excluding damage to the boiler itself from its own explosion), vehicles, aircraft or objects falling from aircraft, water damage (excluding flood), storm, earthquake, flood, electrical equipment damage	27.00 million baht	December 31, 2023 - December 31, 2024

(7) Investment Policy in Subsidiaries and Associates

The Company has an investment policy in subsidiaries and associates that conduct businesses aligned with the Company's goals, vision, and strategic growth plans to enhance stability or support the Company's business. The Company, its subsidiaries, and/or associates may consider investing in additional businesses if they have growth potential, can extend the business, or benefit the group's business, or can generate good returns on investment. The Company will analyze and consider the feasibility of the investment, the investment proportion, the expected returns, the potential risks, and the Company's financial status before deciding to invest in various projects. Significant investment approvals must be considered by the Board of Directors' meeting and/or the shareholders' meeting according to the approval authority scope and in compliance with the laws, regulations, and relevant criteria of the Securities and Exchange Commission and the Stock Exchange of Thailand, including criteria related to asset acquisition or disposal, related party transactions, and information disclosure.



2. Details on Asset Valuation Items

The Company engaged Prospec Appraisal Co., Ltd., an approved company by the Securities and Exchange Commission, to act as an independent asset appraiser ("Independent Appraiser") to appraise the value of leased assets under two contracts. The principal appraiser is Mr. Boonchai Mekseesuwat, a certified senior appraiser, Reg. No. 102. The purpose of the appraisal is to determine the fair rental value for public purposes. The Independent Appraiser used the Market Approach method for the valuation, which the appraiser deemed appropriate for the nature of the assets. The summary details are as follows:

Appraised Assets	Asset Type	Usable Area	Location	Ownership Holder	Encumbrances	Appraised Monthly Rental Value	Asset Valuation Date
1. Leased Building Area, Usage Purpose: For the Company's business operations	Two office buildings, multipurpose building, and covered parking area	2,599.75 sq.m.	67/23-26 Sukhumvit 103 Road (Udomsuk), Bang Na Subdistrict, Bang Na District, Bangkok	Sang Ngern Sang Thong Udomsuk Co., Ltd.	Mortgaged as collateral with the bank	449,755.0 baht/month Scheduled rental increase at a rate of 10% every 3 years	December 17, 2022
2. Leased Building Area Usage Purpose: For the Company's business operations	Office building, guardhouse, open area, and covered parking area	1,623.00 sq.m.	Soi Udomsuk 26, Sukhumvit 103 Road (Udomsuk), Bang Na Subdistrict, Bang Na District, Bangkok	Mr. Prasit Srirungtham	None	296,960.0 baht/month Scheduled rental increase at a rate of 10% every 3 years	December 17, 2022



Appendix 5

Corporate Governance Policy and Practices and Code of Conduct

The Company has published the full Corporate Governance Policy and Practices and the full Code of Conduct. The Company has published various important policies regarding corporate governance on the Company's website, which can be viewed via the Company's website at URL : <https://www.auroradesign.co.th/governance>



Appendix 6

Audit Committee Report

The Audit Committee of Aurora Design Public Company Limited (the “Company”) consists of three independent directors who are experts with experience in accounting and finance, law, and management. They meet the qualifications as stipulated by the Securities and Exchange Commission (SEC). The Audit Committee has performed its duties within the scope and responsibilities assigned by the Board of Directors, as specified in the Audit Committee Charter, and in accordance with the practices of the Audit Committee that comply with the requirements of the Stock Exchange of Thailand (SET).

In 2023, the Audit Committee held a total of six meetings. The attendance details of each Audit Committee member are as follows:

1.	Mr. Kanit Paetsaman	Chairman of the Audit Committee	Attended 6 / 6 meetings	Attendance rate 100%
2.	Mr. Chanin Ajjananun	Audit Committee Member	Attended 6 / 6 meetings	Attendance rate 100%
3.	Mr. Boonchai Pritivichakarn	Audit Committee Member	Attended 6 / 6 meetings	Attendance rate 100%

Each meeting was held jointly with the external auditor, internal auditor, Chief Executive Officer, accounting and finance executives, and other relevant executives to independently discuss significant issues, acknowledge operational results, observations, and challenges encountered during operations. The Audit Committee reported, expressed opinions, and provided recommendations to the Board of Directors independently. The key points are summarized as follows:

Review of Financial Reports

The Audit Committee reviewed and approved the consolidated financial statements for the fiscal year ending December 31, 2023, as well as the quarterly and annual financial reports for 2023 of the Company and its subsidiaries. They participated in meetings, inquired, and listened to explanations from management and the external auditor regarding the accuracy and completeness of the financial reports, significant accounting adjustments, and accounting estimates that impact the financial reports.

Based on these duties, the Audit Committee concurred with the external auditor that the financial reports of the Company for 2023 were prepared correctly in all material respects in accordance with legal requirements and Thai Financial Reporting Standards. The reports are reliable and provide adequate disclosure, benefiting the users of the financial reports.

Review of Related Party Transactions or Transactions with Potential Conflicts of Interest

The Audit Committee reviewed related party transactions and transactions with potential conflicts of interest, including the disclosure of such transactions in accordance with the laws, regulations of the Stock Exchange of Thailand, and the SEC. The Audit Committee opined that the transactions were accurate, complete, reasonable, and conducted on normal commercial terms, similar to transactions with external parties. The gold prices used in business operations were market-referenced as announced by the Gold Traders Association of Thailand, and the rental rates for office space were reasonable, based on evaluations by independent companies approved by the SEC.



Review of Internal Control and Internal Audit Systems

The Audit Committee assessed the adequacy of the Company's internal control system by reviewing the annual internal audit plan for 2023 and the audit results reported by the internal auditor, BK IA & IC Co., Ltd., on a quarterly basis without the presence of the Company's management to discuss independently. They also reviewed the internal control system evaluation results based on the COSO framework using the SEC's internal control adequacy assessment form. The Audit Committee concluded that the 2023 internal audit plan covered the Company's key systems, and the internal control system was adequate, complied with relevant regulations and laws, and did not identify any significant deficiencies that could impact the Company.

The Audit Committee reported the internal control system audit results to the Board of Directors quarterly and provided useful recommendations to improve the internal control system's efficiency and achieve the Company's objectives.

Review and Update of the Audit Committee Charter

The Audit Committee reviewed and updated the Audit Committee Charter for 2023 to align with the good corporate governance principles of the SEC and performed their duties as specified in the Audit Committee Charter independently.

Selection, Appointment, and Remuneration of the External Auditor

The Audit Committee considered and approved the appointment of the external auditor from Siam Truth Audit Co., Ltd. as the Company's auditor for 2023, based on independence, knowledge, capability, experience, and the quality of audit work in the previous year. They also reviewed the auditor's remuneration and presented it to the Board of Directors for approval.



Receipt of Information on Wrongdoing and Corruption

The Audit Committee reviewed complaints of wrongdoing and corruption quarterly, reported through various channels such as email or the whistleblowing policy. The Audit Committee recommended that the internal audit department investigate the facts of the reported corruption to understand the fraudulent processes and improve work processes for efficiency, as well as establish preventive measures and future practices.

In summary, the Audit Committee performed its duties with due care, diligence, and sufficient independence in expressing opinions and providing recommendations for the best interest of the organization. They fully executed their duties as specified in the Audit Committee Charter and the roles assigned by the Board of Directors. The Audit Committee concluded that the Company's internal control and internal audit systems were adequate and appropriate for business operations, managed internal risks cautiously, and maintained good corporate governance. The financial reporting of the Company was complete, accurate, reliable, and in accordance with generally accepted accounting standards. The disclosure of information complied with relevant laws and regulations, and the Company adhered to laws, regulations, and commitments related to its business operations.

On behalf of the Audit Committee

-Mr. Kanit Paetsaman-

(Mr. Kanit Paetsaman)
Chairman of the Audit Committee



AURORA

www.aurora.co.th