



รายงานประจำปี | 2562 ANNUAL REPORT | 2019

รายงานความรับผิดชอบต่อสังคม
Corporate Social Responsibility (CSR) Report



บริษัท แคปปิตอล เอ็นจิเนียริง เน็ตเวิร์ค จำกัด (มหาชน)
Capital Engineering Network Public Company Limited

Vision

To be the leading holding company that seeks investments of high business potential and growth opportunities through employing comprehensive expertise, technology capability and management skill to improve business performance; and to generate a superior sustainable investment return for shareholders.

Mission

1. Creating excellent investments by focusing on companies in engineering & construction material business and transmission tower & energy business.
2. Assessing and selecting investments through a business strategy that seeks business prospects and optimal opportunities to invest.
3. Strengthening company's core purpose through a systematic approach of analyzing, selecting, managing, supervising and following investments; and combined with essential business factors, to manage risk and to generate a healthy return on invested capital.
4. Contributing resources in research and development to enhance new business opportunities that will generate promising investment returns.
5. Seeking and obtaining low cost of capital when possible.
6. Operating a business based on principles of good corporate governance by treating all stakeholders with fair, transparent and anti-corruption practice.
7. Responsible for shareholders' and stakeholders' rights by enhancing business value that can generate superior returns and create real growth in values for shareholders and stakeholders in the long run.

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Corporate Social Responsibility

Importance information in term of financial

Operating Results (Million Baht)	2019	2018	2017
Revenue			
Sales and Projects	2,075	2,718	2,493
Other income	33	551	88
Total Revenue	2,108	3,269	2,581
Profit (Loss)			
Earnings before interest, tax, Depreciation and Amortization (EBITA)	(1,208)	39	(115)
Earnings (Loss) before income tax	(1,537)	(227)	(355)
Net Earnings (Loss)	(1,539)	(295)	(310)
Equity Holder of company	(930)	64	(157)
Financial Status (Million Baht)			
Total Assets	4,169	5,729	6,053
Total Liabilities	2,053	2,087	2,137
Total Shareholders' Equity	2,116	3,642	3,916
Equity to Company's shareholders	1,580	2,525	2,473
Per Share Data (Baht)			
Par Value	1.00	1.00	1.00
Net Earnings (Loss)	(1.25)	0.09	(0.21)
Book Value	2.12	3.39	3.32
Market Price	0.06	1.05	1.51
Financial Ratio (%)			
Profitability Ratio			
Return on Equity	(45.30)	2.54	(6.37)
Return on Sales	(44.82)	2.34	(6.28)
Net Profit Margin	(44.12)	1.94	(6.14)
Return of Total Asset	(18.79)	1.08	(5.18)
Investment Structure			
Debt to Equity (Times)	0.97	0.57	0.55
Debt to Equity to the company's Shareholders (Times)	1.30	0.83	0.86
Growth Opportunity			
Total Assets	(27.24)	(5.35)	2.11
Total Liabilities	(1.65)	(2.32)	11.17
Total Shareholders' Equity	(41.90)	(7.00)	(2.23)
Equity to the company's shareholders	(37.40)	2.08	1.19
Revenue (sales and project)	(23.67)	9.04	28.16

To Shareholders

Year 2019, Thai economy expanded to decline to 2.4 percent from a 3.0-3.5 percent growth although government helped to support some purchasing power continuously but Thai export sector is still affected by prolonged trade conflicts and slowing global economy which cause production in term of industries and export to slow down. Year 2020; Thai economy expected of not much expand around 2.8 – 3 percent for Public and Private Investment which will begin to move forward this year as many projects were postponed from previous year. Especially large scale infrastructure investment as now been signed and started to invested along with investment in EEC which includes 5G technology network thus should move forward after auction if completed

Nonetheless year 2019 is another year Board of Directors and Executives give importance role business operation growth together with keep up with chances in economic and society by turning back to manage cost in order to make use of investment funds As well as formulating strategies and business plans in the subsidiaries to be in the same direction to comply with the government's economic stimulation policy Including studying new products In order to create more value for the company and subsidiaries

However, throughout the past period apart from company and its subsidiaries has play importance roles on cost management including development of an organization management system to increase efficiency and competitiveness thus taking into account all stakeholders Commitment to management in accordance with good corporate governance as an internal control system thus have appropriate risk management and continuously support in term of anti-corruption

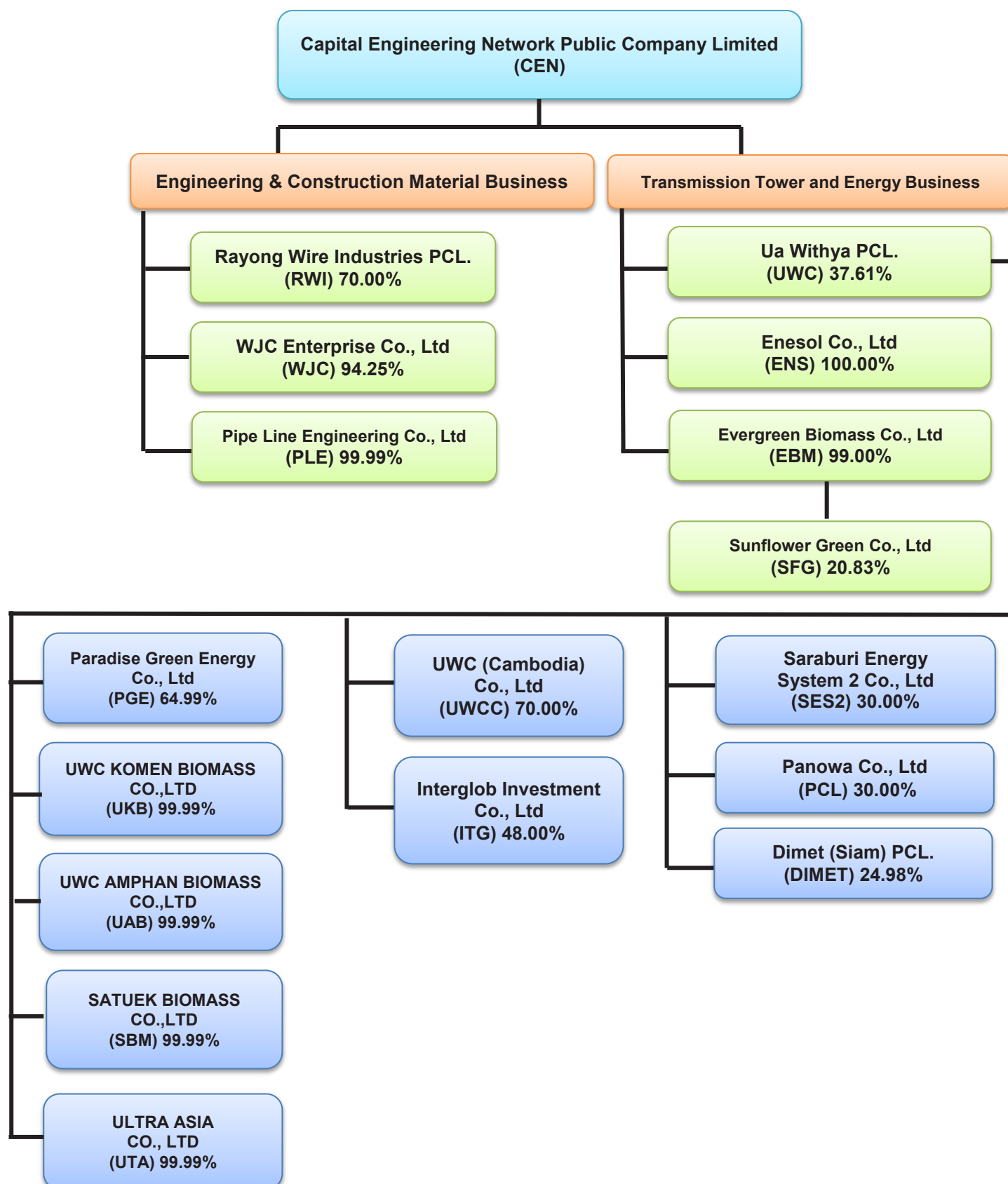
Lastly, on behalf of The Board of Directors, Executives and employees of Capital Engineering Network Public Company Limited would like to thanks shareholders, alliance of commercial, government and private institutes for their continue supporting the company all the times



(Mr. Wutichai Leenabanchong)
Chairman

Shareholding Structure of Company

We are the holding company as invests in core business rules associated with the operations division as follows:



Capital Engineering Network Public Company Limited (CEN) is a holding company. At the present, the company has in totaling of 6 subsidiaries which consists of 2 groups of business; Engineering Construction Material Business, Transmission Tower and Energy Business. The details are as follow:

1. Ua Withya Public Company Limited (UWC): CEN holds 37.61% of registered capital of Baht 1,907,119,713 with Baht 1,316,252,588 paid up capital as 13,162,525,880 of common shares at par value of Baht 0.10 per share. Its business is to manufacture and sale High Voltage Transmission Tower, Substation Steel Structure, Telecommunication Tower and Hot Dip Galvanizing Service thus UWC's subsidiary has strengthened its business by investing in renewable power plants since 2015.

2. Rayong Wire Industries Public Company Limited (RWI) CEN holds 70.00% of registered of Baht 318,182,593 with Baht 318,182,593 of paid up capital which consists of 636,365,186 common shares at par value of Baht 0.50 per share. Its business is to produce and distribute of (1) Pc-Wire which is mostly used for production of pile electricity poles, ready concrete floor. (2) Pc-Strand which is mostly used for large construction such as bridge beams, large pile and (3) Welding Wire (4) Other Wire which is mostly used for welding industries

3. Enesol Company Limited (ENS): CEN holds 100.00% of the amount of registered of Baht 484,000,000 and Baht 302,500,000 of Paid up Capital as 4,840,000 of common shares at par value of Baht 100 per share. Enesol produces and distributes electricity and thermal energy to The Siam Ceramic Group Industries Co., Ltd and SOSUCO CERAMIC COMPANY LIMITED

4. WJC Enterprise Company Limited (WJC): CEN holds 94.25% of registered capital and paid up capital of Baht 150,000,000 which divided into 1,500,000 common shares as par value of 100 Baht which their businesses are metal construction service, design and metal forming; their factory is located at Laemchabang by undertaking metal work both domestic and abroad for the petrochemical industry, Energy Industry, Construction Industry and others

5. Pipe Line Engineering Company Limited (PLE): CEN holds 99.99% of registered capital of Baht 150,000,000 with Baht 144,000,000 of paid up capital, Baht 1,500,000 of common shares at par value of Baht 100. Its business is Contractor, Underground Tunneling and other construction tasks.

6. Evergreen Biomass Company Limited (EBM) CEN holds 99.00% of registered capital and Paid up Capital of 50,000,000 thus 5,000,000 common shares at par value of Baht 10. Its business of production and distribution of raw materials for biomass energy.

Income Structure

Type of Business	Proceeding by	% of share holding	Year 2019	%	Year 2018	%	Year 2017	%
Business Investment	CEN		0.18	0.01	344.38	10.54	(31.27)	(1.22)
Steel Wire Business	RWI	69.83	681.69	32.35	1,105.24	33.81	944.54	37.03
Steel Structure Business; Design and Distributing main structure according to pattern	UWC	39.76	664.23	31.52	1,511.93	46.25	988.59	38.76
	And WJC	94.25						
Transmission Tower and Thermal Energy	ENS and subsidiaries of UWC	100.00 39.76	758.96	36.01	306.81	9.39	617.01	24.19
Contractor and Tunneling	PLE	99.99	1.57	0.07	0.36	0.01	0.04	0.00
Agriculture Business	Subsidiaries of UWC	25.84	0.91	0.04	0.06	-	31.64	1.24
Total			2,107.54	100.00	3,268.78	100.00	2,550.55	100.00

Nature of Business

The company is a holding which investing in other companies. Currently, there are 6 subsidiaries

1. Ua Withya Public Company Limited (UWC)
2. Rayong Wire Industrial Public Company Limited (RWI)
3. Enesol Company Limited (ENS)
4. WJC Enterprise Company Limited (WJC)
5. Pipe Line Engineering Company Limited (PLE)
6. Evergreen Biomass Company Limited (EBM)

By Board of Directors and Executive Boards will determine operation of Business and give authority for management of subsidiaries in integrated management.

Type of Product of subsidiaries

➤ Ua Withya Public Company Limited (UWC)

The subsidiary has established in 1967 -manufactures and distributes galvanized steel structure for high voltage electrical towers, telecommunication poles and steel structure for electrical substation as well as provides galvanized coating services and made-to-order products and started invested in energy business (renewable Energy) in year 2015. Business of UWC consists of 4 groups as follow

1. Production Business

UWC is doing business in design and produce steel structures as consists of

1.1 Steel Frame Pole

1.1.1 High Voltage Transmission Tower – TL size off 115 kV / 230 kV / 500 kV with expertise of personnel in term of Engineering (Production & Design) and also advance in quality control therefore subsidiary certified by Electricity Generating Authority of Thailand “EGAT”.

1.1.2 Substation Steel Structure – ST is galvanized steel structure which support electrical in substation such as Disconnecting Switches, Lighting Arrestors, Capacitors and other substations which acts as an electric and convert voltage from 69 Kilo Volts, 115 Kilo Volts, 230 Kilo Volts and 500 Kilo Volts in order to pass through high voltage transmission line and power distribution system before electricity distribution to consumers

1.1.3 Telecommunication Tower – TC with high of 20 – 100 Meter in order to install of network of leading companies in Thailand such as AIS, Dtac, TruemoveH, CAT, TOT

1.2 Building and Frame – BF, General Fabrication - GF) is steel structure which used in various businesses including galvanized and non-galvanized coating service such as steel roof, sidewalk, fence, structural steel frame and factory. For general steel structure such as steel roof structure, steel structure of building and factory, steel structure for billboards

2. Service Business

UWC provides Galvanizing Services which provides to general customers for uses to make steel structure such as Cable & Steel Grating to coat in order to make steel to be resistant to rust. By this, subsidiary company could make hot dipped galvanized. The product has been awarded industrial product standard symbol ISO 1461 and American standard of ASTM A123, ASTM A153, and British standard of BS 729, Japanese Standard JIS H 8641 and JIS H 9124, Australia Standard AS 1214: AS/NZS 4680 and Germany Standard DIN 50976

3. Sales Business

UWC has distribute of industrial products from leading manufacturer such as RENOLD from United Kingdom and ARNOLD from Germany which main products are chain, gear and motors

4. Energy Business

UWC has expanded their business into renewable energy business by investing in Biomass Power Plant as distribute electricity to Provincial Electricity Authority. At the present, Power Plant of subsidiaries has total capacity of 26.9 MW

UWC has subsidiaries in field of renewable energy as follows:

1. UWC KOMEN BIOMASS COMPANY LIMITED

Located in Nakhon Ratchasima Province as Biomass Power Plant as capacity of 9.9 MW and Power Supply Agreement to Provincial Electricity Authority 8 MW

2. UWC AMPHAN BIOMASS COMPANY LIMITED

Located in Satuek District, Buri Ram Province as Biomass Power Plant as capacity of 9.5 MW and Power Supply Agreement to Provincial Electricity Authority 8 MW

3. SATUEK BIOMASS COMPANY LIMITED

Located in Satuek District, Buri Ram Province as Biomass Power Plant as capacity of 7.5 MW and Power Supply Agreement to Provincial Electricity Authority 6.5 MW

4. Paradise Green Energy Company Limited

Located at Chum Phae District, Khon Kaen Province as nature business of processing energy Crop and sale energy crop products such as biogas, fertilizer,

- readymade meals for animal, biodegradable packaging which currently ceased operations
5. ULTRA ASIA COMPANY LIMITED (Old named UWC SOLAR COMPANY LIMITED)
As nature business of producing electricity from renewable energy and Telecommunication

Marketing and Competition

• Marketing Strategy

UWC realize in term of reasonable in quality and price of products and services which includes deliver products and services that are punctual and maintain excellent relationship among UWC's partners by following marketing strategies

1. Products and Services

Producing and distributing quality products and services that meet the standards
Production and Sales Business

UWC – committed to be a leader in product quality both before and after sales services by focusing on the training and development of personnel with expertise team and effective in conducting throughout business thus associated with produce quality products and meet standards as design by modern computer, select quality raw materials from reliable manufacturers through production process with modern technology equipment and there is inspection and quality control procedure in accordance with industry standards and ISO 9001:2015 which builds confidential for customers

Energy Business

Subsidiaries of UWC produce and distribute renewable energy by expertise personnel and experiences in energy engineering in order to control and manage Power Plant to produce most efficient

2. By personnel with expertise and experience in energy engineering

Production and Sales Business

Production of UWC as a project work and there is a contract to buy before starting operation which each project started from 6 months – 2 years and clear deadline for delivery work. The most importance for UWC to conduct business is to delivery products on time thus UWC meet its goals as a result of systematic work and production planning, including efficient raw material reserves too

3. Types of customers, target customers

Production Business

- Steel Structure – Main customers such as foreign and domestic contractors which received work from government agencies and state enterprises e.g. Electricity Generating Authority of Thailand (EGAT) and Provincial Electricity Authority (PEA)
- General Steel Structure – Main customers such as general contractors and any customers who need to receive assembly services and general steel installation

Service Business

Galvanizing services as manage to general customers who need their products to be resistant to rust

Sales Business

Selling industrial products will focus on industrial customers

Energy Business

Subsidiaries of UWC selling electricity to PEA

4. Pricing Policies

Production, Services and Sales Business

UWC has policies on pricing which can complete in business by focusing on effective cost management in order to reduce loss from production so UWC could set up the price to be completed in business. Currently, there is a policy to set product prices by adding profit margin from cost thus factors considered in determining the price consist of price of raw materials, equipment, others uses in production, difficulty in production, bidding period, Quantity and amount of work, production capacity together with as well as considering the history of each customer who has had a joint transaction

Energy Business

Selling electricity in accordance to specification power purchase agreement with government agencies

5. Sale and Distribution Channel

Production Business

UWC can divide into 2 channels for distribution in order to reach needs of customers efficiently such as

1. Getting job as sub-contractor from main contractor (winning the bid) as mostly are high voltage transmission, telecommunication tower and general steel structure as in the past by following details

- High voltage Transmission Tower from joint venture with XD-HYPEC-SCL-TNP, TATA Projects Limited, DEMCO Public Company Limited and KEC International Ltd.
- Telecommunication Tower from BB Technology Company Limited

2. Bidding the project directly in order to be main contractor for project which mostly is Steel Structure for sub-station

Service Business

Galvanizing service for general customers which uses services regularly as mostly from industrial (General and Civil Construction), machinery manufacturing industry, chiller industry and machine building engineering

Sales Business

Company import industrial products such as chain, gear, coupling and others from foreign under brand Renold in order to sell to customers in various industrial groups such as cement industry, Petrochemical, Construction Material and Processed Food Products

Energy Business

Subsidiaries of UWC which operates electricity generation to PEA

• Industry and Competition

High Voltage Transmission Tower and Sub-Station Industry

High Voltage Transmission Tower and Sub-Station Industry both in accordance power transmission system development project and plans from Electricity Generating Authority of Thailand (EGAT) and Provincial Electricity Authority (PEA) which is during the processes during BE 2558 – 2579 (PDP 2018) by consists of following projects (Reference from Energy Policy and Planning Office, Ministry of Energy)

- Transmission system development project to meet increasing electricity demand
- Transmission system development project to enhance the electrical system security
- Project to improve and expand transmission system to deteriorate according to the useful life
- Transmission system for supporting the connection of power plants
- International Grid Transmission System Project (Grid to Grid)
- Transmission system development project according to master plan of smart grid of Thailand

Need of High Voltage Transmission Tower is expanding continuously in accordance to Thailand Power Development Plans BE 2558-2579 (PDP 2015) BE 2561-2580 (PDP 2018)

Currently, Thailand has only 5 manufacturers of High Voltage Transmission Tower (500 MW) so market shares will depend among these 5 manufacturers thus UWC has market shares year 2019 equal to 35 percent. In addition, for new comer there are limitations on experience and waiting from government agencies therefore impact of entry of new competitors in this business is not severe.

Telecommunication Tower Industries

Telecommunication Tower Industries depends on the country's technological development and telecommunications service plans thus year 2019 these industries is slow down but expansion regularly in order to provide more comprehensive services to customers and support 5G which will be happened in the future. However, Investment plans for expanding telecommunications network in the ASEAN region are expanding continuously so not obstacle for expanding this business for UWC even though demand for domestic is slow down

General Steel Structure Industries

General Steel Structure Industries depends on construction industry thus year 2019 these type of industry growth slowly both government and private sector as most of the construction activities were ongoing projects from the previous year even though general steel construction is slow down but housing repair market is a large and potential market with over 26.7 million homes reference from Office of the National Economic and Social Development Council thus each year consumers will spend in repair and improvement of housing around 300 Billion Baht

General Steel Structure – company will be able to provide design services, adjust the proportion, format, size, height, features, size and style that is appropriate for each construction project in order to comply with need of customers

Galvanizing Services

Trend of steel products are require for galvanizing in order to prevent corrosion due to current environment is polluted weather and highly corrosive acid rain therefore its necessary for steel structure to be hot-dip galvanizing when uses for building exterior so resulting in continuously increase and expected to increase in the future

Industrial Products

Industrial Products such as chain, gear, coupling and motors uses in general industrials, every industrials- Demand for products of repair or modification of machinery equipment is regular and continuous. In addition, trusted in quality of products under brand namely Renold throughout 100 years includes efficient before and after sale services is very important; therefore it is important that company's products continue to be trusted by customers although there are many competitors but on the other hand products under brand namely RENOLD and ARNOLD always in needs of customers

Energy Business

Conditions and Trends for energy business will be in accordance to power development plan of country BE 2561-2580 (PDP 2018) and Alternative Energy Development Plan (AEDP) concludes as follows:

New Electricity Generating Capacity during BE 2561 - 2580	Unit (MW)
Renewable Energy Power Plant	20,766
Reverse cycle hydroelectric Power Plant of EGAT	500
Cogeneration Power Plant	2,112
Combined Cycle Power Plant (EGAT/IPP)	13,156
Coal Power Plant (Lignite) (EGAT/IPP)	1,740
Purchase power from oversea	5,857
New Power Plant / Renewable	8,300
Energy Conservation Plan	4,000
TOTAL	56,431

Renewable Energy Power Plant

According to Plan of AEDP	18,176
According to Government Promoting policies	520
VSPP with obligation	528
SPP with obligation	1,150
SPP Hybrid Firm	300
EGAT Projects await for approval from Cabinet	92
TOTAL	20,766

Power Plant according to AEDP**Capacities according to agreement**

	PDP 2015	PDP 2018
Solar Power (On-grid)	6,000	10,000
Biomass	5,570	3,376
Biogas (waste water / waste)	600	546
Solar floating buoy	-	2,725
Wind Energy	3,002	1,485
Industrial Waste	50	44
Others (Waste from Community, small/large water power)	4,462	-
TOTAL	19,684	18,176

Power Plant According to Plans**Capacities according to agreement**

Waste from communities	400
State Biomass 3 Province in Southern	120
TOTAL	520

Energy Business of company is Biomass Power Plant which in accordance to PDP 2018 with the capacity in accordance to agreement reduce from 5,570 MW in plans PDP 2015 to 3,376 MW in plan PDP 2018; The company as a very small private power plant operator therefore need to study and find ways to improve and develop business in accordance with changing energy development plans

- Raw Material and Kind of Raw Material**

Production Business

Manufacturer of High Voltage Transmission Tower, Sub-Station and Telecommunication Tower as raw materials are steel and zinc

- (1) 90 degree of symmetry steel grade SS400 size between L40x40x3 to L200x200x20
- (2) 90 degree of symmetry steel grade SS540 size between L75x75x6 to L250x250x35
- (3) 99.99% zinc

UWC has policies to order some raw materials from domestic manufacturer in advance to obtain sufficient quantities of raw materials, qualities as meet requirement and based on utility of customers. UWC has no barriers to delivery of goods delayed because have efficient inventory management system which covered selection of supplier for raw materials with good quality of raw materials and on time deliver

Price of raw materials is fluctuated in world market by year 2019 price of steel and zinc swing up and down throughout the year

However, even though price of raw material year 2019 is fluctuated thus from effective plan to purchase raw materials of UWC leads to cost of purchase raw materials can be kept close to estimate raw materials in quotation to customers.

At the present, UWC has purchase raw materials more than 4 distributors and able to supply quantity of steel which meet demand and appropriate purchase price by comparing with previous year (at the beginning of year)

For Zinc Ingot, in the past UWC purchased from Sang Charoen and Nam Charoen Galvanized Company Limited

Efficient inventory management is considered an important factor in the high voltage transmission tower business and considered as importance factor for competition which being able to maintain ability to complete due to UWC has enough inventories so can deliver products to meet needs of customers

Sales Business

Most industrial products imported from United Kingdom and Germany therefore management in inventory is very importance to meet need of customers by tracking movement of statistical data of past purchasing order. In addition, UWC has classifies inventory management into 2 categories as follows:

(1) Fast Turnover Products or being order regularly is a group which market is in high demand and buyers need to use product immediately after ordering the product therefore reserve for inventory and ready to deliver is importance consists of chains and chain link

(2) Normal Products or rarely order is a group which market is high value of products and can wait for the products thus these kinds of products no need to reserve a lot of inventory such as gear and coupling

Energy Business

Most importance raw material for Power Plant Business is fuel in which 3 subsidiaries used mixed fuel including chopped wood and bark by wood chopped is a primary fuel

Wood Chopped means lots of bench left over of tree pruning from farm fields or orchard through process of chopping into small pieces

At the present, subsidiaries has purchases wood chopped from local seller by selected seller from quality of fuel in term of Moisture of fuel which is more than 20 sellers

Unprocessed work

Manufacture of Steel Business

As at December 31, 2019 –the company has during process work and expected to deliver all within year 2020 as follows

Name of Project	Work Load (Tons)	Unprocessed Value (Million Baht)
High Voltage Transmission Tower (TL)	1,355	58.549
Telecommunication Tower (TC)	4	0.116
Substation Steel (ST)	245	11.375
General Steel (GF,BF)	22	0.249
Total	1,626	70.289

Energy Business

-None-

➤ **Rayong Wire Industries Public Company Limited (RWI)**

Its business is to produces and distributed pile electricity poles and welding wire as total production capacities in year 2019 of 72,000 tons per year which consists into 5 categories as follows:

1. Pre-stressed concrete wire or PC-wire with diameters of 4, 5, 7 and 9 millimeters. The product has been awarded industrial product standard symbol No.IPS.95-2540. It is used in

construction that emphasizes strength and durability to support loads and has been used in production of piles, electricity poles, finished floor slabs and concrete railroad tiles.

2. Steel Wires Strand for pre-stressed concrete strand or PC-strand with diameters of 9.3, 9.5, 12.4, 12.7 and 15.2 millimeters. The product has been awarded industrial product standard symbol No. IPS. 420-2540. It is made of PC-wires stranded together to enable it to withstand more tension, and is mostly used in large construction work e.g. bridge beams, elevated roads, large-sized piles and silos.

3. Hard Drawn Wire or “HDW” with diameters 2.0 – 7.0 millimeters. The product is used in mattress industry, auto parts industry; wire meshes industry and spring industry.

4. Ordinary Low Carbon Steel Wire with diameters 2.8 – 7.0 millimeters. The product has been awarded industrial product standard symbol No. IPS.194-2535 and IPS.747-2531. It is used in piling industry, electricity post and drain.

5. Wire Mesh with diameters 2.8 – 7.0 millimeters. The product has been awarded industrial product standard symbol No. IPS 737-2549. It is used in construction of road, building and finished walls.

Marketing and competition

• Marketing Strategy

1. RWI has various produces and distributed of products by each product objective is various as well. The strategy of company is willing to access the target volume which can be classified into many categories. First consideration for contractor is PRICE while automotive customers are interested in Quality in order to meet needs of target customers.

2. Retain existing customers with annual sales from existing customers is not less than 70%.

3 RWI has intension to consumption of customers and whole dealing customers. For example, review on measuring tools including problems occur of using products and services regularly in order to improve their performance and serve customers satisfaction on product qualities and services of our company.

4. The subsidiary is granted a certification of standard entitled ISO 9001:2015 certified by the SGS (Thailand) Co., Ltd and ISO 14001: 2015 for environmental. Moreover, the products of the subsidiary are certified by the Ministry of Industry's industrial product standard (IPS).

5. The total sales of RWI customers, 60% are various sectors of our country and building relationship with customers all over the country. For example, joint activities to strengthen existing channels.

6. RWI has plans to expand more on new line of products in order to reduce risk from operation thus services customers by various orders from company itself also expand the market by no additional cost or resources.

7. RWI is focusing on personnel knowledge of subsidiary to strengthen and understand of operation management by using ERP (Enterprise Resource Planning) for management in term of production process in order to reduce production loss in manufacturing thus also use management system to produce products that meet quality requirement of our customers. Apart from this, will focusing on management in term of inventory in order to have highest return for RWI.

• Types of customers, target customers

RWI has distributed all products to customers within the country which can clarify as follows:

Pre-stressed concrete wire (PC-Wire) and Pre-stressed concrete strand (PC-Strand) as group of customers consists of

1. Domestic Customers

1.1 Private Sector which equivalent to 95 percent of Pre-Stressed concrete sold as consists of

- Concrete products factory such as Pipe casting factory, electricity post, slabs, girder and finished walls.
- Contractor and bidding with government sectors such as building contractor, freeway construction and electric cables.

- 1.2 Government sector and State Enterprise such as Provincial Electricity Authority, Metropolitan Electricity Authority, rebuilding a bridge as equivalent to 5 percent of total sale of Pre-stressed Concrete

2. Foreign Customers

- 2.1 Sale directly to users of steel wire within those countries as use for production such as concrete products e.g. Factory (Producing pile), finished wall

- 2.2 Sold through dealer in those countries

Spring their customer target consists as follow

1. Mattress Industry
2. Automotive Industry
 - Shock absorbers
 - Chain
 - Spokes
 - Car Seat
 - Hard Drawn in General Motive
3. Wire Meshes Industry
4. Hard Drawn Industry

Low Carbon Steel "Cold Drawn Steel Wire" as group of customers consists of

1. Concrete Distributor such as finished pipe group, manufacturer of electric pole or pile
2. Construction Group
3. Finished wall Group
4. Route Construction Group
5. Government Sector
6. Dealer or construction material store

Sheet steel welded wire mesh for concrete reinforcement as group of customers consists of

1. Concrete Distributor such as finished pipe, plank
2. Construction Group and auction of government sector
3. Finished wall Group such as Pruksa Village project
4. Route Construction Group
5. Government Sector such as Department of Highways, building and restoration a Bridge, Public Works Department, Royal Irrigation Department, National Housing Authority.
6. Dealer or construction material store

By this, RWI has play importance intention to long term relationship customers and good relationship customers thus new customers will focus on financial stability and has potential in the business.

• Pricing Policies

RWI has policies on pricing strategy by cost plus margin however, in order to set final pricing will rely on need of consumer and competitive condition within the industry in each period wherewith steel industry is fluctuates follows major business cycle.

• Sale and Distribution Channel

1. Maintaining the distribution channel of subsidiaries by customer who have purchased a wire from subsidiary in year 2019 must be retained and year 2020 use of wire should not less than previous
2. Increase sales for prospective clients to have in the future
3. Distributed Wire through agent
4. Increase sales channels abroad

- **Industry and Competition**

Industry structure of Rayong Wire Industries Public Company Limited (RWI)

Steel Wires for Pre-stressed Concrete and Steel Wires Strand for Pre-stressed Concrete

Overall construction in the future is in good direction, basic construction of government sector turns out for construction in a good way meanwhile world economic situation and domestic economy is not good enough which leads total market in year 2019 a little bit better. Currently, there are 15 manufacturers within the country by subsidiary company has market shares of 10% and in the range of 5th of total market

Factors impacting the business operation

- **New operator entering into market**

Due to this business need lot of money to invested, complicated in production process but presently, price of machines are cheaper and technology for producing machines are easier thus invest in this industry is not difficult. By this, most important this product concerned with safety, familiarity of use so this might be the point of delay in accessing the market of new entrepreneurs.

- **Bargaining power of suppliers**

Because sources of raw materials in manufacturing on PCW&PCS there are several vendors both domestic and international. The negotiations on the purchase of raw materials are not difficult thus can supply good quality at a reasonable price as quality of raw materials effect finished goods produced also cause cost of production

- **Bargaining power of buyers**

Instability in political resulting from slowdown in construction, in year 2019 investment in construction industry has decline, less demand for steel wire as lead to high bargaining power. Moreover, the second half of year there are large project investment of government which makes customer interest more on quality of product rather than on time deliver.

- **Product substitution**

From PCW&PCS is special product to produce concrete such as concrete piles, electricity poles, finished floor and large construction project. The example of large construction projects are electric mass transit railway , express way, building which to product such concrete has set specific ingredients such as PCW&PCS constituent therefore no other products can be substitute.

- **Current Competitor**

As construction in year 2019 is slowdown and large investment projects of government sector has been postponed meanwhile producing capacity of each manufacturer over demand resulting in high competitive in term of prices thus products imported from China which produce PCW&PCS. By this, PCW&PCS products concerned on safety and quality standards which required for products to be imported thus local productions have TIS. In addition, production of PCW&PCS produced domestically can solve more quickly if there are a problem because a replacement product immediately available.

Industrial on Spring Wire

Spring Wire used in automotive industries and mattress as from past production on automotive increase rapidly and good direction in the future but situation in year 2019; automotive industries has declined in production compared to year 2018 in ratio of 8 percent but mattress industries as Trade War between United State and Republic of China resulting in mattress manufacturer from China what deliver mattress to United State, Europe has move production from China to set up factories in Thailand causing increase in volume of wire usage in year 2020

Factors impacting the business operation

- **New operators entering into market**

Due to this business need lot of money to invested in machinery, modern technology in

production process and most important this product concerned with safety and accuracy desired such as automotive, electronic parts, using knowledge of product to users' familiar applications. By this, if using product from new operators which no skill or experience in manufacturing then users will not pay attention because prices inferior than quality. However, lower the price from new operator may not interested user if operator bid closer price. The most important factors for doing this business are relationship, closer to customer, provide advice and after sales service as well and also provide useful knowledge about products and services together with other relevant information.

- **Bargaining power of suppliers**

Source of raw material for producing HDW have distributors from local and foreign therefore the standard of raw material for producing is obvious which makes easier in negotiation and can supply good quality with the reasonable price.

- **Bargaining power of buyers**

Users of HDW products mostly are concerned on quality of products and on time deliver therefore if meet the requirement from users such as standard quality, on time deliver then bargaining power of customers will be less even though there are imported products from overseas. By this, users are inconvenience to store more raw materials, late deliver or problem on products are waiting to be compensate which included fluctuation of currency make users need more demand on domestic goods rather than oversea products with the same quality with a little higher in pricing.

- **Product Substitution**

The standard on buying HDW product has been set in production process of customers such as in automotive industrial, HDW for producing spring wire will set specification on wire, grade of materials, source of materials so it is specifically made then no other wire cannot be used in replacement.

- **Current business competitor**

From the automotive industry to grow significantly, Thailand came 1 in 10 of country this consists of large automobile and lead to growth in automotive part as well. The importance obstacle of this business are user willing to concerned on stable quality, modern in production process and development all the time. On time deliver also important for purchasing which make competition in technology all time especially oversea that has new technology better than subsidiary, any slow development will affect business operations. Moreover, if could develop the product continuous then competitor will be low and could set up the market.

Industrial on Ordinary Low Carbon Steel Wire and Wire Mesh

Factors impacting the business operation

- **New operators entering into market**

By entering into these types of product industry is not difficult because this business is not lots of money on producing, uncomplicated technology or production process, machines can be manufactured domestically or abroad but most important thing is relationship among customers and volume of existing customer across country, usage consumption may not be much but there are many customers. The problems on new operators; they need to distributed throughout the country and have good and long relationship with customers which in this part is high expenses for new operators.

- **Bargaining power of suppliers**

As source of raw materials have both local and oversea distributors therefore negotiation on purchasing raw materials would be easier with good quality and reasonable price. Moreover, the gap between supplier of raw materials in the production of Cold Drawn Steel Wire and Wire Mesh either large or small the price would be little differ because quality of raw materials is not different.

- **Bargaining power of buyers**

The construction has been slowed by political instability in year 2019 investment in construction industry has decline, less demand for steel wire as lead to high bargaining power and less by distance away especially in Bangkok and suburb due to inconvenience for distribution and less relationship with customers.

- **Product Substitution**

Cold Drawn Steel Wire and Steel Wire Mesh is the product which meet the industrial Standard, by using this product in concrete measures are defined such as concrete piles, electrical poles, road construction and building. The mentioned construction is configured to use cold drawn steel wire and Steel wire mesh for constituent therefore other substitution of product can be used such as steel rod but with inconvenience of usage and in construction requirement need to be fast, easy so no commonly used for substitution.

- **Current business competitor**

Slowdown of construction in year 2019 and large project investment from government has postponed, more demand than supply which leads competition of manufacturer in term of prices therefore expansion of market is difficult because each manufacturer trying to maintain their own customers

Product Procurement

- **Production and Production Volume**

RWI's factory located at No.5 I-Five Road, Tambon Mabtapud, Amphur Muang, Rayong. In 2019, the production capacity is 72,000 tons per year.

In 2019, the subsidiary company utilized 70 percent of total capacity. The factory is run 20 hours per day.

In 2020, the subsidiary company has expanded its production capacity to 72,000 tons per year which utilized 60 percent of total capacity.

- **Raw materials and types of raw materials**

Main raw material used in the production is wire rods which can be classified into 4 types

- (1) High Carbon Wire Rods, 8, 9, 11 and 13 millimeters in diameter, are raw material used for production of PC-wires and PC-strands.
- (2) Medium Carbon Wire Rods 5.5 millimeters or over in diameter are raw material used for production of spring wire.
- (3) Low carbon wire rods, 5.5 millimeters in diameter, are used for production of welding wires and galvanized wires.
- (4) Low carbon wire rods, 5.5, 7, 9 millimeters in diameter wire for producing casing pile and Welded wire mesh weaving.

There are no alternative materials for the above raw materials because wire rods production technology is not changing rapidly.

In year 2019, raw materials used in the production are procured locally and internationally by 5 distributors; the subsidiaries have some policies to spread under the risk in order to be confidential that there is no lack of producing raw materials. Year 2020, company has plans to increase proportion of local distributor in order to serve exchange rate.

Unprocessed work

-None-

➤ **Enesol Company Limited (ENS)**

ENS as nature business of management in energy especially in the form of Cogeneration or Combine Cycle in order to produce electricity for various size ranging from small to medium in order to use in industries. The first project of ENS invested in production and distribution of electricity and thermal to SCG CERAMICS Public Company Limited (Nong Kae 1, Saraburi Province) and 2nd Project is production and distribution of electricity and thermal SCG CERAMICS Public Company Limited (Nong Kae Industrial Estate)

Marketing and competition

- **Marketing Strategy**

ENS is ready to propose the project as Cogeneration or Combined cycle in ordered to produce as needed from small sizes usage for building through medium size usage in industrials.

Both in the form of integrated construction contractors (including design, construction and operation) and form of production concessions thus carry on until delivery of assets when the concession is due.

At the present, ENS has carried out the said operation and has experience in the investment project for the production and distribution of electricity and the heat energy that has been installed and has been operate over 10 years through various problems and obstacles so bringing expertise to adjust form of the same district project in order to expand business opportunities in the next order

- **Type of customers, Target customers**

ENS selling almost all products to domestic customers due to group of customers as follows;

1. Industrial Group uses of Natural Gas as fuel in production of hot air and steam thus this group of customers can reduce cost of production by using natural gas to produce electricity thus hot air and steam resulted from electricity generation to use in production process
2. Industrial Group and control buildings that want to improve energy use within their own organization in order to save energy effectively and systematically conserving energy

- **Pricing Policies**

ENS selling electricity and hot air with the reasonable price and divided benefit between parties equally

- **Selling and Distribution Channel**

ENS selling electricity and hot air as can produced for industrial plant that have invested in Electricity and Hot Air Purchase Project lifetime of 15 years thus excess electricity from factor need to be sold to PEA

- **Industry and Competition**

At the present, Electricity and Thermal energy industry thus direction has been adjusted in accordance with government's policy to promote electricity production from renewable energy as well as focusing solving social problem such as community waste problem and agricultural waste products

ENS is participating in investments of affiliates and Partner Company in the project to convert waste into fuel, energy and electricity – Saraburi Province. Moreover, has plans to develop business in the future to participate in investment with partner company for long term for rid of waste with government agencies all over the country. Also expand investment in Affiliate Company of Siam Cement Group Public Company Limited ("SCG") in order to sell electricity and Thermal energy to SCG's affiliate as well.

Products Procurement

- **Impact on environmental**

Capacity on producing electricity	11,000	MW
Capacity on producing thermal energy	62,000	MMBTU/month
The amount of electricity produced in 1 year	68,000,000	kW-hr
The amount of Thermal energy produced in 1 year	511,000	MMBTU

- **Raw Materials and Type of Raw Materials**

Main raw materials to produce is natural gas from PTT

Unprocessed work

-None-

- **WJC Enterprise Company Limited (WJC)**

WJC as nature business of construction, steel structure and pipe work by accepting work domestic and foreign thus now receive work directly from Contractor, Sub-Contractor or Joint Venture. WJC can be contracted Assemble, install structural work, pipe work and construction work

thus current project of WJC such as welding, crane work, High Voltage Transmission Tower work, Telecommunication work, Steel Structure work and pipe work

Marketing and competition

- **Marketing Strategy**

1. Business operation of WJC certified by ISO 9001:2015 from SGS (Thailand) which make customer to be confident in quality including rely on the advantage of producing quality products that are used in the construction of factories or buildings
2. WJC has develop in management of production in order to achieve high standards thus keep track on sold products and track problem to be updated all the times which leads satisfaction from customers in term of quality and after sale services continuously
3. WJC has policy on set up price near to competitor and play importance roles and give importance to the customer base in order to receive ongoing work.

- **Type of customers and Target customers**

1. Foreign and domestic contractors which mostly are foreign
2. Retail group In terms of assembly and installation of general steel structures
3. Petrochemical chemical factory customers, who will undertake maintenance work which is a specific job
4. Biomass Power Plant Group who will undertake maintenance work which is a specific job
5. Retails Customer in term of High Voltage Transmission Tower and Telecommunication Tower

- **Pricing Policies**

WJC has policies in bidding for construction work by calculating cost of project, other expenses and determine growth profit margin based on reason in accordance to type of project and competition

- **Selling and Distribution Channel**

WJC has receive construction work directly to contractors both negotiation on prices and requesting plans in order to calculate quotation in accordance with rules; from time to time maybe contact employers or supervisor due to work experiences from the past quality work that trusted by contractors around subsidiaries to offer more jobs

- **Industry and Competition**

Construction Industrial has a high competition but currently amount of these industrial started to increase due to more foreign invested in the country. In addition, Thailand is a country with cheap wages as good workmanship including Petrochemical Industries and Biomass Power Plant continuously due to regular maintains therefore if company has experiences, specialize in term of work, ready tools and equipment for work to be ready to receive more jobs.

Products Procurement

- **Production capacity and production volume**

WJC located at No 543/1, Moo 1, Nong Kham Sub district, Si Racha District, Chon Buri Province thus year 2019 the company has plans for production of structures around 600 tons/month or around 7,200 tons / year

- **Raw Materials and Type of Raw Materials**

Main raw material is general structure and received most zinc from owner

Unprocessed work

-None-

- **Pipe Line Engineering Network Public Company Limited (PLE)**

PLE is conducting construction business, tunneling and related civil work by receives work from government, state enterprise and private sectors from Main Contractor, Sub-Contractor and Joint Venture; The subsidiary company can accept construction of manholes and drilling, pushing through pipes, underground pipe laying and any related work. Current projects of subsidiaries are construction of pipe pushing through sewage collection, treatment system, construction of manholes, push through underground electrical conduit pipe and construction of trunk main of Metropolitan Waterworks Authority

Marketing and competition

- **Marketing Strategy**

Advantage PLE Have machinery and equipment those are efficient, capable, and ready to operate in construction of large-scale pipe-pushing drilling project together with good relationship among customers and outsource contractors so have good opportunity to get new projects from existing and new customers both government and private sectors

Disadvantage PLE could not bid work directly from government sectors therefore need to corporate with company whose be able to deal directly to government sectors

Marketing Promoting potential by using proactive marketing in network of PLE, build good relationship among customers by have responsibility to customers, good plans in order to deliver work on time and effectively

- **Type of Customers and Target Customers**

Customer of PLE consists of government and private sector as target customer is government enterprise especially jobs that are financed by the bank for economic development such as Metropolitan Electricity Authority and Metropolitan Waterworks Authority including regional

- **Pricing Policies**

PLE has pricing policies for construction work, drilling, pushing through pipes and other civil work by calculating cost of project, other expenses and determine growth profit margin based on reason in accordance to type of project and competition

- **Selling and Distribution Channel**

PLE has receive construction work directly to contractors both negotiation on prices and requesting plans in order to calculate quotation in accordance with rules; from time to time maybe contact employers or supervisor due to work experiences from the past quality work that trusted by contractors around subsidiaries to offer more jobs

- **Industry and Competition**

There is a high competition in construction industrials both by submitting a tender and negotiating which will request for plans in order to calculate as defined; sometimes contact between employer and supervisor from the past quality work that trusted by contractors around subsidiaries to offer more jobs

Construction work both government and private sectors normally uses tender by selected contractor who proposed price close to market price which meet specified criteria - If many contractors join in the bidding process The job owner will have a lot of opportunities to choose the contractor at the same time contractor has qualified as required by owner also have right to select the project to participate in the tender as well. Since it is a free market Employers and small contractors have the right to negotiate on prices however, owner will determine qualification of contractor to participate the tender and have right to select any contractor in accordance to specification.

Competition of construction industrials, the company could receive more work, have experiences and specialize in various fields in accordance to specification from government and private sectors; inevitably has an advantage over other companies because if any type of construction work is reduced, other types of work can be substituted including complete work within the deadline and also meet the requirements. By this, ability to complete tasks within deadline and also meet requirements under specific time and requirement.

Products Procurement

- **Effect on environmental**
-None-

Unprocessed work

-None-

The major risk factors which might affect operating results of the company and its subsidiaries, and risk of prevention guideline can be summarized as follow:

Risk Factor of company

➤ **Capital Engineering Network Public Company Limited (CEN)**

• **Risk from business operation in group which is considered as part of company business operation**

CEN has expanded investment in various business in subsidiaries by diversify in term of investment, spread of risk and not cross shareholding, CEN will considering on potential investment in related business or benefit thus CEN will send someone to hold position of Director in subsidiaries in order to follow up operation of subsidiaries (performance of subsidiary depends on performance of CEN). By this, subsidiaries may face fluctuate in term of economy, more competitor and to comply with law and regulations. The above factors may affect business turnover and financial status of CEN due to CEN has returns in term of dividend payment therefore if there are a loss in subsidiaries then affect profit and loss as well as property value of CEN. At the present CEN has invested in totaling of 6 companies and subsidiary of CEN is UWC has invested in subsidiary of UWC in totaling of 10 companies therefore the company has risk management in following criteria

- Structure by business category for clarity and efficiency in operation, can specify and manage risk more effectively
- Study the expansion of investment in business that close or continuously business to be linked in order to create value added and competitive advantage
- Corporate Management by focusing on good corporate governance to be basis for sustainable growth

Risk Factor of subsidiaries

➤ **Ua Withya Public Company Limited (UWC)**

• **Fluctuation on price of raw materials**

Production Business

Steel and zinc as main raw material for production of High Voltage Transmission Tower, Steel Structure for Sub-Station, Telecommunication Tower and General Structure will change according to demand and supply of manufacturers and user around the world therefore changes in prices of steel and zinc will directly affect production costs; however UWC has policies on risk management in term of following cases:

- (1) Set up selling price and bids for various projects by keeping margin at a level that can complete with other operator
- (2) Has a policy on follow up changes of raw material price closely in order to assess situation and trend of price on raw materials to be taken into consideration on set price of steel frame production as plans on purchasing, managing raw material inventory
- (3) To continues improve management in production in order to control on cost of production at reasonable level
- (4) Has policies to maintain good relationships with customers thus negotiating with some customers to adjust their selling prices in line with changes in price of raw materials
- (5) Keeping track of products that has been sold as well as tracking the problems in order to improve work always which lead to increasing in customers' satisfaction in term of quality and services (after sale) so price can be set as appropriate level

Energy Business

Fuel is of the most important factors for Power Plant Business- subsidiaries of UWC is aware of importance on fuel management of Power Plants as focusing on supply and use of chopped in replacement of husk which has high price. UWC has set up a subsidiary in Cambodia in order to supply raw materials for wood chips for Power Plant and in group of company

- **Risk from raw materials procurement and reliance on raw material suppliers**

Production Business

UWC almost purchase raw materials from domestic distributor which may have risk if supplier fails to deliver raw material to be on schedule

However, UWC has assess situation closely and planning to order raw materials in advance and from the past operation have never encountered a shortage of raw materials so we believe that there will be no impact or damage in ordering raw materials from suppliers of such raw materials

Energy Business

Subsidiaries of UWC plans to supply fuel at a radius around the Power Plant and each Power Plant has fuel storage facilities to reserve fuel during period where there maybe obstacles in term of harvesting and delivering eg; rainy season at least 20-30 days. Apart from this, there are still subsidiaries in Cambodia which produces and procures wood chips to feed Power Plants in company's groups.

- **Risk from dependence on customers**

UWC is manufacturing of high voltage transmission line tower, steel structure for substation and telecommunication tower as main customer is principal or subcontractor of Electricity Generating Authority of Thailand e.g. CAT Telecom Public Company Limited as there is a risk of reliance on major customers.

However, UWC has receive order from customers continuously due to meet customers need in term of qualities, on time deliver, competitive price and monitoring on products after sold which includes any problems happened to improve in term of work. As a result, customers are satisfied with quality and after-sales services

- **Risk from Personnel**

Production Business

The production of steel structure requires expertise from engineering with experience in design and production. As at December 31, 2019 number of engineer equal to 13 people so there is a risk on dependence engineer and expertise if such employees resigned then lead to shortage of staffs and may effect operation in business

However, UWC has policies on featured treatment personnel to perform continuous in long term by compensate to a level of competitive with other relevant business. Moreover, UWC has development policy by sending staff for training as includes focusing on evaluation system with performance and compensation of employees thus in the past, has never faced shortage of engineers and specialists.

Energy Business

By these subsidiaries of UWC has existing human resource policies and selects personnel with knowledge and experience in order to strengthen and providing both insider and outside regularly

- **Risk from Loan to Customer**

Production Business

UWC gives 30-120 day of credit to customer therefore this might be a risk on collecting debts (if could not collect debts on whole amounts) then its affected liquidity and company financial status)

However, UWC has regulation for reserve raw material and left in stock (inventory) to be appropriate for price changes of raw material and project deliver to customers on set amount of credit to customers (long term relationship) and as newly customers, company will estimate the risk by paying cash first. Apart from this, estimation allowance from doubtful account by analyzing historical payment and based on current status of outstanding receivables. Moreover, allowance for doubtful account is provided by analysis of debt repayment history and potential future risk mitigation and for overdue receivable over 1 year is set aside 100 percent and quality of receivable is monitored.

Energy Business

For business agreement of purchasing electricity with PEA and external customer there will be credited for 30 day - Without the risk of collecting debt from buyers who are government agencies

- **Risk from working capital**

Production Business

Business operation of UWC needs to reserve raw material for future usage of producing steel structure and delivery to customers under contract therefore if inventory cannot be managed then it should be rotated to appropriate level these may affect shortage of working capital and decline in liquidity.

However, UWC has policy on reserving raw material and inventory by considering on suitability of changes in price of raw materials and quantity delivered to customers.

Energy Business

In Power Plants Business there need to reserve raw materials in advance to use as a fuel for generation of electricity, sale of electricity to PEA will have 30 day of credit term (affect working capital, liquidity and financial status of UWC subsidiaries). There is necessary to have policy on reserving raw materials and money to circulate in working capital in accordance with expenses of company and prevent these problems which related to liquidities

- **Risk from source of investment fund and exchange rate**

Production Business

Business operations of UWC need to have source of fund for expansion and achieve importance goals as planned thus subsidiary has credit line with bank and other places to support in term of finance with reasonable interest rate.

Energy Business

This kind of business need lots of money but trend to secure on recognition long term of income therefore for achieve expansion on subsidiaries of UWC business; it has prepared plans for approval of credit lines together with business plans for various commercial banks in accordance with expansion plans of subsidiaries of UWC

- **Risk from policies and support from Government Agency**

Production Business

In electricity development plan of Thailand BE 2561- 2580 (PDP PLAN 2018) there are guideline for making plan consisting of 4 main parts which are

1. Power Plant in accordance to Government Promotion Policy as promotion of electricity from renewable energy
2. Main Power Plant in term of fossil fuel consists of PEA, IPP and purchase power from Abroad
3. Renewable Power Plan consists of Biomass, Biogas, Solar Power, Solar Energy; Floating buoys together with hydropower plants and other renewable energy
4. Energy conservation policy that can prove confidence with quality and can complete with the price not over grid parity

Alternative Development Plan as follows:

Alternative Development Plan AEDP		Unit : MW
	PDP 2015	PDP 2018
Biomass	5,570	3,376
Biogas	600	546
Solar Power	6,000	10,000
Wind	3,002	1,485
Waste from Industrial	50	44
Solar Energy: Floating Buoy	-	2,725

It can be seen that government has changed electricity production plan from PDP 2015 to PDP 2018 which depends on each type of Power Plant therefore subsidiaries of UWC need to study and closely monitor situation in order to prepare business plan in accordance with current situation

- **Risk from Environmental Factors**

- Production Business

- Steel Tower manufactures may cause air pollution, noise pollution which may have complaint from people surrounding areas.

- In this case, UWC has provide protective on environmental including environmental quality measurement, air pollution, waste water and waste from production process (measurement yearly) as to compare results with standards prescribed by law. In the past, results of environmental quality measurement were not exceeding standard

- **Rayong Wire Industries Public Company Limited (RWI)**

- **Risk of Fluctuation on price of raw materials**

- RWI is manufactures of high tension wire rod and other wire which main material for producing is wire rod as obtains within country and oversea (all together in totaling of 5 vendors) such as Republic of China, Japan, India and Europe. In addition, company has aware of such risk factors by follow up changes in price of raw materials closely in order to access situation, trend of price and requirement on quantity to be taken into consideration for purchasing order and manage inventory as appropriate. Moreover, in line with pricing period of company's' products and help to manage cost better as raw materials and finished good are sufficient to produce and sell to customers

- **Risk of fluctuation on exchange rate**

- RWI has purchases raw material (wire rod) from abroad in US Dollar for about 90% of total purchased therefore fluctuation on exchange rate directly which affected on production cost and business operation

- Therefore, in order to prevent above mentioned risk, RWI has made agreement (Hedging) with Financial Institution immediately when hand in L/C which covered all purchasing order from aboard which close risk on impact of fluctuations of exchange rate if Baht weaken after purchased date and also will know exact cost of import raw materials.

- **Risk from Fund Investing**

- RWI has uses money invested in high liquidity bank as this investment in both short-term and Long-term debt securities that are considered to be debt instruments and less risk for investment (high return for sure, get more interest than a deposit). Moreover, it can be sold before maturity and there is chance of gaining from sales

- **Enesol Company Limited (ENS)**

- **Risk of fluctuation on exchange rate**

- ENS has process their business in term of managing electricity and Power Plants so need to purchase machinery to use in production from oversea so fluctuations in exchange rates have a direct impact on production cost and operation since spare parts including maintenance must imported almost from abroad

- Therefore, in order to prevent such risk ENS has contact directly to manufacturer for import equipment and spare parts to reduce operating expenses through agents. It also increase knowledge, ability to work in coordinated manner to maintenance of machine however, revenue of ENS business comes from within country therefore fluctuation of exchange rate would not affect income of ENS

- **Risk from raw materials procurement and reliance on supplier of raw materials**

ENS has process their business on manage energy and Power Plant which need natural gas as a fuel to drive a generator and hot air which effect directly to cost of production due to all fuel uses from only one manufacturer namely Petroleum Authority of Thailand

Therefore, ENS has follow up news and trend of gas price adjustment closely including discuss with Petroleum Authority of Thailand of possible approach to purchase gas in advance thus study on imported Liquefied Natural Gas as another option to reduce risk.

In the future, if project on convert waste to fuel for energy and fuel for electricity in Saraburi Province and uses as commercial operation then ENS can uses synthetic gas (lower cost) in stated of nature gas as reduce a lot on cost of production and operation.

- **Risk from dependence on customers**

ENS has plans on developing their business in the future for entering a joint venture with a partner who has a contract removing waster in long term with government sector on converting waste into fuel and electrical energy as in other areas around the country which is during preliminary studies thus if successful then subsidiary could reduce risk from rely on management of business energy and manage power generation plant for SCG Ceramic Public Company Limited and Sosuko Company Limited moreover subsidiary has not yet negotiate with other customers in order to build another power plant.

- **Risk from personnel**

ENS company which managing solar energy and electricity plant which requires knowledge and capability from personnel particularly thus loss or shortage of required personnel led problems.

Therefore, there are policies to keep quality personnel and recruit effective personnel from external with attention to join with subsidiary in order to increase personnel in this filed thus there are internal and external training regularly, each employee work switched includes actual field work with expert from manufacturer in order to achieve more knowledge, proficiency and experiences thus subsidiary has to offer rewards that corresponds with base of labor market and others welfare such as provident fund, medical examination, allowance, insurance which probably reduces the level of this risk.

- **Risk from Machinery**

ENS - Natures of businesses for this subsidiary are managing energy and power plant generation therefore need to purchase machines related to power generation from specific manufacturer which each manufacturer had differ technology and characteristics so it is an open, no monopoly on procurement of machinery and equipment related to production of electricity which can be compare equally among manufacturer in several areas such as quality, after sales services, local distributor, technology and prices. Expectation of this company can reduce risk in this area. In addition, Enesol has entered into long-term maintenance of lifetime in order to reduce risk in machine maintenance.

➤ **WJC Enterprise Company Limited (WJC)**

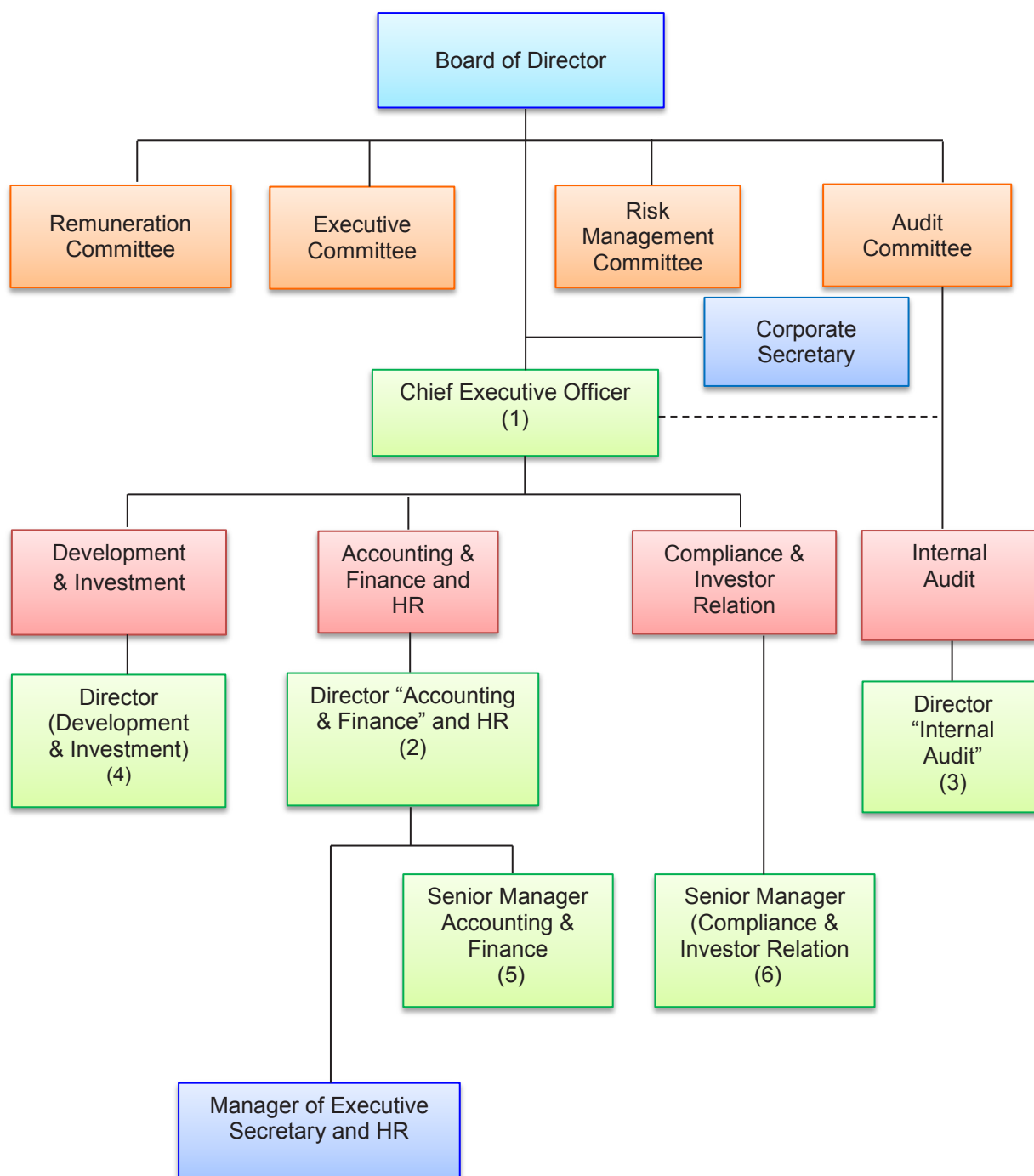
- **Risk of Fluctuation on price of raw materials**

WJC company which steel structure construction contractor, plumbing and construction as factory located at Laem Chabang by obtain works within country and oversea of Petrochemical Industry, Energy Industry, Construction Industry and other as requires raw materials of steel structure, steel pipe (raw material for construction) such as brick, stone, concrete and sand. Moreover price movement of raw materials will concern on supply and demand from producer and user from all around the world. Therefore, changing in price of raw material materials will affect the company capital as well.

However, WJC have set policies on risk management as follows:

- (1) Pricing strategy on selling and auction in any projects by maintain margin levels can be competitive with other operators.
- (2) Watch out on changes in pricing closely for estimate on the situation and pricing strategy for collateral in consideration on setting price of employed steel structure and plans to buy and manage reasonable inventory for steel structure.
- (3) Adjusting on production management continuous by controlling on reasonable cost of production.
- (4) The subsidiary has policy on always make a good relationship with customers which leads some commitment to adjusting on price of raw materials (in case there is a change in price of raw materials)
- (5) After sale service for customers are very importance including any problem occurs in order to improve for better and meet customers' needs in term of quality and after sale service which lead company to set the reasonable price.

Organization Chart



Remark: No .1- No.6 is holding executive position follow announcement form Securities and Exchange Commission

Company's Assets

Company and its subsidiaries as registered company in The Stock Exchange of Thailand with registered capital of Baht 968,684,506, Paid-Up Capital of Baht 745,141,929, Common Shares of 745,141,929 shares and Par Value of Baht 1

The company has not issued other securities (Shares) excepted common shares

Shareholding Structure

(1) The following is the top ten major shareholders as at December 30, 2019

No.	Names of Shareholder	No. of Shares	%
1.	Mr. Chinchai Leenabanchong	111,294,200	14.94
2.	Mr. Chinrath Leenabanchong	45,485,600	6.10
3.	BNP PARIBAS SINGAPORE BRANCH	38,310,400	5.14
4.	Miss Chinree Leenabanchong	37,174,700	4.99
5.	Miss Chinsiree Leenabanchong	37,173,000	4.99
6.	Mr. Wutichai Leenabanchong	35,912,000	4.82
7.	Mr. Chanachai Leenabanchong	31,304,500	4.20
8.	Miss Chinphat Leenabanchong	17,397,600	2.34
9.	Mr. Suraphol Taewaarksorn	16,190,000	2.17
10.	Mr. Komon Jungrungruengkrit	14,005,400	1.88

Remark: Investors can see information as at closing registration book from company website www.cenplc.com under Investor Relations as title of Major Shareholders before date of 2020 Annual General Meeting of Shareholders

Proportion of holding shares of all investor

- As at December 30, 2019 company has proportion of holding shares for all investors in totaling of 5.14 percent of issued and paid up shares which is more than specified rules in corporate governance of Thai Listed Companies Association as company should has proportion of shareholding of all investors not more than 5 percent
 - Group of Major shareholders which is certain circumstances as significant influence on company management policies or operation (such as sending personnel to hold position that is authorized director)
- None-

(2) Names of Minor Shareholders

- Top 10 Major Shareholders of Ua Withya Public Company Limited as at December 30, 2019

No.	Names of Shareholder	No. of Shares	%
1.	Capital Engineering Network Public Company Limited	4,950,839,150	37.61
2.	Mr. Nam Chonsaiphon	203,585,791	1.82
3.	Mr. Jirawut Kuwanan	203,068,000	1.54
4.	LGT BANK (SINGAPORE) LTD	187,526,700	1.43
5.	Mr. Chaiwat Vichaiwuth	144,350,000	1.10
6.	Mr. Prakrit Laohavisit	130,000,000	0.99
7.	Mr. Praphon Limthammahidsorn	130,000,000	0.99
8.	Mr. Warawuth Yancharoen	122,379,743	0.93
9.	Miss Areerath Chokelumboon	108,520,000	0.82
10.	Mrs. Kanokwan Yodwanich	100,000,000	0.76

- Top 10 Major Shareholders of Rayong Wire Industries Public Company Limited as at December 30, 2019

No.	Names of Shareholder	No. of Shares	%
1.	Capital Engineering Network Public Company Limited	445,425,950	70.00
2.	LGT BANK (SINGAPORE) LTD	31,800,500	5.00
3.	BNP PARIBAS SINGAPORE BRANCH	8,458,000	1.33
4.	Mr. Srisak Suepakdee	6,220,000	0.98
5.	Mr. Praphat Piyajaturawath	4,400,000	0.69
6.	Mr. Somboon Phatcharasopak	4,047,600	0.64
7.	Mr. Charmsak Fuengfoo	3,900,000	0.61
8.	Mrs. Wanna Arkkaneevanich	3,830,000	0.60
9.	Mr. Nam Chonsaiphon	3,465,055	0.55
10.	Miss Jaithip Pangarksorn	3,290,000	0.52

- Top 10 Major Shareholders of Enesol Company Limited as at December 30, 2019

No.	Names of Shareholder	No. of Shares	%
1.	Capital Engineering Network Public Company Limited	4,839,990	100.00
2.	Mr. Wutichai Leenabanchong	4	0.00
3.	Miss Usara Pattatung	2	0.00
4.	Mr. Monthon Chatuwatlopkul	2	0.00
5.	Miss Rose Sangsila	1	0.00

(3) Agreements between shareholders that have impact on issuance and sale of securities or management of company and materially affect operations

-None-

(4) Cross-shareholding

As at December 31, 2018 the company has no cross-shareholding

(5) Other issuance on securities

-None-

(6) Dividend Payment Policies

Company has policies on dividend payment at the ratio of not less than 50 percent of net Profit (Separate Financial Statement after tax) or as necessary with no affected to business operation unless there is investment in other companies

Information of the past Dividend Payment

Year	2019	2018	2017	2016	2015
Dividend Payment per share	0.00**	0.00	0.00	0.00	0.00
Net Profit (Loss) per share	(0.6545)	0.4195	0.0093	(0.13)	(0.21)
Ration of Dividend Payment per Net Profit (%)	0.00	0.00	0.00	0.00	0.00

Remark: **Board of Directors meeting No.2-2020 held on March 18, 2020 has resolved to schedule 209 Annual General Meeting of Shareholders on April 30, 2020 for omit dividend payment due to company has loss on business operation

Subsidiaries

- Ua Withya Public Company Limited has policies on dividend payment at the ratio of not less than 40 percent of net Profit (after tax) or as necessary with no affected business operation. However, the company may set dividend payment less than mentioned unless there is a need of money on expansion of business operation.

Management Structure

Management Structure of company consists of Board of Director, Audit Committee, Remuneration Committee, Risk Management Committee and Executive Committee including Chief Executive Officer and Corporate Secretary which is suitable and verifiable as being a balance between each other. In addition, after every Annual General Meeting of Shareholders; The Board of Directors will hold a meeting to appoint a sub-committee. Year 2019 resolution from Board of Director meeting No.3-2019 held on May 14, 2019 resolved to appoint 4 sub-committee and clearly specified responsibilities. In accordance to company's regulation and not less 5 people but not exceed 15 people as must have residence in the Kingdom of Thailand

In year 2019, Board of Directors equal to 10 people consists as follow

	Amount of People			%
	Male	Female	Total	
Director as Executive	3	2	5	50
Director as Non-Executive	1	-	1	10
Independent Director	4	-	4	40
TOTAL	8	2	10	100

Board of Director consists of 4 independent directors or equal to 40 percent of total directors which is a proportion greater than standard 1 in 3 or 33.33% in accordance to regulation of Capital Market Supervisory Board

1. Board of Director

As at December 31, 2019 Board of Directors whose name appears in Certificate of Ministry of Commerce in totaling of 10 people as following name list;

Name of Director		Position	Appointed Date	Period holding position
1. Mr. Wutichai	Leenabanchong	Chairman	August 26, 2008	11 Year
2. Mr. Jakkathan	Yothanan	Director Independent Director	August 26, 2008 February 6, 2009	11 Year 10 Year
3. Mr. Monthon	Chatuwallopkul	Director	March 1, 2010	9 Year
4. Mr. Yanyong	Wattanawongpitak	Independent Director	December 24, 2012	7 Year
5. Mr. Theerachai	Leenabanchong	Director	March 27, 2013	6 Year
6. Miss Usara	Pattatung	Director	June 16, 2014	5 Year
7. Mr. Chatre	Sriutharawong	Independent Director	August 13, 2014	5 Year
8. Dr. Visit	Ongpipattanakul	Independent Director	August 15, 2015	4 Year
9. Asst.Prof.Dr. Suluck	Pattarathammas	Director	February 26, 2016	3 Year
10. Miss Laphassarin	Kraiwongwanitrun	Director	February 23, 2018	2 Year

Report of changes in directors' securities holding and executives as at December 31, 2019

Name of Directors and Executives	Quote Year 2018	Increase (decrease) During year 2019	2019	
	Director / Executive	Director / Executive	Director / Executive	%
1.Mr. Wutichai Leenabanchong	35,194,000	718,000	35,912,000	4.82
2. Asst.Prof.Dr. Suluck Pattarathammas	-None-	-None-	-None-	-
3. Mr. Theerachai Leenabanchong	1,412,000	-None-	1,412,000	0.19
4. Dr. Visit Ongpipattanakul	-None-	-None-	-None-	-
5.Mr. Yanyong Wattanawongpitak	-None-	-None-	-None-	-
6. Mr. Jakkathan Yothanan	-None-	-None-	-None-	-
7. Mr. Chatre Sriutharawong	-None-	-None-	-None-	-
8. Mr. Monthon Chatuwallopkul	-None-	-None-	-None-	-
9. Miss Usara Pattatung	-None-	-None-	-None-	-
10.Miss Laphassarin Kraiwongwanitrun	-None-	-None-	-None-	-
11. Mr. Khomwuthi Pornnaradol	-None-	-None-	-None-	-
12. Mr. Mongkonsorn Ponglumjeakngam	-None-	-None-	-None-	-
13.Mrs.Kenika Ngamcharoensathaporn	-None-	-None-	-None-	-

Remark: - Counted spouse but excluded child due to child not holding shares
- No.9-13 is Executives as defines of Securities and Exchange Commission

Authorized Directors to bind the company as at December 31, 2019

Authorized Directors to bind the company consists of Mr. Wutichai Leenabanchong or Miss Laphassarin Kraiwongwanitrun signed conjunction with Miss Usara Pattatung or Mr. Theerachai Leenabanchong or Mr. Monthon Chatuwallopkul and with company's seal.

Elements of Board of Directors

As Article of Association section 4 of Directors No.16 The Boards consists of not less 5 people but not exceed 15 people, half of whom must be domiciled in Thailand and their qualifications within specified scope requires by Law

Appointment and removal of Directors

- Appointment

(1) Passed the resolution from Shareholders meeting

As Article of Association section 4 of Directors No.17 The appointment of Board of Directors have approval from Annual General Meeting of Shareholders as following rules and procedures.

- (1) One shareholder has one vote
- (2) Each shareholder may use all votes under (1) to elect one or more than one director. In case of voting for more than one director, he may distribute his votes as he pleases.
- (3) Persons who receive highest votes arranged in order from higher to lower in a number equal to that of directors to be appointed are elected directors of the company. In the event of a tie at a lower place, which make the number of directors greater than that required, then the chairman will make a decision

(2) Passed The resolution from Board of Directors meeting

As Article of Association Section 4 of Directors No.21 in case Director position vacant due to reasons other than retirement by rotation then Directors chooses any person who have qualification required by Law unless the remaining time for Director is less than 2 months then those person will be Directors by the remaining time. Moreover, the resolution from

Board of Directors votes has to be not less than 3 quarter of remaining balance of Directors

- **The removal**

(1) Removal by expiration

As Article of Association Section 4 of Directors No.18 As every meeting of Shareholders given to remove any Directors one in three if the number of Directors to be removed not match to three then removal should be to nearest to one in three

Directors who retire in first and second year after registration; if directors not agree with each other in other way then use method of drawing to see who is leaving then next year, director who holds longest in position shall resign but can re-elect.

(2) Removal by other reasons

In accordance to company's regulation Section 4: Director No.19 set director to retired by rotation No.18 as follows:

1. Dead
2. Resigned
3. Disqualified or Legal prohibited characteristics
4. Meeting resolved to resigned
5. Order by the Court

In accordance to company's regulation Section 4: Director No.22 Specified that the meeting of shareholders may pass a resolution to remove any director before the issue can be made by a vote of not less than 3 in 4 of the number of shareholders attended the meeting and have right to votes and total counted not less than half of the number of shares held by shareholders attend the meeting and having voting rights in that meeting

The roles and responsibilities of Board of Directors

1. Corporate Governance: revises and approves the policies, important strategies and annual budget.
2. To consider, define, and resolve the Board of Directors' regulations.
3. To consider appointing, dismiss, authorize and assign Executive Committee, Chief Executive Officer, Remuneration Committee, Audit Committee and sub Board of Directors committee duties.
4. To consider appointing and replacing of chairman, Executive Committee, Chairman of Executive Committee, Chief Executive Officer, Remuneration Committee, Audit Committee, Independent Committee and sub Board of Directors committee.
5. To regulate and resolve the conflict of interests including illegal used of company's assets of the Board of Directors and Executives.
6. To acknowledge the report of business management from Executive Committees.
7. To re-examine the compliances with the regulations and adequate information disclosure to public.
8. To re-examine and approve of the audited financial statements from the auditor and/or Audit Committee.
9. To determine the scope of Executive Committee and Chief Executive Officer's purchasing, hire purchasing on property and payment authorization.
10. To consider and allocate the Directors' remuneration according to the approval from the Shareholders' Meeting.
11. To consider and approve of lending and/or being a guarantor for the subsidiaries and/or affiliated companies with the amount beyond the authority of the Executive Committee.

12. To consider and approve of the financing activities, financial administrating and managing such as obtaining long term loans and/or short term loans with the amount beyond the authority of Executive Committees.
13. To consider and approve of purchasing assets with the amount beyond the authority of Executive Committees and Chief Executive Officer.
14. To consider and approve of hiring for producing when it is beyond the Executive Committee and Chief Executive Officer.
15. To consider and approve of investing and/or selling of investment in common shares and/or other equities which are listed in The Stock Exchange of Thailand and/or financial institution and/or trusted equities which made by Executive Committee.
16. To consider and approve of establishing new subsidiaries or investing in subsidiaries.
17. To consider and approve of establishing new affiliate companies or investing in affiliate companies.
18. To set the date, time and place of the Ordinary Shareholders' Meeting and to determine the agenda, closing date for shares transfer, profit allocation, legal reserve, general reserve and/or dividend payment as well as to propose the recommendations to the shareholders.
19. To consider appointing of consultants to the Board of Directors and/or subcommittee in order to provide opinions on a specific subject.
20. To consider other subjects those are beyond the authorities of the Executive Committee, Chief Executive Officer or as seen appropriate by Executive Committee.

2. Audit Committee

Audit Committee consists of Board of Directors which has qualification in relevant to announcement from The Stock Exchange of Thailand as every audit committee is independently and qualified by requirement of Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand (SET) thus SET and SEC has roles, responsibilities and practical as independent organization which supports Board of Directors to supervise business in accordance with good corporate governance, eliminate conflict of interest, review financial report as propose to public and shareholders, review internal control system which includes internal control system and communication with company's auditors.

As at December 31, 2019 there are 3 people of Audit Committee as follows:

Name of Audit Committee		Position	
1. Dr. Visit	Ongpipattanakul	Chairman of Audit Committee	Independent Director which has knowledge in accounting and finance
2. Mr. Yanyong	Wattanawongpitak	Audit Committee	Independent Director which has knowledge in finance
3. Mr. Jakkathan	Yothanan	Audit Committee	Independent Director which has knowledge in Law
Mr. Khomwuthi	Pornnaradol	Secretary of Audit Committee	

Term of position for Audit Committee equal to 3 years which counting from April 27, 2017 – April 26, 2020 by Dr. Visit Ongpipattanakul and Mr. Yanyong Wattanawongpitak has knowledge and experience in term of review and ensures reliability of financial statement.

In addition, Company Audit Committees are not company shareholders, no business relationship of professional services of company, subsidiaries, associates or entity may have conflict of interest and not holding position of Audit Committee of subsidiaries or Associates Company.

Audit Committee has schedule meeting regularly and report to Board of Director thus year 2019, the total of audit committee equal to 5 times by following details:

Meeting No.	Date	Importance matter in the meeting
1	January 21, 2019	<ul style="list-style-type: none"> - Internal control system adequacy assessment form - Proposal on appointment of Auditor and their fees of year 2019
2	February 27, 2019	<ul style="list-style-type: none"> - To consider on review and commenting on the draft audit report of the auditor and financial statement of year 2019
3	May 14, 2019	<ul style="list-style-type: none"> - To consider on review and commenting on the draft audit report of the auditor and financial statement of quarter 1-2019 - Acknowledgement on complaint in term of anti-corruption
4	August 14, 2019	<ul style="list-style-type: none"> - To consider on review and commenting on the draft audit report of the auditor and financial statement of quarter 2-2019 - Acknowledgement on complaint in term of anti-corruption
5	November 14, 2019	<ul style="list-style-type: none"> - To consider on review and commenting on the draft audit report of the auditor and financial statement of quarter 3-2019 - Acknowledgement on complaint in term of anti-corruption

Roles and responsibilities of Audit committee

1. To ensure that the company's financial statement is accurate, adequate and dependable.
2. To review that the company's internal control systems is appropriate and efficient in order to consider the audit committee independently throughout appointment, move, layoff Head of Internal controller or any institute which responsible form internal control division.
3. To review the Company and Subsidiaries' compliance with the law on securities and exchange the Exchange's regulations and the laws relating to the Company's business.
4. To review corruption in business in accordance to company's policy on anti-corruption and Code of Conduct, provide channels for complaint and controlling on supervise the process of receiving complaints from employees which related improper financial statement or other businesses
5. To reviews any chances of fraud in business in relevant to anti-corruption and code of conduct
6. To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year.
7. To review the connected Transactions, or the transactions that may lead to conflicts of interests to be in accordance to laws and Securities and Exchange ACT. By this, to make sure that are reasonable and highest benefit to company
8. To consider on disclose company information in case of related transaction or conflict of interest, acquisition of assets to be accurate
9. To review company system to have risk management as appropriate and effective
10. To review information relating to financial reports and internal controls

11. To promote development of financial report system in line with international accounting standards
12. To review and comments on internal control plans and practices of internal audit Department or other department which responsible of internal audit
13. To prepare, and to disclose in the Company's annual report, Audit Committee's reports which must be signed by the Audit Committee's chairman and consist of at least the following information:
 - (a) an opinion on the accuracy, completeness and creditability of the Company's financial report,
 - (b) an opinion on the adequacy of the Company's internal control system, risk management system including prevent on anti-corruption
 - (c) an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,
 - (d) an opinion on the suitability of an auditor,
 - (e) an opinion on the transactions that may lead to conflicts of interests,
 - (f) the number of the Audit Committee meetings, and the attendance of such meetings by each committee member,
 - (g) an opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter, and
 - (h) other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Board of Directors;
14. To have power to hire consultant or outsider in accordance with company regulations for giving advice and consult in case necessary
15. To review Audit Committee Charter at least once a year
16. To perform any other matter as assigned by company's Board of Directors with agreement from Audit Committee
17. Audit Committee need to examine performance by self-assessment and report together with problems and obstacles in performance of work which cannot achieve the purpose of establishing Audit Committee to Boards yearly
18. Audit Committee should be trained and continually reinforces in their work in related Matters

Any practices as assigned, Audit Committee directly responsible for the Board and Board responsible for company's operation to outsider

3. Remuneration Committee

Remuneration Committee means Assigned Company Directors from Board of Directors consider formats and rules of compensation of Board of Directors, Directors and Senior Executives.

In year 2019, resolution from Board of Directors No.3-2019 held on May 14, 2019 has resolved to appoint remuneration committee (whole committee has 3 independent directors) with of position of 1 year as follow

Name of Remuneration Committees		Position	
1. Dr. Visit	Ongpipattanakul	Chairman of Remuneration Committee	Independent Director
2. Mr. Jakkathan	Yothanan	Remuneration Committee	Independent Director
3. Mr. Yanyong	Wattanawongpitak	Remuneration Committee	Independent Director
Miss Juthamard	Sirimard	Secretary of Remuneration Committee	

Year 2019, Remuneration Committee has 1 meeting for considering of compensation for Remuneration Committee and chairman of Chief Executive Officer

Roles and responsibilities of Remuneration Committee

1. To review current criteria
2. To consider remuneration packages of other company in the same industry.
3. To establish, in the fair manner, criteria which will create the expected results and reward those who contributed to the firm's success.
4. To review all form of remuneration, including the amount and proportion of each form.
5. To determine whether the criteria for and for the form of remuneration is in accordance with relevant regulations and related recommendations.
6. To consider of evaluating Executive Chairman/ Chief Executive Officer/ Managing Director and their compensation in order to propose the criteria to the Board for approval thus remuneration committee to consider and approve compensation for Executive Chairman / Chief Executive Officer / Managing Director
7. To determine the annual remuneration packages for directors and propose the remuneration to the Boards. In this case, of the Board remunerations' packages, the Board needs to consider and propose them to the shareholders' meeting for approval.
8. To consider in any other remuneration as assigned from Board of Directors

4. Risk Management Committee

Risk Management Committee mean Directors and Non-Executives of company has responsibilities to handle risk management effectively

In year, 2019 resolution from Board of Directors meeting No.3-2019 held on May 14, 2019 has appointed Risk Management Committee which consists of all Independent Directors totaling of 3 people and 2 people are independent director as one year term of position

Name of Risk Management Committees		Position	
1. Asst.Prof.Dr. Suluck Pattarathammas		Chairman of Risk Management Committee	Director
2. Mr. Jakkathan Yothanan		Risk Management Committee	Independent Director
3. Mr. Chatre Sriutharawong		Risk Management Committee	Independent Director

Roles and responsibilities of Risk Management Committee

1. To set clearly policies, goals, planning on Risk Management System in order to manage importance risk and report to Board of Directors includes communicate with Audit Committee related to such risk
2. To support cooperation in risk management in all level within the company
3. To maintain appropriate and efficiency risk management by pay attention to main business of company which is investment in order to signal of unusual transaction in advance
4. To develop on efficiency risk management system continuously
5. To adjust and amend charter of Risk Management Committee and proposed Board of Directors for approval
6. Other business as assigned by Board of Directors

5. Executives Board

Executive means Directors or Executive of company or sub-committee of Subsidiaries or Executive of subsidiaries as appointed from Board of Directors by acting on joint venture and management of operating business and authorized Board of Directors follows objectives, conditions and regulations of company

In year 2019, resolution from Board of Directors No.3-2019 held on May 14, 2019 and to appointed 5 Executive Directors of 1 year term as follows

Name of Executives		Position
1. Mr. Wutichai	Leenabanchong	Executive Chairman
2. Mr. Theerachai	Leenabanchong	Executive Director
3. Mr. Monthon	Chatuwallopkul	Executive Director
4. Miss Usara	Pattatung	Executive Director
5. Miss Laphassarin	Kraiwongwanitrun	Executive Director

Year 2019, total number of meeting for executives equal to 10 times each meeting top management of company which is Chief Executive officer as holding position of Executive Chairman attended the meeting in order to listen business operation of company and its subsidiaries

Roles and responsibilities of Executive Boards

1. To operate and manage the business in line with the company's objectives, articles of Association, policies, regulations, rules, directives and resolutions of the Board of Directors and/or resolutions of shareholders' meetings in all respects.
2. To consider and determine policy, direction and strategy for the Company's business Operations, financial plans, budget, and manpower resources management, investment in information technology, expansion of business operations, public relations, control and supervision for all appointed working committees to achieve the targets.
3. To consider annual budgetary appropriations as proposed by the management before presenting them for consideration and approval by the Board of Directors. This also includes consideration and approval for changes and additional annual budgetary appropriations at the time when there is no Board of Directors' meeting, and thereafter presentation to the next meeting of the Board.
4. To approve major investment transactions as defined in the annual expenditure budget as assigned by the Board of Directors, or as earlier approved in principle by the Board.
5. To have authority in approving capital expenditure although buying the fixed assets, office stationery, renovation and maintenance, dispense/ to sell fixed assets, to rent/hire purchase of assets which exceed budget estimation within the limit of each transaction not exceeds the budget which has been approved by Board of Directors.
6. To provide advice in business expansion in principle, and in joint ventures with any other parties subject to approval from the Board of Directors at the next meeting.
7. To have authority to consider and approve borrowing of funds and/or to guarantee the Credit of subsidiaries and/or affiliated company and/or other companies which not exceed the budget which has been approved by Board of Directors.
8. To consider and approve of borrowing of funds, seeking credit lines or any other credit Facility related to normal business operations within the budget estimation which has been approved by Board of Directors.
9. To have authority to consider and approve investing in other company within the budget estimation which has been approved by Board of Directors.
10. To have authority to consider and approve hiring service which related to the normal company Business within the budget estimation which has been approved by Board of Directors.
11. To serve as advisers to the management relating to financial policy, marketing, personnel management, and other operational aspects.
12. To consider the profit and loss of the company, proposal for interim or annual dividend payment for approval by the Board of Directors.

13. To have authority in delegating any several directors or any individuals to carry out any particular assignment under the control and supervision of the Executive Committee, or delegate the authority to such individuals to have authority as deemed appropriate by the Executive Committee and within a period deemed appropriate. The Executive Committee may rescind, revoke, amend or rectify the individuals or delegation of power as and when deemed appropriate.
14. To have power on any finance transaction of company as for example opening and/or closing an account/ Financial Institution by specified the authorization signature for bank accounts including specified the conditions authorization for other bank accounts as well.
15. To consider opportunities or new company in order to increase the value on investment.
16. To select the policy and limitation of investment or exercise of warrants to purchase Ordinary Shares and/or other investing institute which listed in The Stock Exchange of Thailand and investing in bond and/or other bond institute. By this, the value of investing would not exceed the budget which has been approved by Board of Directors.
17. To consider of increase or decrease on proportion of investment in affiliated company and subsidiaries in order to purpose to Board of Directors to be approved.
18. To engage in any other activities as assigned from time to time by the Board of Directors.

By this, the authority of the Executive Committee will not cover approvals of any transactions, this may have conflict of interests. These includes any transactions which the Executive Committee or any parties who may have conflict of interest with the Executive Committee, has vested interests or any other benefits, which may also be considered as conflict of interests with the Company or the subsidiaries. This has to be in line with the regulations of the Stock Exchange of Thailand and/or The Securities and Exchange Act B.E.2535 and/or the announcements of the Securities and Exchange Commission. Approvals of such transactions must be proposed for prior approval by the Board of Directors or the shareholders' meeting.

5. Chief Executive Officer

Chief Executive Officer means Company Directors/Executives which holds the position of head of Executive of company.

In year 2019, resolution from Board of Directors meeting No.3-2019 held on May 14, 2019 has resolved approve to appoint Mr. Wutichai Leenabanchong to holds position of Chief Executive Officer

Role and responsibilities of Chief Executive Officer

1. Manages and supervises the operations related to the general administration of the company
2. Authorization in orders, regulations, notification, and memorandum in order to follows to the company's plans.
3. To propose policies, Strategic, business plans and annual budgets to The Board of Directors/Executive Committee and responsible of performing the business tasks and plans as assigned from Board of Directors.
4. To control of expenditure on budgets as assigned from Board of Directors.
5. To take responsible for the preparation of Financial Statement for inspection and/or review by the auditors and subsequent presentation to the Audit Committee and Board of Directors respectively.
6. Organize the company's structure and management including employing, shifting, moving, set up the salaries, remuneration, considering on goodness, bonus, welfare

and lay off the employees in Executive position within the company whom is not Executive Directors and excluding Chairman.

7. To consider and approve of purchasing, renovating and maintaining of hire and hire purchasing office stationary, or anything related to company's products within the limitation of budget as assigned from Board of Directors.
8. To consider and approve of hiring in term of hire purchasing which related to company's Business within the limitation of budget as assigned from Board of Directors.
9. To consider and approve of repairing, destroying and writing off the company's exhausted asset within the limitation of budget as assigned from Board of Directors
10. To consider and approve of sending employees to study, seminar, observe or to locally exhibit the company's products.
11. To consider and approve of sending employees to study, seminar, observe or to foreign exhibit the company's products
12. To consider other subjects as necessities of company business or as assigned by Board of Executive Committee and Board of Directors.
13. To responsible of determine targets, policies of managing company's business in term of human resources within the company and subsidiaries.
14. To support and assists to subsidiaries in order to increase competition in company's business.
15. To responsible of company business operation by not against the laws, rules, regulation, religion and company's regulation.
16. To have authority to consider and approve borrowing of fund, seeking credit lines or any other credit facilities related to Norman business operations of the company within the limitation of budget as assigned from Board of Directors
17. To have authority to consider and approve borrowing credit limit or other credit related to normal business operation in amount for each item, not exceeding the amount that the Board of Directors has authorized
18. To consider of investing and/or selling of investment in common shares and/or other equities which are listed in The Stock Exchange of Thailand which assigned from Board of Directors
19. To consider of foreign currency risks and interest rates.

6. Controlling Person

-None-

7. Executive

Executive means employee who holds positions of kind to executive and/or authority in administration of company and by definition and management of Securities and Exchange Commission as Managing Director down (highest position in company) who hold equivalent positions at the executive level for all four and also includes anyone as management positions in accounting or finance as manager level and above or equivalent

As at December 31, 2019 there are 6 executive as follow:

Name of Executives		Position
1. Mr. Wutichai	Leenabanchong	Acting Chief Executive Officer
2. Miss Usara	Pattatung	Director (Accounting and Finance)
3. Mr. Khomwuthi	Pornnaradol	Director (Internal Audit)
4. Miss Laphassarin	Kraiwongwanitrun	Director (Development and Investment)
5. Mr. Mongkonsorn	Ponglumjeakngam	Senior Manager (Credit Control)
6. Mrs. Kenika	Ngamcharoensathaporn	Senior Manager (Compliance and Investor Relation)

8. Corporate Secretary

The company has set corporate secretary which has duties on coordinate between Boards and Management in term of Law and any related rules for supporting good corporate governance. By this, the company will practice and follows regulations and announcement of The Stock Exchange of Thailand and Securities and Exchange Commission. In addition, resolution from Board of Director meeting no.4-2014 dated June 14, 2014 has appointed Mrs. Kenika Ngamcharoensathaporn as Corporate Government which she has passed through training courses for Corporate Secretary (CSP) from Thai Listed Company Association No.7/2004

Components and Features

1. Has basic knowledge on law and regulation regulatory authorities with respect to the law on Public Law and Law in accordance to Securities and The Stock Exchange of Thailand
2. Has knowledge and understanding of the principles of corporate governance and good practice in corporate governance
3. Has knowledge in company's business and good in communication

9. Those assigned to be directly responsible for overseeing accounting

The company has set those assigned to be directly responsible for overseeing account and finance for preparation of quality financial reports and oversight in accordance with guidelines of the Security and Exchange Commission and Stock Exchange of Thailand to Miss Usara Pattatung to holding position of Chief Financial Officer (CFO) passed Continuing Professional Development in term of accounting for 12 hours per year and account controller which have qualifications and condition of being an accountant in accordance with rules prescribed in Notification of Department of Business Development, Ministry of Commerce

Summary of the number of meeting attendance in the year 2019

Board of Directors, Audit Committee, Executive Committee, Remuneration Committee and Risk Management Committee has set Schedule regular meetings of each faculty in advance 1 year and may make additional appointments as special meetings as necessary

Meeting of each Committee	Year 2019 In Total
2019 Annual General Meeting of Shareholders	1
Board of Director	5
Audit Committee	5
Executive Committee	10
Remuneration Committee	1

Name of Director	Attendance of the meeting / total attends (Time)					
	Annual General Meeting of Shareholders	Board of Directors meeting	Audit Committee Meeting	Executive Committee Meeting	Remuneration Committee Meeting	Risk Management Committee Meeting
1. Mr. Wutichai Leenabanchong	1/1	5/5	-	10/10	-	-
2. Asst.Prof.Dr. Suluck Pattarathammas	1/1	*4/5	-	-	-	-
3. Mr. Theerachai Leenabanchong	1/1	5/5	-	10/10	-	-
4. Dr. Visit Ongpipattanakul	1/1	5/5	5/5	-	1/1	-
5. Mr. Yanyong Wattanawongpitak	*0/1	*3/5	*3/5	-	1/1	-
6. Mr. Jakkathan Yothanan ^{1/}	1/1	5/5	3/3	-	1/1	-
7. Mr. Chatre Sriutharawong	1/1	5/5	-	-	-	-
8. Mr. Monthon Chatuwatlopkul	1/1	5/5	-	*9/10	-	-
9. Miss Usara Pattatung	1/1	5/5	-	10/10	-	-
10. Miss Laphassarin Kraiwongwanitrun	1/1	*4/5	-	*8/10	-	-
11. Associate Professor Dr.Pusit Lertwattanak ^{2/}	-	1/1	2/2	-	-	-

Remark

- 1/ Appointed as Audit Committee from resolution from Board of Directors meeting No.2/2019 held on March 21, 2019
- 2/ Resigned from Independent Director and Audit Committee from April 30, 2019
- * could not attended the meeting due to business engagement

Remuneration for Directors and Executives

(1) Monetary Compensation Year 2019

- Capital Engineering Network Public Company Limited

(a) Remuneration for Director (meeting fees)

(1) Board of Director (every time attends)

- Meeting allowance for Chairman equal to Baht 30,000 thus chairman whom normally receive monthly salary from company and its subsidiaries will receive Baht 20,000
- Meeting allowance for Director equal to Baht 15,000 thus director whom normally receive monthly salary from company and its subsidiaries will receive Baht 5,000

(2) Audit Committee (every time attends)

- Meeting allowance for Chairman of Audit Committee equal to Baht 25,000
- Meeting allowance for Audit Committee equal to Baht 15,000

(3) Remuneration Committee (every time attends)

- Meeting allowance for Chairman of Remuneration Committee equal to Baht 25,000 thus chairman whom normally receive monthly salary from company and its subsidiaries will receive Baht 20,000
- Meeting allowance for Remuneration Committee equal to Baht 15,000 thus director whom normally receive monthly salary from company and its subsidiaries will receive Baht 5,000

(4) Risk Management Committee (every time attends)

- Meeting allowance for Chairman of Risk Management Committee equal to Baht 25,000 thus chairman whom normally receive monthly

salary from company and its subsidiaries will receive Baht 20,000

- Meeting allowance for Risk Management Committee equal to Baht 15,000 thus director whom normally receive monthly payment will receive Baht 5,000

(5) Executive (every time attends)

- Meeting allowance for Executive Chairman equal to Baht 15,000 thus chairman whom normally receive monthly salary from company and its subsidiaries will not receive any compensation when attend the meeting
- Meeting allowance for Executive equal to Baht 10,000 thus executive whom normally receive monthly salary from company and its subsidiaries will not receive any compensation when attend the meeting

In addition, year 2019 the company has paid remuneration for Directors and each committee actually in total amount of Baht 840,000 by following details:

Name/Position	Compensation (Baht)					
	Board of Director	Executive Board	Audit Committee	Remuneration Committee	Risk Management	TOTAL
1. Mr. Wutichai Leenabanchong - Chairman - Executive Chairman - Acting Chief Executive Officer	100,000.-	-	-	-	-	100,000.-
2. Asst.Prof.Dr. Suluck Pattarathammas -Vice Chairman - Chairman of Risk Management Committee	60,000.-	-	-	-	-	60,000.-
3. Mr. Theerachai Leenabanchong - Vice Chairman - Executive	25,000.-	-	-	-	-	25,000.-
4. Dr. Visit Ongpipattanakul - Director - Independent Director - Chairman of Audit Committee - Chairman of Remuneration Committee	75,000.-	-	125,000.-	25,000.-	-	225,000.-

Name/Position	Compensation (Baht)					
	Board of Director	Executive Board	Audit Committee	Remuneration Committee	Risk Management	TOTAL
5. Mr. Yanyong Wattanawongpitak - Director - Independent Director - Audit Committee - Remuneration Committee - Risk Management Committee	45,000.-	-	45,000	15,000.-	-	105,000.-
6. Mr. Jakkathan Yothanan - Director - Independent Director - Audit Committee (Appointed on March 21, 2019) - Risk Management Committee	75,000.-	-	45,000.-	15,000.-	-	105,000.-
7. Mr. Chatre Sriutharawong - Director - Independent Director - Risk Management Committee	75,000.-	-	-	-	-	75,000.-
8. Mr. Monthon Chatuwallopkul - Director - Executive	25,000.-	-	-	-	-	25,000.-
9. Miss Usara Pattatung - Director - Executive Director	25,000.-	-	-	-	-	25,000.-
10. Miss Laphassarin Kraiwongwanitrungr - Director - Executive Director	20,000.-	-	-	-	-	20,000.-
11. Associate Professor Dr.Pusit Lertwattananuruk - Director - Independent Director - Audit Committee (resigned on April 30, 2019)	15,000.-	-	30,000.-	-	-	45,000.-
TOTAL	540,000.-	-	245,000.-	55,000.-	-	840,000.-

b) The remuneration for Executives

Compensation of Chief Executive Office and top 4 Executives and equivalent of 4 ranking as follows:

Total Amount	2019		2018	
	Amount (people)	Amount (Million Baht)	Amount (people)	Amount (Million Baht)
In term of salary, bonus, allowance, meeting allowance, social security, provident fund and employee benefit expenses	6	10.33	5	13.39

2. Other remuneration fees and benefits

The company has no policies apart from remuneration for directors or employee as normal transaction of company, no shares or debenture given or other securities to company's executives

(1) Other remuneration for directors

-None-

(2) Other remuneration for executives

Executives and first four executives as second from manager and executives at every level equivalent to every fourth in totaling of 6 people has receive compensation in the form of a provident fund

The company has set up a provident fund thus provident fund members will receive monthly contributions at the rate of 5% of their basic pay which members can accumulate funds into fund at the rate of 5-15% of wages as voluntary of members, If any month, members do not accumulate money into the fund then employer does not have to pay contributions to that member in that month thus when members become de-active, they will receive a contribution, including the average net benefit under the terms of the fund

3. Policy and Method of compensation

The company has paid remuneration for directors through approval from meeting of Remuneration No.1-2019 held on February 27, 2019 and meeting of Board of Directors No.2-2019 held on March 21, 2019 and 2019 Annual General Meeting of Shareholders held on April 30, 2019 in totaling of Baht 3,500,000.- which is the same price when compared to year 2018 (individually) by screening details of various suitability and comparing the same industry reference And economic conditions, including the appropriateness of the number of the Board of Directors

- Subsidiaries

• Ua Withya Public Company Limited

(1) Monetary Compensation year 2019

(a) Remuneration for Director (meeting fees)

(1) Board of Director (every time attends)

- Meeting allowance for Chairman equal to Baht 30,000 thus chairman whom normally receive monthly salary from company and its subsidiaries will receive Baht 20,000
- Meeting allowance for Director equal to Baht 15,000 thus director whom normally receive monthly salary from company and its subsidiaries will receive Baht 5,000

(2) Audit Committee (every time attends)

- Meeting allowance for Chairman of Audit Committee equal to Baht 25,000
- Meeting allowance for Audit Committee equal to Baht 15,000

(3) Remuneration Committee (every time attends)

- Meeting allowance for Chairman of Remuneration Committee equal to Baht 25,000 thus chairman whom normally receive monthly salary from company and its subsidiaries will receive Baht 20,000

- Meeting allowance for Remuneration Committee equal to Baht 15,000 thus director whom normally receive monthly salary from company and its subsidiaries will receive Baht 5,000
- (4) Executive (every time attends)
- Meeting allowance for Executive Chairman equal to Baht 15,000 thus chairman whom normally receive monthly salary from company and its subsidiaries will not receive any compensation when attend the meeting
 - Meeting allowance for Executive equal to Baht 10,000 thus executive whom normally receive monthly salary from company and its subsidiaries will not receive any compensation when attend the meeting

By this year 2019 Ua Withya Public Company Limited has paid remuneration for directors for Directors and each committee actually in total amount of Baht 1,530,000.- by following details:

Name/Position	Compensation (Baht)				
	Board of Director	Executive Board	Audit Committee	Remuneration Committee	TOTAL
1. . Mr. Wutichai Leenabanchong - Chairman - Chairman of Remuneration Committee	140,000.-	-	-	60,000.-	200,000.-
2. Mr. Theerachai Leenabanchong - Vice Chairman - Executive Chairman - Chief Executive Officer	35,000.-	-	-	-	35,000.-
3. Police Lieutenant Sivaraks Phinitcharomna - Director - Independent Director - Chairman of Audit Committee	105,000.-	-	300,000.-	-	405,000.-
4. Dr. Pianchai Thawornrat - Director - Independent Director - Audit Committee - Nomination and Remuneration Committee	90,000.-	-	120,000.-	45,000.-	255,000.-
5. Dr. Nathee Naktanasukanjn - Director - Independent Director - Audit Committee	105,000.-	-	180,000.-	-	285,000.-

Name/Position	Compensation (Baht)				
	Board of Director	Executive Board	Audit Committee	Remuneration Committee	TOTAL
6. Miss Onchulee Lawsmithikul - Director - Senior Deputy to Managing Director (Accounting & Finance) - Executive Director - Nomination and Remuneration Committee (Appointed as at August 14, 2019)	10,000.-	10,000.-	-	-	20,000.-
7. Mr. Monthon Chatuwallopkul - Director - Deputy Managing Director (Accounting and Finance, Corporate Management) - Executive Director - Nomination and Remuneration Committee	35,000.-	-	-	15,000.-	50,000.-
8. Mr. Surapong Sae Yong - Director - Deputy to Managing Director (Business Development & Operation) - Executive Director (Appointed as at August 14, 2019)	10,000.-	10,000.-	-	-	20,000.-
9. Mr. Sarawut Supmakmee - Director - Assistant Managing Director (Transmission Line Business) - Executive Director (Appointed as at August 14, 2019)	10,000.-	-	-	-	10,000.-
10. Miss Laphassarin Kraiwongwanitrungrung - Director (Resigned on August 13, 2019) - Executive Director	15,000.-	-	-	-	15,000.-
11. Mr. Surapat Chomrat - Director - Executive (Resigned on August 13, 2019)	60,000.-	50,000.-	-	-	110,000.-

Name/Position	Compensation (Baht)				
	Board of Director	Executive Board	Audit Committee	Remuneration Committee	TOTAL
12. Mr. Suthisak Tanachoteporamat - Director (Resigned on August 13, 2019) - Executive (Resigned on July 1, 2019)	75,000.-	50,000.-	-	-	125,000.-
TOTAL	690,000.-	120,000.-	600,000.-	120,000.-	1,530,000.-

b) The remuneration for Executives

Compensation of Chief Executive Office and top 4 Executives and equivalent of 4 ranking as follows:

Total Amount	2019		2018	
	Amount (people)	Amount (Million Baht)	Amount (people)	Amount (Million Baht)
In term of salary, bonus, allowance, meeting allowance, social security, provident fund and employee benefit expenses	5	11.74	10	20.08

(2) Other remuneration fees and benefits

Ua Withya Public Company Limited has no policies on pay any other remuneration fees apart from compensation as directors or employees; no shares or debenture given or other securities to company's executives

(3) Compensation Policies and Methods

Ua Withya Public Company Limited has paid compensation for directors by approval from Nomination and Remuneration Committee No.1-2019 held on February 26, 2019, Board of Directors No.2-2019 held on March 21, 2019 and 2019 Annual General Meeting of Shareholders held on April 29, 2019 in totaling of Bhat 2,300,000 which is same amount when compared to year 2018 (individually) by screening details of various suitability and comparing the same industry reference and economic conditions, including the appropriateness of the number of the Board of Directors

- **Rayong Wire Industries Public Company Limited**

(1) Monetary Compensation year 2019

(a) Remuneration for Director (meeting fees)

(1) Board of Director (every time attends)

- Meeting allowance for Chairman equal to Baht 30,000 thus chairman whom normally receive monthly salary from company and its subsidiaries will receive Baht 20,000

- Meeting allowance for Director equal to Baht 15,000 thus director whom normally receive monthly salary from company and its subsidiaries will receive Baht 5,000
- (2) Audit Committee (every time attends)
- Meeting allowance for Chairman of Audit Committee equal to Baht 25,000
 - Meeting allowance for Audit Committee equal to Baht 15,000
- (3) Remuneration Committee (every time attends)
- Meeting allowance for Chairman of Remuneration Committee equal to Baht 25,000 thus chairman whom normally receive monthly salary from company and its subsidiaries will receive Baht 20,000
 - Meeting allowance for Remuneration Committee equal to Baht 15,000 thus director whom normally receive monthly salary from company and its subsidiaries will receive Baht 5,000
- (4) Executive (every time attends)
- Meeting allowance for Executive Chairman equal to Baht 15,000 thus chairman whom normally receive monthly salary from company and its subsidiaries will not receive any compensation when attend the meeting
 - Meeting allowance for Executive equal to Baht 10,000 thus executive whom normally receive monthly salary from company and its subsidiaries will not receive any compensation when attend the meeting

By this year 2019 Rayong Wire Industries Public Company Limited has paid remuneration for directors for Directors and each committee actually in total amount of Baht 1,125,000.- by following details:

Name/Position	Compensation (Baht)				
	Board of Director	Executive Board	Audit Committee	Remuneration Committee	TOTAL
1. Mr. Wutichai Leenabanchong - Chairman - Executive Chairman - Managing Director (Appointed as at August 6, 2019) - Remuneration Committee (Resigned on August 1, 2019)	140,000.-	-	-	5,000.-	145,000.-
2. Mr. Worawit Siriwatwimon - Vice Chairman - Independent Director - Chairman of Audit Committee - Chairman of Remuneration Committee	105,000.-	-	150,000.-	50,000.-	305,000.-

Name/Position	Compensation (Baht)				
	Board of Director	Executive Board	Audit Committee	Remuneration Committee	TOTAL
3. Mr. Wichain Sophanpanitkul - Director - Independent Director - Audit Committee - Remuneration Committee	105,000.-	-	90,000.-	30,000.-	225,000.-
4. Mr. Aniwut Pongpajit - Director - Independent Director - Audit Committee (Appointed as at August 6, 2019)	15,000.-	-	15,000.-	-	30,000.-
5. Mr. Theerachai Leenabanchong	35,000.-	-	-	-	35,000.-
6. Miss Usara Pattatung - Director - Executive Director (Appointed as at April 20, 2019)	20,000.-	-	-	-	20,000.-
7. Miss Laphassarin Kraiwongwanitrungr - Director - Executive Director (Appointed as at February 25, 2019) - Remuneration Committee (Appointed as at August 2, 2019)	20,000.-	-	-	5,000.-	25,000.-
8. Miss Nongnuch Kumchaithep - Director - Executive Director (Appointed as at February 25, 2019)	25,000.-	-	-	-	25,000.-
9. Mr. Jesada Sornsuk - Director - Executive Director	105,000.-	90,000.-	-	-	195,000.-
10. Mr. Monthon Chatuwatlopkul - Director (Resigned on February 22, 2019)	5,000.-	-	-	-	5,000.-
11. Mr. Pipit Jaovisidha - Director - Manager (Sale and Marketing) - Executive Director (Resigned on March 18, 2019)	10,000.-	-	-	-	10,000.-
12. Associate Professor Dr. Pison Udomworarath - Director - Independent Director - Audit Committee - Remuneration Committee (Resigned on May 7, 2019)	60,000.-	-	30,000.-	15,000.-	105,000.-
TOTAL	645,000.-	90,000.-	285,000.-	105,000.-	1,125,000.-

b) The remuneration for Executives

Compensation of Chief Executive Office and top 4 Executives and equivalent of 4 ranking as follows:

Total Amount	2019		2018	
	Amount (people)	Amount (Million Baht)	Amount (people)	Amount (Million Baht)
In term of salary, bonus, allowance, meeting allowance, social security, provident fund and employee benefit expenses	6	8.1	6	10.30

(2) Other remuneration fees and benefits

Rayong Wire Industries Public Company Limited has no policies on pay any other remuneration fees apart from compensation as directors or employees; no shares or debenture given or other securities to company's executives

(3) Compensation Policies and Methods

Rayong Wire Industries Public Company Limited has paid compensation for directors by approval from Nomination and Remuneration Committee No.1-2019 held on February 25, 2019, Board of Directors No.3-2019 held on March 20, 2019 and 2019 Annual General Meeting of Shareholders held on April 30, 2019 in totaling of Baht 1,950,000 which is same amount when compared to year 2018 (individually) by screening details of various suitability and comparing the same industry reference and economic conditions, including the appropriateness of the number of the Board of Directors

- **Enesol Company Limited**

(1) Monetary Compensation year 2019

(a) Remuneration for Director (meeting fees)

(1) Chairman (every time attends)

- Meeting allowance for Chairman equal to Baht 30,000 thus chairman whom normally receive monthly salary from company and its subsidiaries will receive Baht 20,000

(2) Board of Director (every time attends)

- Meeting allowance equal to Baht 15,000 thus any director whom normally receive monthly salary from company and its subsidiaries will receive Baht 5,000

By this year 2019, Enesol Company Limited has paid remuneration to directors of each committee in totaling of Baht 125,000. The details are as follow:

Name of Directors	Position	Compensation (Baht)
1. Mr. Wutichai Leenabanchong	Chairman	80,000.-
2. Mr. Monthon Chatuwatlopkul	Director	20,000.-
3. Miss Laphassarin Kraiwongwanitrungr	Director	20,000.-
4. Mr. Theerachai Leenabanchong (Resigned on April 19, 2019)	Director	5,000.-
TOTAL		125,000.-

b) The remuneration for Executives

Compensation of Managing Directors and Executive as follows:

Total Amount	2019		2018	
	Amount (people)	Amount (Million Baht)	Amount (people)	Amount (Million Baht)
In term of salary, bonus, allowance, meeting allowance, social security, provident fund and employee benefit expenses	1	2.27	2	2.70

(2) Other remuneration fees and benefits

Enesol Company Limited has no policies on pay any other remuneration fees apart from compensation as directors or employees; no shares or debenture given or other securities to company's executives

(3) Compensation Policies and Methods

Enesol Company Limited has paid compensation for directors by approval from Board of Director No.1-2019 held on February 20, 2019 and 2019 Annual General Meeting of Shareholders held on April 19, 2019

- **WJC Enterprise Company Limited**

(1) Monetary Compensation year 2019

(a) Remuneration for Director (meeting fees)

(1) Chairman (every time attends)

- Meeting allowance for Chairman equal to Baht 10,000 thus chairman whom normally receive monthly salary from company and its subsidiaries will receive Baht 5,000

(2) Board of Director (every time attends)

- Meeting allowance equal to Baht 5,000 thus any director whom normally receive monthly salary from company and its subsidiaries will receive Baht 3,000

By this year 2019, WJC Enterprise Company Limited has paid remuneration to directors of each committee in totaling of Baht 50,000. The details are as follow:

Name of Directors		Position	Compensation (Baht)
1. Mr. Wutichai	Leenabanchong	Chairman	20,000.-
2. Mr. Theerachai	Leenabanchong	Director	12,000.-
3. Mr. Monthon	Chatuwatlopkul	Director	12,000.-
4. Mr. Wiwatchai	Jeenanuphan	Director and	6,000.-
(Resigned on May 15, 2019)		Managing Director	
TOTAL			50,000.-

b) The remuneration for Executives

Remuneration for Managing Director and Executive are as follow:

Total Amount	2019		2018	
	Amount (people)	Amount (Million Baht)	Amount (people)	Amount (Million Baht)
In term of salary, bonus, allowance, meeting allowance, social security, provident fund and employee benefit expenses	1	1.84	1	2.05

(2) Other remuneration fees and benefits

WJC Enterprise Company Limited has no policies on pay any other remuneration fees apart from compensation as directors or employees; no shares or debenture given or other securities to company's executives

(3) Compensation Policies and Methods

WJC Enterprise Company Limited has paid compensation for directors by approval from Board of Director No.1-2019 held on February 20, 2019 and 2019 Annual General Meeting of Shareholders held on April 19, 2019

• **Pipe Line Engineering Company Limited**

(1) Monetary Compensation year 2019

(a) Remuneration for Director (meeting fees)

(1) Chairman (every time attends)

- Meeting allowance for Chairman equal to Baht 10,000 thus chairman whom normally receive monthly salary from company and its subsidiaries will receive Baht 5,000

(2) Board of Director (every time attends)

- Meeting allowance equal to Baht 5,000 thus any director whom normally receive monthly salary from company and its subsidiaries will receive Baht 3,000

By this year 2019, Pipe Line Engineering Company Limited has paid remuneration to directors of each committee in totaling of Baht 44,000. The details are as follow:

Name of Directors	Position	Compensation (Baht)
1. Mr. Wutichai Leenabanchong	Chairman and Managing Director	20,000.-
2. Mr. Monthon Chatuwallopkul	Director	12,000.-
3. Miss Laphassarin Kraiwongwanitrungr	Director	12,000.-
TOTAL		44,000.-

(b) The remuneration for Executives

-None-

(2) Other remuneration fees and benefits

Pipe Line Engineering Company Limited has no policies on pay any other remuneration fees apart from compensation as directors or employees; no shares or debenture given or other securities to company's executives

(3) Compensation Policies and Methods

Pipe Line Engineering Company Limited has paid compensation for directors by approval from Board of Director No.1-2019 held on February 20, 2019 and 2019 Annual General Meeting of Shareholders held on April 19, 2019

- **Evergreen Biomass Company Limited**
- (1) Monetary Compensation year 2019**
 - (a) Remuneration for Director** (meeting fees)
 - (1) Chairman (every time attends)
 - Meeting allowance for Chairman equal to Baht 10,000 thus chairman whom normally receive monthly salary from company and its subsidiaries will receive Baht 5,000
 - (2) Board of Director (every time attends)
 - Meeting allowance equal to Baht 5,000 thus any director whom normally receive monthly salary from company and its subsidiaries will receive Baht 3,000

By this year 2019, Evergreen Biomass Company Limited has 4 times meeting and paid remuneration to directors of each committee in totaling of Baht 56,000. The details are as follow:

Name of Directors		Position	Compensation (Baht)
1. Mr. Wutichai	Leenabanchong	Chairman	20,000.-
2. Mr. Theerachai	Leenabanchong	Director and President	12,000.-
3. Mr. Monthon	Chatuwallopkul	Director	12,000.-
4. Mrs. Kenika	Ngamcharoensathaporn	Director	12,000.-
TOTAL			56,000.-

- b) The remuneration for Executives**
-None-

(2) Other remuneration fees and benefits

Evergreen Biomass Company Limited has no policies on pay any other remuneration fees apart from compensation as directors or employees; no shares or debenture given or other securities to company's executives

(3) Compensation Policies and Methods

Evergreen Biomass Company Limited has paid compensation for directors by approval from Board of Director No.1-2019 held on February 20, 2019 and 2019 Annual General Meeting of Shareholders held on April 19, 2019

Personnel

1. Total number of Employees

As at December 31, 2019 Company and its subsidiaries has total of employees of 573

Details	CEN	UWC	RWI	ENS	WJC	PLE	EBM	TOTAL
Administration	18	56	45	5	11	-	-	135
Production	-	294	103	14	27	-	-	438
Total	18	350	148	19	38	-	-	573

- 2. The number of employees changed significantly in the past 3 years**
-None-

- 3. Labor dispute in the past 3 years**
-None-

4. Total compensation of all employees

Year 2019 company and its subsidiaries has paid compensation in term of salary, Diligence Allowance, Bonus and other compensation in totaling of 298.44 Baht

- **Wages and Salaries**

Monthly paid compensation to employees due to practice of employees for company which may consider from position holds, duties and responsibilities to organization

- **Bonus**

Special compensation to employees by considering from turnover each year by not requiring fixed rate.

- **Funds contribution**

The company has funds contribution for benefit to employees and support on saving includes motivate employees to perform with company for long term. Employee who is a member of Provident Fund, members will receive monthly contributions at the rate of 5% of their basic pay which members can accumulate funds into fund at the rate of 5-15% of wages as voluntary of members, If any month, members do not accumulate money into the fund then employer does not have to pay contributions to that member in that month thus when members become de-active, they will receive a contribution, including the average net benefit under the terms of the fund

5. Development Policy on employee

The company and its subsidiaries has commitment on personal development in accordance with policies and situations based on integrated knowledge for employees to have knowledge, skills and competencies in various fields as well as morality, ethics and good quality of life

The company and its subsidiaries has set management guideline by starting from explore need for training and personnel development, designing the curriculum to suit the job type, transfer knowledge into operation manual and apply knowledge to work as well as creating innovations in order to encourage employee to practice and regularly review their knowledge by participate in learning and sharing of their work experience with colleagues in order to give knowledge to be with the organization forever

The company and its subsidiaries has play attention On The Job Training :OJT) by having specialist in each field to take care of internship of trainee, training focusing on practicing by building knowledge, understanding as suitable directly to the job as results are clear, low cost and learning from practice under real circumstances

The company and its subsidiaries has design course to develop on personnel which covered direction for company's operation by focusing on practicing so can apply to work or daily life immediately

The company and its subsidiaries has play attention on anti-corruption and implanted into corporate culture by giving orientation to new employees in order to communicate for acknowledge operator and implement. By this, company and its subsidiaries has training and measurement of policy continuously in accordance to plans which covered 100% of company personnel. Apart from this training- company and its subsidiaries has held activities in order to create more knowledge and ideas.

The company has emphasized on Internal Control System, year 2019 as agreed with resolution from Board of Directors meeting No.1-2020 held on March 2, 2020 by all 3 Audit Committees attends the meeting

Audit Committee has considered on adequacy of the internal control system in accordance to Assessment Form for Sufficiency of Internal Control System with 17 Principles and using COSO (The Committee of Sponsoring Organization of the Treadway Commission) all 5 elements such as Control Environment, Risk Assessment, Control Activities, Information & Communication and Monitoring Activities to consider manage within the organization with steps and work processes, communicate each other and follow up continuously thus Internal Audit has responsibilities to examine, assess and follow up and report directly to Audit Committee

Audit Committee has consider on importance issues, controlling point, evaluate the internal control system together and approve the internal control system's adequacy regarding defects found in various job activities complete consideration according to the established principles as complete consideration according to the established principles. Audit Committee has comments and give suggestion to executives in order to revise and follows any importance transaction in order to develop, improvement and proper operate which can be summarized as follows:

1. Control Environment

The company has organization chart and environmental which will support business operation effectively and enough internal control system, the responsibilities of each field is separated for beneficial to examine of operation, updating sub-system and reduce duplication in order to be under the same standards. Apart from this, clearly targeted businesses every year by regard on Economic, Market Situation and Competition along with standards of performance measurement are clearly set

2. Risk Assessment

The company has track on risk factors such as changes in taxes, exchange rates, increased of raw materials and other cost to assess impact and prepare to maintain business operation thus communicate with executives and employees to acknowledge the situation by held the meeting and summarize situation, environment and operation of company. Moreover, it includes risk factors to business operation, sales, cost and profitability of company in each unit, chief executive of each unit will be responsible for risk factors occurs in their unit thus prophylactic to prevent any risks to level which are safe for employees, corporate governance and acceptable and do not affect operation of company.

3. Control Activities

The company has clearly specified scope of duties and approval authority of board and management in order of steps. Including the authority to manage and approve items of each level as approved by the Executive Board and Board of Directors. To be transparent Taking care of the benefits for shareholders and stakeholders. And does not cause conflicts of interest and conflicts of interest In this transaction, the major shareholder Connected persons, directors and executives of the company have measures for approval. By having to pass a meeting of the board of directors And the approver must not have any interest in the said transaction In which the transaction must create maximum benefits for the company In this regard, the Company Secretary and the Corporate Governance and Investor Relations Department are responsible for monitoring and overseeing the implementation of relevant laws and regulations. In order to comply with conditions and requirements appropriately

4. Information and Communication

The company has managed by bringing information system that can be linked thoroughly throughout the organization. Modern and have internal communication systems outside the organization that are fast, efficient In order to be used as information in making correct decisions in time Have sufficient and effective data and information security systems By having a data storage system that can be retroactively checked And has continuously developed the information system In order to support the organization to be more streamlined and to increase the potential of the work system and to respond to the growth of the company that can be clearly seen

The company has effective and effective communication channels that are able to communicate throughout organization, with important information being quickly transferred from top executives to employees. There is also a channel of communication from employees directly to top management as well.

5. Monitoring Activities

The company has a system for evaluating and monitoring good performance. To ensure that Internal control measures and systems are always effective. Able to respond to changes appropriately and in time, and the company provides supervisors to monitor the performance of subordinates and also arranges for performance appraisals by the internal audit department. The management cares about the rapid and effective management that meets the goals. Able to report results to the Board of Directors clearly and consistently

Audit Committee has practices on their duties efficiently and any tasks assigned by Board of Directors independently and consistently thus there is internal audit as a tool for achieve the mission. Internal Audits are qualified to perform their duties properly with sufficient independence, able to perform work as assigned from Audit Committees and Board of Directors. Internal Audit has assess on internal control system and risk management and report any tasks to be resolve any relevant units includes appropriate feedback as management deems necessary for business operation of company and its subsidiaries.

Board of Directors has estimate internal control system from assessment report from Audit Committees then concludes that from assessment of 5 various elements such as internal control, risk assessment, operational control, information technology and communication. In addition, Board of Directors seems that company has enough transaction with major shareholders, Directors, Executives or related person thus other topics related to internal control systems are enough as well.

Head of Internal Audit company has appointed Mr. Khomwuthi Pornnaradol as Director (Internal Audit) and Secretary of Audit Committee to be supervisor of internal audit. He has duties of practical of internal audit tasks in order to meet the mission of internal control system by executives and audit committees jointly consider on report from internal audit in essence adequately for system or process has managed systematic and effectively. By this, every executives in each unit are involved in consider ways of improvement/resolve on performance to be consistence with company's policies and adequate internal control system. By this, head of internal audit will report directly to Audit Committee thus Audit Committee is of the opinion that head of the internal audit of the company is suitable to perform the said duties efficiently.

Head of Compliance The company has appoint Mrs. Kenika Ngamcharoensathaporn as Senior on compliance department to oversees operation in accordance with regulatory that supervise compliance of company

1. Disclosure of information on related transaction

Related Companies	Relationship	Type of Transaction	Amount (Million Baht)	Necessity and reasonableness
Ua Withya Public Company Limited (UWC)	Company holds 37.61 percent and has same Directors	- Service charge from internal audit	0.72	To achieve efficiency and effectiveness in the workplace. Moreover, in order to have good governance in subsidiaries
		- Service charge from internal audit (accrued)	0.19	
		- Received Interest	4.73	
		- Short Term Loans	110.00	
		- Accrued Interest	6.42	
		- Fees for using collateral	3.32	
		- Fees for using Collateral (accrued)	3.55	
		- Office Rental and Services	3.14	
		- Office Rental and Services (accrued)	1.97	The company allows the subsidiary to sublease the space from the company for use as office space
Rayong Wire Industries Public Company Limited (RWI)	Company holds 70.00 percent and has same Directors	- Service charge from internal audit	0.72	To achieve efficiency and effectiveness in the workplace. Moreover, in order to have good governance in subsidiaries
		- Service charge from internal audit (accrued)	0.19	
		- Office Rental and Services	3.31	The company allows the subsidiary to sublease the space from the company for use as office space
Enesol Company Limited (ENS)	Company holds 100.00 percent and has same Directors	- Service charge from internal audit	0.36	To achieve efficiency and effectiveness in the workplace. Moreover, in order to have good governance in subsidiaries
		- Service charge from internal audit (accrued)	0.10	
		- Short Term Loan	30.00	To increase liquidity in company
		- Received Interest	0.73	
		- Accrued Interest	0.09	The company allowed subsidiary to sublease area from company for usage of office space
		- Rent Office	0.83	
Evergreen Biomass Company Limited (EBM)	Company holds 99.00 percent and has same Directors	- Short Term Loan (Payback within 1 year)	8.46	For liquidity in subsidiary by using as working capital and investment to reserve in the future
		- Interest Receive	0.37	Short term loans at MLR rate average from 3 financial institution of 1.75 per year
		- Accrued Interest Receive	0.57	

Related Companies	Relationship	Type of Transaction	Amount (Million Baht)	Necessity and reasonableness
WJC Enterprise Company Limited (WJC)	Subsidiary of UWC as holds 94.25 percent	- Short Term Loan (Payback within 3 months)	36.09	For liquidity in subsidiary by using as working capital and investment to reserve in the future
		- Interest Receive - Accrued Interest Receive	1.94 14.96	Short term loans at MLR rate average from 3 financial institution of 1.75 per year
		- Service charge from internal audit - Service charge from internal audit (accrued)	0.36 1.93	To achieve efficiency and effectiveness in the workplace. Moreover, in order to have good governance in subsidiaries
UWC KOMEN BIOMASS Company Limited (UKB)	Subsidiary of UWC as holds 99.99 percent	- Service charge from internal audit	0.24	To achieve efficiency and effectiveness in the workplace. Moreover, in order to have good governance in subsidiaries
		- Service charge from internal audit (accrued)	0.06	
		- Collateral Fee	0.32	
EMC Public Company Limited (EMC)	Same Shareholders	Trading securities in The Stock Exchange of Thailand	322.62	Normal business and trading securities in SET

2. Necessity and reasonability on related transaction

Related transaction during the past year for business operation of company and its subsidiaries by policies of entered into those transaction in order for highest benefit of company in term of policies and set up the price as considering from market price or in accordance with agreement. In addition, mentioned transaction has been considered by Audit Committee on fairness and reasonable.

3. Procedure of approval on transaction

Normal business transactions and trade agreements with commercial terms shall act in the same situation by bargaining power without influence of their position on Director, Executive or related person. By this, management division needs to report every business transaction to Board of Directors for acknowledgement on quarterly basic.

Abnormal business transaction, unless size of transaction doesn't need to be approved from Shareholders meeting (as provision from The Stock Exchange of Thailand) then need consideration from Board as prior first entity and size of happened transaction will be under authority to approve then approval of this transaction will ended as this stage as Audit Committee will be join in these consideration (stakeholders not attend and vote in the meeting). Moreover, if the sizes of transaction more than authority from Board can be approve then Board will concluded the resolution and propose to shareholders meeting for approval

Board of Directors will consider on transaction which may have conflict of interest or related transaction or transactions appropriately through moderation from Audit Committees for entries criteria defined by Stock Exchange of Thailand, The Securities and Exchange Commission and Capital Market Supervisory as well as disclosure of transaction that may have conflict of interest to public with ensure accuracy and completeness.

4. Transaction trends in the future

The transaction is still in progress. There will be more or less depending on economic condition. For transaction occur in the future, Board of Directors shall comply as according to regulation that have been set up and directors must not approve any entries that they, or someone who may have conflict of interest with company and its subsidiaries. Moreover, mentioned transaction need to be disclose to Board of Directors for consideration with according to law of securities and securities market and regulation, announcement, order or requirement of The Stock Exchange of Thailand includes all requirement regarding the disclosure of related transaction and acquisition of asset (company and its subsidiaries).

Executive of Capital Engineering Network Public Company Limited appointed by Board of Directors as to oversee, manage company operations in accordance with policies and business strategy as stipulated by Board of Directors along with in accordance to Code of Conduct and related laws to business operations

Year 2019, Executives has attend the meeting and act in accordance to assigned duties in totaling of 10 times thus each meeting will jointly consider important matters in order to proposed to Board of Director for either acknowledgement or approval can conclude as follows:

1. Report Business Operation every month and other work progress in various matter
2. Consider transaction with connected person or acquisition of assets with care, reasonable in term of price and other related conditions, taking into account of interest of company and shareholders in which executive as vested interest, do not participate in making decision before purpose to Audit Committee and Board of Directors for approval
3. Supervise, promote, support directors, executives and employee have knowledge and understanding in policies of Anti-Corruption and Article of Association

Executives have committed to performed duties to best of their abilities for highest benefits and equality of shareholders and every group of stakeholders along with manage under corporate governance with transparency and can examine including support Anti-Corruption continuously in order to lead organization to grow steadily and sustainably



Mr. Wutichai Leenabanchong
Executive Chairman

Report from the Risk Management Committee

Risk Management Committee of Capital Engineering Network Public Company Limited has been approved from Board of Director which consists of 3 Independent Directors namely:

- | | |
|---|---------------------------------------|
| 1. Assistance Professor Dr. Suluck Pattarathammas | Vice Chairman |
| | Chairman of Risk Management Committee |
| 2. Mr. Yanyong Wattanawongpitak | Risk Management Committee |
| 3. Mr. Chatre Sriutharawong | Risk Management Committee |

Risk Management Committee meeting as duties and responsibilities according to Memorandum of Association to manage information of risks and report to Board of Directors including communicate with Audit Committee in related term of risk thus encourage cooperation in risk management at all levels within the company.

Risk Management Committee giving priority to the company's main business is investment which may have the opportunity on causing an impact on the company's operations. By this, Risk Management Committee has brainstorm in accordance with scope of responsibility assigned to achieve benefits that will truly occur to organization in order to send early warning signals and various unusual item thus Risk Management Committee monitors the opportunity And the effects that are closely related for efficiency Effectively

The Risk Management Committee is confident that the company has appropriate and effective risk management. Under current economic conditions



Assistance Professor Dr. Suluck Pattarathammas
Chairman of Risk Management Committee

Remuneration Committee of Capital Engineering Network Public Company Limited has been approved from Board of Director which currently consists of 3 Independent Director namely:

- | | | |
|------------------|------------------|------------------------------------|
| 1. Dr. Visit | Ongpipattanakul | Chairman of Remuneration Committee |
| 2. Mr. Jakkathan | Yothanan | Remuneration Committee |
| 3. Mr. Yanyong | Wattanawongpitak | Remuneration Committee |

The company realized on remuneration for Directors and Top Executives therefore appoint Remuneration Committee to propose return policies, guideline of compensation for Board of Directors and Sub-Committee through Top Executives to be consistent with the duties and responsibilities in line with the company's performance and economic conditions

Year 2019 there are 1 times of Remuneration Committee meetings in order to consider and approve to Board of Directors which can summarized as follows;

- To consider on compensation of remuneration committee and subcommittee as appropriate rate compared to responsibilities as same industries including business operation of year 2019 by considered remuneration of the Board of Directors and sub-committees with approval to pay meeting fees on a per-time basis

- To consider criteria on adjustment of salary and annually bonus of top management as reasonable in order to be consistence with company business operation

Furthermore, The Remuneration Committee deems it appropriate to be consistent with duties and responsibilities of Board of Directors to consider together with practice under equality, fairness and transparently in accordance to good corporate governance along with Securities and Exchange Commission and Stock Exchange of Thailand

In the name of Remuneration Committee
Capital Engineering Network Public Company Limited



(Dr. Visit Ongpipattanakul)

Chairman of Remuneration Committee

Board of Directors Capital Engineering Network Public Company Limited



- | | | |
|--|--|---|
| 1. Mr. Wutichai Leenabanchong

Chairman of the Board
Chairman of Executive Board
Acting Chief Executive Officer | 2. Assistant Professor Dr. Suluck Pattarathammas

Vice Chairman
Chairman of Risk Management Committee | 3. Mr. Theerachai Leenabanchong

Vice Chairman
Executive Director |
| 4. Dr. Visit Ongpipattanakul

Director
Independent Director
Chairman of Audit Committee
Chairman of Remuneration Committee | 5. Mr. Yanyong Wattanawongpitak

Director
Independent Director
Audit Committee
Remuneration Committee
Risk Management Committee | 6. Mr. Jakkathan Yothanan

Director
Independent Director
Audit Committee
Remuneration Committee |
| 7. Mr. Chatre Sriutharawong

Director
Independent Director
Risk Management Committee | 8. Mr. Monthon Chatuwatlopkul

Director
Executive Director | 9. Ms. Usara Pattatang

Director
Executive Director |
| 10. Ms. Laphassarin Kraiwongwanitruong

Director
Executive Director | | |

Subsidiary Board of Directors Ua Withya Public Company Limited



- | | | |
|--|--|---|
| <p>1. Mr. Wutichai Leenabanchong</p> <p>Chairman of the Board
Chairman of Nomination and Remuneration Committee</p> | <p>2. Mr. Theerachai Leenabanchong</p> <p>Vice Chairman
Chief Executive Officer
Chairman of Executive Board</p> | <p>3. Police Lieutenant Sivaraks Phinitcharomna</p> <p>Director
Independent Director
Chairman of Audit Committee</p> |
| <p>4. Mr. Pianchai Thawomrat</p> <p>Director
Independent Director
Audit Committee
Nomination and Remuneration Committee</p> | <p>5. Dr. Nathee Naktnasukanjn</p> <p>Director
Independent Director
Audit Committee
Chairman of Risk Management Committee</p> | <p>6. Ms. Onchulee Lawsmithikul</p> <p>Director
Senior Vice President
Executive Director</p> |
| <p>7. Mr. Monthon Chatuwallopkul</p> <p>Director
Deputy To Managing Director
Vice Chairman
(Risk Management Committee)
Executive Director
Nomination and Remuneration Committee
Corporate Secretary</p> | <p>8. Mr. Surapong Sae Yong</p> <p>Director
Deputy To Managing Director
Executive Director</p> | <p>9. Mr. Sarawut Supmakmee</p> <p>Director
Vice Chairman
(Risk Management Committee)
Executive Director</p> |

Subsidiary Board of Directors Rayong Wire Industries Public Company Limited



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|---|---|--|
| <p>1. Mr. Wutichai Leenabanchong
Chairman of the Board
Chairman of Executive Board
Managing Director</p> | <p>2. Mr. Worawit Siriwatwimol
Vice Chairman
Independent Director
Chairman of Audit Committee
Chairman of
Remuneration Committee</p> | <p>3. Mr. Wichian Sopanpanichkul
Director
Independent Director
Audit Committee
Remuneration Committee</p> |
| <p>4. Mr. Aniwut Pongpaijit
Director
Independent Director
Audit Committee</p> | <p>5. Mr. Jessada Sornsuk
Director
Executive Director</p> | <p>6. Mr. Theerachai Leenabanchong
Director</p> |
| <p>7. Ms. Usara Pattatang
Director
Executive Director</p> | <p>8. Ms. Laphassarin Kraiwongwanitrun
Director
Executive Director
Remuneration Committee</p> | <p>9. Ms. Nongnuch Kumchaithep
Director
Executive Director
Corporate Secretary</p> |

Subsidiary Board of Directors Enesol Company Limited



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|--|--|--|
| 1. Mr. Wutichai Leenabanchong
Chairman of the Board
Managing Director | 2. Ms. Laphassarin Kraiwongwanitruong
Director | 3. Mr. Monthon Chatuwallopkul
Director |
|--|--|--|

WJC Enterprise Company Limited



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|---|--|--|
| 1. Mr. Wutichai Leenabanchong
Chairman of the Board | 2. Mr. Theerachai Leenabanchong
Director | 3. Mr. Monthon Chatuwallopkul
Director |
|---|--|--|

Pipe Line Engineering Company Limited



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|--|---|--|
| 1. Mr. Wutichai Leenabanchong
Chairman of the Board
Managing Director | 2. Ms. Usara Pattatang
Director | 3. Ms. Laphassarin Kraiwongwanitruong
Director |
|--|---|--|

Evergreen Biomass Company Limited



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|---|---|--|--|
| 1. Mr. Wutichai Leenabanchong
Chairman of the Board | 2. Mr. Theerachai Leenabanchong
Director
President | 3. Mr. Monthon Chatuwallopkul
Director | 4. Mrs. Kenika Ngamcharoensathaporn
Director |
|---|---|--|--|

Personal Information on Directors and Executives

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
1. Mr. Wutichai Leenabanchong Position: <ul style="list-style-type: none"> Chairman Executive Chairman Acting Chief Executive Officer Authorized Director Appointed Date: August 26, 2008	55	<ul style="list-style-type: none"> Master of Business Law (Faculty of Law) Chulalongkorn University Master of Business Administration (Faculty of Commerce and Accountancy) Chulalongkorn University Bachelor of Engineering Program in Mechanical Engineering Chiangmai University Training roles of Directors from Thai Institute of Director (IOD): <ul style="list-style-type: none"> Directors Accreditation Program (DAP) No.78/2009 Financial Statement for Directors (FSD) No.4/2009 	35,912,000 shares or 4.82%	Cousin with Mr. Theerachai Leenabanchong	Holds position in listed companies which are subsidiaries in totaling of 2 places		
					2018 – Present	Managing Director	Rayong Wire Industries PCL.
					2008 – Present	Chairman	
					2014 – 2019 (September)	Executive Chairman Remuneration Committee	
					Year 2018 – Present	Chairman	Ua Withya PCL.
						Chairman of Nomination and Remuneration	
					Holds position in related companies in totaling of 11 places		
					2008 – Present	Chairman	
					2017 – Present	Managing Director	Enesol Co., Ltd
					2010 - Present	Chairman Managing Director	Pipe Line Engineering Co., Ltd
					2012 – Present	Chairman	Evergreen Biomass Co., Ltd
					2013 – Present	Chairman	WJC Enterprise Co., Ltd
					2015 – Present	Chairman	Paradise Green Energy Co., Ltd
					2015 – Present	Chairman	UWC KOMEN BIOMASS Co., Ltd
					2015 – Present	Chairman	ULTRA ASIA Co., Ltd
					2016 – Present	Chairman	UWC AMPHAN BIOMASS Co., Ltd
					2016 – Present	Chairman	SATUEK BIOMASS Co., Ltd
					2017 – Present	Director	UWC (Cambodia) Co., Ltd
					2017 – Present	Director	Interglob Investment Co., Ltd

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
2. Assistant Professor Dr. Suluck Pattarathammas Position: <ul style="list-style-type: none"> Vice Chairman Chairman of Risk Management Committee Appointed Date: February 26, 2016	54	<ul style="list-style-type: none"> Doctor of Philosophy Program in Business Administration (Finance) Thammasat University Master of Business Administration (Finance) University of San Francisco, San Francisco, USA. Bachelor of Economics Chulalongkorn University Bachelor of Law Sukhothai Thammathirat University Training roles of Directors from Thai Institute of Director (IOD): <ul style="list-style-type: none"> Directors Accreditation Program (DAP) No.138/2017 	-None-	-None-	Holds position in listed companies in totaling of 1 place		
					Year 2014 – Present	Risk Management Committee	Phol Dhanya PCL.
					Holds position in related companies –None-		
					Holds position in non-registered company in totaling of 1 place		
					Year 2016- Present	Managing Director	Lao Brother International Co., Ltd
					Holds position in other company in totaling 1 company		
					Year 2018	Chancellor	Christian University (Nakornphathom Branch)

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
3. Mr. Theerachai Leenabanchong Position: <ul style="list-style-type: none"> Vice Chairman Executive Authorized Director Appointed Date: March 27, 2013	48	<ul style="list-style-type: none"> Master of Business Administration Assumption University Bachelor of Business Administration (Marketing) Assumption University Training roles of Directors from Thai Institute of Director (IOD): <ul style="list-style-type: none"> Directors Accreditation Program (DAP) No.104/2013 Role of the Chairman Program (RCP) No. 45/2019 	1,412,000 shares or 0.19%	Cousin with Mr. Wutichai Leenabanchong	Holds position in listed companies which are subsidiaries in totaling of 2 places		
					Year 2019 – Present	Vice Chairman	Ua Withya PCL.
					Year 2013 – Present	Executive Chairman	
					Year 2015 – Present	Chief Executive Officer	
					Year 2015 – Present	Executive Managing Director	
					Year 2016 – Present	Director	Rayong Wire Industries PCL.
					Holds position in listed companies in totaling of 1 place		
					Year 2018 – Present	Nomination and Remuneration Committee Executive	Dimet (Siam) PCL.
					Year 2017 – Present	Executive	
					Year 2016 – Present	Director	
					Holds position in related companies in totaling of 9 places		
					Year 2015 - Present	Director	Evergreen Biomass Co., Ltd
					Year 2015 - Present	Director	Paradise Green Energy Co., Ltd
					Year 2015 - Present	Director	UWC KOMEN BIOMASS Co., Ltd
					Year 2015 - Present	Director	ULTRA ASIA Co., Ltd
					Year 2016 - Present	Director	WJC Enterprise Co., Ltd
					Year 2016 - Present	Director	UWC AMPHAN BIOMASS Co., Ltd
					Year 2016 - Present	Director	SATUEK BIOMASS Co., Ltd
					Year 2017 - Present	Director	UWC (Cambodia) Co., Ltd
					Year 2017 - Present	Director	Interglob Investment Co., Ltd

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
4. Dr. Visit Ongpipattanakul Position: <ul style="list-style-type: none">• Director• Independent Director• Chairman of Audit Committee• Chairman of Remuneration Committee Appointed Date: August 14, 2015	55	<ul style="list-style-type: none">• Doctor of Business Administration (DBA) of Asian Institute of Technology (AIT)• Master of Business Administration University of Florida, United States• Master of Art (Business Law) Chulalongkorn University Training roles of Directors from Thai Institute of Director (IOD): <ul style="list-style-type: none">• Directors Accreditation Program (DAP) No.26/2004• Directors Certification Program (DCP) No.185/2014	-None-	-None-	Holds position in listed companies in totaling of 1 place		
					Year 2011 – Present	Director	Trinity Watthana PCL.
					Holds position in related companies –None-		
					Holds position in non-registered company in totaling of 2 places		
					Year 2019 – Present	Chairman Independent Director	Star Money Co., Ltd
5. Mr. Yanyong Wattanawongpitak Position: <ul style="list-style-type: none">• Director• Independent Director• Audit Committee• Remuneration Committee• Risk Management Committee Appointed Date: December 24, 2012	54	<ul style="list-style-type: none">• Master of Economic Program in (Business Economic) Thammasat University• Bachelor of Business Administration (Finance and Banking) Ramkhamhaeng University Training roles of Directors from Thai Institute of Director (IOD): Directors Accreditation Program (DAP) No.90/2011	-None-	-None-	Holds position in listed companies in totaling of 1 place		
					Year 2012- Present	Senior Manager - Finance	SC-Asset Corporation PCL.
					Holds position in related companies –None-		
					Holds position in non-registered company –None-		

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
6. Mr. Jakkathan Yothanan Position: <ul style="list-style-type: none">• Director• Independent Director• Audit Committee• Remuneration Committee Appointed Date: August 26, 2008	49	<ul style="list-style-type: none">• Master of Economic Law (Faculty of Law) Chulalongkorn University• Bachelor of Political Science (Public Administration) Ramkhamhaeng University Training roles of Directors from Thai Institute of Director (IOD): <ul style="list-style-type: none">• Directors Accreditation Program (DAP) No.79/2009	-None-	-None-	Holds position in registered company –None-		
					Holds position in related company –None-		
					Holds position in non-registered company in totaling of 1 place		
					Year 2007 – Present	Managing Director	Puphar Inter Law Co., Ltd
7. Mr. Chatre Sriutharawong Position: <ul style="list-style-type: none">• Director• Independent Director• Risk Management Committee Appointed Date: August 8, 2014	47	<ul style="list-style-type: none">• Master Degree of Public Administration (Public and Private Management Program) National Institute of Development Administration (NIDA)• Bachelor of Engineering (Computer Engineering) Kasetsart University Training roles of Directors from Thai Institute of Director (IOD): <ul style="list-style-type: none">• Directors Accreditation Program (DAP) No.112/2014	-None-	-None-	Holds position in registered company –None-		
					Holds position in related company –None-		
					Holds position in non-registered company in totaling of 1 place		
					Year 2012 – Present	Managing Director	Ruk Thai Intertrade Co., Ltd
					Year 2017 - Present	Consultant in term of Business Development	TECH NC Co., Ltd

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
8. Mr. Monthon Chatuwallopkul Position: <ul style="list-style-type: none"> • Director • Executive Director • Authorized Director Appointed Date: March 1, 2010	51	<ul style="list-style-type: none"> • Master Degree (Accounting) Thammasat University • Bachelor Degree (Accounting) Ramkhamhaeng University Training roles of Directors from Thai Institute of Director (IOD): <ul style="list-style-type: none"> • Directors Accreditation Program (DAP) No.82/2010 	-None-	-None-	Holds position in listed companies which are subsidiaries in totaling of 2 places		
					Year 2010 – Present	Director Executive	Rayong Wire Industries PCL.
					Year 2014 - Present	Deputy to Managing Director Nomination and Remuneration Committee	Ua Withya PCL.
					Holds position in related companies in totaling of 9 places		
					Year 2010 – Present	Director	Enesol Co., Ltd
					Year 2012 – Present	Director	Evergreen Biomass Co., Ltd
					Year 2013 – Present	Director	WJC Enterprise Co., Ltd
					Year 2015– Present	Director	Paradise Green Energy Co., Ltd
					Year 2015– Present	Director	UWC KOMEN BIOMASS Co., Ltd
					Year 2015– Present	Director	ULTRA ASIA Co., Ltd
					Year 2016– Present	Director	UWC AMPHAN BIOMASS Co., Ltd
					Year 2016– Present	Director	SATUEK BIOMASS Co., Ltd

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
9. Miss Usara Pattatung Position: <ul style="list-style-type: none">• Director• Executive• Authorized Director• Director (Accounting and Finance) Appointed Date: June 14, 2014 <ul style="list-style-type: none">• Chief Financial Officer Appointed Date: January 1 , 2017 <ul style="list-style-type: none">• Accounting Supervisor Appointed Date: January 1 , 2008	51	<ul style="list-style-type: none">• Bachelor of Business Administration (Account and Finance) University of Thai Chamber of Commerce Training roles of Directors from Thai Institute of Director (IOD): <ul style="list-style-type: none">• Directors Accreditation Program (DAP) No.111/2014 Continuous accounting knowledge development <ul style="list-style-type: none">• Basic of TFRS 9 (6 HOURS)• TFRS 16 Lease Agreement and Deferred Tax (6 HOURS)	-None-	-None-	Holds position in listed companies which are subsidiaries in totaling of 1 place		
					Year 2019 – Present	Director	Rayong Wire Industries PCL.
					Year 2017 – Present	Executive	
					Holds position in related company in totaling of 1 place		
					Year 2019 – Present	Director	Pipe Line Engineering Co., Ltd
					Holds position in non-registered company –None-		

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
10. Miss Laphassarin Kraiwongwanitrong Position: <ul style="list-style-type: none">• Director• Executive• Authorized Director• Director (Development & Investment) Appointed Date: February 23, 2018	35	• Master of Business Administrator Ramkhamhaeng University • Bachelor Degree (BA) Rajamangala University of Technology Krungthep Training roles of Directors from Thai Institute of Director (IOD): <ul style="list-style-type: none">• Directors Accreditation Program (DAP) No.150/2018	-None-	-None-	Holds position in listed companies -None-		
					Year 2019 – Present	Director Executive Remuneration Committee	Rayong Wire Industries PCL.
					Year 2019– Present	Executive	Ua Withya PCL.
					Holds position in related companies in totaling of 2 places		
					Year 2015 – Present	Director	Pipe Line Engineering Co., Ltd
					Year 2018 – Present	Director	Enesol Co., Ltd
					Holds position in non-registered company –None-		
11. Mr. Khomwuthi Pornnaradol Position: <ul style="list-style-type: none">• Director (Internal Audit)• Secretary of Audit Committee Appointed Date: June 16, 2008	51	• Bachelor Degree in Business Administration (Accounting) Ramkhamhaeng University Training: <ul style="list-style-type: none">• Ultimate technique of using internal control system to maximize technique for business• Monitoring and Internal Control System• Issue summary accountant mistakes	-None-	-None-	Holds position in listed companies -None-		
					Year 2008 - Present	Secretary of Audit Committee	Capital Engineering Network PCL. And Subsidiaries
					Holds position in related company –None-		
					Holds position in non-registered company –None-		

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
12. Mr. Mongkonsorn Ponglumjeakngam Position: <ul style="list-style-type: none">Senior Manager (Credit Control) Appointed Date: October 24, 2012	50	<ul style="list-style-type: none">Master Degree in Business Administration Strayer College Virginia U.S.A.Bachelor Degree in Business Administration Strayer College Virginia U.S.A.	-None-	-None-	Holds position in listed companies		
					Year 2012 – Present	Senior Manager (Credit Control)	Capital Engineering Network PCL.
					Holds position in related company –None-		
					Holds position in non-registered company –None-		
13. Mrs. Kenika Ngamcharoensathaporn <ul style="list-style-type: none">Senior Manager (Compliance and Investor Relation) Appointed Date: November 1, 2013 <ul style="list-style-type: none">Corporate Secretary Appointed Date: June 14, 2014	49	<ul style="list-style-type: none">Bachelor Degree in Accounting Bangkok University Training roles of Directors from Thai Institute of Director (IOD): <ul style="list-style-type: none">Company Secretary Program (CSP) No.7/2004	-None-	-None-	Holds position in listed companies		
					Year 2013 – Present	Senior Manager (Compliance and Investor Relation)	Capital Engineering Network PCL.
					Holds position in related company 1 company		
					Year 2015 – Present	Director	Evergreen Biomass Co., Ltd
					Holds position in non-registered company –None-		

Remarks:

- Board of Directors No. 1-10, Executives No. 9-13, Chief Financial Officer (CFO) and overseeing bookkeeping No.9 and Corporate Secretary No.13
- Authorized Director No. 1, 3, 8-10
- Proportion of holding shares not includes children because children not holding shares
- Board of Directors and Executives in totaling of 13 people -No legal dispute-
- Board of Directors and Executives in totaling of 13 people -No history of criminal offense against property by fraud- in the past 5 years-
- Board of Directors and Executives in totaling of 13 people -No references materials that cause conflict of interest with company in the past 5 years-

Board of Directors has play importance role on developing good corporate governance systems by operate business with integrity, morality and responsible for shareholders and stakeholder to benefit the society and develop or reduce negative impacts on the environment which is creating sustainable value for company and its subsidiaries which affect subsidiaries to be complete with other and good result in operating by aware of long term effects and able to adapt under change factors

By this, Board of Directors realized on importance of corporate governance development to be consistence with Corporate Governance year 2017 (CG CODE) there are 8 principles of operation which are;

Practice 1	Establish Clear Leader Ship Role and Responsibilities of Board
Practice 2	Define Objectives that Promote Sustainable Value Creation
Practice 3	Strengthen Board Effectiveness
Practice 4	Ensure Effective CEO and People Management
Practice 5	Nurture innovation and Responsibility Business
Practice 6	Strengthen Effective Risk Management and Internal Control
Practice 7	Ensure Disclosure and Financial Integrity
Practice 8	Ensure Engagement and Communication with Shareholders

Board of Directors has promulgate on Code of Conduct, employees and Anti-Corruption Policies by adhering to business practice in accordance with sufficiency philosophy to be a pattern of good practice of Directors, Executives and employees of company and its subsidiaries to assure that operation is correct

Practice 1 Establish Clear Leader Ship Role and Responsibilities of Board

The Board should demonstrate a thorough understanding of its leadership role assume its responsibilities in overseeing the company and strengthen good governance as leader in organization with clear goad on operation of company and its subsidiaries not only to growth in business but also build a sustainable in business and drive society as well which has regulations of company for management and business operation in accordance to company's regulations and objectives. In order to structure authority and clearly responsibility under management policies with openness transparent and verifiable in good practices as follow:

1. Practices in accordance to laws, regulation and objective of company as well as resolution of Annual General Meeting of Shareholders with honesty and for benefit of company
2. Keep track on business operation of company and devote time to attend the board meeting in order to give opinions and consider various businesses on a regular basis
3. Report of securities acquisition and changes in securities holding of the company, spouse and children who have not yet become sui juris to Securities and Exchange Commission and Stock Exchange of Thailand
4. When directors have an interest either directly or indirectly in any agreement or businesses that company has made during fiscal year must inform the company
5. In case, directors need to purchase asset of company, sell assets to company or do business with company as perform on behalf of oneself or on behalf of others must be approve by Board of Directors. By this, should not violate regulations of Securities and Exchange Commission, Stock Exchange of Thailand and any related laws
6. In offering company's securities; directors should monitor and ensure that the financial status information is shown together with business operation as well
7. Hand in documentation to registrar, Department of Business Development, Ministry of Commerce; directors should monitor and ensure that financial status is shown and

business operation with actual results and do not conceal information that the public should know

In addition, Board of Director meeting each year apart from assigning mission and also formulates strategies in operating in accordance with mission each year for management to proceed in accordance to required policies including preparation of Article of Association which specified duties and responsibilities for Board of Directors and Sub-Committee. This Article of Association stipulates that the Board of Directors shall manage operations of the company in accordance with laws, regulations and resolutions of shareholders' meeting as well as process of approve any importance operation in accordance with laws including establish regulation of company and its subsidiaries.

Board of Directors has realized importance of promoting ethical values in order to become a corporate culture so has prepared Code of Conduct (in written) and gives to Directors, Executives and employees to understand and aware on standard of ethical that company uses in its business operation and wishes everyone to use in organization as a framework to practice strictly as to show responsibility to work, shareholders, colleague, stakeholder and society. Moreover, avoid any behavior that may risk ethics and may also cause violation of the law as well. Incidentally, Code of Conduct applies for Directors, Executives and every employee.

Year 2019, Directors, Executives and every employee need to practices in accordance to code of conduct strictly and no action is taken on the subject on Code of Conduct

Practice 2 Define Objectives that Promote Sustainable Value Creation

Board of Directors should define objective and goals by focusing on investment and build sustainable value of those investments in Construction Engineering Business, High Voltage Transmission Tower Business group and Energy Business which includes any related potential to growth business to create value and sustainable growth to group of company for best benefit of every stakeholders which is ultimate goad for company. In addition, to seek opportunities in investment under good corporate governance and beware of every group of stakeholder as regardless of considering highest return and passing those return to shareholders.

Board of Directors jointly to formulate strategies and yearly plan of company and its subsidiaries to be consistence with vision and mission in determining each year; Board of Directors will consider in various subjects by considering various risk factors such as Financial, Strategic and Business Operation as well as taking sociality, environmental and stakeholders in every group into consideration.

Board of Directors realized importance on social responsibilities and environmental together with doing company's business operation by participating in improvement of the quality of life of communities around the factory, respect for human rights principles and fair use of labor to build sustainable communities and factories

In addition, Board of Directors have set guideline for business operation of company and its subsidiaries to lead to growth goal by focusing on balance of returns for quantity and quality by encourage every employees of company and its subsidiaries must be combined together by take stakeholders into consideration to be responsible for sociality and environmental to enable operations in all sectors to achieve their goals

The company has good corporate governance and gives right to employees and stakeholders in every group within inside and outside individuals and groups, organization such as employees, investors, customers, partners, community, social, environment, government agencies, compliance which can communicate or give clues on corruption directly or indirectly, offense on law or code of conduct or company's policies or right violation including any behavior that may be a problem causing damage to company or unfair treatment. Moreover any suggestion related to business operation there are way to report clues as follows:

1. Through company's website www.cenplc.com
2. Through E-Mail / Telephone
 - Executive Chairman
TEL: (02) 049-1041 E-mail: wutichai@cenplc.com
 - Corporate Secretary
TEL: (02) 049-1041 ext. 1021 E-mail: kenika@cenplc.com
3. By Post Mail
 - Mr. Wutichai Leenabanchong "Chairman and Chief Executive Officer" or
 - Mrs. Kenika Ngamcharoensathaporn "Corporate Secretary"

Capital Engineering Network Public Company Limited
1011 Supalai Grand Tower, 17th Floor, Rama 3 Road,
Chongnonsi, Yannawa and Bangkok 10120
4. Fax : (02) 049-1045

The clues, complaints and suggestions will be considered and implemented as appropriate on a case-by-case

Board of Directors assigned to Executive Chairman and/or Corporate Secretary is the person considering the notification of clues and complaints and any suggestion of stakeholders to Executives and/or Audit Committee and/or Risk Management Committee to investigate and report respectively thus whistleblowers and complaints will be kept as the company's confidential information.

Year 2019, company and its subsidiaries there are no cases of giving or receiving a bribe for any business benefit

Practice 3 Strengthen Board Effectiveness

Board of Directors realized that they have a role in corporate governance for highest benefit of company which needs to understand roles and responsibilities by clearly dividing roles between board of directors and management to ensure that company has a system that assures that its transactions or activities are carried out in a lawful and ethical manner

By this, in order to perform duties of Board of Director efficiency and effectiveness then board together formulate and reviews structure of Boards, consideration on remuneration of directors in order to propose to shareholders meeting thus supervision of subsidiaries' policies, operations and other businesses in which the company invests With guidelines for performing as follows

1. Structure of Board of Directors

Board of Director is knowledgeable, abilities and experiences in various fields such as engineering, law, economic, business administration, account and finance thus all directors have passed training from Thai Institute of Directors Association: IOD Such individuals play an important role in determining company's policy with high-level executives on business planning in short term and long term through financing policies, risk management and organization overview

In year 2019, Board of Directors consists of 5 Committees as follows:

1. Board of Directors
2. Audit Committee
3. Remuneration Committee
4. Risk Management Committee
5. Executive Committee

The company has determine and separate power of each committee – importance issue need to passed approval of each committee (with specific duties) then propose Board of Director to take into consideration or acknowledge and to counterbalance and review for transparency and fairness to all related parties

After every shareholders meeting; Board of Directors will arrange a meeting to appoint a sub-committee for year 2019 Board of Directors meeting No.3-2019 held on May 14, 2019 resolve to appoint entire sub-committee in totaling of 4 committees and clearly delegated authority

Company's regulation has set not less than 5 Directors (Board of Directors) but not more than 15 Directors thus not less than half of total number of directors must reside in the Kingdom as at December 31, 2019 Board of Directors in totaling of 10 people

	Amount			%
	Male	Female	Total	
Director as Executive	3	2	5	50.00
Director as Non-Executive	1	-	1	10.00
Independent Director	4	-	4	40.00
Total	8	2	10	100.00

Board of Directors consists of 4 Independent Director of 40.00% of whole Board which is higher than standard of 1 in 3 or 33.33% follows regulation of Capital Market Commission thus Independent Director has responsible for review process of management, propose and comments to support any beneficial to shareholders and avoid any unfair treatment as affect beneficial to shareholders and all stakeholders; set and disclose policies in term of related transaction to make sure that shareholders have highest return

2. Appointment and term of office of the directors

- Criteria of Election and appointment of Board of Directors

Board of Directors has qualification, experiences as needs and no prohibits characteristics follows PUBLIC COMPANY LIMITED ACT B.E.2535 and Securities and Exchange ACT B.E 2535 and other related laws thus Directors must have sufficient time to devote their knowledge and ability to perform duties for the company. The company has rules on person who will be elected as company's director in accordance to Article of Association can be summarized as follow:

1. Director who appointed and relieve from Shareholders meeting as period of holding position in accordance to company's regulation when expiration of term then may re-elected unless position is vacant not by rotation then Board of Director will appoint appropriate person in replacement of vacant position
2. The nomination of persons to be elected at the shareholders' meeting in replacement of director who retire by rotation due to currently the company has nomination committee officially but in this nomination; Board of Directors are together for considering qualifications, experiences, specialize in vary kind of fields, vision and virtue, unblemished work history the propose to shareholder meeting for approval
3. In every Annual General Meeting of Shareholders there should be director relieve 1 in 3 if total number of directors cannot divided into 3 parts then give out by number nearest to third part
4. Election of Director by voting right separately – shareholders cannot split their vote
5. The person who have highest votes respectively will being elected as a director equal to the number of directors to be elected at that time ; any director who retied by rotation can be re-elected
6. Shareholders voting – one share = one vote

Year 2019, election of directors in replacement of rotation in 2018 Annual General Meeting of Shareholders held on April 30, 2019 in totaling of 4 names as follows:

1. Mr. Wutichai Leenabanchong
2. Mr. Theerachai Leenabanchong

- | | | |
|----|---------------------------|---------------------|
| 3. | Mr. Yanyong | Wattanawongpitak |
| 4. | Associate Professor Pusit | Lertwattanakul, PHD |

By this, Associate Professor Pusit Lertwattanakul, PHD as retired by rotation has informed as will not request to be elected as a director again

The 2019 Annual General Meeting of Shareholders has resolved on approval to re-select of directors in totaling of 3 directors

- **Term of position for Director**

1. Board of Directors are appointed from Annual General Meeting of Shareholders in accordance to company regulations as term of position equal to 3 years consistent to PUBLIC COMPANY ACT and when expiration of term then may re-elect. Moreover, Board of Directors to recruit and scrutinize right person to ensure that the person who will be a director of the company has knowledge and experience
2. The company has set age of directors and/or highest term to hold the position continuously by believing that the age or duration of office is not an obstacle If compared with knowledge, ability and each valuable experiences each person have. Moreover, those people might bring beneficial to company as trusted from Board of Directors and shareholders The company has disclosed date of holding position of Directors and Independent Directors in Form 56-1 in title of 8.1 Board of Directors.
3. The company has set term of holding position for Audit Committee as well due to shareholder meeting has resolved to approve appointment of directors and audit committee
4. Board of Directors has information to compose consideration on recruitment of Independent Director who retired by rotation thus number of years of holding positions for consideration both in the invitation to the meeting and the annual report

In year 2019 there are 4 Independent Directors as follows

Name of Independent Directors		Appointed Year	Amount of Year holds position
1. Associate Professor Pusit Lertwattanakul, PHD		August 26, 2008	10 Year
3.Mr.Yanyong	Wattanawongpitak	December 24, 2012	6 Year
4. Mr. Chatre	Sriutharawong	August 13, 2014	4 Year
5. Dr. Visit	Ongpipattanakul	August 14, 2015	3 Year

- **Nomination Committee**

Details shown in title of Recruitment and appointment of directors and top management

- **Qualification of Directors**

Details shown in title of Recruitment and appointment of directors and top management

- **Criteria for selection of independent directors and nomination process**

Board of Directors will design for selection of independent directors which is currently company has no nomination committee therefore selection process will be in accordance to rules and qualification from The Stock Exchange of Thailand and Market Supervisory Board then propose to Board of Director and shareholders meeting

3. Number of company which director holds position

The company requires that each director hold a position of not more than 5 in listed companies so that every director has the intention and determination to perform the duties of the director trusted by Directors and Shareholders

Board of Directors has policies on formulate guideline for director or executive chairman in a group that has knowledge, ability and expertise in that business also serve as a director subsidiary company

- For holding position of director in registered company more than 5 companies
Year 2019, no director holding position of director in registered company more than 5 companies
- For Independent Director who holds the position of director in registered company not more than 3 companies
Year 2019, no independent director holding position of director in registered company more than 3 companies
- For executive who holds the position of director in registered company not more than 2 companies
Year 2019, Mr. Wutichai Leenabanchong is holding position of director in registered company which is our subsidiaries in totaling of 3 companies

The company has disclosed information on names and details of each company's director in Form 56-1 and Annual Report thus company has confident that it will not cause a conflict of interest and does not affect performance of duties of directors throughout the years, the Board of Directors has shown that the Board of Directors is able to devote time to work efficiently. In which the company received advice, recommendations and suggestions that are useful to the company's business continuously and consistently.

By this, the company has policies and practices of holding position of Directors and Executives. The company will consider of sending Directors or Executives or Management with knowledge, abilities and skills and specialize in such fields to holds Directors position in subsidiaries by proportion of investment thus to supervise its subsidiaries for comply with company's policies for highest benefit of company. For example, keep up the bookkeeping to preparation of consolidated financial statements of company which based on accounting period. By this, same accounting periods and critical accounting policies with company, disclosed importance information follows regulation of The Securities and Exchange ACT as announces from Capital Market Commission and The Stock Exchange of Thailand in the same manner as rules of company practices. For example, Related Transaction and acquisition of assets to ensure that appropriate internal control and effectiveness which cover policies of corporate governance

4. Sub-Committee

There are 4 sub-committees as consists of:

Sub-Committees	Amount	Independent Directors	Directors as Non-Executive	Directors as Executives
1. Audit Committee	3	3	-	-
2. Remuneration Committee	3	3	-	-
3. Risk Management Committee	3	2	1	-
4. Executive Committee	5	-	-	5

Remark: - Term of position for Audit committee equals to 3 years

- Term of position for Remuneration committee, Risk Management Committee and Executive Directors equals to 1 year

All members in sub-committee appointed from Board of Director to practice in specific subject and propose to Board of Directors for acknowledgement thus Board of Directors may appoint subcommittee as appropriate to changes of situation (all members in subcommittee are independent director), qualification, understand roles; holding position of directors and subcommittee position by perform duties responsibly, honestly, morality, carefully and independently; It is believed that all directors understand and act strictly, and the structure of the various committees is acceptable to shareholders.

Apart from this, company has reviews process of Board of Directors and Sub-Committee yearly

By this, Directors and Top Management of company has not hold position as employee or shareholders of External Audit Company during the past 2 year

Apart from this, year 2019 Board of Directors allows director or non-executives can be discuss among themselves as appropriate by no management attendees and propose to Board of Directors for acknowledgement.

The company has Charter authority has prepared a series of last update of the Board of Directors, Audit Committee, Remuneration Committee and authority of Chief Executive Officer by passed approval of Board Committees and approved from Board of Directors meeting No.1-2019 held on February 27, 2019 (details shown in Form 56-1 No.9.2 Subcommittee) Including the authority to organize and conduct of the Board of Directors, Executive Committee and Chief Executive Officer (amended) to be consistence with business operation as approved by Board of Directors meeting No.1-2016 held on February 26, 2016.

- **Audit Committee**

The Audit Committee consists of three board members who are qualified as independent in accordance with The Stock Exchange of Thailand announcement and the Company's definition. All members are knowledgeable and have understanding and experience in accounting, finance and management. The Audit Committee authorities, duties and works are in accordance with the Audit Committee charter. The Audit Committee is an independent entity to support the board of directors in successfully eliminating conflicts of interest, verifying financial information presented to shareholders and related parties, auditing the specified internal control system, and communicating with the Company's auditor thus each member has a role in selection process and lay off company's auditor and duration of this position equals to three years

- **Remuneration committee**

Presently, the remuneration committee consists of 3 directors which are all independent and not executive director to considering on remuneration of every committees and senior management by comparing on same industrials, experiences, roles and responsibilities including consideration on business expansion and lifetime of position equals to 1 year which will assign by each Annual meeting (Board of Directors) after Annual General Meeting of Shareholders held.

- **Risk Management Committee**

Board of Risk Management consists of 3 Director who are independently and as director but not executive who responsible to ensure that the Company has appropriate and effective risk management (term of positon equal to 1 year) which has been approval from Boards meeting every year after Shareholders meeting.

- **Nomination Committee**

Presently, the Company has not officially established nomination committee. However, the Board of Directors nominates members by considering qualifications, experiences, expertise, vision, ethic, and unblemished working experiences with ability to express opinions independently. Moreover, the past performance as a director is also taken into consideration. The board members consider the aforementioned aspects and approve the nomination before propose to shareholders.

Except that the director position is vacant before the end of service term, the Board of Directors is authorized to appoint an appropriate person as specified in the Company's regulations.

- **Executive Committee**

The executive committee consists of 5 directors who are knowledgeable and have various experiences and understanding of responsibilities and the Company's business.

The executive management committee is responsible for the Company's business operation in committee format. The investing management committee members are appointed and approved by the Board of Directors in accordance with the Company's regulations. The duration of this position equals to one year which will be assigned by each Annual Meeting of Board of Directors after Annual General Shareholders' Meeting held.

5. Board of Directors meeting

1. Board of Directors have set meeting once every quarter. The meeting schedule for directors has been prepared in advance for each year, with clear agendas, which the company secretary will send in the meeting every December.

2. Send the documents related to the meeting 7 days in advance in order to provide board members adequate time to study documents before meeting, each meeting will take approximately 2 hours and in meetings there are openly and freely for feedback.

3. Other consideration, Chairman (as represented as) Chairman of the meeting shall have an opportunity to express their opinions freely, Voting shall be by majority vote by each director has one vote and any stakeholders as Director has to abstain or no comment or no attend on those agenda if there are equal vote then chairman entitled to one vote as casting vote.

Year 2019, voting for each agenda need to have 2 in 3 directors of total director

4. Board of Directors has pay attention on management issues relating to conflicts of interest of all parties to carefully and fairly by fully disclose of information in case there is stakeholder as Directors then he/she has no right to comments of those agendas.

5. Board of Director Meeting; If there are any suspect or need more information from related person then Chief Executive Officer will request executives to clarified and in case directors need some information then could contact corporate secretary

6. Board of Directors has given chance to director (not executive) can have a meeting as among themselves as appropriate and acknowledge Board of Directors

7. Board of Directors has set 6 times for Board of Directors meeting which pursuant to Directors, the Company will advance. In case there is urgent cases then could call the meeting as appropriate

End of the meeting, corporate secretary is responsible for recording and storing minutes of meetings and approved by chairman and corporate secretary. By this, Directors may comments; amend in the minute of meeting for the corrections.

Minute of Board meeting and sub-committee will storage in folder at the head office as convenience for Directors and related person to be referred

Year 2019, the meetings are as follows:

- Total number of meeting for Board of Directors equal to 6 times as number of time held meeting are reasonable and sufficient for the duties of the Board of Directors as the nature of the business and every directors who attend the meeting shall attend more than 80% of meeting
- Audit Committee and Internal Audit has schedule meeting with company's auditor quarterly together with inviting representatives from executives to attend the meeting. Year 2019, total number of meeting for Audit Committee equals to 5 times
- Audit Committee has a meeting with executive independently; decision and Suggestion arise from the meeting will acknowledge Board of Directors

- The company has policies for non-executive to called meeting and there is no meeting in year 2019

6. Remuneration of Directors and Executives

Remuneration committee will consider appropriate amount of compensation from experiences, duties, scope, roles, participating and responsibilities of each director as comparing with similar industries and taking business growth into consideration and proposed to shareholders meeting for approval every year.

By this, 2019 Annual General Meeting of Shareholders which held on April 30, 2019 has approved remuneration fees not exceeding 3.5 Million Baht as increased when compared to 2018 by paying each time at the same rate. Board of Directors has assigned to remuneration committee to determine remuneration of Directors and subcommittee thus proposed to Board of Directors for consideration and proposed to shareholding meeting every year.

Remuneration Committee has set the structure/ element of proper compensation to responsibilities and benefits of each committee

Remuneration of Chief Executive Officer (CEO) as senior executive of company, we have no policies to receive other fees except remuneration in term of director or employee, no share given, debenture or other securities to executives. The company has disclose details on remuneration fees individually in Form 56-1 No.8.4 Remuneration for Directors and Executives

Remuneration of executives is in accordance to rules and policies which will considers performance based on the roles, duties and responsibilities of each person

In year 2019, there is 1 times of remuneration committee meeting by set remuneration for Directors in year 2019 and proposed compensation to get approval from Board of Directors and Shareholders meeting respectively. The company has disclosed compensation of each person in Form 56-1 No.8.4 Remuneration for Directors and Executives

7. Leadership and Vision

Board of Directors has set visions, missions and policies including company corporate supervisor to be consistence to set objectives and targets for highest benefits as well as increase economic value for company and shareholders by considering the interest of all stakeholders thus there is freedom in expressing opinions and decision not to seek benefits for themselves or to any person; do not take any actions that are in conflict or is a competition with interests of the company or subsidiaries

Boards has target indicators (KPI) on financial and any plans starting from beginning of year by follows business operation as monthly and quarterly to get status of the operation if the target is under Analysis to set the guidelines in order to find the solutions and change operational strategies to suit changing situations

Board of Directors give importance to financial report that must truly reflect the operating results, assessment and standardize in administration and manage risk to be at appropriate level with efficiency and effectiveness under the principle of power balancing which could be check. Board of Directors is committed to development so that business of company is progressing steadily and able to create appropriate return for shareholders

Moreover, Internal Audit Committees are responsible for Internal Audit directly which includes make sure that internal control system are enough and appropriate risk management to keep company beneficial by used corporate governance as a tool for value added and reach company objective for highest returns to company and shareholders. Moreover, require Directors and Executives report to company on their stakeholders or any person who related to equity as related to management of company or subsidiaries follows regulations, conditions and methods which announced from Capital Market Commission.

Board of Directors has aware of importance on business operation by set vision and mission of company in order for Directors, Executives and employees intend to operate in the same direction also has policies to reviews annually.

In year 2019, company has set vision in accordance to business policy as responsible for social and environment

8. Roles and Responsibilities of the Board

The Board of Directors has appointed from shareholders to represent of shareholders which has importance roles on setting management policies by join with executives to set policies, operating goals, operating plans and annual budget by executives and employees should go on to the same directions. By this, including supervision and monitoring of operation in accordance with business plans and budget set by effectively and efficiently.

The company has determine and separate authorization of Board of Directors and management in various level clearly by considering on importance matters through comments from Board of Directors and subcommittee in order to balance and review transparently as well as moral to every related department. The company has disclosed duties and responsibilities of Directors (details shown in Form 56-1 No.8 Directors)

In year 2019, Boards has officiate on supervision of business operation in accordance to law and regulations therefore there are not any irregularities.

Corporate Secretary

Follows Securities and Exchange ACT (No.4) BE.2551 has assigned to Board of Directors to appointed Corporate Secretary whom will be responsible for coordinate legal issues on behalf of company or Board of Directors. Corporate Secretary also has an important role in coordinate effectively in both internal and external. Board of Directors has appointed

Mrs. Kenika Ngamcharoensathaporn as corporate secretary as follows resolution from Board of Directors meeting No.4-2014 held on June 14, 2014 as passed Company Secretary Program (CSP) #7/2004 which is the course related to duties of corporate secretary from Thai Institute of Director (IOD) and holds position of (Senior Manager of compliance and investor relation section)

Compliance and Investor Relation

The company has focused on organizations and its shareholders to its established compliance and investor relation department in order to coordinate with corporate secretary, secretary of internal audit and shareholders for achieve goals effectively. By this, assigned to Mrs. Kenika Ngamcharoensathaporn (Senior Manager of compliance and investor relation section) which has knowledge on accounting and passed training on company secretary program from Thai Institute of Directors No.7th in order to support efficient in operation and understanding in term of good corporate governance to Directors Executives and employees includes organization images.

9. Consolidation or separation of positions

The company has policies on separate of positions on responsibilities of Chairman and Chief Executive Officers which has knowledge, abilities, experiences and qualified and must not be the same person in order to balance the power By separating supervision and management duties from each other

Chairman and Acting Chief Executive Officer is the same person but there are independent from each other. The policy setting is clearly separated which the Company's regulations clearly define and divide authorities of the Board of directors and different level management. An important issue has to be considered by each committee in order to establish balance and verification for transparent and good governance.

The chairman of the Board of Directors and controller in this meeting had concluded independently by board members could give out their opinions or any proposal and support business

management by authorized to Chairman, Chief Executive Officer to handles which will not interfere business management.

Although the chairman of the Board of Directors is not an independent director but performs his duties independently and allows all directors to independently express their opinions. Hence, the Company believes that the chairman of the Board of Directors always places importance on and understands good corporate governance principles as well as encourages the implementation.

In year 2019, The Company has 5 Executive Directors by Chief Executive Officer is a leader for management, planning, operating which follows the policies as set by Board of Director. In addition, Executives has join with Board of Directors in determine of policies and business goals.

10. Development of Directors and Executives

Board of Directors has giving importance to development of directors by encourage directors to attend the seminar or any course that useful in performing duties by focusing on the benefits of education, training that will develop directors in order to gain knowledge that is up to date in the competitive business situation all times also have policies to develop potential of personnel who are executives by providing training both inside and outside organization. In the past, company's directors have attend training program from Thai Institute of Director (IOD) as Securities and Exchange Commission (SEC) requires directors of listed companies must past at least 1 training course such as Director Accreditation Program (DAP) and Director Certification Program (DCP) apart from mentioned courses directors are also give importance to enter into other courses provided by IOD such as Roles of Compensation Committee Program (RCC), Company Secretary; by objective of to enhance professional leadership, have knowledge and understanding truly, prototype on driving organization for good corporate governance. However, every directors have past basic training course of directors; Director Accreditation Program

Year 2019, Directors and Executives attended to seminar and training as follows

Director / Executive	Name of Seminar / Training / Joint Activities
Mr. Theerachai Leenabanchong	<ul style="list-style-type: none"> - "Chief Transformation Officer" ; (CTO Course) No.1/2019 held on June 26 – August 28, 2019 Arranged by Market for Alternative Investment (mai) - Role of the Chairman Program (RCP) No.45/2019 held on September 18 – 19, 2019 Arrange by Thai Institute of Director (IOD)
Miss Usara Pattatung	<ul style="list-style-type: none"> - "Qualification of Corporate Secretary and importance of Contact Person" dated August 27, 2019 Arrange by The Stock Exchange of Thailand (SET) - Form 56-1 and Annual Report to ONE REPORT" dated October 7, 2019 Arrange by Securities and Exchange Commission - Minor list of improvement as necessary in Financial Statement of Public Company Limited" dated November 18, 2019 Arrange by Ministry of Commerce - "Basic of TFRS 9" dated December 21, 2019 Arrange by Federation of Accounting Professions - "TFRS 16 Lease Agreement and Deferred Tax" dated December 26, 2019 Arrange by Dharmniti Seminar and Training

Director / Executive	Name of Seminar / Training / Joint Activities
Miss Laphassarin Kraiwongwanitrungrung	<ul style="list-style-type: none"> - “Changes in financial reporting standards and income accounting standards” dated September 27, 2019 Arrange by Dharmniti Seminar and Training - “Changes in financial reporting standards in total of 3 importance issues TFRS 15, TFRS 16 and draft TFRS 9 dated October 25, 2019 Arrange by Dharmniti Seminar and Training
Mrs. Kenika Ngamcharoensathaporn	<ul style="list-style-type: none"> - “Qualification of Corporate Secretary and importance of Contact Person” dated August 27, 2019 Arrange by The Stock Exchange of Thailand (SET) - Form 56-1 and Annual Report to ONE REPORT” dated October 7, 2019 Arrange by Securities and Exchange Commission

11. Evaluation of The Board of Directors, Subcommittee and Chief Executive Officer performances

Board of Director not yet evaluate results of Boards practices thus each director has consider, reviews work and various problems to improve and help Board to work more efficiently

Annual Evaluation of Audit Committee

Audit Committee has evaluated in term of practice for each committee as use as a framework for auditing performance on duties of Audit Committee as in accordance to Corporate Governance Policies and/or good practices to improve operation of audit committee in accordance with policy guidelines and review problems and obstacles that occurred during the past year. By dividing the assessment into 3 areas which are

1. Structure and Qualification of Audit Committee
2. Audit Committee Meeting
3. Roles and Responsibilities of Audit Committee

Score Range	Meaning
More than 80 percent	Excellent
More than 70 – 80 percent	Very Good
More than 60 – 70 percent	Good
less than or equal to 60 percent	Below average

Self-assessment of Audit Committee are as follows:

No.	Assessment Subjects	Percentage (%)	Grade
1.	Structure and Qualification Of Audit Committee	100.00	Very Good
2.	Audit Committee Meeting	100.00	Very Good
3.	Roles and Responsibilities of Audit Committee	100.00	Very Good
Average images		100.00	Very Good

Annual evaluation of Chief Executive Officer

Remuneration Committee will evaluate performance of Chief Executive Officer by the following manners

1. Leadership
2. Performance
3. Practice along with policies and strategy formulation

Practice 4 Ensure Effective CEO and People Management

Board of Directors has realized that personnel to hold position of executives (every level) such as Chief Executive Officer, Managing Director of subsidiaries and Deputy to Managing Director which an important management position and is part of company's goals therefore Board of Directors roles is to overseeing that recruitment of such persons must be appropriate and transparent by considering on knowledges, abilities, skills and experiences to set up structure of compensation with appropriate and supervision to manage and develop personnel in accordance with direction and strategy of company

1. A succession plan of top management

Board of Directors realize a succession at executive level especially leadership of organization such as Chief Executive Officer, Managing Director of subsidiaries with objective on making confidence for investor, organization through employees that the company's operations will be carried on in a timely manner

1. Define the explanation of word "Top Management" which relevant to organization's goals and strategy including specific qualification, knowledge and required skills
2. Selection of second level from top management with vision, knowledge and ability
3. Analyze qualification individually in order to find strength and other thing need to be improved

Board of Directors has meeting with executives, top management, secondary top management (succession plan) together with executive chairman by monthly - Meeting of the performance of the company and subsidiaries as part of supporting the succession plan

By this, executives has continuous monitor and evaluate on performance of individual who will be promoted to hold the position of executives thus to be consider and propose to Board of Director meeting for approval

2. A succession plan of supervisor of each department

1. Provide development on secondary executives in term of vision, knowledge and ability to support chief executive and commandant respectively.
2. Provide training in term of enhance academic knowledge and learn in real work Situation
3. Provide secondary executives to be corporate and work with Chief Executive
4. Set secondary executives which can descendant and set properly on positions
5. Prepare personnel with unique capabilities and gain more comprehensive management
6. Middle executives to have chance in management in lines.
7. Provide training of each line systematically
8. Provide training to Chief Executive, Middle executives to be responsible on their task with honest to organization and overview of organization in order to become next level of executives.

The company has schedule meeting every month by Executives, Top Management and Secondary Top Management (succession plan) together with Executive Chairman which is operating results of subsidiaries thus includes shareholders meeting to set organization objective. In addition, create a sense of participation and build awareness in working process and as part of succession plans.

3. Orientation for New Director

In case there are new directors; the company has set specified guidelines for preparing the duties of the directors so that directors can take the position immediately with company secretary acting as a coordinator in the following areas;

1. With the company secretary acting as a coordinator in the following areas such as Article of Association, objective and structure of company, Corporate Governance Policy Guide, Anti-Corruption Policy and Code of Conduct
2. Arrange meeting with Chairman, Board of Directors, Subcommittee and Management of company to acknowledge information related business operation

By this, year 2019 no orientation for new director due to no appointment of director

Practice 5 Nurture innovation and Responsibility Business

The Board of Directors is aware that almost every process of operations must give importance to society and the environment including aware of stakeholders in all groups by conduct business with responsibility and fairness to all stakeholders. Moreover, establish clear policies and raise awareness of company's and its subsidiaries employees to be responsible for social, environment and all stakeholders by establishing policies and practices in "Code of Conduct and employees ethics" as well as distribute to directors, executives and all level of employees. Moreover, uphold the guideline for treatment of all stakeholder to ensure that interested will be treat fairly thus company has revealed in title of "Code of Conduct" under "Good Governance" on company's website www.cenplc.com

The company take care all stakeholders equally by following practices

1. Shareholders

The company has respect basic right of shareholders as set by laws, regulations, code of conduct and related rules as practices to every shareholders equally; distribute business in order to build highest satisfaction for shareholders by focusing on long term growth, return as appropriate continuously thus has transparent management system, account system that are reliable and maintain property of company, control over related transaction, measure to prevent conflicts of interest and use of information for personal benefit as also a mechanism that gives shareholders the confidence to receive correct information

In year 2019, the company does not pay dividends for year 2018 business operation as net profit of 312.57 Million Baht thus most of net profits are unrealized gain from securities value and company need to reserve cash as working capital and invest more in various projects.

The company has accurate and complete results on business reporting regularly every quarter and disclosure of transaction with connected parties through SETSMART of Stock Exchange of Thailand and company's website

By this, every company's shareholders are invited to attend 2019 Annual General Meeting of Shareholders and have right to vote in every importance agendas by receiving importance information in various way such as documentation and electronic information

2. Employees

Employees of company and subsidiaries are valuable resource and importance part concerning drive through business toward success, business goals of organization therefore strive to develop and enhance culture in order to support work as create all employees to be proud and believe in organization, treat employees politely and respect on human right, take care of employees equally without any discrimination. The company has a basic policy to promote employees unity, have confidence and trust each other, respect human dignity as well as personal rights, employment, hiring, appointment and transfer employees which will based on morality and uses of human resources to maximize benefit of company

The company is committed to develop potential of its employees as well as providing equal opportunity to create career advancement for all employees, development on skills, knowledge and

capability of all employees to be ready to work and supporting business expansion in future which includes create career stability and give opportunity to progress according to potential of each person. Moreover, involvement of employees in determining direction of operations and development along with policies related to compensation by providing fair compensation that is appropriate to knowledge, responsibility and practical of each employee

Compensation and Welfare of employees

The company has reasonable compensation which according to knowledge, abilities, roles, responsibilities, performances and provide welfare to enhance quality of life and well-being thus subsidiaries has establishing a welfare committee to provide opportunities for employees to participate in welfare administration as well as promote of various activities all time which gives employees to communicate or give advice matter of work through specified channels

Compensation of Employee: The company provides fair compensation to every level of employees in accordance to business operation each year and compared with same size and type of business as in long term there is clearly measurement in performance and potential of employee arrange to growth by in line which have reasonable welfare.

Employee Benefit: The company has provident fund in order to care on benefits of employees and encourage long term saving in the future which includes as incentive to employees to work in company for long time by employees as a member of provident fund will received subsidy at the rate of 5 percent of their basic pay which members can accumulate funds into fund at the rate of 5-15% of wages as voluntary of member thus when members become de-active, they will receive a contribution, including the average net benefit under the terms of the fund

The subsidiaries has promote and support employees for organization development by election "Welfare Committee" (Term of this committee equal to 2 years) to present employees and be intermediary as coordinate with subsidiaries in order to relieve employees of various problem apart from welfare received which includes consult and listen to comments.

The company and its subsidiaries has provide benefits and safety to employee as standard benefits (accordance to law) such as working date, holidays, annual leave, other holidays, Social Security, Compensation Fund, Provident Fund. Mentioned benefits are continuously promote to employee

1. Welfare to develop employee
 - Provide to support in term of internal and external education
 - Provide seminar of knowledge related to work within and outside the companyContinuously
2. Welfare to help for cost of living and the family
 - Provide hygienic canteen with reasonable price
 - Provide form to employees (daily) and employees (monthly)
 - Provide transportation to employees
 - Provide expenses on travel costs, vehicle and fuel expense
 - Provide help in term of rent (house)
 - Provide lunch allowance
 - Provide incentives of bonus, shift, experiences etc.
 - Provide welfare on victim cases, in cases of death of parent and married couple of employee includes allowance for death
3. Welfare to encourage employee savings and stability in the future
 - Provide provident fund to save money in the future which members need to accumulate as 5 percent of wages and subsidy at the same rate from company

- Provide saving and credit cooperatives
- Provide gratuities to employees or commutation for maintain benefits from retirement
- 4. Provide health care
 - Provide medical room by having registered nurse including medical supplies and medicine
 - Provide annual health checkup and health check by risk factor
- 5. Welfare for sport and recreation
 - Provide athletic to strengthen health, build harmony and build good relationship within employees

Employee Development Policy: The company and its subsidiaries has policy for employee development in order to competitive advantage of organization in term of market, professional development, management and quality of life thus provide training for development for employee at least 6 hours/person/year which is not less than 50% of total employees as end of year

Training	Amount of Employee	Rational of Training
Training for 6 hours	111	77.62%
Training less than 6 hours	32	22.38%
Total employee as end of 2019	143	100.00%

Name of Training Program	Number of Hours
Method for measuring acidity-base of accurate measurement results	3
Seminar on Network for increasing labor productivity, Rayong	6
Preserving hearing : surveillance and prevention of osteoarthritis No.1	6
Preserving hearing : surveillance and prevention of osteoarthritis No.2	6
Driving a forklift safety and correctly	6
Documentation QP/QM/FM/WI ISO: 2015	6
Submission of electronic financial statement (DBD e-filing) for Public Company Limited	3
System integration to expand organization potential and increase opportunities in business	3
Professional application of modern inverter	6
Love Rayong Factory; Jointly prevent and reduce accidents within and outside factory	6
Dangerous from chemical and first care aid	6
Cultivating safety behavior BBS	6
Seminar for major power user in Rayong Province	5
Principles of being supervisor	30
Standard risk assessment for occupational injuries ISO 45001	3
Predictive maintenance measurement with motor 4.0 era	6
Standard depth TFRS9 TFRS16 essence, impact, guidelines and case studies	12
The operator controls forklift truck safety	30
Review of work on cranes	6
Penalties and danger of substance abuse	3
Safety officer Supervisor Level	12
Labor relation Law	3
Initialization and basic resurrection	6
Senior Energy Personnel in Basic Theory	30

Name of Training Program	Number of Hours
Seminar Industrial electricity users No.35/2019	6
Discussion and exchanges for system development Health Management in Organization	6
Happy and ready for retirement	6
System usage for SET Link	3
Primary Fire	6
The commander spits crane over the head, who gives the operator signal	6
In totaling of 30 courses	242

Safety and hygiene in work and working environment : The company and its subsidiaries has play attention on safety and hygiene in workplace by set clearly and concrete policies including set up safety committee in term of health and environment of workplace (Kor.Por.Or) in order to work on safety and good hygiene for employees – check on safety of workplace regularly, safety securities for 24 hours, CCTV, indoor alarm system, fire extinguisher, fire door through held fire safety training and first aid training to employee every year. The company and its subsidiaries have communicated with their employee and operator to acknowledge and involve in those practices as follow:

- Support and creative for work by safety and preserve the environment
- Support in order to create safety in workplace, provide safety equipment and workplace as well as encourage knowledge and work with safety
- Make policies for all supervisor to be responsible for safety in workplace in accordance to regulation of safety as set by company and its subsidiaries strictly

Apart from this, company and its subsidiaries has public information, any knowledge relate to disease prevention and care of employee health through exhibition and advertising boards by following process.

Committee in term of safety, health and environment in workplace						
Subsidiary	Legislation		Amount			
	Employee	Director	Staff Member	Board		
				Male	Female	Total
UWC	100 but not more than 500	7	400	15	2	17
RWI	100 but not more than 500	7	159	10	1	11

Safety Officer	UWC			RWI		
	Amount			Amount		
	Male	Female	Total	Male	Female	Total
1. Jor.Por. (Executive Level)	11	3	14	5	2	7
2. Jor.Por. (Supervisor Level)	18	7	25	31	6	37
3. Jor.Por. (Professional Level)	1	1	2	1	-	1
TOTAL	30	11	41	37	8	45

Details	UWC	RWI
Accident statistics	20	11
Leave statistic due to sickness		
• Less than 3 days	11	7
• More than 3 days	9	4

Communication Chanel for employees: Apart from complaint channel as above mentioned- company and subsidiaries has opened up direct channel for communicate, suggest, complaint and report any problems related to work between employee and commander to welfare committee and report to Board of Directors next.

The company has set defend employee complaint protection which includes co-operatives in investigation, fact will be protected from unfair practices due to cause of complaint e.g.; interfering with performance, change job and lay off

In year 2019, all suggestion has been considered and corrective action in order to maintain good relationship with equally treatment among employees thus company has implement by a mechanism that does not affect employees who report the clues and will keep it secretly

3. Customer

Boards of Directors play intention to relationship on building and taking care of customers therefore company and its subsidiaries holds honesty and fair for doing their business operation, not violate right of customers/ treat customers equally which base on fair competition for both parties

Subsidiaries have policies to response customers in order to lead to success of company in accordance to practices and regulations agreed with customers.

- Provide advice including accurate and sufficient information to customer also meets customers need with speed, maintain client confidentiality thus not take client confidentially to be used for advantage or wrongful related
- Development on products and services in order to meet customers need by innovative ways to add value to your products continuously
- Play attention on keep information of product secretly and not use as self-benefit
- Play attention to information which benefit to customer by having clear labels other than law required
- Provide division for customer services or consumer in term of complaint and suggest on product quality, convenience services by emphasize on customer needs together with fairly conducted to customers.

In year 2019, there aren't any complaint from customers significantly thus company and subsidiaries have analyzed the causes in order to prevent and monitor all system also deploy this to whole organization. Moreover, managing director has play importance roles on mentioned subjects by set division to be responsible and report to Executive Board to be resolved, build relationship, satisfy existing and new customers which as result in continue order

4. Competitors

The company and subsidiaries has treat competitors without violating and secret or knowing their trade secrets by fraudulent

- The company and subsidiaries has process the business in accordance to honest and fair trade competition framework which complying with an agreement with trade competitors equally under framework of law and company's code of conduct

- Not seeking confidential information of business competitor in dishonest or inappropriate ways
- Not to damage the reputation by accusing the competitors
- Promote and support free trade fairly, not monopolizing or requiring customers of company and its subsidiaries to trade with company only
- Not acting in violation of the intellectual property of competitors

In year 2019, the company and its subsidiaries has no dispute with regard to competitors

5. Partners

The Company and its subsidiaries have played an importance role on focusing of practice equally and fairness which based on fair return on both sides. Its business partners must not bring discredit to the reputation of the company, or the law.

- No receive or consent to accept properties or other benefit apart from trade agreement
- Build relationship, good corporation and product development in order to strengthen capacity and business performance together with long run of joint business (win win solution)
- Products procurement is importance process of administrative expenses and product quality to reach highest benefit of company therefore criteria and evaluation system needed
- Encourage partners to participate in international standards related to Environmental

In year 2019, no appear that company and subsidiaries has obey in suppliers agreement

6. Creditor

The Company and its subsidiaries have practices under the conditions strictly together with build relationship with creditor in order to create trusted and confident by on time payment to creditor under the credit term agreements in advance

The company and subsidiaries have bank transfer through media clearing which is more convenience for creditor.

In year 2019, company and subsidiaries have business creditors which are in the pass we have never default of payment.

7. Labor

The company and its subsidiaries have to ensure that company and their subsidiary has not used illegal labor.

8. Human Rights

The company and subsidiaries has encourage Executives and employees as citizen to exercise their rights on constitutional legal and strictly on human rights principles which is increasing on value of human resource as importance for key business by not discriminating within organization gender, class, color, race, religion, society as well as do not use child labor and resist sexual control

- Provide knowledge of human right to employees and not support activities that violate human rights
- Avoid partnering with organization lead to violate human right
- Give the employee right to argue for self-identification if the fault is indicated or any corruption on job thus any complaints will attentive and act fairly
- Provide any channel to employee or whom believe their rights are violated or unfair treated then could complaint to company as complaints should be taken care of treated fairly

Throughout the business operation, company and its subsidiaries never have a history of unfair practices and no law suit in this matter.

9. Political Rights

- The company and subsidiaries support executives and employees to use their right as a good citizen according to the constitution law and other relevant laws
- Executives and employees not use the authority to invite colleagues. Including subordinates to support any political activities, whether directly or indirectly

10. Government

Doing business operation under provision of law and regulations of strictly regulated by the agency to cooperate in providing information, was required, and requested by the state agency. By this, the company has pay Tax paid correctly and on time in accordance with the laws of VAT, Business tax, Income tax, withholding tax label stamp duties and a personal income tax.

11. Social and Community

The company and its subsidiaries has realize importance on social and community by set policies to instill a sense of community as responsible in social and community to executives and every level of employees continuously for improvement on quality of life and benefit in society to return profits in social and community regularly

- To create understanding on communicate with community and social in term of business operation, responsible for communities and social by do not cover facts that may reveal
- Organize activities that benefit community and society such as building the library, funds donate to charity and charitable organizations, Hospital and Buddhist activities
- Take advantage of resources as needed by minimal impact to social and community

Subsidiaries has certified of CSR-DIW from Department of Industrial, Ministry of Industry as it an award for industrialists which continuous development and good responsibilities among society continuously

Subsidiaries has certificate for work place of drug free Department of Labour Protection and Welfare

12. Environment

The company and its subsidiaries operates by focusing on natural resources and environment which pay attention to energy conservation activities which support better quality of life includes awareness of preservation and conservation of the environment to remain sustainable beneficial to the community.

- Encourage employee of consciousness about responsibility on Environmental throughout organization continuously by driven by both inside to outside and outside to inside
- Improvement and development process in term of machinery and technology continuously also have manage systematically both in production of goods and services in order to reduce environmental impact
- In order to be consistent with policy on managing environmental, company and subsidiaries has practice as follow mentioned policy and ISO 14001:2015

Educating and training employees in environmental issues:

The company and Subsidiaries has recognize the importance of campaign also raise awareness of executives and employees to care of environmental by enhance knowledge on environmental issue through exhibition within and outside organization continuously

To promote efficient use of resources:

The company and its' subsidiaries has set policies to employee to user resource effectively in all process related business operation for highest return by taking environmental affect into consideration as define measurement to prevent and mitigate effect that may occur systematically

The company and its' subsidiaries using resources efficiently and effective in term of cost, control energy consumption and create awareness for organization and build employees to be involved in energy efficiency in all aspects such as electricity, oil and water supply continuously both workplace and home. Be aware on energy saving and to acknowledge effects of global warming

- Supporting on production process that are environmentally friendly in the field of plumbing conservation and waste management both in factory and office eg; Peak Demand Control System in order to control usage of electricity and installing of energy for saving systems (Evaporative), using LED bulbs (brightness without heat) as environmental friendly as long service life of 50,000 hours
- Reduce paper consumption by using 2 sides of paper together with development information technology in term of workflow system to replace the paper in workplace both factory and office, meeting conference through VDO conference

Practice 6 Strengthen Effective Risk Management and Internal Control

Board of Director has realized on roles and responsibilities and has guideline for practice in operations as follow:

1. Overseeing company to have efficiently internal control system as Audit Committee and inspection office has importance roles In the matter of financial reports that are complete internal control system and appropriate and effective inspection system
2. Overseeing company to have appropriate risk management system by establishing a clear policy for each year and assigned to risk management committee to consider, specifies risk, assess and chance of being happen in order to prioritize risks and manage appropriate risks

Incidentally in year 2019 the company has monitored and managed the conflicts of interest that may occur between company and management including the prevention of undue use And transactions with persons who have a relationship with the company The important summary can be summarized as follows

1. Company crimination record of Directors and Executives

In the past and year 2019 the company has no prohibits characteristics follows PUBLIC COMPANY LIMITED ACT B.E.2535 and Securities and Exchange ACT B.E 2535 and other related laws such as does not submit financial statements as scheduled, no transaction that provides financial assistance to companies other than subsidiaries, no negative reputation due to failure of operation from Board of Directors, subcommittee, no case in which the non-executive director resigned due to corporate governance of the company. Apart from this, the company do not have any case related o violation of labor laws, employment, competition law or being carried out in any way due to the fact that the company did not announce important information within the time specified by the government agency

Incidentally, Board of Directors and Executives of company, subsidiaries and affiliated – no actions that are contrary to regulations whether it be PUBLIC COMPANY LIMITED ACT B.E.2535 or other laws both civil and criminal laws which includes including there is no action that causes a conflict of interest

- No actions are taken to trade securities using internal information
- No fraud committed or ethical offenses

2. Determination of the securities of company

The company does prohibit directors, executives and staff which currently in that department acknowledge inside information related to trading on securities during the past 1 month before disclosure of financial statement to publicize. Apart from this, set director and executives (includes spouse and Child (immature)) to report on shareholding if publicly trade company's

shares to Securities and Exchange Commission within 3 business day which counting from changes date and send copy to corporate secretary thus it is a duty to act and perform as required. Moreover, includes directors and executives when first re-instated needs to report shareholding of company to Securities and Exchange Commission.

Corporate Secretary has preparing meeting date of Board of Directors (whole year) and send it to directors in advance to acknowledge when should refrain from trading.

The company has practice policies with Directors and senior management in case there are determinations of company's securities- need to acknowledge Directors and/or Corporate Secretary 1 day before trading securities

Year 2019, directors, executives and staffs have determined in accordance with policies and shown that no trading securities during those time.

By this, shareholding of directors which includes the shareholding of the spouse Underage children and the first 4 executives as at December 31, 2019 as percentage of 5.01 percent of total shares sold as summarized in annual report in title of "Shareholding Structure and Management" and Form 56-1 in title "8. Management Structure"

3. Stakeholders reporting of Directors and Executives

In accordance to clause 89/14 Securities and Exchange Act (No.4) B.E. 2551 (2008) Notification of Capital Market Supervisory Board TorChor 2/2552 RE: Reporting of interests of Directors, Executives and Related Person stipulating that directors and executives shall report their interests or those of their related persons to the company so have complied with the policy on reporting of interests thus Executive Meeting No.5-2009 held on June 9, 2009 has stipulate the rules, conditions and procedures as follows

1. Stakeholders as Directors and Executives reports report on his interest or a related interest of person in relation to management of company in form of report of interest of Directors and Executives within 30 days counting from the date of appointed.
2. Unless any changes in report of interest then need to send to corporate secretary within 15 days counting from the date of changes
3. Report of interest of Directors and Executives every year within 30 days counting from end of year although there aren't any changes.

In year 2019, all Directors and Executives have reported conflict of interest as follows the regulation strictly.

4. Securities Trading Supervision

The company taking care of securities trading in accordance to announcement of Capital Market Supervisory Board RE: Acquisition or Disposition of assets by making said transaction stakeholders do not take part in the decision making in order to be transparent and fair

Year 2019, company and subsidiaries has transaction to acquire or dispose of assets with other person which the company has complied with rules of Stock Exchange of Thailand and Securities and Exchange Commission

5. Conflict of Interest

Board of Directors has clear guideline for care, eliminate conflict of interest for best benefit of company and shareholders thus when there are transaction related to conflict of interest then company has notify and disclose resolution of the meeting regarding said transaction in accordance to rule of Stock Exchange of Thailand thus any stakeholders will leave the room

and no right to vote in those agenda for independence in decision making, disclose information transparently and no provide financial assistance that is not subsidiary company (as appears in Form 56-1 subtitle “12. Related Transaction”)

Related Transaction will be consider from Board of Directors meeting as suitability of transaction and the Audit Committee will approve the disclosure of information in Form 56-1 and annual report

6. Preventing from Conflict of Interest

The company has clear and transparently shareholding structure therefore does not cause any conflict of interest to either party as disclosed in annual report and including completed holding of securities of the board of directors and executives

Related transactions are done with care, sensible, taking best interest of company into account by set price in accordance to market price with normal business practices and fair trade conditions as if entering into transactions with third parties by establishing a transparent operating system for the said matter transparently and practice in accordance to rules of Stock Exchange of Thailand thus establishing it as policies of corporate governance and determine in Code of Conduct as treat company and shareholders

The company has disclosed information in order for equal right of receives information such as Related Transaction, the company has follows announcement from Securities and Exchange Commission RE: Disclosure of information and other acts of listed companies concerning the connected transaction. In case connected transaction which required to be disclose or approve from shareholders, the company has follows provision of Stock Exchange of Thailand and Securities and Exchange Commission. Moreover, before the transaction company has disclosed details and reason of doing this transaction to shareholders all times.

Directors who seem as connected person will not attend the meeting and have no right to vote in the meeting to Board of Directors whom is not entering connected transaction may have fully comments and vote independently. The company secretary will announce the person who entering connected transaction need to leave the room. After the meeting adjourned disclose name, relationship of who entering connected transaction, price set, transaction value and any opinion differ (if any) to The Stock Exchange of Thailand by schedule of time and disclose in company website which can be check.

In year 2019, transaction related financial assistant to subsidiary company thus the company has policies on controlling this related transaction and limited financial assistance to other companies which is not oppose rules from Stock Exchange of Thailand and Securities and Exchange Commission also follows normal trading of year 2019 moreover, as mentioned conditions are disclosed in annual report and Form 56-1

7. Internal Control System and Internal Audit

- Internal Control System

The Board of Directors realizes the importance and provides internal control system for operation in term of Financial follows the policies and rules by appointed Internal Audit to be responsible for checking the operation system of internal control as planned to report Audit Committee and Board of Directors. Moreover, they are independently to perform their duties. There are 5 sections by following approach of COSO (The Committee of Sponsoring Organizations of the Tread way Commission) as organization and Environmental, Risk Management, control practice of management, Information and Communication and monitoring system every year at least 1.

In Board of Directors meeting No.1-2020 held on February 28, 2020 by Audit Committee has attended this meeting as considered adequacy of company internal control system follows COSO (The Committee of Sponsoring Organization of the Tread way Commission) with the conclusion of The Company has adequate and effectiveness in term of internal control system which shown in Annual Report in the title of "Internal Control and Risk Management" and Form 56-1 "No.11 Internal Control"

- **Internal Audit**

The Board of Directors has assigned Audit Committee to reviews on company to have adequate internal control system for business operation with the effectiveness and report to Board of Directors and Shareholders. By this, the company has provide a separate internal audit unit as part of company's organization chart and this department is directly under Audit Committee as assigned Mr. Khomwuthi Pornnaradol (Secretary of Audit Committee) whom holds the position of Director (Internal Audit). In addition Mr. Khomwuthi Pornnaradol and his quality team work will review, assess adequacy, effectiveness of internal control system which has standard check and sufficient independence thus give suggestion for improvement to achieve value added to organization and support corporate governance process

Year 2019; Audit Committee has completely performed assigned duties from Board of Directors; there is an internal audit help to support those mission to achieve goals (internal auditor) is who has appropriate qualifications to perform the duties. As the results of assessment from internal control system that needs to be corrected including appropriate suggestion as management deems necessary for business operation thus propose to Board of Director in order to be in consideration quarterly.

Internal Audit will report the assessment and review internal audit control to Board of Director quarterly and year 2019 there are 5 times meeting for Audit committee and report to Board of Director quarterly. By this, Audit Committee has report and comments on internal audit control system and risk management are shown in Annual Report in the title of "Corporate Governance Report from Audit Committee"

8. Risk Management

Board of Directors has set the policies on risk management in the whole organization by appointed Risk Management Committee by Independent Director whom is not Executives and report risk management to Board of Directors. In case when there is significant risk issues or unusual transaction then will take into consideration for level and size of damage as occur as organization can accepted by taking goals of organization into account

9. Supports responsibilities to social, environmental and human right

Board of Directors are aware of importance of social and environment responsibility while conducting business by participating in the improvement of the quality of life of communities around the factory, respect human rights, fair use of labor, create sustainable communities and factories together

Apart from internal control and risk management system there are importance roles that directors need to supervise which are anti-corruption, process and supervision of stakeholder complaints, supervising and managing potential conflicts of interest between company, management and Board of Directors as follows:

Policies on Good Corporate Governance

The Board of Directors realizes on good corporate governance by setting policies which are consists of 4 parts such as Corporate Governance, Business Ethics, Employee Ethics and Anti-Corruption Policies for directors, executives including every employees within company use as guidelines for the behavior of everyone in the organization; in carrying out the duties of the company with good conscience To strengthen the organization to have a good management system Transparency in business operations, causing confidence among shareholders and normal investors, create stability for business and create returns that are beneficial to shareholders, stakeholders and overall sociality, build stability for employees by constantly revising to suitable situation together with public through company website

The company has support directors, executive including executive to understand and practice according to business ethic and code of conduct by Board of Director to be used as good example for employees. Apart from this; in the orientation for directors and new employees is provide guideline and everyone need to signed in order to demonstrate as commitment to be guideline for practical in workplace

The company has Audit Committee and internal audit to check, follow the manual which is designated as an annual plan then report to Audit Committee to acknowledge together with suggestion and guidelines for correcting and preventing damage on a quarterly basis

Policies and practices regarding anti-corruption and corruption and giving or receiving bribes

The company and subsidiaries has policies to comply with Anti-Corruption law by “Anti-Corruption and Corruption Policy” Practical in “Code of Conduct” while also creating awareness attitude to Directors, Executives and employees in the operation with honesty

The company and subsidiaries has policies on resist giving and receiving bribes as well as any kind of corruption by forbidden Directors, Executives and employees accept or support any corruption either directly or indirectly thus need to practices in accordance to rules, announce laws and related regulations

In a meeting of Board of Private Sector Collective Action Coalition Against Corruption Council :CAC) No.4-2018 and on February 4, 2019 resolved Capital Engineering Network Public Company Limited certified as a member of Thailand's private sector – Collective Action Coalition Against Corruption Council

Training and Communication

Year 2019; company and its' subsidiaries has training and give knowledge to employees on policies and guidelines on anti-corruption including related information such as business ethic, gift and entertaining- every level of employees can access through various policies via internal communication system – company news board as well as communicating on anti-corruption among partners, business partners which include business agents through appropriate channels in order to acknowledge and practice together as well as company website.

Guidelines for supervision and control to prevent and monitor fraud risks

The company and its subsidiaries has practical related to supervision and control in order to prevent and monitor fraud risks can be summarized as follows:

1. Arrange reviews on internal control and risk management which cover every importance system such as procurement system, sales system and accounting system. By this, in order to prevent and follow risk from anti-corruption includes proposals regarding appropriate improvement guidelines

2. Provide communication channel for give any clues, violation of laws, regulations, article of association or any practice among anti-corruption (policies on protecting person who gives clues and keep a secret. There are measures to check and determine disciplinary action of relevant law firm the company will notify operation results to acknowledge in writing

3. Chief of the relevant department is responsible for following up, adjust or improve and errors and report to supervisor respectively

Guidelines for monitoring and evaluating performance in accordance to anti-corruption

Board of Directors has assigned to Risk Management Committee to supervise and assess risk throughout the organization for support anti-corruption – consider each activity about risk, analyze, evaluate opportunities and impact. The results of assessment will help company to create a risk management plan and create appropriate risk control systems for changing environments

Board of Directors has determined guidelines for monitoring and evaluating compliance with anti-corruption policy as follows:

1 Provide communication channel for give any clues or complaint by investigating and penalties in order to protect clerk which published on company website and announce to all level of employees

2. Audit Committee required sup reviewing opportunity to commit fraud in business in accordance to company anti-corruption policy and Code of Conduct as well as review risk management to be reasonable and effectively then report to Board of Directors quarterly thus function of internal audit is independently and not limit scope of work

3. Directors, Executive and every employees follow strictly and condition of employment if anyone violate then will punished according to company regulations and law (if any)

Year 2019, the company has practices and strictly complies with policy as results of no any abnormalities

Policies and guidelines for giving or receiving gifts or other benefits

1. The company and its subsidiaries has policies on receiving gifts or other benefits from those involve in business with company, executives and employees thus they may receive gifts as conventional without affecting any business decision which can be disclose and transparently

2. Such gift shall not be in cash or cash equivalent (eg; gift card/voucher)

3. In case cannot refuse and have to receive gift then need to report to supervisor and record all details on gift and send such gifts to Human Resource Department to be use as gift to employees or donate for charity as appropriate

Year 2019, the company has no gift or other benefits

Whistle Blowing or complaint

The company has good corporate governance and rights to employees to communicate, complaint when finding matter that may be fraud either direct or indirect- breaking law, business ethic or infringement as well as behavior that may be a problem or cause damage to the company or not being fair which includes any suggestion related to company's business operation. The company provides channels for reporting clues and complaints as follows

1. Through company's website www.cenplc.com

2. Through Email / Telephone

- Executive Chairman

TEL: (02) 049-1041

E-mail: wutichai@cenplc.com

- Corporate Secretary

TEL: (02) 049-1041 Ext: 1021

E-mail: kenika@cenplc.com

3. Through via post

- Mr. Wutichai Leenabanchong "Chairman and Executive Chairman" or

- Mrs. Kenika Ngamcharoensathaporn “Corporate Secretary”
Capital Engineering Network Public Company Limited
1011 Supalai Grand Tower, 17th Floor, Rama 3 Road
Chongnonsi, Yannawa, Bangkok 10120

4. Through via Facsimile: (02) 049-1045

Clues, complaints and suggestions will be considered and implemented as appropriate by considering on a case-by-case basis.

Board of Director has assigned Executive Chairman and/or Corporate Secretary is responsible to receive any complaints and recommendation of stakeholders to Executive Committee and/or Audit Committee and/or Risk Management Committee by investigate and report to Board of Directors respectively.

Year 2019, in the past company and its subsidiaries has no complaint on giving or receiving bribes for beneficial to company

Whistle Blowing

1. The company requires those who receive information related to performance of duties or reporting corruption to organization, keep personal information such as name, address which can specify complainant secretly, do not disclose any information to anyone who is not involved except as disclosed under statutory duty

2. The company will keep relevant information confidential and take into account for safety of complainant by setting measure to protect employees complaints including collaboration in scrutiny will be protected from unfair practices as due to cause of complaints such as interfering with performance/change job/lay off

3. The company will listen and handle all complaints in equitable manner; transparency and fair by set mechanism that does not affect employees who report the clues and those information will be keep it secretly

4. The company has open up to stakeholder to feedback comments, complaints through provided channel of company such as Annual General Meeting of Shareholders, opportunity day thus questions, comments, suggestions and complaints will be forwarded to relevant agencies to make modification to meet need all stakeholders.

Year 2019 business operation of company did not appear to have been operate by regulator as did not announce important events within specified time frame which includes not appear that company violated labor law, employment, consumer, trade competition, environment and stakeholders.

Apart from this, company has department of internal audit as duties to responsible for providing efficient and effective internal control system, monitoring and evaluation of fraud risk preventing corrupt employees. There is Audit Committee to reviews internal control system and follow up results of internal audits if any corrupt then internal audit will take action to report to Audit Committee and Audit Committee will report to Board of Director respectively

Policies that are not related to intellectual property infringement

The company and subsidiaries adhere to business policies based on ethics and morality by creating innovation in both production processes as support employees to create various innovations in term of production process and services including collaboration with customers, partners and government sectors continuously in order to sufficient innovation and meet need of market

In year 2019, company and its subsidiaries has no infringement of intellectual property and Piracy

Practice 7 Ensure Disclosure and Financial Integrity

The company operates its investment in subsidiaries (Holding Company) as aims to generate return on investment in long term and openness to potential investment and will be able to generate

profits steadily therefore Board of Directors has realized on quality and disclosing information equitably, transparency and fairness and discloses information related to company both financial status and non-financial status or any information which may affect trading price for shareholders and those who are interested to acknowledge information correctly, completed, on time, equally and same quality.

The company has disclosed information with easily to access and more channels in both Thai and English version and through SETSMART of The Stock Exchange of Thailand and company's website www.cenplc.com to stakeholders to ensure all parties are as follows:

1. Corporate Governance: The Company has corporate governance in accordance with good corporate governance, code of conduct and employees ethics in written as guideline for directors, executives and employees thus prepared public relation board and company website includes policy and practices in term of anti-corruption

Year 2019, company has performance report in accordance to corporate governance which conform to good corporate governance for listed company of The Stock Exchange of Thailand by publishing in Form 56-1, Annual Report (56-2) and company website www.cenplc.com

2. Importance information as for financial and non-financial: The Company has disclose importance information including financial and non-financial information under the condition of The Stock Exchange of Thailand and The Securities and Exchange Commission correctly, completely transparency and on time which passed through examination procedure in both Thai and English to The Stock Exchange of Thailand and company website (www.cenplc.com)

- **Information which disclosed in Form 56-1 and annual report of company.** By this, the company has prepared and disclosed in accordance with rules from The Stock Exchange of Thailand and Securities and Exchange Commission for beneficial of shareholders to be considered thus with up to date information which disclosed on company website www.cenplc.com

In 2019, The Company has not been implemented from Securities and Exchange Commission or The Stock Exchange of Thailand due to non-disclosure requirements.

- **In term of Annual Financial and Quarterly Financial** the company has prepared Financial Statement which pass examine by auditor with approval from Audit Committee as also passed Board of Directors before disclose to shareholders and send to The Stock Exchange of Thailand and Securities and Exchange Commission. Incidentally, disclosed to shareholders and investors before limit time together with disclose enough importance information in Noted to Financial Statement and provide explanations and analysis of the management for disclosing quarterly financial statements so shareholders and investors can be used in order to make decision making for investment

- **To report business operation quarterly** The company normally report business operation every quarter in case net profit in accordance to latest Financial Statement changes from Financial statement (same period of previous year) more than 20 percent then company will describe those changes through SETSMART (The Stock Exchange of Thailand) and company's website www.cenplc.com

By this, company's auditor has knowledge and expertise independently and has been approval from Securities and Exchange Commission. Apart from this, auditors has no relationship or equity with company/ subsidiaries/ affiliate company/Executives/ major shareholder or those involved with such person therefore It is free to monitor and comment on the Company's financial statements truly. Moreover, company has disclose auditor fees and other services as paid to auditor in title of "Remuneration of Auditor" of Annual Report

In year 2019, the company has revealed company financial statement quarterly and annually both Thai and English version through company website which could download thus Financial of company has certified with unconditional and no notice from company's auditor, company has disclose financial statement to The Stock Exchange of Thailand and Securities and Exchange Commission punctual and no financial statements were ordered to change and not being processed as a result of non-disclosure of information

3. Report on responsibilities of Board of Directors on Financial Report Board of Directors has realized on importance of financial report preparation correctly, in accordance with accounting standard which disclose such information that has been audited by independent auditors and approved by Audit Committees and Board of Directors prior to dissemination to shareholder. In order to ensure, Board has prepared a report on responsibilities of Board on Financial Report as disclosed in Annual Report and Form 56-1 together with report from auditors. By this, such report is meet accounting standard report and investors could find this information for their decision

4. Related Transaction and/or Asset Acquisition: Board of Directors has clear practice guidelines in order to discarded on beneficial and for highest returns to company and shareholders. Transactions which conflicts of interest then company will clarify and disclosed in meeting resolution in accordance with rules from Capital Market by stakeholders may leave the room and no right to vote in that agenda for independently in consideration. This has been disclosed to Stock Exchange of Thailand in Thai and English version and also company's website, annual report in the title of "Related Transaction" and Form 56-1 subtitle "12. Related Transaction"

In year 2019, Board of Director has resolved 1 related transaction which happened from subsidiaries as being accepting and/or 1 transaction on acquisition of assets in accordance with specified rules.

5. Designated to Board of Directors and Executives requires to report trading securities, holding company's securities and stakeholders involve in company management such as mate and underage children which stakeholders involved in company management to report to related person who holds position of directors, executives and Securities and Exchange Commission as following manner:

As measure and policies to comply with guideline set out as follow:

- Report on changes in holding company's securities when trading (Form 59)
- Information of Company's directors and executives (Form 35-E1) within 7 days counting from date of holding position

In year 2019 – Director and Executive including their spouse, underage child as making report on trading securities, holding of company's securities in case there any changes together with conclusion in annual report in title of "Shareholding Structure and Management" and Form 56-1 in title of "8. Management Structure"

6. Designated policies of responsibility of community and environment: which company set the mission in order to practices to achieve tangible should report company every time changes in accordance to standard of regulation as follows:

- To report vested interest in position of Director or Senior Management for the first time
- Report on any vested interest when there is any changes
- Report on any vested interest every year ended
- In case director has resigned then re-elected then those director do not have to submit report again
- Directors and Executive submitted report on vested interest to corporate secretary within 1 month (date of appointment) and within 15 days when there is any changes and within 30 days then report in annual report counting from year end thus corporate secretary need to send copies of these report to Chairman and Audit Committee Chairman within 7 days counting from date received information

In year 2019, Directors and Executives has submitted the report of vested interest in case there are any changes

7. Use of Internal Information: The company has measure to control use of inside information by specify in Code of Conduct RE: Regarding conflict of interest and confidentially

treatment that must be treated by company, shareholders, stakeholders and as specified in employees ethics to Board of Directors, Executives and employees as perform duties with honesty, responsible, have good discipline and awareness for the public and for oneself, do not use the position of duty for self-interest and/or others, protect the interests and assets of the company by not use company information and assets for their own benefit and/or others thus do not act in a way that encourages others to do business competing with the company and subsidiaries

Apart from this; regulation related work of company has specified in mentioned issue by imposing disciplinary action which directors, executives and employees has practices accordingly

Year 2019, directors, executives and employees of company has practices in accordance to regulation strictly not appear to have misused the company's internal information

8. Designated policies of responsibility of community and environment: The Company has set in company's mission in order to practices to achieve tangible which everyone in organization must be involved.

Year 2019 the company has disclosed details in Annual Report by separating as part of Corporate Social Responsibility (CSR) Report

9. Meeting and Communicate between Executives and Chief Executives, highest commanders of every department of company and subsidiaries:

Company has held the meeting between Executives Board and Chief Executives and highest commanders of every department of company and subsidiaries every month in accordance of the target of business operation and business strategy. By this, communication is a way to cooperate with every employee for understanding and act in the same direction together with responsible for their duties in order to achieve their goals.

In year 2019, Chairman has play importance roles on attending to Executive, Chief Executive and High Level of position in every division meeting every year by main idea suggestion, aggressive tactics and philosophy together with exchange opinion independently to support executive management and achieve business goals

Apart from this, disclosure of financial statement and other information to The Stock Exchange of Thailand and Securities and Exchange Commission through various channel by accurate, complete and on time however the company disclose following information

1. Shareholding Structure by disclosed top 10 major shareholders as at closing registered date to attend Annual Shareholders meeting before meeting started and disclosed in website of company www.cenplc.com

2. Disclosed changes in holding shares of Directors and Chief Executive by show amount of shares at the end and beginning of year or trading between in annual report in the title of "Shareholding and Management Structure" in No.2 Management Structure in sub title of Changes of holding securities of Directors and Executives and Form 56-1 in the title "8.1 Board of Director"

3. Disclosed business operation of company and its subsidiaries and analysis industry and competitive includes financial status, annual report, in title of "Nature of Business" and form 56-1 in title of "2. Nature of Business", company's website both Thai and English version which can be download

4. Disclosed on create business group of company and subsidiaries in annual report in title of "Shareholding Structure of Company" and Form 56-1 in subtitle of "1.3 Shareholding Structure of Company" through company's website both Thai and English version thus could be downloaded.

5. Disclosed Risk Factors of company and subsidiaries in term of characteristics, cause and effects includes ways to prevent and reduce these risks in annual report in the title of "Risk Factor" and Form 56-1 in title of "3. Risk Factor"

6. Disclosed name of Directors, Independent Directors and sub-committee includes historical, roles and responsibilities, number of attended the meeting of each Director, proportion of holding shares, date of appointed as Director and information of training development of each

directors in past year in annual report in the title of “Shareholding Structure and Management” No.2 Management Structure in sub title of Summary of attendance and in the title of “Personal Information of Directors and Executives” and Form 56-1 in the title of 8.1 Board of Director subject of summary of attendance and title of 9.2 Sub Committee.

7. Disclosed policies on remuneration fees of Directors and Executives of company and subsidiaries includes form and nature of compensation committee granted in annual report in the title of “Shareholding Structure and Management” No.2 Management Structure in sub title of Remuneration of Directors and Executives and Form 56-1 in the title of “8.4 Remuneration of Directors and Executives”

8. Disclosed information on development and training of directors in the past year in section 5 Responsibility of Director RE: “Development of Directors and Executives” as well as in annual report and form 56-1

9. Disclosed policies on dividend payment of company and subsidiaries in annual report in the title of “Shareholding Structure and Management” No.1 Management Structure in sub title of Dividend Payment Policies and Form 56-1 title of 7.4 Dividend Payment Policies

10. Disclosed the appointment of Auditors (independently) and qualification as agreed by Securities and Exchange Commission (SEC) includes their fees and services in annual report in the title of “Auditor Fees” and Form 56-1 in title of 9.6 “Auditor Fees”

11. Disclosed organization structure in annual report in the title of “Management Structure” and Form 56-1 in the title of “8.2 Executives subject of through company’s website both Thai-English versions as can be downloaded

12. Disclosed Internal audit control system as assessment by follows regulation from SEC together with reported to Audit Committee in annual report in the title of “Report on Corporate Governance of Audit Committee” and Form 56-1 in title “Enclosure No.5”

13. Disclose the offense notification policy in section 3 Taking into account in role of stakeholders RE: “Anti-Corruption Policy” in annual report and form 56-1 as well as company website in both Thai and English version

14. Disclosed financial statement each quarter in both Thai and English version through company’s website thus can be downloaded

15. Disclosed annual report, invitation letter to Annual General Meeting of Shareholders in both Thai and English version through company’s website thus can be downloaded.

16. Disclosed Article of Association in both Thai and English version through company’s website thus can be downloaded

17. Public information and company’s news through company’s website

Channel for dissemination of company information

Disclosure of information accurately and transparently through provided channel for benefit to related person

1. There is Investor Relation Department – channel to communication with investor

The company has specify person who will be a center for disclosing importance information to investors and related person to facilitate any stakeholder

Kenika Ngamcharoensathaporn

Corporate Secretary, compliance and investor relation

TEL: (02) 049-1041 Ext: 1021 FAX: (02) 049-1045

E-mail: kenika@cenplc.com

2. The company and its subsidiaries has acknowledge, create understanding on subsidiaries’ business e.g. student affairs access to entire system and visit factory (subsidiaries) thus executives will be an educator in order to understand basic aspects of production (from beginning till the end of production process)

3. Importance information as public on company’s website are as follow:

- Shareholding Structure
- Organization Chart

- Article of Association
- Good Governance
- Anti-Corruption Policies
- Code of Conduct
- Employees Ethic
- Report Committees
- Social Responsibility Report
- Annual Report (Form 56-2) and Annual Registration Management (Form 56-1; Thai version only)
- Financial Statement every quarter

Practice 8 Ensure Engagement and Communication with Shareholders

The company has realized on basic right of shareholders both as investor and owner of company and taking into account of maximize benefits for shareholders equally by giving importance and respecting the rights to ownership rights, not beneficial to any group of stakeholders, take care of various information veritable for shareholders to be confident, participate in decision-making on important matters of the company such as acknowledge business operation, management policies or make related reports correctly and completely as according to the truth through communication channel; company website www.cenplc.com both Thai and English version and www.set.or.th The Board of Directors has guidelines for the company to perform as follows

1. The company has assigned Thailand Securities Depository to act as company's securities registrar in order to facilitate shareholders to proceed with securities registration of company
2. In the formulation of Shareholders Meeting, the company will not schedule meeting on public holidays and commercial bank holidays by specifying as appropriate time 08.30 – 5.00 pm as located in Bangkok

Year 2019, total shareholders' meeting equal to 1 time as 2019 Annual General Meeting of Shareholders held on Tuesday, April 30, 2019 Vimarnthip Room, 5th Floor, Montien Riverside Hotel, No.372, Rama 3 Road, Bangkok, Bangkok, Bangkok 10120 started at 2.00 pm. The company has a policy to promote and facilitate shareholders which includes any investors to attend the meeting in which company selects a meeting venue that has a public transportation for convenience shareholders to attend the meeting because closed to Rama 3 Road as in accordance to policy and criteria for treating shareholders

There is no Extraordinary Meeting held in year 2019

3. The company has play importance roles in every issue as defined law and may have an impact on the company's business direction by specify clear agendas to certify, acknowledge, consider thus each agenda in invitation letter included objective, reasons and comments from Board of Directors clearly defined along with supporting documents for consideration by the shareholders thus agenda in shareholders meeting as importance are as follows:
 - **Agenda related to directors:** has separate RE: appointment of directors and compensation for directors
 - **Appointment of Director:** companies allow shareholders to elect directors to the right people. The basic information of the person who is nominated for the election of directors together with specify the position in other companies If a company is defined by the operator which has the same nature and in competition with the business of the company. Number of participant the Board of Directors meetings by consideration from Boards which are suitable for a wide range of professional qualifications, experience and expertise with a moral vision, an unblemished track record, independently including performance as directors in the past. The Company shall appoint a Nominating Committee

- **Remuneration for Directors:** Remuneration Committee has considered on amount of compensation and allocated by consideration of time attended the meeting as refine details of appropriate reasons and compare with same kind of reference from industry and economic conditions
in accordance with policies and criteria for determining the remuneration. By this, company has proposed remuneration to shareholders meeting for approval annually which can be divided into compensation as money is the meeting allowances and no pay for other benefits and disclose remuneration individually in annual report as title of “Shareholding Structure and Management No.2 Management Structure as sub title of Remuneration of Directors and Executives” and Form 56-1 title of “8.4 Remuneration for Directors and Executives”
 - **To appoint company’s auditor and Auditor fees:** Details on the name of Auditor Company, independence Relationship with the company, number of years served, compares the remuneration of the auditor during the current year by passed and other fee of services from accounting office as auditor belong to both company and subsidiaries. By this, it passed consideration from company’s Audit Committee which has disclosed in the annual report in the title of “Remuneration fee of Auditor” and Form 56-1 No. “9.6 Remuneration fee of Auditor”
 - **Allocated of Profit and Dividend Payment:** The detail of this has shown in allocation of profit, Dividend Payment under The Company’s dividend policy and comparison of dividend payment during the year together with schedule record date and close registration book for shareholders to be allocated for dividend payment
4. In every shareholders meeting, company has sent invitation letter to shareholders meeting together with related documents and comments from Board of Directors in each agenda. In addition, company has disclose invitation letter and related documents both Thai and English version in advance for shareholders to have more time to consider on the website www.cenplc.com
5. The company has set Annual General Meeting of Shareholders 1 time per year at reasonable place within 4 months (120 days) from end of fiscal year: The company has sent notice of meeting together with related documents with sufficient complete details as shown background details and comment from Board of Directors each agenda in both Thai and English version as well as practice in accordance to AGM Checklist by following details:
- Date, Time and Place held Shareholder meeting
 - Minute of last shareholder meeting
 - Annual Report together with Financial Statement
 - Agendas; each agenda propose to shareholder for consideration such as To consider, To approve, To consider the election, To appoint
 - The appointment of directors It consists of information of persons nominated to be directors in place of those who are due to retire by rotation such as age, educational background, training course, work experiences at the present and passed, Number of listed companies and general companies that hold position of directors, job expertise, illegal record in 5 year, transaction history that may cause conflicts in the past year, information for consideration of election of independent directors
 - Agenda for consideration of remuneration of directors and sub-committee consists of compensation information of directors and sub-committee, credit limited, actual amount use in past year compared of 2 years, policy and criteria for remuneration both in monetary, other compensation and comment from remuneration committee
 - Agenda for appointment of auditor and determination of remuneration for directors consists of auditor information compared of 2 years and opinion of the audit committee

- Article of Association related to shareholders meeting
 - Documents and evidence that attendees must present before attending the meeting, method of proxy for registration and voting method in shareholders meeting
 - Information about the independent directors nominated by the shareholders to be proxies
 - Definition of Independent Director
 - Map of venue of Shareholders meeting
 - Proxy Form Type A (General Form) and Proxy Form Type B (Specific Details Form) for shareholders who are unable to attend the meeting by themselves could give proxy to Independent Director or any person as specified to be a proxy or choose any proxy type A or C (choose one) which can be download all 3 types at company website www.cenplc.com. In addition, company has announced said distribution method through system of Stock Exchange of Thailand in another way
 - Requesting Form of Annual Report in paper format
6. The company has notified resolution from Board of Directors as schedule 2019 Annual General Meeting of Shareholders with agendas and details in both Thai and English version since March 21, 2019 thus 41 days in advance before meeting date through Stock Exchange of Thailand system so that shareholders can allocate time to attend the meeting
7. The company has published newspaper namely “Kaohoon” advertisements for 3 consecutive days and 30 days before meeting date as the day of April 1-3, 2019 in order to inform shareholders meeting in advance sufficient for preparation before attending the meeting
8. If shareholders could not attend the meeting, company has send proxy as in accordance to Ministry of Commerce together with invitation letter to shareholders meeting for shareholders wishing to appoint a proxy to attend instead by choosing to appoint either a person as a proxy or one of company's independent directors to attend the meeting on their behalf. In order to protect the rights of shareholders
In shareholders meeting year 2019 held on Tuesday, April 30, 2019 there are proxies given to Independent Directors, Audit Committee and other as follows:

Details	Amount	Amount Of Shares	Percentage
Shareholders according to the registrar	2,831	745,141,929	100.00
Shareholders attended the meeting	53	384,793,360	51.64
- attend the meeting in person	22	89,358,850	23.22
- proxies	31	295,434,510	76.78
Proxies given to Independent Directors and Audit Committee	20	166,626,500	43.30
Proxies given to others	11	128,808,010	33.48

9. The voting rights in meeting are determined according to number of shares held by shareholders as one share equal to one vote (all company share are common shares) and no shares have special privileges to limit rights of other shareholders, voting to be done openly by collecting ballots (which has barcode) officials will record votes by scan barcode.
10. Every shareholders meeting, documents and evidence that shareholder or their representatives must present before attending the meeting, method of proxy registration as determined by company; a guideline as required by law and regulatory agencies such as The Stock Exchange of Thailand and Securities and Exchange Commission

11. The company has more channels to disclose information related to invitation to shareholders meeting together with same documents as send to shareholders includes rules and regulations related to shareholders meeting in both Thai and English version on company website www.cenplc.com 30 days in advance thus so shareholders have times to consider with completed and enough details

Year 2019, the company has schedule shareholders' meeting on Tuesday April 30, 2019 and public invitation letter and related documentation through company website in both Thai and English version dated March 29, 2019 as 33 days before meeting date.

12. The company gave Thailand Securities Depository (TSD) as company registrar to deliver invitation letter to shareholders meeting together with related documents before meeting date not less than 14 days

The 2019 Annual General Meeting of Shareholders dated Tuesday April 30, 2019 TSD has delivered Invitation Letter of Shareholders dated April 12, 2019 which is 19 days in advance

In case of foreign shareholders or institution; company has sent invitation letter together with related documents (both Thai and English version) in order to encourage all type of shareholders and investor to attend the meeting

13. In shareholders' meeting company has set up in accordance to law and aware of convenience, right and equality of shareholders thus we uses barcode system for registration at least 1 hour before meeting and continue until meeting ended in which company registration is provided
- Provide sufficient personnel for registration to attend the meeting
 - Provide stamp duty for allocating a proxy without charge as provided to shareholders who gave proxies to other on their behalf
 - Provide ballots for every agenda for shareholders to votes

14. Each shareholders' meeting; before starting meeting in accordance to agenda – corporate secretary is responsible to notify number and proportion of shareholders attending meeting Include explanation on voting method, how to count votes of shareholders in each agenda in accordance to rule and Article of Association, introduce Board of Directors, subcommittee, top management as attend the meeting as well as Certified Public Accountant of company for year 2019 in totaling of 2 people namely Dr. Suwatchai Meakhaamnouychai and Miss Kamolthip Rattananantawatee from Deloitte Touche Tohmatsu Jaiyos and Legal Counsel (Mr. Nattawat Tumawong) from Banchong and Vidhya Law Office to attend the meeting as votes counting inspector for this meeting to be transparently, in accordance with law and company's Article of Association thus there is volunteer representing the rights of shareholders from Thai Investor Association for observation

15. Board of Director give importance to shareholders' meeting which consider as duty to attend proxy every meeting except illness or important mission, shareholder can ask each chairman (subcommittee) in related issues

In shareholders' meeting if any director considered as stakeholders or involved in any agenda then that director will notify the meeting to request not to attend meeting and abstain in those agenda

The 2019 Annual General Meeting of Shareholders dated Tuesday April 30, 2019 there are 10 directors in total and 9 directors attended meeting as 1 director absent (due to business

engagement accounted for 90% of total Directors thus Chairman, Executive Chairman, Chairman of Audit Committee, Chairman of Remuneration Committee, Chairman of Risk Management Committee, Chief Executive Officer and Chief Finance Officer attended the meeting in order to certify and answer questions relating to meeting agenda or company

16. The company conduct shareholders' meeting in accordance with order of agenda specified in invitation letter no added agenda or change importance information without notifying shareholders in advance and allocates enough time for presentation of various issues in each agenda. By this, each agenda Board of Director give an opportunity for shareholders to fully express their opinion on each agenda related to business operation of company and subsidiaries.

If any shareholders wish to add more agenda during the meeting apart from specified agenda then need approval from shareholders' meeting with vote not less than 1 in 3 of shareholders attend meeting and have right to votes

17. The company provides us of ballots in every agenda that has to be resolved for transparency and accountability thus voting method of each agenda, corporate secretary will as meeting whether any shareholders or proxies disapprove or abstain then raise up their hand and vote in ballots together with their signatures then related person will record votes by scan barcode together with collect ballot
By this, shareholders give proxy to independent director thus company will proceed with vote to agree, disagree or abstain according to shareholders desires

Details of voting of each agenda, company has used barcode system as helping tool for counting votes thus voting results were displayed on screen to acknowledge shareholders at the same time for accuracy results can be announced immediately after consideration of each agenda

18. Shareholders are eligible to acknowledge information equally by company public information both Thai and English version through company website www.cenplc.com and SET Channel www.set.or.th. In some case, although not within criteria required by law to be disclosed that information accurately, completely, on time and transparently
 - The company has reveal company shareholding structure which includes top 10 shareholders as at record date for current Annual General Meeting of Shareholders before date of meeting, amount of shares which minor shareholders holds
 - Process of related transaction any importance trade for securities
 - Minute of shareholders' meeting within 14 days counting from meeting date and public on company website to be a channel for shareholders to acknowledge and able to verify in formation without having to wait for next meeting
 - Information related to business operation, management policies, related transaction and importance securities trading as well as other information as necessary for shareholders' to make decision, give shareholders confidence an operating structure is transparently and verifiable. In addition, doing efficiently operate in order to create prosperity with suitable and continuous in term of returns
 - The company has provides a channel for shareholders; no matter major shareholders, minor shareholders, institutional investors or foreign investor can contact corporate secretary through E-mail: kenika@cenplc.com or directly (02) 049-1041 Ext: 1021
19. Every Annual General Meeting of Shareholders thus election of directors in replacement of there who retired by rotation thus company give opportunities for shareholders to vote for director individually. In addition, gives opportunities to shareholders to have right to elect

director that they want thus company will attach details of each director whom elected to hold position for consideration

20. Every Annual General Meeting of Shareholders; company gives shareholders right to consider and approve compensation of directors and subcommittee as details of these compensation on Board and subcommittee as enough information for consideration
21. Every Annual General Meeting of Shareholders; the company has schedule agendas on appoint company auditor and their fee to shareholders for approval. Details on appointed auditor and fees are enough for consideration
22. During the meeting Board of Director gives opportunities to shareholders to give opinion suggestion or ask question in various agendas independently; before voting, chairperson give opportunity to shareholders to ask question or express opinions

Year 2019 there are 5 people questioning and chairman and related directors answered questions clearly and to the point thus company has recorded in the minutes including question and answer in written

23. The company has public resolution of 2019 Annual General Meeting of Shareholders held on April 30, 2019 which includes votes of agrees, disagree and abstain, voided ballot in each agenda both Thai and English version through SET Portal (Stock Exchange of Thailand) with meeting dated April 30, 2019
24. The company has prepared minute of 2019 Annual General Meeting of Shareholders held on April 30, 2019 after meeting adjured, recorded the minute, voting each agenda together with questions or comments from shareholders completely according to fact shown in shareholders' meeting to directors and Managing Director (Stock Exchange of Thailand) within 14 days counting from meeting which is May 13, 2019 along with publishing through company website www.cenplc.com both Thai and English version, sent Minute of Shareholders' meeting to Ministry of Commerce within period specified by law, for shareholders who cannot attend the meeting, taken pictures of meeting and publish through company website www.cenplc.com to acknowledge information related to meeting
25. After Annual General Meeting of Shareholders; the company has prepared Minute of Shareholders meeting as was record correctly and completely to meeting which importance factors consists of
 - Procedure and method of voting in each agenda
 - Names of Board of Directors, subcommittee, top management as attended meeting and not attended meeting includes reasons for absent, Auditor, Legal counsel and representative of minority shareholders
 - The resolution of each meeting on agenda, voting result consisting of agrees, disagrees, abstains and voided ballot
 - Questioning from shareholders including name-surname and answers from Board of Directors and Executives
26. Voting on each agenda will be done openly, have ballot for every agenda distributed to shareholders for only abstain then deducted with total number of votes in attendance, the rest will be considered as agreed therefore if any agenda is disapproved by shareholders of abstaining then those shareholders will sign ballot and raise ballot that has been given while registering thus those ballot card (will be named of attendee, amount of shares, barcode)

personnel will record score with using barcode system and keep ballot as evidence which can verifiable along with voting results will show on screen real-time (agree, disagree and abstain)

Unless agenda related to election of director individually then will collect ballot from shareholders/proxies as attended meeting together with signing

Year 2019, the company uses ballot in every agenda including important agenda which is agenda on election of directors by allowing shareholders to select individually and collect ballot at the office for transparency which can be examined after meeting adjured

27. The company has policies to pay dividend equally

By this, in case approval from shareholders on dividend payment, company has informed resolution of meeting includes details of dividend payment to shareholders through SETSMART and coordinate with registrar "TSD" so that shareholders are confident that will receive compensation based on their right completely and correctly

28. The company gives right to shareholders who joined after meeting has begun with right to vote on agenda being considered and not yet resolved. It was counted as a quorum starting agenda as attended and vote onward

29. The company care shareholders by providing information, news, business operation, management policies regularly and on time. Apart from this, disclose information through SET channel and also brought important information includes current news on company website www.cenplc.com

30. The company determined to create equality for all shareholders and all groups no matter major shareholders, minor shareholders, institutional investors of foreign investors which company gives importance and determine tools that encourage equality; irrespective of gender, age, race, nationality, religious beliefs, social status, disability or political opinion by determine process that facilitate shareholders to participate in the meeting without getting too much hassle and without restriction

31. Board of Directors has realized and respect right to ownership of shareholders, no actions are taken to violate or infringe the rights of shareholders, by look after the interests of shareholders fairly as well as support and encourage shareholders no matter domestic or foreign shareholders no matter major shareholders, minor shareholders or any institutional investors including basic rights of shareholders, right to sufficient and timely access to information, in time and right to attend meeting in order to determine director on operation

32. The company gives chance to shareholders send any questions related to agendas specified in invitation letter to shareholders started from April 12-25, 2019 and deliver procedures for the said matter together with invitation letter to shareholders' meeting through following channels

- Website: www.cenplc.com
- E-mail: kenika@cenplc.com
- Postal To
Kenika Ngamcharoensathaporn
Capital Engineering Network Public Company Limited
1011 Supalai Grand Tower, 17th Floor,
Rama 3 Road, Chongnonsi, Yannawa, Bangkok 10120

Year 2019 no shareholders send question in advance

33. Distribution of shares of shareholders' equity

- The company has no cross of shareholding within group of company
- The company has set record date for shareholders to attend the meeting on April 4, 2019
- Board of Directors, their mate and child under 20 holding shares together equals to 5.01% which is not more than 25% of shares sold
- Free Float equal to 69.73% of total shares sold which more than 25% shares sold to public
- The company has proportion on holding total shares on institutional investor equals to 7.60% of total outstanding shares.

The company has realized corporate governance by seeing that principles are beneficial to company in term of development so company has practices in accordance to CG Code as appropriate to business of company (most of data links from CG to CG Code) thus some topics are being study to be adapt and suitable to context of company; resolution from Board of Directors meeting No.1-2020 has resolved to adopt good corporate governance for listed companies year 2017 to be deployed according to company's business context and relevant to Securities and Exchange Commission regulations

Year 2019, The Company has practices in accordance to suggestion of IOD by considering the suitability of the company but there are still some things that company does not fulfill all the requirements, namely

1. **The Company should have Social Responsibility report which can be includes in Annual Report or separated in accordance to Global Reporting Initiative (GRI)**
The company has acknowledged and has commented which include in Annual Report
2. **Companies should communicate information about arranging for analysts.**
Company has investor relation department that provides information to securities analysts and investors
3. **The company should communicate the information through the press release/ creating a newsletter presented to Financial Status of company**
The company has published Financial Status and Notes to Financial Statement of management regularly every quarter through SETSMART of Stock Exchange of Thailand
4. **Director should clearly specify the term of office of independent directors in the corporate governance policy by not more than 9 years without exception**
The company has acknowledged and has commented; presently there are 2 people of Independent Director who holds the position more than 9 years however, Board of Directors seems that independent director are fully qualified according to qualification of independent director of company and requirement of Capital Market Supervisory Board who is capable and independent expression includes well perform in term of independent director, have counterbalance in term of management, can examine as adhere under good corporate governance thus shareholders' meeting is the only person to approve election of directors and independent directors

Practice according to good corporate governance in others

The process on Anti-Corruption

Board of Directors continuously raising awareness and promoting good corporate governance culture to directors, executives and employees in order to access any risks happened in operation thus internal audit act as appraiser

In year 2019, Audit Committee has set up risk report on corruption in every quarter, showing no irregularities

The company has some communicated and public practice in accordance to business ethic and anti-corruption policies by following channels:

- Give orientation to new employees
- Company website www.cenplc.com
- Publicize through Brochures / Public Relation Board

Survey Results on Corporate Governance of Listed Companies

Year 2019, Thai Institute of Director jointly with Securities and Exchange Commission and Stock Exchange of Thailand announce survey results regarding corporate governance of listed companies for year 2019 in totaling of 657 companies by evaluating from 2018 Annual Report and information which revealed to public thus company received “very good” survey results.

Score Range	Meaning
90-100	Excellent
80-89	Very Good
70-79	Good

Criteria and weight use in assessment

Section	Criteria (No.)		Weight (%)	
	2019	2018	2019	2018
1. Right of Shareholders	32	32	15	15
2. To treat shareholders equally	19	19	10	10
3. Roles of stakeholders	29	29	20	20
4. Disclosure and Transparently	53	53	20	20
5. Responsibilities of Board	108	108	35	35
TOTAL	241	241	100	100

Explanation and Examination of Financial Status and Business operation

1. Analysis of Results of Operations

(1) Revenue

The company and its subsidiaries has total income in 2019 was 2,107.54 Million Baht or decreased 1,161.24 Million Baht when comparing to the same period of year 2018 which was 3,268.78 Million Baht as decreasing of 35.53 percent

Total sales of subsidiaries were 1,427.57 Million Baht or decreased 236.62 Million Baht or 13.82 percent when comparing to same period of year 2018 which was 1,688.47 Million Baht due to as follows:

- Subsidiary (Rayong Wire Industries Public Company Limited "RWI") has total sales from selling production and distribution of Prestressed Concrete Single Wire and Prestressed Concrete Strand, Electric Welding Wire, Wire Mesh and Hard Drawn Wire in year 2019 as amount of 676.09 Million Baht as 334.52 Million Baht decreased or 33.10 percent when compared to same period of year 2018 as of 1,010.61 Million Baht due to company has decline in term of selling price and sales volume thus main income from Prestressed Concrete Single Wire in ratio of 49.63 percent, Prestressed Concrete Strand 47.67 percent and other products of 2.70 percent of sales volume.

- Subsidiary (Enesol Company Limited "ENS") has income from production and distribution of electricity and heat energy in year 2019 as amount of 283.56 Million Baht as 45.92 Million Baht increased or 19.32 percent when compared to same period of year 2018 as amount of 237.64 Million Baht

- Subsidiary (Ua Withya Public Company Limited "UWC") has income from sales of following products

- Revenue from industrial products such as chain, motor and gear in year 2019 totaling of 8.30 Million Baht as 2.12 Million Baht decreased or 20.35 percent when compared to same period of year 2018 as amount of 10.42 Million Baht
- Revenue from investment in subsidiaries which produces and sells electricity to Provincial Electricity Authority 459.62 Million Baht as 36.75 Million Baht increased or 8.69 percent when compared same period of year 2018 as amount of 422.87 Million Baht due to increase in sales volume

- Subsidiary has income from projects and services in amount of 647.00 as 382.54 Million Baht decreased or 37.16 percent when compared to same period of year 2018 as amount of 1,029.54 Million Baht by decreasing from subsidiary (UWC) decline in work delivery

- Other revenue in year 2019 of 32.98 Million Baht as 101.02 Million Baht decreased or 75.39 percent when compared to same period of year 2018 as amount of 134.00 Million Baht by following details

Description	2019		2018		2017	
	MB	%	MB	%	MB	%
Revenue from selling scrap of raw material	6.96	21.10	53.33	39.80	49.83	56.25
Interest Received	16.14	48.94	39.68	29.61	35.55	40.13
Dividend Received	0.08	0.24	0.34	0.25	0.98	1.11
Other revenue	9.80	29.72	40.65	30.34	2.22	2.51
TOTAL	32.98	100.00	134.00	100.00	88.58	100.00

- The subsidiaries have revenue from selling scrap of raw material in year 2019 of 6.96 Million Baht as 46.37 Million Baht decreased due to decline in sale price of wire scrap and production volume

- Company and its subsidiaries has total interest received in year 2019 of 16.14 Million Baht as 23.54 Million Baht decreased due to year 2018 subsidiary (ENS) has inform from interest refund of insurance as business ceasing thus interest received in year 2019 from bank deposit and under financial lease (ENS)

- Company and its subsidiaries has other revenue in year 2019 of 9.80 Million Baht as 30.85 Million Baht decreased due to year 2018 subsidiary (ENS) received money from insurance as business ceasing. Other revenue in year 2019 gain on sales of investment in securities and other income

(2) Gross Profit

Year 2019, company and its subsidiaries has gross profit from selling products, projects and services as amount off 236.61 Million Baht or 11.39 percent increase when compared to same period of year 2018 as percentage of loss equal to 4.73 percent thus subsidiary (RWI) has decline in sales volume and selling price of wire and subsidiary (UWC) has increased cost of employment and project work due to recognition of all remaining expenses of project work which has closed according to purchase order along with delivered income

- Subsidiary (RWI) has gross profit of 1.21 percent which increased of loss when compared to same period of year 2018 as amount of 5.59 percent due to increase of steel wire on raw material while selling price decreased therefore causing decline in sales volume. The selling price in year 2019 lower than year 2018 thus company has manage some deteriorated products and provision for obsolete products so resulting company to has gross losses

- Subsidiaries (UWC, WJC) has gross loss of income from projects and services 29.15 percent as increased when compared to same period of year 2018 as amount of 10.21 percent due to postponing production plans and delivering customer reservation out of schedule causing company to bear cost of labor and production overhead as well as acknowledgement of total remaining cost of project work which has closed in accordance to purchase order along with delivered income

(3) Expenses

Year 2019, total expenses of company and its subsidiaries equal to 3,615.77 Million Baht as 129.15 Million Baht increased from year 2018 as total expenses of 3,486.62 Million Baht or 3.70 percent by following reasons;

- Cost of goods sold 1,475.25 Million Baht as 236.62 Million Baht decreased or 13.82 percent when compared to same period of year 2018 as amount of 1,711.87 Million Baht by fluctuation from increased of sales volume

- Cost of project work and services 835.63 Million Baht as 299.06 Million Baht decreased or 26.36 percent when compared to same period of year 2018 as amount of 1,134.69 Million Baht by fluctuate from work deliver to customers and acknowledgement of total remaining cost of project work which has closed in accordance to purchase order along with delivered income

- Cost of sales 33.72 Million Baht as 12.08 Million Baht decreased when compared to same period of year 2018 as 45.80 Million Baht due to deducted in sales volume which resulting in lower freight

- Cost of administration expenses of 208.47 Million Baht as 28.06 Million Baht decreased when compare to same period of year 2018 as amount of 236.53 Million Baht due to decline in compensation for executives and expenses of employees

- Other expenses 493.18 Million Baht as 199.89 Million Baht increased or 68.15 percent when compared to same period of year 2018 as amount of 293.29 Million Baht due to company has losses from impairment of investment in properties of 51.73 Million Baht, loss from land, building and equipment 141.18 Million Baht, subsidiary (UWC) has increased loss from impairment on investment in associates 42.01 Million Baht and loss from burden of contract of project 64.69 Million Baht thus subsidiary has loss on impairment of other assets 14.06 Million Baht

- Loss from investment 507.29 Million Baht is loss from disposal of investment in trading securities of 4.42 Million Baht and unrealized loss from changes in fair value of investment in trading securities of 502.87 Million Baht

- Cost of financial 62.63 Million baht as 2.21 Million Baht decreased or 3.43 percent when compared to same period of year 2018 of 64.44 Million Baht due to decline in loan from Financial Institution

(4) Net Profit (Loss)

Year 2019 company has total losses of 929.80 Million Baht as 993.37 Million Baht increased when compare to same period of year 2018 as amount of net profit of 63.57 Million Baht due to company and its subsidiaries has losses from business operation and unrealized loss from changes in fair value of trading securities of 502.87 Million Baht, loss from impairment on properties for investment 51.73 Million Baht, subsidiary has impairment loss on land, building and equipment 141.18 Million Baht increased, subsidiary (UWC) has impairment loss of investment in associate increase of 42.01 Million Baht, loss from burden of contract of project 64.69 Million Baht along with subsidiary has loss on impairment of other assets 14.06 Million Baht

2. Financial Analysis

As December 31, 2019 company and its subsidiaries has total assets of 4,168.71 Million Baht as 1,560.56 Million Baht decreased when compared to December 31, 2018 which has total assets of 5,729.27 Million Baht came from following reasons:

- Cash and equivalent to cash 354.25 Million Baht as 409.80 Million Baht decreased from end of year 2018 as amount of 142.25 Million Baht
- Temporary investment 328.25 Million Baht as 409.80 Million Baht decreased from end of year 2018 as amount of 738.05 Million Baht due to company and its subsidiaries has unrealized loss from changes in fair value of investment in trading securities of 502.87 Million Baht
- Trade account receivable and other debtors 334.80 Million Baht as 563.07 Million Baht decreased from end of year 2018 as amount of 897.87 Million Baht, decline external trade account receivable of 404.11 Million Baht, decreased in other receivable from third parties 110.86 Million Baht and accrued income from third parties decreased of 36.27 Million Baht
- Short term loans as amount of 8.06 Million Baht as 0.62 Million Baht decreased from end of year 2018 as amount of 8.68 Million Baht
- Net inventories 383.81 Million Baht as 282.46 Million Baht decreased or 42.39 percent from end of year 2018 as amount of 666.74 Million Baht due to decline in raw materials of 125.69 Million Baht, in process work decreased of 67.43 Million Baht, finished goods 25.79 Million Baht decreased, goods in transit 33.57 Million Baht decreased along with reduction of product allowance 35.51 Million Baht thus subsidiary (UWC) has more factory supplies 5.31 Million Baht and increased allowance for diminution in inventories 25.21 Million Baht, in process work 69.59 Million Baht decreased and raw materials 40.25 Million Baht decreased, subsidiary (RWI) more work in process 3.85 Million Baht, record additional allowance for diminution value of inventories 10.21 Million Baht but less finished goods 24.36 Million Baht, raw material 84.96 Million Baht decreased and goods in transit of 32.72 Million Baht
- Other current asset 56.89 Million Baht as 23.46 Million Baht increased from end of year 2018 as amount of 33.44 Million Baht due to increase in withholding tax
- Non-current assets classified as assets held for sale 1,136.81 Million Baht as 984.64 Million Baht increased from end of year 2018 as amount 152.17 Million Baht decreased due to subsidiary (PGE) subsidiary of UWC has transferred assets to a company in quarter 2-2019 due to ceased operations
- Deposit at bank pledged as collateral 218.15 Million Baht as 37.49 Million Baht decreased from end of year 2018 as amount of 255.94 Million Baht due to subsidiary (UWC) and subsidiary (ENS) withdraw bank deposit that passed contractual guarantee obligation
- Available for sale investment 86.76 Million Baht as 91.47 Million Baht from end of year 2018 as amount of 178.23 Million Baht due to subsidiary (RWI) sold investment to payback short term loan from Financial Institution
- Investment in affiliated 32.68 Million Baht as 100.51 Million Baht decreased from end of year 2018 as amount of 133.19 Million Baht due to subsidiary (UWC) has loss from impairment of investment in DIMET of 69.87 Million Baht as share losses of 28.93 Million Baht, investment 0.95 Million Baht along with loss from sales of investment of 0.76 Million Baht
- Properties for investment 351.23 Million Baht as 51.75 Million Baht decreased or 12.84 percent from end of year 2018 as amount of 402.98 Million Baht due to company as assessed assets fair value by external independent appraiser so loss from impairment of 51.73 Million Baht
- Land, building and equipment – net of 570.52 Million Baht as 1,054.49 million Baht decreased or 64.89 percent from end of year 2018 as amount of 1,625.01 Million Baht by more fixed asset 30.31 Million Baht but decline in depreciation of company and its subsidiaries 81.03 Million Baht and subsidiaries has recorded allowance for impairment of fixed assets 190.56 Million Baht. Apart from this, classified land, building and equipment of subsidiary (UWC) in power plant business as assets held for sales 808.12 Million Baht
- Non-tangible assets 2.97 Million Baht as 171.25 Million Baht decreased or 98.30 percent from end of year 2018 as amount of 174.22 Million Baht – purchased more during year 0.74 Million Baht as decline from write-off 25.60 Million Baht – decline from subsidiary (UWC) has record impairment from usage under selling of electricity agreement 99.69 Million Baht. Apart from this, has classified non-tangible asset of subsidiary (UWC) in power plant business as asset held for sales 46.71 Million Baht
- Deferred income tax assets 31.60 Million Baht as 17.47 Million Baht decreased or 35.60 percent from end of year 2018 as amount of 49.07 Million Baht

- Other Non-Current Asset 84.89 Million Baht as 10.84 Million Baht increased or 14.64 percent from end of year 2018 as amount of 74.05 Million Baht due to subsidiary (ENS) has more prepaid expenses in term of equipment

3. Asset Quality

- **Net Account Receivable**

Company and its subsidiaries has total account receivable in year 2019 of 282.75 Million Baht which is debtor of whole subsidiaries as company debtor of 84.11 Million Baht by fully recorded as allowance for doubtful account as classified in accordance to life of debts as follows:

Remaining Duration	2019		2018		2017	
	Million Baht	%	Million Baht	%	Million Baht	%
Debtor – Not Yet Due	195.40	48.79	382.62	48.07	546.91	67.99
Debtor – Overdue						
0 – 6 months	83.59	20.87	300.79	37.79	137.74	17.13
6-12 months	5.03	1.26	6.63	0.83	1.95	0.24
More than 12 months	116.49	29.08	105.96	13.31	117.78	14.64
Total	400.51	100.00	796.00	100.00	804.38	100.00
Less – doubtful accounts	(117.76)	(29.40)	(105.70)	13.28	(119.67)	14.88
Net Doubtful Accounts	282.75	70.60	690.30	86.72	684.71	85.12

As December 31, 2019 company and its subsidiaries has trade account receivable before deducting allowance for doubtful accounts 400.51 Million Baht and allowance for doubtful accounts of 117.76 Million Baht resulting in more trade account receivable of 282.75 Million Baht - Accounts receivable not yet due of 195.40 Million Baht or 48.79 percent, Trade accounts receivable not over 6 months 83.59 Million Baht or 20.87 percent (debtor of subsidiary “RWI” of 44.99 Million Baht and subsidiary “UWC” of 36.32 Million Baht), overdue receivable more than 6 months but less than 12 months 5.03 Million Baht or 1.26 percent, overdue receivable more than 12 months 116.49 Million Baht or 29.08 percent (company's debtor 84.11 Million Baht; the company has filed lawsuits and prosecuted – debtor of subsidiary (RWI) 11.27 Million Baht, debtor of subsidiary (UWC) 18.70 Million Baht, allowance for doubtful accounts 117.76 Million Baht divided into company's debtor 84.11 Million Baht, debtor of subsidiary (RWI) 12.75 Million Baht, debtor of subsidiary (UWC) 18.49 Million Baht as considered by executives as sufficient and appropriate amount.

For Trade Credit Policies, usually subsidiaries will give 7-90 days on credits at the present, subsidiaries tries to improve on efficiency of collection the debts by asking for the payment of debts when its due date and give short term credit for new customers. In summarized year 2019, average duration of collecting money equals to 104 days which decreased when compared to year 2018 as average of 106 days as RWI 102 days and UWC 103 days respectively.

- **Net Inventories**

Total of net inventories equals to 383.81 Million Baht as 282.46 Million Baht decreased or equivalent to 42.39 percent when compared to year 2018 by the following details:

Type of inventories	2019		2018		2017	
	Million Baht	%	Million Baht	%	Million Baht	%
Finished Goods	70.08	14.81	95.87	13.32	75.31	9.26
Work in process	136.72	28.91	204.15	28.35	290.03	35.65
Raw Material	235.89	49.86	361.58	50.22	390.21	47.97
Factories supplies	30.12	6.37	24.59	3.41	57.93	7.12
Good in Transit	0.24	0.05	33.81	4.70	-	-
TOTAL	473.05	100.00	720.00	100.00	813.48	100.00
Deducted by allowance for diminution in value of inventories	(89.24)	(18.86)	(53.73)	(7.46)	(19.65)	(2.42)
TOTAL	383.81	81.14	666.27	92.54	793.83	97.58

As at December 31, 2019 Company and its subsidiaries had net inventories equals to 383.81 Million Baht by proportion of finished goods as calculate to 14.81 percent, work in progress equals to 28.91 percent for proportion of raw materials equals to 49.86 percent and proportion of equipment equals to 6.37 percent and good in transit of 0.05 percent

If we consider on turnover of inventory will see that company and its subsidiaries has the rational from 36.49 (Year 2018) and 27.85 (Year 2019) times when compared to duration of average sale period equivalent to about 13 days as increased when compared to year 2018 as average of 10 days. By this, it's fluctuated by needs of customers as a consequence of the economic situation of the country

4. Liquidity

- **Cash Flow**

In the year 2019 the company and its subsidiaries had cash and deposit money in the bank in totaling of 354.45 Million Baht as increased 142.25 Million Baht (year 2018) which decreased of 212.20 Million Baht which consists of the following activities.

Transaction	Amount (million baht)
Cash Flows from (used in) operating activities	29.78
Cash Flows from (used in) investing activities	152.10
Cash Flows from (used in) financing activities	131.89
Cash or equivalent to cash (increase)	313.77
Cash and equivalent to cash of securities held to sales	(102.05)
Effect from exchange rate	0.48
Cash or equivalent to cash ended of year (increase)	212.20

In the year 2019, the company and its subsidiaries had positive value of cash flow from (used in) operation activities of 29.78 Million Baht due to business operation for year ended December 31, 2018 after adjustment of transaction which is not cash as loss of 309.99 Million Baht – decline in trade account receivable and other current receivable of 460.39 Million Baht, Trade and other current receivables decreased 460.39 Million Baht, Revenue from finance lease receivables decreased 10.99 Million Baht, less inventories 201.54 Million Baht, more other current assets 17.36 Million Baht and more other non-current assets of 11.44 Million Baht, less Trade and other current payables of 25.96

Million Baht, less other current liabilities of 13.77 Million Baht, pay retirement benefit of 6.60 Million Baht, cash paid for interest of 47.63 Million Baht, cash paid for income tax of 23.98 Million Baht, interest income of 20.25 Million Baht and receive withholding tax refunds 0.56 Million Baht

Cash Flow from used in investing activities as positive value of 152.10 Million Baht as came from subsidiaries has decline from deposit pledged as collateral 12.55 Million Baht, company and its subsidiaries received money from securities held for sales 36.83 Million Baht and sales of investment 571.09 Million Baht, received money from sales of investments in mutual funds held for trading in the amount of 3.30 Million Baht, Receive money from sales of investments in subsidiaries of 17.78 Million Baht, subsidiary received money from sales equipment vehicle of 5.57 Million Baht and subsidiary (PGE) as subsidiary of UWC receive money from sales of non-current assets classified as held for sale 152.17 Million Baht but company and its subsidiaries paid for purchase of investments in trading securities and trading warrants 138.22 Million Baht, subsidiaries (RWI, ENS) paid for purchase of investments in available-for-sale securities 478.60 Million Baht, subsidiary paid for paid for the purchase of temporary investment in the amount of 5.63 Million Baht. The company paid for the purchase of investment in the subsidiary in amount of 1.69 Million Baht and the company and its subsidiary paid for the purchase of fixed assets in the amount of 30.31 Million Baht.

Cash in part of financial activities has positive number of 131.89 Million Baht due to subsidiaries (UWC) repaying overdrafts of 17.34 Million Baht, subsidiaries has short term loans from financial institution as amounting of 481.84 Million Baht, subsidiary (UWC) received money from issuance of debenture 300 Million Baht and receive from short term loan to other company as amounting of 30.50 Million Baht, UKB as subsidiary of UWC receive money from long-term loans from financial institutions as amount of 326.30 Million Baht, subsidiaries (UWC, RWI) repayments of short-term loans from financial institutions as amount of 616.78 Million Baht. The subsidiary (UWC) paid the debentures as amount of 300.00 Million Baht and paid short-term loans from other companies as amount of 21.00 Million Baht. The subsidiary (ENS, UKB) made payment. Repaying long-term loans from financial institutions as amount of 44.50 Million Baht and subsidiary paid back the liabilities under financial lease in the amount of 7.13 Million Baht thus net cash equivalents increased by 313.77 Million Baht, resulting in the remaining cash balance as of 31 December 2019 of 212.20 Million Baht

5. Source of Funds

• Liabilities

As the end of year 2019, total liabilities of company and subsidiaries equals to 2,052.86 Million Baht which 34.46 Million Baht decrease when company year ended to year 2018 as amounting of 2,087.32 Million Baht due to increase from an increase in other current liabilities and income waiting to be recognized but decreased from short-term loans from financial institutions, trade and other current payables as deferred income tax liabilities

Current assets in year 2019 equals to 1,438.16 Million Baht which 283.79 Million Baht increased when compared to year 2018 as amounting of 1,154.37 Million Baht as main reason came from subsidiary (UWC, RWI) has Bank overdrafts and short-term loans from financial institutions decreased by 188.04 million baht, Trade and other payables decreased by Baht 274.80 million (External payables decreased by 223.95 million baht, other payables decreased by 47.59 Million Baht. Payable from purchase of subsidiaries decreased by 20.65 Million Baht but advance received from outsiders increased by 20.67 Million Baht), subsidiary (ENS) payback long term loans from Financial Institution of 24.52 Million Baht, Liabilities under financial lease agreements due within one year decreased by Baht 5.48 Million Baht, declines in other current liabilities 23.99 Million Baht, subsidiary (UWC) received money from issuance of debenture 300 Million Baht, more short term loans from other company 9.50 Million Baht, subsidiary (UWC) has an estimate of other current liabilities in the amount of 64.69 Million Baht. It is an estimate of liabilities from project work contracts that create burden. Because the raw material price has fluctuated from the quotation date Liabilities included in the assets for sale classified as assets held for sale in the amount of 425.25 Million Baht are classified as liabilities of the subsidiary of UWC in the power plant business, which are liabilities held for sale. (See Notes To Financial Statement 15.2)

Other non-current liabilities in year 2019 as amounting of 614.70 Million Baht as decrease of 318.25 Million Baht from year 2018 as amount of 932.45 Million Baht due to UWC has payback

debenture of 300 Million Baht, liabilities under financial agreement decline of 1.09 Million Baht Due to the subsidiary company has paid the debt under the contract. Deferred income tax liabilities decreased by 53.52 Million Baht. Provisions for employee benefits increased by 8.91 Million Baht and subsidiaries (ENS) increased deferred income by 25.96 Million Baht

- **Proportion of shareholders**

As at December 31, 2019 Company had proportion of shareholders equals to 1,580.47 Million Baht as 944.11 Million Baht decreased when compared to December 31, 2018 of 2,524.57 Million Baht due to reducing from operating losses and decreased from change in proportion in subsidiary

- **Sufficient Capital**

As at December 31, 2019 the company and its subsidiaries has source of financing from long term loans financial institution and issuance of debenture which expecting have enough sufficient funds

- **Appropriateness of capital structure or source of funds**

As at December 31, 2019, the company and its subsidiaries has debt to equity ratio equal to 1.30 times as increased when compared to year 2018 as of 0.83 times due to the reduction of total liabilities at the rate of 1.65 percent as main reason due to decreased bank overdrafts and short-term loans. Trade and other current payables decreased, shareholders' equity decreased by 944.11 Million Baht or 37.40% decrease due to the company has a loss

- **Adequacy of liquidity**

As at December 31, 2019 – The company and its subsidiaries has ratio for liquidity of 1.83 times as decrease when company to year 2018 of 2.32 times thus expecting company and its subsidiaries has current asset for pay off current liabilities of 1.83 times

- **Ability to repay debts and fulfill importance information on loan**

As at December 31, 2019 – The Company and its subsidiaries has abilities to repay debts of 2.13 times as decreased from year 2018 of (3.62) times seems that company and subsidiaries has more abilities to repay debts with under loans conditions as well.

6. **Factors may impact operation or Financial Status in the future**

As nature business of company itself is to holding shares in other companies which may affect business operation or financial status therefore company depends on business as invested and to invest. At the present, company and its subsidiaries are invested in following businesses:

1. Subsidiary (UWC) as business of
 - Manufacture of electricity and telecommunication infrastructure thus factors that affect operations are
 - Primary source of income from accepting production work for the Electricity Generating Authority of Thailand (EGAT) either by submitting a bidding envelope directly to EGAT itself or bidding for a contract for the electricity supplier to install electricity poles to EGAT Therefore, if there are any factors that affect amount of work to be opened, submit the bidding envelope. Or the company is not able to compete with competitors in the bidding price will directly affect revenue. However, the company is aware of risk factors of income fluctuation that may occur The company therefore plans to expand the market to other products and services. This has the ability to produce without needing additional investment such as the production of steel structure columns for other infrastructures and the

galvanized contract, etc. There is also a plan to expand the customer base to foreign countries as well.

- Fluctuation of raw material prices both in steel and zinc which may vary according to the world economy and the demand and supply of the raw material fluctuation of raw material prices Will have a direct impact on the company's production costs. However, the company closely monitors the movement of the said raw material prices And adjusting the selling price calculation to be in line with the raw material price
- Energy Business Which is operated by a subsidiary of UWC, a biomass power plant business Which sells electricity to the Provincial Electricity Authority Which the main factors affecting the operations are
 - Ability to produce electricity for distribution to the Provincial Electricity Authority The subsidiary company has adjusted and changed the machinery. Including repair and maintenance of machinery In order to be able to generate electricity continuously and more efficiently there is also a plan to hire power plant management experts In order to improve management methods to be more efficient
 - Fuel procurement and fuel price fluctuations The subsidiary company has good relations with local fuel suppliers in which the subsidiary operates power plants. And having enough sellers on hand to meet demand with a policy to reserve fuel for production for a period of not less than 30 days

2. Subsidiary (RWI) as nature of business is produce and distribute of PC-Wire, Welding Wire by main feature as affect business operation are raw materials, fluctuation of exchange rate, competition in term of price which will cause decline in gross profit and depends to economic situation as customers need more or less product

3. Subsidiary (ENS) engages in the production and distribution of electricity and thermal energy for SCG Ceramics Public Company Limited and the distribution of electricity to Soso Ceramic Company Limited. The main factors affecting Operation is In case of machinery disruption, it will cause the company to lose its continuity in production and distribution of electricity and heat energy. Will cause the company to not have operating income and have fines due to unable to perform according to the contract and in the case of industrial gas prices and natural gas values which is adjusted independently If the adjustment is not in the same direction, it will affect the company's operating results

4. Subsidiary (PLE) as nature of business is construction business and tunneling as main factor affecting operation is performance of contract as received within specified period which has factor that customers have to deliver area for company to work If unable to deliver the area, it will result in unable to perform work according to the contract thus has an impact on planning of machinery usage and acceptance of other projects That has been predetermined; including if the operation of that project is not completed yet But machinery has to be moved to work in a new project first Resulting in an increase in the cost of moving machinery and having to negotiate compensation from customers

5. Subsidiary (WJC) as nature of business -Metal construction service business Design and metal forming services by accepting both domestic and international metalwork in petrochemical industry, energy industry, high voltage transmission towers, telecommunications signal towers and others, which require structural steel materials, steel pipes etc. Therefore, the change in raw material prices will affect the cost. Of WJC to prevent the risk of price setting and bidding price in various projects will maintain profit margins at a level that can compete with other operators and continuously improve production management to control production costs to be at an appropriate level

The company have target to invest in business which get along with current business of subsidiaries and Affiliate Company or potential to growth of business in accordance to economic and society.

Corporate Governance Report from Audit Committee

To Shareholders

Audit Committee of Capital Engineering Network Public Company Limited has consists of 3 people is fully qualified and experienced. Year 2019, there are 5 times of Audit Committee meetings as name of audit committees attends the meetings as follows.

			Attended
Dr. Visit	Ongpipattanakul	Chairman of Audit Committee	5/5
Mr. Yanyong	Wattanawongpitak	Audit Committee	3/5
Associate Professor Dr.Pusit	Lertwattanakul ¹	Audit Committee	2/2
Mr. Jakkathan	Yothanan ²	Audit Committee	3/3

¹ Due to be retired by rotation at the 2019 Annual General Meeting of Shareholders on April 30, 2019

² Became a member of the Audit Committee on March 21, 2019

Audit Committee has practices under duties and responsibilities as assigned by Board of Directors in order to ensure that company has adequate corporate governance which in accordance to good corporate governance of Securities and Exchange Commission and The Stock Exchange of Thailand thus Audit Committee has held the meeting for consideration and commendation on critical issues with management team, auditors, internal auditors and report those practical includes any suggestion to Board of Directors quarterly in order to proceed with matters that the Board of Directors deems appropriate which can summarized as follows:

To review Financial Report

- Audit Committee has reviewed information of financial statement each quarter and 2019 annual report as passed reviewed from auditors. By this, executives and auditors has consulted this reviewed on rectitude, completely before comment on report of financial statement, adjustable of accounts as affected financial statement which includes enough information to be disclosed and remarks from auditors.

Audit Committee had conformed to auditors mentioned report of financial statement had made with correction follows standard of financial reporting. Moreover, disclosures of important information in Noted to Financial Statement are sufficient, completely and trusted with selected reasonable of accounting policies includes disclosure of sufficient importance information in Note to Financial Statement as beneficial to users of financial statement. Apart from this, Audit Committee had 1 time meeting with auditor (no management) for discussion of audit plans, independence in performing duties and express opinion of auditors by giving importance to presentation of information correctly, completely, sufficiently

The adequacy of internal control system and Internal Audit Risk Management and Corporate Governance

- Audit Committee has reviewed company to have effective internal control system by considering from conclusion on results of internal audit and monitoring quarterly as cover any important system of company together with suggestion for beneficial. Apart from this, considering on internal control system of company follows COSO of year 2013 as adjusted of Securities and Exchange Commission and The Stock Exchange of Thailand. By this, there is not any error which make less effective in internal control system therefore Audit Committee seems that company has adequate of internal control system

- Audit Committee has verified the internal control systems by reviewed practices and responsibilities in order to make sure that has processes are conducting appropriate internal investigation with effectively. Apart from this, approved of work plans annually, internal audit has make of risk plans respectively and adjust audit plans in order to be consistent with changes in risk throughout further practices follows internal audit plans. Audit Committee has opinions on internal audit control system is independent, adequate and practices of internal audit are relevant as required, good communication among executives and auditors and support any practices of Audit Committee
- Audit Committee has reviewed on risk management as appropriate and effective by review importance risk factors which disclosed in annual report
- Capital Engineering Network Public Company Limited has encourage all levels of employees to be consistency in ethics and integrity in term of anti-corruption for create culture and values of organization through anti-corruption policies as have a way to point out clues to management and all staff levels and show intention to participate in Anti – Corruption to increase effectiveness in corporate governance by files self-assessment in form of Anti – Corruption in order to get certified from Private Sector Collective Action Coalition Against Corruption (CAC) and certified as a member Private Sector Collective Action Coalition Against Corruption from the CAC

Practices in accordance to rules

- Audit Committee has Reviews Company related to law abiding from Securities and Exchange Commission and The Stock Exchange of Thailand, regulations from Capital Market Supervisory Board and other relevant to business operation including obligations that the company has with third parties, Audit committee has no any issue that contradictory to law and requirements

Related Transaction

Acquisition and Disposition of Assets

- Audit Committee has considered on related transaction of company with person or related juristic person or any transaction as conflict of interest to company follows regulation of Securities and Exchange Commission and any other related division to make sure that has highest return to company

Audit Committee have agreed with report of executives (Accounting and Finance) as related business transaction or financial assistance transaction thus the company operates in accordance with normal business conditions that have general trading conditions that are reasonable. Fairness and maximum benefit to the company, including all significant items that have been disclosed and correctly shown in the financial statements and notes.

- Audit Committee has considered transaction on acquisition of assets for size and value which may affect financial status and business operation in accordance to rules and guidelines of Securities and Exchange Commission and The Stock Exchange of Thailand and Capital Market Supervisory Board; Audit Committee has comments and report to supervisor of accounting and finance; acquisition and disposition of assets happened, the company follows rules completely and correctly

To maintain quality of Audit committee

- Audit Committee has reviews its charters to be in accordance to current situations as approved by Board of Directors every year. Mentioned charter still complete and consistent to assigned duties and comments on those practical under Audit Committee Charter
- Audit Committee has reviews and evaluates performance in accordance to charters and good corporate governance as results Audit Committee has perform duties efficiently with independence in accordance to good practices and Audit Committee Charter which help to strengthen the good corporate governance system effectively.
- Audit Committee has prepare performing report to Board of Directors for acknowledgement quarterly thus year 2018 there are 4 reports in total

External Auditors

- Audit Committee has considered on independent evaluation and performance of auditors year 2019 and saw that the overall performance was satisfactory and independently
- Year 2020, company has selected office which is in list of auditors approved by Board of Securities and Exchange Commission and Stock Exchange of Thailand from quality of office including details of submitted audit fees; Audit Committee has considered and proposed to Board of Directors to ask for approval from shareholders meeting to appoint Miss Susan Eiamvanicha certified public accountant no. 4306 and/or Mr. Suchart Panitcharoen certified public accountant no. 4475 and/or Miss Chuenta Chommern certified public accountant no. 7570 and/or Miss Wandee Eiamvanicha certified public accountant no. 8210 and/or Mr. Kiatisak Vanithanun certified public accountant no. 9922 of SP Audit Company Limited ("SP AUDITW") is the company's auditor for the year 2020 and requested to approve the audit fees for the financial statements for the year 2020 and the financial statements review fees Quarterly of the company And consolidated financial statements Totaling 1,500,000.- Baht

Overall comments and concerns

From duties of Audit Committee in year 2019 so believed that company has accurate and reliable in term of accounting and financial report system, adequate internal control, effective in term of risk management, good corporate governance includes any practice in accordance with laws, regulations and any related rules for business operation.

In the performance, Audit Committees has use their knowledge, can be attributed to the conservative and independent enough and no limitation on receive information from executives, employees and related person including any suggestion in order the have benefit in every division equally.

In the name of Audit Committee



Chairman of Audit Committee

Report on Responsibilities of the Board of Directors on Financial Reporting

Board of Directors has realized on duties and responsibilities as holding position of directors in listed company to be responsible to financial statement of Capital Engineering Network Public Company Limited thus financial statement have been prepared in accordance with Thai Financial Reporting Standards (TFRS) by considering to select appropriate accounting policies and practice regularly along with careful discretion and reasonable estimates in preparation ,important information has been disclosed sufficiently in Notes to the financial statements as well as providing an explanation and analysis of company's financial status and operating results for benefit of shareholders and general investors. However, the aforementioned financial statements have been audited from Independent auditor

Apart from this, Board of Directors has encouraged company to practice in accordance to good corporate governance as well as providing Risk Management System and efficient and effective internal control system. To ensure that recording on account is accurate, complete, and sufficient to maintain company's assets including Anti-Corruption or abnormally significant operation

In this regard, the Audit Committee which consists of Independent Director of responsible for the quality of financial statements and internal control system thus opinion of audit committee has appeared in audit committee report as shown in annual report and annual registration statement (Form 56-1).

From Management Structure and Internal Control System and reviews from Certified Public Accountant, it is reasonable confident to believe that the Financial Statement of the company as of December 31, 2019 shows operating results, cash flow with reasonable accuracy accounting to basic accounting principles.



(Mr. Wutichai Leenabanchong)
Chairman
and Acting Chief Executive Officer

**TO THE SHAREHOLDERS AND BOARD OF DIRECTORS
CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED****Qualified Opinion**

We have audited the consolidated financial statements of Capital Engineering Network Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of Capital Engineering Network Public Company Limited (the “Company”) which comprise the consolidated and separate statements of financial position as at December 31, 2019, and the related consolidated and separate statements of profit or loss and other comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects on the consolidated financial statements for the year ended December 31, 2019 of the matter described in the first paragraph in the Basis for Qualified Opinion section of our report and except for the possible effects on the corresponding figures on the consolidated financial statements for the year ended December 31, 2019 of the matters described in the second paragraph in the Basis for Qualified Opinion section of our report, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Capital Engineering Network Public Company Limited and its subsidiaries and of Capital Engineering Network Public Company Limited as at December 31, 2019 and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

Basis for Qualified Opinion

- 1) As described in Note 16.2 to the financial statements, the Group recorded investment in Dimet (Siam) Public Company Limited, a domestic associate (which the fiscal year begins on July 1 and ends on June 30) and accounted for by the equity method, is carried at Baht 19 million (net of an allowance for impairment) on the consolidated statement of financial position as at December 31, 2019, and recognized share of loss of such associate amounting to Baht 29 million on the consolidated statement of profit or loss and other comprehensive income for the year then ended. The Group recorded investment in such associate under equity method by using the statement of financial position as at December 31, 2019, which was prepared by the management of such associate and has not been audited. Therefore, we were unable to determine whether any adjustments to these amounts were necessary.

- 2) As described in Note 4 to the financial statements, during the year ended December 31, 2019, the Group discovered that work in process, included as a part of inventories in the consolidated statement of financial position as at December 31, 2018, was overstated by Baht 174 million. The Group retrospectively restated the consolidated financial statements for the year ended December 31, 2018. We received the adjusted information from the Group's management but such information was unable to conclude whether it should be adjusted in the consolidated statements of profit or loss and other comprehensive income for the year ended December 31, 2018 or the years before that date. The financial statements for the year ended December 31, 2019 were not impacted by the above matter. However, we expressed a modified opinion on the consolidated financial statements for the year ended December 31, 2019 because of the possible effect of above matter on the comparability of the current period's figures and the corresponding figures.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Key Audit Responses
<p>Impairment on investments in subsidiaries in the separate financial statements and their intangible assets of such subsidiaries in the consolidated financial statements</p> <p>As there are certain subsidiaries having net loss continuously and substantial deficit as at December 31, 2019 which the Company's management consider as indicators of impairment on investments in the subsidiaries in the separate financial statements and their intangible assets of those subsidiaries in the consolidated financial statements. As such, the Company's management estimate realizable values of its investment in subsidiaries and their intangible assets of such subsidiaries for consideration of their losses on impairment. The realizable values are estimated at their fair values less costs to sell those assets.</p>	<p>Key audit procedures were included:</p> <ul style="list-style-type: none"> Understanding the impairment consideration process and related internal control procedures on the recognition of impairment of investments in subsidiaries and their intangible assets of such subsidiaries. Evaluating the design and implementation of the internal control procedures on the recognition of impairment of investments in subsidiaries and their intangible assets of such subsidiaries.

Key Audit Matters	Key Audit Responses
<p>We consider that the exercising of management's judgment relate to significant assumptions for estimation of losses on impairment on investments in subsidiaries in the separate financial statements and on intangible assets of those subsidiaries in the consolidated financial statements are key audit matters because of materiality of transactions of the Company's investments in subsidiaries and their intangible assets of those subsidiaries.</p> <p>The accounting policies and disclosure of investments and impairment of investments in subsidiaries are in Notes 3.5 and 16, and of intangible assets and impairment of intangible assets of the subsidiaries are in Notes 3.9, 3.11 and 20.</p>	<ul style="list-style-type: none"> Performing substantive testing as follows: <ul style="list-style-type: none"> Understanding and evaluating the appropriateness of the methodology used to calculate the net realizable value of investments in subsidiaries, including examining the information in relation to the management consideration of impairment indicators for investments in subsidiaries and their intangible assets of such subsidiaries. Examining the supporting documents in relation to the management consideration of impairment indicators for investments in subsidiaries and their intangible assets of such subsidiaries. Assessing the appropriateness of valuation model and key assumptions used by the management used in the estimation of the allowance for impairment of investments in subsidiaries and their intangible assets of such subsidiaries. Reviewing the presentation and related disclosures.

Other Information

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

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and the management of the Company.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, 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 and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and the 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 entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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



Dr. Kiatniyom Kuntisook
Certified Public Accountant (Thailand)
Registration No. 4800

BANGKOK
March 2, 2020

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2019

UNIT : BAHT

	Notes	Consolidated financial statements			Separate financial statements	
		As at December 31, 2019	As at December 31, 2018 “Restated”	As at January 1, 2018	As at December 31, 2019	As at December 31, 2018
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	9.1	354,448,491	142,252,204	184,553,022	10,442,481	8,124,914
Current investments	10.1	328,250,334	738,053,983	149,339,722	183,842,156	469,809,568
Trade and other current receivables	11.1	334,802,100	897,874,065	941,499,921	14,700,860	25,061,399
Current portion of receivables under finance lease agreements	11.2	35,940,668	38,064,192	35,147,008	-	-
Short-term loan	12	8,060,119	8,682,290	8,858,890	110,000,000	168,386,000
Inventories	13	383,808,342	666,274,225	793,826,080	-	-
Other current assets	14	56,890,629	33,434,473	47,023,383	4,851,759	4,698,750
Disposal asset group classified as held for sales	15	1,136,808,885	152,172,475	-	-	-
Total Current Assets		2,639,009,568	2,676,807,907	2,160,248,026	323,837,256	676,080,631
NON-CURRENT ASSETS						
Deposits used as collateral	37	218,149,000	255,939,694	219,233,024	-	-
Available-for-sale investments	10.2	86,761,907	178,229,328	480,740,408	-	-
Receivables under finance lease agreements	11.2	150,895,536	159,766,452	197,830,644	-	-
Investments in subsidiaries	16.1	-	-	-	916,227,723	999,151,365
Investments in associates	16.2	32,685,467	133,187,199	122,076,045	-	-
Investments in joint ventures	16.3	-	-	-	-	-
Investment properties	17	351,227,956	402,981,826	404,688,426	351,227,956	402,981,826
Property, plant and equipment	18	570,521,255	1,625,013,547	1,885,938,651	4,554,810	5,144,452
Goodwill	19	-	-	46,288,517	-	-
Intangible assets	20	2,971,305	174,225,052	377,687,045	6,045	11,005
Deferred tax assets	21	31,604,691	49,068,985	76,337,792	35,013,953	2,936,803
Other non-current assets		84,887,671	74,046,286	81,906,172	2,419,297	2,419,797
Total Non-current Assets		1,529,704,788	3,052,458,369	3,892,726,724	1,309,449,784	1,412,645,248
TOTAL ASSETS		4,168,714,356	5,729,266,276	6,052,974,750	1,633,287,040	2,088,725,879

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

CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2019

UNIT : BAHT

	Notes	Consolidated financial statements			Separate financial statements	
		As at December 31, 2019	As at December 31, 2018 “Restated”	As at January 1, 2018	As at December 31, 2019	As at December 31, 2018
LIABILITIES AND SHAREHOLDERS' EQUITY						
CURRENT LIABILITIES						
Bank overdrafts and short-term borrowings						
from financial institutions	22	192,327,589	380,369,239	325,510,525	-	-
Trade and other current payables	23	389,153,951	663,949,067	576,109,354	9,756,483	9,641,343
Short-term borrowings from related company	22	-	-	-	30,000,000	-
Short-term borrowing from other company	22	49,000,000	39,500,000	-	-	-
Current portion of long-term debentures	22	300,000,000	-	800,000,000	-	-
Current portion of long-term borrowings						
from financial institutions	22	-	24,520,000	24,960,000	-	-
Current portion of liabilities under						
finance lease agreement	24	1,548,516	7,032,987	8,114,431	-	-
Income tax payable		1,181,252	-	16,886,434	-	-
Provision of current liability	25	64,686,730	-	-	-	-
Other current liabilities		15,009,987	39,002,600	34,721,902	654,371	773,195
Liabilities included in disposal asset group						
classified as held for sales	15	425,251,305	-	-	-	-
Total Current liabilities		1,438,159,330	1,154,373,893	1,786,302,646	40,410,854	10,414,538
NON-CURRENT LIABILITIES						
Long-term debentures	22	300,000,000	600,000,000	-	-	-
Long-term borrowings from financial institutions	22	-	-	24,520,000	-	-
Liabilities under finance lease agreements	24	1,395,415	2,497,854	9,400,059	-	-
Deferred tax liabilities	21	188,393,680	241,903,419	200,092,793	-	-
Non-current provision for employee						
benefit obligations	26	65,606,966	56,700,722	56,484,592	9,122,252	6,005,605
Deferred income		57,801,091	31,843,130	59,985,841	-	-
Other non-current liabilities		1,503,720	-	-	300,000	-
Total Non-current Liabilities		614,700,872	932,945,125	350,483,285	9,422,252	6,005,605
TOTAL LIABILITIES		2,052,860,202	2,087,319,018	2,136,785,931	49,833,106	16,420,143

CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2019

UNIT : BAHT

	Notes	Consolidated financial statements			Separate financial statements	
		As at December 31, 2019	As at December 31, 2018 “Restated”	As at January 1, 2018	As at December 31, 2019	As at December 31, 2018
LIABILITIES AND SHAREHOLDERS' EQUITY						
(CONTINUED)						
SHAREHOLDERS' EQUITY						
SHARE CAPITAL	27					
Authorized share capital						
968,684,506 ordinary shares of Baht 1 each		968,684,506			968,684,506	
1,117,712,067 ordinary shares of Baht 1 each			1,117,712,067	1,117,712,067		1,117,712,067
Issued and paid-up share capital						
745,141,929 ordinary shares of Baht 1 each, fully paid		745,141,929	745,141,929	-	745,141,929	745,141,929
745,141,378 ordinary shares of Baht 1 each, fully paid		-	-	745,141,378	-	-
SHARE PREMIUM		891,305,114	891,305,114	891,304,563	891,305,114	891,305,114
RETAINED EARNINGS (DEFICIT)						
Appropriated - Legal reserve	29	45,397,932	45,397,932	29,769,475	45,397,932	45,397,932
Unappropriated (Deficit)		(594,703,823)	337,537,930	289,596,328	-98,391,041	390,460,761
OTHER COMPONENTS OF EQUITY						
Unrealised gain on revaluation of land		90,194,118	90,194,118	90,194,118	-	-
Unrealised gain on revaluation of available-for-sale securities		229,234	433,494	1,315,224	-	-
Difference on translation of financial statements		204,496	66,141	(61,253)	-	-
Changes in controlling interest in subsidiaries		402,699,687	414,498,180	425,834,102	-	-
TOTAL ATTRIBUTIONS TO OWNERS						
OF THE PARENT		1,580,468,687	2,524,574,838	2,473,093,935	1,583,453,934	2,072,305,736
NON-CONTROLLING INTERESTS		535,385,467	1,117,372,420	1,443,094,884	-	-
TOTAL SHAREHOLDERS' EQUITY		2,115,854,154	3,641,947,258	3,916,188,819	1,583,453,934	2,072,305,736
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4,168,714,356	5,729,266,276	6,052,974,750	1,633,287,040	2,088,725,879

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

CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2019

UNIT : BAHT

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018 "Restated"	2019	2018
REVENUES					
Revenue from sales		1,427,567,898	1,688,472,199	-	-
Revenue from steel tower manufacturing and rendering service		647,000,476	1,029,540,267	-	-
Gain from investment		-	416,775,787	-	350,529,165
Other income	30	32,976,152	133,996,704	20,525,553	65,050,238
Total revenue		<u>2,107,544,526</u>	<u>3,268,784,957</u>	<u>20,525,553</u>	<u>415,579,403</u>
EXPENSES					
Cost of sales	32	1,475,254,796	1,711,867,731	-	-
Cost of steel tower manufacturing and rendering service		835,627,052	1,134,695,443	-	-
Distribution costs		33,718,811	45,798,976	-	-
Administrative expenses		208,466,011	236,531,621	55,090,619	33,558,840
Other expenses	31	493,179,399	293,289,062	162,184,925	-
Loss from investment		507,293,237	-	322,301,242	-
Finance costs		62,228,667	64,436,470	733,699	-
Total expenses		<u>3,615,767,973</u>	<u>3,486,619,303</u>	<u>540,310,485</u>	<u>33,558,840</u>
Share of loss on investments in associates	16.2	(28,930,040)	(9,359,446)	-	-
PROFIT (LOSS) BEFORE INCOME TAX					
(EXPENSE) INCOME		(1,537,153,487)	(227,193,792)	(519,784,932)	382,020,563
INCOME TAX (EXPENSE) INCOME	21	(1,564,049)	(67,929,817)	32,077,150	(69,451,427)
PROFIT (LOSS) FOR THE YEAR		<u>(1,538,717,536)</u>	<u>(295,123,609)</u>	<u>(487,707,782)</u>	<u>312,569,136</u>

CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019

UNIT : BAHT

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018 "Restated"	2019	2018
Other comprehensive income (loss)					
Items that will be classified subsequently to profit or loss					
Available-for-sale investments					
Transferring gains during the period		(1,810,600)	(4,122,566)	-	-
Remeasurement of available-for-sale investments		1,362,579	2,768,903	-	-
Income tax relating to items that will be reclassified subsequently to profit or loss		89,604	270,730	-	-
Difference on translation of financial statements		377,378	322,488	-	-
		<u>18,961</u>	<u>(760,445)</u>	<u>-</u>	<u>-</u>
Items that will not be classified subsequently to profit or loss					
Actuarial losses	26	(5,562,735)	-	(1,144,020)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss		141,879	-	-	-
		<u>(5,420,856)</u>	<u>-</u>	<u>(1,144,020)</u>	<u>-</u>
OTHER COMPREHENSIVE LOSS					
FOR THE YEAR, NET OF TAX		<u>(5,401,895)</u>	<u>(760,445)</u>	<u>(1,144,020)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME (LOSS)					
FOR THE YEARS		<u><u>(1,544,119,431)</u></u>	<u><u>(295,884,054)</u></u>	<u><u>(488,851,802)</u></u>	<u><u>312,569,136</u></u>
PROFIT (LOSS) ATTRIBUTABLE TO:					
Owners of the Parent		(929,802,321)	63,570,059	(487,707,782)	312,569,136
Non-controlling interests		(608,915,215)	(358,693,668)	-	-
		<u><u>(1,538,717,536)</u></u>	<u><u>(295,123,609)</u></u>	<u><u>(487,707,782)</u></u>	<u><u>312,569,136</u></u>
TOTAL COMPREHENSIVE INCOME (LOSS)					
ATTRIBUTABLE TO:					
Owners of the Parent		(932,307,658)	62,815,723	(488,851,802)	312,569,136
Non-controlling interests		(611,811,773)	(358,699,777)	-	-
		<u><u>(1,544,119,431)</u></u>	<u><u>(295,884,054)</u></u>	<u><u>(488,851,802)</u></u>	<u><u>312,569,136</u></u>
EARNINGS (LOSS) PER SHARE					
33					
Basic earnings (loss) attributable to					
owners of the parent per share		(1.2478)	0.0853	(0.6545)	0.4195
Diluted earnings (loss) attributable to					
owners of the parent per share		(1.2478)	0.0853	(0.6545)	0.4195

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

CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2019

UNIT : BAHT

Notes	Consolidated financial statements									
	Attributable to owners of the parent			Other components of equity				Total owners of the parent	Non-controlling interests	Total equity
	Issued and fully paid-up share capital	Share premium	Retained earnings	Unappropriated	Gain on land revaluation	Unrealised gain on revaluation of available-for-sale securities	Currency translation on financial statements			
	745,141,378	891,304,563	29,769,475	289,596,328	90,194,118	1,315,224	(61,253)	2,473,093,935	1,443,094,884	3,916,188,819
28	551	551	-	-	-	-	-	(18,857,114)	67,081,437	48,225,425
16.1	-	-	-	-	-	-	-	(191,980)	9,567,763	9,375,783
	-	-	-	-	-	-	-	7,713,172	-	7,713,172
	-	-	-	-	-	-	-	-	(17,867,423)	(17,867,423)
	-	-	-	-	-	-	-	-	(25,804,464)	(25,804,464)
29	-	-	15,628,457	(15,628,457)	-	-	-	-	-	-
	-	-	-	133,071,292	-	-	-	133,071,292	(253,393,008)	(120,321,716)
4	-	-	-	(69,501,233)	-	-	-	(69,501,233)	(105,300,660)	(174,801,893)
	-	-	-	63,570,059	-	-	-	63,570,059	(358,693,668)	(295,123,609)
	-	-	-	-	-	(881,730)	127,394	(754,336)	(6,109)	(760,445)
	745,141,929	891,305,114	45,397,932	337,537,930	90,194,118	433,494	66,141	2,524,574,838	1,117,372,420	3,641,947,258
Ending balance as at December 31, 2018 - Restated										

CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF SHAREHOLDERS' EQUITY (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2019

UNIT : BAHT

Notes	Consolidated financial statements										
	Attributable to owners of the parent							Non-controlling interests	Total equity		
	Issued and fully paid-up share capital	Share premium	Retained earnings		Other components of equity						
			Appropriated - legal reserve	Unappropriated	Other comprehensive income	Gain on land revaluation	Unrealised gain on revaluation of available-for-sale securities			Currency translation on financial statements	Changes in controlling interest in subsidiaries
Beginning balance as at January 1, 2019	745,141,929	891,305,114	45,397,932	337,537,930	90,194,118	433,494	66,141	414,498,180	2,524,574,838	1,117,372,420	3,641,947,258
Changes in shareholders' equity for the year											
Shares to be issued from exercise of warrants	-	-	-	-	-	-	-	(10,136,793)	(10,136,793)	802	(10,135,991)
Disposal of investments in subsidiary	-	-	-	-	-	-	-	(1,661,700)	(1,661,700)	31,706,804	30,045,104
Purchases subsidiary's shares	-	-	-	-	-	-	-	-	-	(1,882,786)	(1,882,786)
Loss for the year	-	-	-	(929,802,321)	-	-	-	-	(929,802,321)	(608,915,215)	(1,538,717,536)
Total comprehensive income (loss) for the year	-	-	-	(2,439,432)	-	(204,260)	138,355	-	(2,505,337)	(2,896,558)	(5,401,895)
Ending balance as at December 31, 2019	745,141,929	891,305,114	45,397,932	(594,703,823)	90,194,118	229,234	204,496	402,699,687	1,580,468,687	535,385,467	2,115,854,154

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

CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF SHAREHOLDERS' EQUITY (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2019

UNIT : BAHT

	Notes	Separate financial statements				Total equity
		Issued and paid-up share capital	Share premium	Retained earnings (Deficit) Appropriated - legal reserve	Unappropriated (Deficit)	
Beginning balance at January 1, 2018		745,141,378	891,304,563	29,769,475	93,520,082	1,759,735,498
Changes in shareholders' equity for the year						
Issuance of ordinary Shares from exercise of warrants	28	551	551	-	-	1,102
Current period legal reserve	29	-	-	15,628,457	(15,628,457)	-
Gain for the year		-	-	-	312,569,136	312,569,136
Total comprehensive income for the year		-	-	-	-	-
Ending balance at December 31, 2018		<u>745,141,929</u>	<u>891,305,114</u>	<u>45,397,932</u>	<u>390,460,761</u>	<u>2,072,305,736</u>
Beginning balance at January 1, 2019		745,141,929	891,305,114	45,397,932	390,460,761	2,072,305,736
Changes in shareholders' equity for the year						
Loss for the year		-	-	-	(487,707,782)	(487,707,782)
Total comprehensive loss for the year		-	-	-	(1,144,020)	(1,144,020)
Ending balance at December 31, 2019		<u>745,141,929</u>	<u>891,305,114</u>	<u>45,397,932</u>	<u>(98,391,041)</u>	<u>1,583,453,934</u>

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

CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2019

UNIT : BAHT

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit (loss) before income tax (expense) income		(1,537,153,487)	(227,193,792)	(519,784,932)	382,020,563
Adjustments for:					
Depreciation and amortization	32	106,650,382	192,713,727	972,257	1,058,651
Interest income	30	(16,138,853)	(39,683,424)	(7,089,031)	(8,272,229)
Interest expenses	32	62,228,667	64,436,470	733,699	-
Dividend income	30	(84,024)	(344,076)	(84,024)	(46,709,912)
Doubtful accounts (reversal)		10,708,902	(13,971,087)	15,994,611	(3,886,111)
Doubtful accounts on loans to related companies (reversal)	12	-	(9,452,383)	4,646,000	-
Loss of allowance for decline in value of inventories (reversal)	32	35,509,443	34,073,161	-	-
Loss on impairment of investment in subsidiary	16.1 and 31	-	-	110,446,067	-
Loss on impairment of investment properties	17 and 31	51,728,762	-	51,728,762	-
Loss on impairment of fixed assets	18 and 31	190,556,465	49,377,727	-	-
Loss on impairment of intangible assets	20	99,685,714	154,205,810	-	-
(Gain) loss on disposal and write-off equipment	18 and 31	1,838,617	(998,466)	10,096	(1,282,329)
(Gain) loss on disposal and write-off intangible assets		3,083	-	-	-
Write-off warrants held as trading securities expired		-	-	10,136,793	-
Unrealized (gain) loss on change in fair value of trading securities		502,868,290	(405,977,462)	298,063,374	(339,786,781)
Unrealised gain on change in fair value of trading securities in mutual fund		(33)	(39,255)	(33)	(39,255)
Gain on sales of trading securities		1,988,086	(10,758,179)	2,771,984	(2,263,809)
(Gain) loss on sales of warrants held as trading securities		2,455,840	-	2,455,840	-
Gain on sales of trading securities in mutual fund		(18,957)	(891)	(18,957)	(891)
Gain on sales of subsidiary's warrants held as trading securities		-	-	-	(1,011,935)
Gain on sales of available-for-sale securities		(1,465,950)	(4,029,024)	-	-
Loss on sales of investments in associates		-	15,556,076	-	-
(Gain) loss on sales of investments in subsidiaries		755,366	(410,500)	8,892,240	(7,426,494)
Unrealised gain on exchange rate		1,359,944	1,854,722	-	-
Loss from onerous project contract	25	64,686,730	-	-	-
Employee benefit expenses	26	13,044,574	5,807,604	1,972,627	648,820
Share of loss on investment in associates	16.2	28,930,040	9,359,446	-	-
Loss on impairment of goodwill	19	-	46,288,517	-	-
Loss on impairment of investment in associate		69,865,996	27,860,932	-	-
		(309,996,403)	(111,324,347)	(18,152,627)	(26,951,712)

CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2019

UNIT : BAHT

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)					
Changes in operating assets and liabilities					
Trade and other current receivables decrease		460,391,710	82,310,327	1,344,417	(6,555,723)
Receivable under finance lease agreement decrease		10,994,440	35,147,008	-	-
Inventories decrease		201,544,108	93,478,694	-	-
Other current assets (increase) decrease		(17,358,768)	13,588,910	343,445	(721,273)
Other non-current assets (increase) decrease		(11,441,386)	15,025,341	500	(1,000,060)
Trade and other payables increase (decrease)		(259,144,020)	63,487,030	25,277	(113,346)
Deferred income increase (decrease)		25,957,961	(28,142,711)	-	-
Other current liabilities increase (decrease)		(13,766,010)	4,280,698	(118,824)	376,602
Employee benefit obligations - benefit payment	26	(6,598,812)	(5,591,474)	-	-
Cash generated by (paid for) operations		80,582,820	162,259,476	(16,557,812)	(34,965,512)
Interest received		20,250,586	13,093,901	110,542	3,166,353
Interest paid		(47,627,427)	(54,425,689)	(643,836)	-
Income tax refund received		558,689	21,483,264	-	-
Income tax paid		(23,983,234)	(45,535,153)	(496,454)	(10,345,737)
Net cash provided by (used in) operating activities		29,781,434	96,875,799	(17,587,560)	(42,144,896)
CASH FLOWS FROM INVESTING ACTIVITIES					
(Decrease) increase in restricted cash		12,547,040	(36,706,670)	-	-
Acquisition of trading securities		(96,918,221)	(315,617,305)	-	(23,472,070)
Acquisition of warrants held as trading securities		(41,297,736)	(12,676,105)	(33,286,689)	(12,582,544)
Acquisition of current investments		(5,629,014)	(4,158,140)	-	-
Acquisition of available-for-sale securities		(478,600,000)	(463,970,000)	-	-
Acquisition of investments in subsidiary, net		(1,688,956)	(25,804,464)	(54,188,956)	(25,804,464)
Acquisition of investments in associate	16.2	950,330	(105,989,568)	-	-
Cash paid for short-term loans to related party		-	-	(68,760,000)	(58,746,000)
Acquisition of equipment		(30,312,216)	(70,074,787)	(62,643)	(5,055,113)
Proceeds from sales of trading securities		36,826,036	156,932,161	1,955,017	58,388,441
Proceeds from disposal of warrants held for trading		590,083	-	590,083	-
Proceeds from sales of current investments		5,639,275	-	-	-
Proceeds from sale of available-for-sale securities		571,085,350	769,156,458	-	-
Proceeds from sales of trading securities in mutual fund		3,300,000	5,000,000	3,300,000	5,000,000
Proceeds from disposals of subsidiaries' warrants held for trading		-	9,735,025	-	9,735,025
Receipt from sale of investment in associate		-	42,101,960	-	-
Proceeds from sales of investment in subsidiary		17,774,291	9,327,788	17,774,291	9,327,788
Receipt from short-term loans		-	9,452,383	122,500,000	18,276,111
Proceeds from disposals of equipment		5,573,573	9,898	-	-
Proceeds from disposals of investment property		-	2,942,000	-	2,942,000
Dividends received	30	84,024	344,076	84,024	46,709,912
Proceeds from sales of non-current assets classified as held for sale		152,172,475	-	-	-
Net cash provided by (used in) investing activities		152,096,334	(29,995,290)	(10,094,873)	24,719,086

CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2019

UNIT : BAHT

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
CASH FLOWS FROM FINANCING ACTIVITIES					
Bank overdraft decrease		(17,338,160)	(597,745)	-	-
Proceeds from short-term borrowings from financial institutions		481,842,772	845,542,354	-	-
Proceeds from issuance of debentures		300,000,000	600,000,000	-	-
Proceeds from short-term loan from third party		30,500,000	80,000,000	-	-
Proceeds from short-term loan from related company		-	-	30,000,000	-
Proceeds from sale of subsidiary's warrants		326,300,000	-	-	-
Proceeds from exercise of subsidiaries' warrants		-	1,102	-	1,102
Proceeds from issuing ordinary share of subsidiary paid by non-controlling interest		802	48,529,195	-	-
Repayment to short-term loan to third parties		(21,000,000)	(40,500,000)	-	-
Repayment to short-term borrowings from financial institutions		(616,779,441)	(791,106,863)	-	-
Repayment to long-term borrowings from financial institutions		(44,497,941)	(24,960,000)	-	-
Repayment to debentures		(300,000,000)	(800,000,000)	-	-
Repayment to liabilities under finance lease agreements		(7,131,062)	(8,229,225)	-	-
Dividends paid		-	(17,867,423)	-	-
Net cash provided by (used in) financing activities		131,896,970	(109,188,605)	30,000,000	1,102
Net increase (decrease) in cash and cash equivalents		313,774,738	(42,308,096)	2,317,567	(17,424,708)
Cash and cash equivalents at beginning of the year		142,252,204	184,553,022	8,124,914	25,549,622
Cash and cash equivalents of disposal asset group classified as held for sales		(102,056,626)	-	-	-
Effects of exchange rate		478,175	7,278	-	-
Cash and cash equivalents at end of the year	9.1	354,448,491	142,252,204	10,442,481	8,124,914

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

CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

1. GENERAL INFORMATION

Capital Engineering Network Public Company Limited (“the Company”), is incorporated in Thailand and is registered as a listed company in the Stock Exchange of Thailand on May 10, 1991. The address of the Company’s registered office is as follows:

1011, 17th Floor, Supalai Grand Tower, Rama 3 Road, Chongnonsi, Yannawa, Bangkok.

The company is a holding company.

For reporting purposes, the Company and its subsidiaries are referred to as the Group.

The principal subsidiaries’ operation of the Group are summarized as follows:

Name of the entity	Type of business
1. Rayong Wire Industries Public Company Limited (“RWI”)	Manufacturing and distributing prestressed concrete wire, prestressed concrete strand wire and welding wire
2. Ua Withya Public Company Limited (“UWC”)	Manufacturing and distributing industrial equipment and transmission line towers, telecommunication towers, and distributing substation steel structures
3. Enesol Company Limited (“ENS”)	Manufacturing and distributing electricity and heat energy
4. Pipe Line Engineering Company Limited (“PLE”)	Construction and tunnel excavation
5. Evergreen Biomass Company Limited (“EBM”)	Distributing fuel for power plant
6. WJC Enterprise Co., Ltd. (“WJC”)	Fabrication construction and design
7. Paradise Green Energy Company Limited (“PGE”)	Biogas power plant business, and agricultural
8. UWC Komen Biomass Company Limited (“UKB”)	Biomass power plant project
9. Ultra Asia Company Limited (from “UWC Solar Company Limited”) ⁽¹⁾	Solar power plant
10. Satuek Biomass Company Limited (“SATUEK”)	Biomass power plant project
11. UWC Amphan Biomass Company Limited (“UAB”)	Biomass power plant project
12. UWCC (Cambodia) Company Limited (“UWCC”)	Manufacturing and selling woodchips
13. Ultra Asia Singapore Private Company Limited ⁽²⁾	Management of human resource functions

(1) At the Extraordinary Shareholders’ meeting of the Company held on August 14, 2019, the Company’s shareholders approved the change of the Company’s name from “UWC Solar Company Limited” to “Ultra Asia Company Limited”. The Company registered the change of its name with the Department of Business Development, Ministry of Commerce, on August 15, 2019.

(2) On October 10, 2019, Ultra Asia Company Limited invested in ordinary shares of Ultra Asia Singapore Private Company Limited of 100 shares at US Dollar 10 per share, totalling US Dollar 1,000, as a result, Ultra Asia Singapore Private Company Limited is the Company’s subsidiary since such date.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

- 2.1 The Group maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting standards and accounting practices generally accepted in Thailand.
- 2.2 The Group's financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 (Revised 2018) "Presentation of Financial Statements", which was effective for financial periods beginning on or after January 1, 2019 onward, and the Regulation of the Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statements (No.2) B.E. 2559" dated October 11, 2016.
- 2.3 The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies (see Note 3).
- 2.4 The financial statements in English version is prepared from financial statements followed the laws which is in Thai. In the event of any conflict or be interpreted in two different languages, the Thai version financial statement in accordance with Thailand law is superseded.
- 2.5 Basis of preparation of consolidation financial statements
 - a) The consolidated financial statements include the financial statements of Capital Engineering Network Public Company Limited ("the Company"), and the subsidiary companies ("the subsidiaries") (see Note 1).
 - b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
 - c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company except the financial statements of WJC Enterprise Company Limited, Pipe Line Engineering Company Limited and Paradise Green Energy Company Limited that have been prepared with the basis of measuring asset items at the lower of carrying amount or net realizable values or other considerations and measuring liability items at values or other considerations to be paid because such the subsidiary has ceased its operation.
 - d) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements. The consolidated financial statements for the years ended December 31, 2019 and 2018 were prepared by using the financial statements of its subsidiaries as of the same date.
 - e) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.6 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the period, the Company has adopted the revised and new Thai Financial Reporting Standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's interim financial statements, except Thai Accounting Standard No.15 "Revenue from Contracts with Customers".

Thai Financial Reporting Standard No.15 "Revenue from Contracts with Customers" ("TFRS 15")

The core principle of TFRS 15 is that the Group should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects to consideration to which the Group expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contracts with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

Under TFRS 15, the Group recognizes revenue when a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

This TFRS supersedes the following revenue Standards and Interpretations upon its effective date: Thai Accounting Standard No.11 "Construction Contracts", Thai Accounting Standard No.18 "Revenue", Thai Accounting Standard Interpretation No.31 "Revenue-Barter Transactions Involving Advertising Services", Thai Financial Reporting Standard Interpretation No.13 "Customer Loyalty Programmes, Thai Financial Reporting Standard Interpretation No.15 "Agreements for the Construction of Real Estate" and Thai Financial Reporting Standard Interpretation No.18 "Transfers of Assets from Customers".

The Group's accounting policies for its revenue are disclosed in Note 3.16. Apart from providing more extensive disclosures on the Group's revenue transactions, the application of TFRS 15 has not had a significant impact on the financial position and financial performance of the Group.

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

The Federation of Accounting Professions has issued the Notification regarding Thai Accounting Standards, Thai Financial Reporting Standards, Thai Accounting Standards Interpretation and Thai Financial Reporting Standard Interpretation, which have been announced in the Royal Gazette and will be effective for the financial statements for the accounting period beginning on or after January 1, 2020 onwards. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards.

The Group's management will adopt such TFRSs in the preparation of the Company's financial statements when it becomes effective. The Group's management has assessed the impact of these TFRSs and considered that the adoption of these financial reporting standards does not have any material impact on the financial statements of the Company in the period of initial application, except the financial reporting standards as follow:

Group of Financial Instruments Standards

Thai Accounting Standards ("TAS")

TAS 32 Financial Instruments: Presentation

Thai Financial Reporting Standards ("TFRS")

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Thai Financial Reporting Interpretations Committee ("TFRIC")

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These group of Standards make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost; taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model, the calculation of impairment using the expected credit loss method, and the concept of hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. These Standards will supersede the Standards and Interpretations relating to the financial instruments upon its effective date.

The Group's management is in the process to assess the impact of these Financial Instruments Standards on the financial statements of the Group in the period of initial application.

Thai Financial Reporting Standards No. 16 “Leases”

This TFRS provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors.

This TFRS will supersede the following lease Standards and Interpretations upon its effective date, which are Thai Accounting Standard No.17 “Leases”, Thai Accounting Standard Interpretation No.15 “Operating Lease - Incentives”, Thai Accounting Standard Interpretation No.27 “Evaluating the Substance of Transactions involving the Legal Form of a Lease” and Thai Financial Reporting Standard Interpretation No.4 “Determining whether an Arrangement contains a Lease”.

For lessee accounting, there are significant changes to lease accounting in this TFRS by removing the distinction between operating and finance leases under TAS 17 and requiring a lessee to recognize a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets. However, the lessor accounting treatment continues to require a lessor to classify a lease either as an operating lease or a finance lease, using the same concept as TAS 17.

The Group’s management is in the process to assess the impact of this TFRS on the financial statements of the Group in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies are summarized as follows:

3.1 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, all deposits at financial institutions and other short-term highly liquid investments with original maturities of three months from the date of acquisition excluding deposit at banks used as collateral.

3.2 Current investments and Available-for-sales investments

- (1) Current investments are trading securities, time deposits with maturity term over 3 months up to 12 months and held-to-maturity debt security due within 12 months and without obligation.

Trading securities are investment in marketable securities which carried at fair value. Realized gains and losses from the sales of trading securities and unrealized gain and loss on the changes in fair values are recognized as profit and loss in the statement of profit or loss and other comprehensive income.

- (2) Available-for-sales securities are investment in marketable securities which carried at fair value, differences between cost value and fair value of available-for-sales securities are recorded as unrealized gain (loss) on the revaluation of available-for-sales securities in other component of equity.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognized as profit or loss in the statement of profit or loss and other comprehensive income.

If the Company disposes of a partial of its holding investment, the deemed cost of the sold investment is determined using the weighted-average method applied to the carrying value of the total holding of the investment.

3.3 Trade receivables

Trade receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful debt based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year which recognized in profit or loss within administrative expenses.

3.4 Inventories

Inventories of the Group comprises raw materials (steel), industrial goods, agricultural products, biomass materials, factory supplies and work in progress.

Inventories are stated at the lower of either the cost and the net realizable value.

The cost of raw materials (steel), agricultural products, biomass materials, factory supplies and work in progress is determined by the weighted average method. The cost of industrial goods is determined by the first-in, first-out method.

The cost of goods comprises the purchase cost, conversion cost and other costs incurred in bringing the inventories to their present location and condition. In the case of work in progress, the cost of goods is determined by the weighted average method, considered an appropriate cost allocation of production overheads. It is based on normal operating capacity.

Net realizable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

3.5 Investments in subsidiaries, associates and joint venture

(1) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations, except business combination under common control. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in profit or loss or other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognise and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains or loss on transactions between the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

In the separated financial statements, investments in subsidiaries are accounted for at cost less impairment (if any).

A list of the Group's principal subsidiaries are set out in Note 16.1

(2) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(3) Disposal of subsidiaries

When the Group ceases to have control it shall cease to consolidate its subsidiaries. Any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

(4) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting.

A list of the Group's principal associates are set out in Note 16.2

(5) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

Joint operations

A joint operation is a joint arrangement whereby the Group has rights to the assets, and obligations for the liabilities relating to the arrangement. The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

Joint venture

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method.

A list of the Group's principal joint venture are set out in Note 16.3

(6) Accounting under equity method

Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identifies on acquisition.

If the ownership interest in associates and joint venture is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint venture is recognized in profit or loss.

Share of gain or loss of the Group's share of its associates and joint venture post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in associates equals or exceeds its interest in the associates, together with any long-term interests that, in substance, form part of the entity's net investment in the associates and joint venture, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint venture.

The Group determines at each reporting date whether there is any objective evidence that the investments in the associates and joint venture are impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investments and its carrying value and recognizes the amount adjust to share of profit (loss) of associates and joint venture in profit or loss.

(7) Separate financial statement

In the separate financial statements, investments in subsidiaries, associates and joint venture are accounted for at cost less impairment (if any).

3.6 Property, Plant and Equipment

Land is shown at fair value, based on valuations by external independent valuers every 3 years. All other property and equipment are stated at historical cost less accumulated depreciation and provision of impairment (if any). Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land are recognized to other comprehensive income and shown as gain on asset revaluation in equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and decreased against gain on asset revaluation directly in equity; all other decreases are charged to profit or loss and other comprehensive income in each year.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Leasehold right	3 years
Buildings and improvements	10 - 20 years
Machinery and equipment	5 - 15 years
Tunnel boring machinery	5 - 15 years
Furniture, fixtures, and office equipment	5 - 10 years
Vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other gain/loss - net' in profit or loss.

When revalued assets are sold, the amounts included in gain on asset revaluation are transferred to retained earnings.

3.7 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost, including related transaction costs

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses.

Land is not depreciated. Depreciation on other investment properties is calculated using the straight line method to their residual values over their estimated useful lives, as follows:

Building	20 years
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Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

3.8 Goodwill

Goodwill on acquisitions of subsidiaries is separately reported in the consolidated statement of financial position.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

3.9 Intangible assets

Computer software licenses

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software which stated at cost less accumulated amortization and allowance for impairment (if any). The amortization is calculated using the straight-line method over their estimated useful lives of not more than 10 years.

Cost of gas branch piping system

Cost of gas branch piping system in producing and distributing electricity and heat energy project is acquired by the Company and has a finite useful life. They are carried at cost less accumulated amortization (if any). Amortization on these assets is calculated using the straight line method over their estimated useful lives of 15 years.

Right to sale under Power Purchase Agreement

The right to sale under Power Purchase Agreements arising on acquisitions of subsidiary is amortized over the periods of the Power Purchase Agreements, which are between 8 to 13 years. Amortization is calculated using the straight-line method.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

3.10 Disposal asset group classified as held for sales

The Group classified disposal asset group classified as held for sales if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable.

Disposal asset group classified as held for sales When the Group is committed to a sale plan of disposal asset group involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

Disposal asset group classified as held for sales are measured at the lower of their carrying amount and fair value less costs to sell.

3.11 Impairment of assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

3.12 Leases

Where a Group is the lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Leases of land, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The assets acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

Where a Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

3.13 Provision of employee benefit obligations

A defined benefit plan is a retirement plan that is not a defined contribution plan. Typically defined benefit plans define an amount of retirement benefit that an employee will receive on retirement, usually depends on more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement liability.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past service cost related to the plan amendment is recognized as an expense in the income statement when the plan amendment is effective.

Other long-term benefits obligations

The Company provides for long-term benefits which are given to employees who are entitled to receive it upon completion of service years of 10th years and every 5 years afterwards. This obligation is calculated by an independent actuary and by using the Projected Unit Credit Method based on actuarial assumptions, such as discount rate and other factors.

Any actuarial gains and losses are recognized as profit or loss in the statement of profit or loss and other comprehensive income in the period which they incur.

3.14 Warrants

Warrants are issued to existing shareholders to subscribe for ordinary shares. Proceeds from issuing warrants (if any) are shown net of related expenses under the caption of “Warrants” in shareholders’ equity when the warrants are issued. Proceeds from exercised warrants net of related expenses are shown under share capital.

3.15 Deferred finance charges - net

Deferred finance charges represent the upfront fees paid to financial institutions for its long-term borrowings on the date of the loan agreements and are amortized and recognized as expense by the effective interest rate method over the periods of loan agreements. The balances after amortization of such deferred charges are presented net of the long-term borrowings from financial institutions.

3.16 Revenue and expenses recognition

Revenue from business of sales of goods (prestressed concrete wire, prestressed concrete strand wire and welding wire and other products and sale of industrial and agricultural products)

Revenue from sales of goods is recognized in the statement of profit or loss and other comprehensive income when control of the goods is transferred to the customer, being when the goods have been shipped. No revenue is recognized if there is continuing management involvement with the goods or there are significant uncertainties in receiving economic benefits from such sales of goods. Revenue from sales is measured at the amount of the consideration received or expect to be received for the delivered goods.

Revenue from business of rendering service of project

The Group has provided service of steel tower manufacturing under long-term contracts with customers. Revenue from steel tower manufacturing is recognized in statement of profit or loss and other comprehensive income when the projects are completely inspected by and delivered to the buyer at the Company's plant because the control of the projects are transferred to the buyer.

Revenue from business of distribution of electricity and heat energy

Revenue from sale of electricity and heat energy is recognized according to the term set out in the agreement to obtain the right of production and distribution of electricity and heat energy. The revenue from sale of electricity is calculated basing on the accepted actual delivered electricity shown on the meter and the average price of each month as set out in the agreement. The revenue from sale of heat energy is calculated basing on the accepted actual delivered heat energy shown on the meter at the price of natural gas purchased in each month as set out in the agreement.

Revenue from business of tunnel boring

The Group has provided service of tunnel boring under long-term contracts with customers. Revenue from tunnel boring includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will generated revenue and are reliable measured. As soon as the outcome of tunnel boring can be estimated reliably, revenue from tunnel boring is recognized in statement of profit or loss and other comprehensive income over time at the stage of completion.

Rental income

Rental income is recognized in profit or loss 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.

Other income and expense

Other income and expense are recognized on an accrual basis.

3.17 Taxation

Income tax expense comprises the sum amount of current tax in respect of the current year and deferred tax.

Current tax

Current tax represents tax currently payable which is based on taxable profit for the period. Taxable profit differs from profit as reported in the statement of income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit (tax base). Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for temporary differences to the extent that it is probable that taxable profits will be available against which those temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each of the end of reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Any such reduction will be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset is recognized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off the current tax asset against current tax liabilities and the Company intends to settle such current tax liability and asset on a net basis or intends to recognize the asset and settle the liability simultaneously.

Current and deferred tax are recognized as income or expense and included in profit or loss for the period.

3.18 Earnings (loss) per share

Earnings (loss) per share is calculated by dividing profit (loss) for the year attributable to ordinary shareholders divided by the weighted average number of ordinary shares held by outsiders. In case of increase in share capital, the weighted average number of ordinary shares is calculated based on subscription of issued and paid-up share capital period. In case of decrease in share capital, the weighted average number of ordinary shares is calculated based on share capital decrease registration period.

Diluted earnings (loss) per share is calculated based on assumption that all dilutive potential ordinary shares have been converted to ordinary shares.

3.19 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Thai Baht, which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the end of reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit or loss.

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognized in profit and loss, any exchange component of that gain or loss is recognized in profit and loss.

(c) Group companies

The results and financial position of all of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

- Income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognized in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(d) Derivative financial instruments

Derivative financial instruments are used to manage exposure to foreign exchanges arising from operational activities.

A subsidiary entered into forward foreign exchange contracts in asset and liability management activities to control exposure to fluctuations in foreign exchange rates. Further details of financial instruments are disclosed in Note 5.2.

The Group has no policy to speculate in or engage in the trading of any derivative financial instruments.

3.20 Fair value measurements

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

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

3.21 Use of management's judgments and key sources of estimation uncertainty

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

Significant judgments and estimates are as follows:

Impairment of investments

The carrying amounts of the investments in subsidiaries and associates are reviewed at the end of each reporting period. The Group recognizes impairment loss when the recoverable amount of an asset is lower than its carrying amount. The recoverable amount is the higher of the asset's fair value less cost to sell or its value in use. The Group determines the value in use by estimating the present value of future cash flows generated by the asset, discounted using a pre-tax discount rate which reflects current market assessments of the time value of money and the risk specific to the asset.

Allowance for diminution in value of inventories

In estimating allowance for diminution in value of inventories, the management exercise judgments in order to estimate the loss amount that may incur from such inventories. The allowance for decline in net realizable value is considered based on the selling price expected in the ordinary course of business less the cost to make the sale and allowance for obsolete, slow-moving and deteriorated inventories, is estimated based on the approximate age of each type of inventory.

Investment property, property, plant and equipment and depreciation

In determining depreciation of investment property, property, plant and equipment, the management is required to make estimates of the useful lives and residual values of the investment property, property, plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review impairment of investment property, property, plant and equipment on a periodical basis and records impairment losses when it is determined that their recoverable amount of assets are lower than the carrying amount. This management is required to judgment regarding forecast of future revenues and expenses relating to the assets.

In determining the fair value disclosure of investment property, the management used the income approach supported by current and previous valuations by an independent appraiser. The key assumptions used in estimating the fair value are described in Note 17.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, the management require 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.

4. CORRECTION OF ERRORS

During the year ended December 31, 2019, the subsidiary discovered errors regarding to work in progress, included in inventories in consolidated statement of financial position as at December 31, 2018 which were over-recorded in the amount of Baht 174 million. The subsidiary has corrected the errors by adjusting consolidated financial statement as at December 31, 2018, presented herein as comparative information, as if the errors have been corrected in the accounting period in which they occur.

The effects of the correction of errors to the consolidated financial statements for the year ended December 31, 2018 are as follows:

			Unit: Baht
Effect to consolidated statement of financial position as at December 31, 2018			
	Balances before restated	Adjustments of errors	Amount as restated
Inventories	841,076,118	(174,801,893)	666,274,225
Retained earnings - unappropriated	407,039,163	(69,501,233)	337,537,930
Non-controlling interests	1,222,673,080	(105,300,660)	1,117,372,420
Effect to consolidated statements of profit or loss and other comprehensive income for the year ended December 31, 2018			
	Balances before restated	Adjustments of errors	Amount as restated
Cost of steel tower manufacturing and rendering services	959,893,550	174,801,893	1,134,695,443
Loss for the year	(120,321,716)	(174,801,893)	(295,123,609)
Basic earnings per share (Baht)	0.1786	(0.0933)	0.0853
Diluted earnings per share (Baht)	0.1786	(0.0933)	0.0853
Effect to consolidated statements of cash flows for the year ended December 31, 2018			
	Balances before restated	Adjustments of errors	Amount as restated
Loss before income tax (expense) income	(52,391,899)	(174,801,893)	(227,193,792)
Inventories (increased) decreased	(81,323,199)	174,801,893	93,478,694

5. DISCLOSURE OF FINANCIAL INSTRUMENT INFORMATION

The Group is exposed to normal business risks from changes in market interest rates risk, foreign exchange risk, market price risk of raw materials, credit risk, liquidity risk, and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

5.1 Interest rates risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows. The Group is primarily exposed to interest rate risk from its borrowings (Notes no.22, 24, 34.6, and 34.7). The Group mitigates this risk by ensuring that the majority of its borrowings are at fixed interest rates.

The interest rates of interest-bearings financial liabilities as at December 31, 2019 and 2018 and the periods in which the borrowing mature or re-rate were as follows:

CONSOLIDATED FINANCIAL STATEMENTS				
As at December 31, 2019				
Interest rate (% per annum)	Within 1 year Baht	After 1 year but within 5 years Baht	Total Baht	
Bank overdrafts and short-term borrowings from financial institutions	2.67 - 2.85	192,327,589	-	192,327,589
Short-term borrowings from other company	6.25	49,000,000	-	49,000,000
Long-term debenture	6.25 - 6.50	300,000,000	300,000,000	600,000,000
Liabilities under finance lease agreements	2.75 - 6.85	1,548,516	1,395,415	2,943,931
		<u>542,876,105</u>	<u>301,395,415</u>	<u>844,271,520</u>

CONSOLIDATED FINANCIAL STATEMENTS				
As at December 31, 2018				
Interest rate (% per annum)	Within 1 year Baht	After 1 year but within 5 years Baht	Total Baht	
Bank overdrafts and short-term borrowings from financial institutions	4.00 - 7.43	380,369,239	-	380,369,239
Short-term borrowings from other companies	6.25	39,500,000	-	39,500,000
Long-term debenture	6.25	-	600,000,000	600,000,000
Long-term borrowings from financial institution	MLR-1	24,520,000	-	24,520,000
Liabilities under finance lease agreements	2.75 - 6.85	7,032,987	2,497,854	9,530,841
		<u>451,422,226</u>	<u>602,497,854</u>	<u>1,053,920,080</u>

SEPARATE FINANCIAL STATEMENTS				
	Interest rate (% per annum)	As at December 31, 2019		
		Within 1 year	After 1 year but within 5 years	Total
		Baht	Baht	Baht
Short-term borrowings from related company	4.00	30,000,000	-	30,000,000
		<u>30,000,000</u>	<u>-</u>	<u>30,000,000</u>

5.2 Foreign exchange risk

The Group is exposed to immaterial foreign currency risk relating to purchases which are denominated in foreign currencies. The Company's subsidiary has entered into forward exchange contracts to hedge liabilities denominated in foreign currencies.

Forward exchange contract

As at December 31, 2019 and 2018 the remaining amount of forward exchange contract are summarized as follows:

Contract amounts			Deliverable amount			Net fair value (Baht)	
Currency	As at December 31, 2019	As at December 31, 2018	Currency	As at December 31, 2019	As at December 31, 2018	As at December 31, 2019	As at December 31, 2018
USD	254,125	4,855,606	THB	7,679,658	158,803,498	(28,284)	877,744

5.3 Credit risk

The Company has a credit policy in place to make sure that sales of products and services are made to customer with an appropriate credit history based on credit evaluation. The Company also closely follows up its receivables. Most sales made require credit over a certain amount. At the reporting date the Company has no significant concentrations of credit risk. Cash transactions are limited to high credit quality financial institutions.

As at December 31, 2019, the Group has concentration of credit risk whereby 58.73% of its trade receivables from 5 major customers (December 31, 2018 : 61.06%, 5 major customers).

5.4 Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operation. The Company invests excess liquidity in capital market to manage liquidity risk prudentially.

6. CAPITAL RISK MANAGEMENT

The Board's policy is to maintain a strong capital base so as to build investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as a result from operating activities divided by total shareholders' equity, excluding non-controlling interest, and also monitors the level of dividends paid to ordinary shareholders.

7. SEGMENT INFORMATION

The Group's management has determined segment information in respect of the Group's business and geographic segments in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors that makes strategic decision. The chief operating decision-maker review operating results in the same dimension as presented on the financial statements, principally based on profit (loss) before income tax.

By geographic area

Management considers that the Group operates in a single geographic area, namely in Thailand, and has, therefore, only one major geographic segment.

By business operation

The Group comprises the following main business segments:

Segment 1: represents the business of investing in other companies

Segment 2: represents the business of sales of prestressed concrete wire, prestressed concrete strand wire and welding wire

Segment 3: represents the business of rendering service of project

Segment 4: represents the business of distribution of electricity and heat energy

Segment 5: represents the business of construction and tunnelling

Other segments: represents the business of sale of industrial and agricultural products

Financial information by business segments in the consolidated financial statements are as follows:

	Consolidated financial statements						Total
	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5	Other segment	
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
For the year ended							
December 31, 2019							
Total revenues	-	676.09	675.92	768.88	1.56	-	2,122.45
Less Intercompany transactions	-	-	(22.18)	(25.70)	-	-	(47.88)
Net revenues	-	676.09	653.74	743.18	1.56	-	2,074.57
Segment results	(357.67)	(279.57)	(562.64)	(230.05)	(49.68)	(59.11)	(1,538.72)
Net Revenues							
- Recognized over time	-	-	-	-	1.56	-	1.56
- Recognized at the point in time	-	676.09	653.74	743.18	-	-	2,073.01
	-	676.09	653.74	743.18	1.56	-	2,074.57
Segment fixed assets	4.56	223.73	309.86	1.54	6.96	26.84	573.49
Other assets							3,595.22
Consolidated total assets							4,168.71

Consolidated financial statements						
	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5	Other segment
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Total						
For the year ended						
December 31, 2018						
Total revenues	-	1,010.61	1,107.77	668.71	0.35	9.09
Less Intercompany transactions	-	-	(69.20)	(8.18)	-	(1.14)
Net revenues	-	1,010.61	1,038.57	660.53	0.35	7.95
Segment results	245.28	53.45	(611.28)	26.85	(8.17)	(1.25)
Net Revenues						
- Recognized over time	-	-	-	-	0.35	-
- Recognized at the point in time	-	1,010.61	1,038.57	660.53	-	7.95
	-	1,010.61	1,038.57	660.53	0.35	7.95
Segment fixed assets	5.16	231.77	1,505.81	2.21	54.20	0.09
Other assets						
Consolidated total assets						

Information about transactions with major customers

The Group has revenues from sales over 10% of total revenues from external customers. For the years ended December 31, 2019, revenue from sales from 2 major customers are Baht 680.96 million in the consolidated financial statements (for the year ended December 31, 2018 : 3 major customers, Baht 1,037.05 million).

8. FAIR VALUE

8.1 Fair value estimation

The table below have been analyzed financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as market prices) or indirectly (that is, derived from market prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the financial assets excluding fixed deposits presented under held-to-maturity securities due within one year of the Group that are measured at fair value which considered different from book value at December 31, 2019 and 2018

Consolidated financial statements				
	2019		2018	
Asset	Level 1 Baht	Level 2 Baht	Level 1 Baht	Level 2 Baht
Trading financial assets				
• Mutual Funds	-	1,823	-	3,282,833
• Equity securities	322,619,497	-	729,131,875	-
Available-for-sale financial assets				
• Equity securities	-	86,761,907	-	178,229,328
	<u>322,619,497</u>	<u>86,763,730</u>	<u>729,131,875</u>	<u>181,512,161</u>
Separate financial statements				
	2019		2018	
Asset	Level 1 Baht	Level 2 Baht	Level 1 Baht	Level 2 Baht
Trading financial assets				
• Mutual Funds	-	1,823	-	3,282,833
• Equity securities	<u>183,840,333</u>	<u>-</u>	<u>466,526,735</u>	<u>-</u>
	<u>183,840,333</u>	<u>1,823</u>	<u>466,526,735</u>	<u>3,282,833</u>

There were no transfers between levels 1 and 2 during the year.

For the year ended December 31, 2019, the Group reclassified available-for-sale investments gains in consolidated financial statements of Baht 1.81 million (December 31, 2018: Baht 4.12 million) from other comprehensive income to profit or loss which occurred from the sale of investment during the year.

8.2 Valuation techniques used to derive Level 2 fair values

Level 2 Trading securities and available-for-sale equity securities are fair valued using a Net Asset Valuation (“NAV”) approach as at end of reporting period. The data is publicly available on the Thai Stock Market Association, which is calculated by fund manager of the mutual fund.

9. SUPPLEMENTARY DISCLOSURES OF CASH FLOWS INFORMATION

9.1 Cash and cash equivalents as at December 31, 2019 and 2018 consist of the following:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Cash on hand	824,051	1,131,538	14,581	8,180
Deposits with banks - current and saving accounts	350,908,771	137,647,041	10,054,268	7,746,046
Fixed deposit not exceeding 3 months	2,715,669	3,473,625	373,632	370,688
	<u>354,448,491</u>	<u>142,252,204</u>	<u>10,442,481</u>	<u>8,124,914</u>

As at December 31, 2019, the interest rate on fixed deposits was 0.65% - 0.80% per annum (December 31, 2018: 0.80% - 0.85% per annum) and these deposits have maturities within 3 months.

9.2 Non-cash transactions as at December 31, 2019 and 2018 consist of the following:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Payable for purchase equipment	18,606,242	39,595,091	-	-
Finance lease of equipment	-	156,066	-	-

9.3 Changes in the liabilities arising from financing activities for the years ended December 31, 2019 and 2018 were as follows:

	Consolidated financial statements			
	Balance as at January 1, 2019 Baht	Financing cash flows ⁽¹⁾ Baht	Non-cash Change ^{(2) and (3)} Baht	Unrealized loss on exchange rate Baht
				Balance as at December 31, 2019 Baht
Bank overdrafts	17,338,160	(17,338,160)	-	-
Short-term borrowings from financial institutions	363,031,079	(169,163,144)	-	(1,540,346)
Short-term borrowing from other company	39,500,000	9,500,000	-	-
Long-term debentures	600,000,000	-	-	-
Long-term borrowings from financial institutions	24,520,000	(24,520,000)	-	-
Liabilities under finance lease agreements	9,530,841	(7,131,062)	544,152	-
	<u>1,053,920,080</u>	<u>(208,652,366)</u>	<u>544,152</u>	<u>(1,540,346)</u>
				<u>844,271,520</u>

	Consolidated financial statements				Balance as at December 31, 2018 Baht
	Balance as at January 1, 2018 Baht	Financing cash flows ⁽¹⁾ Baht	Non-cash Change ^{(2) and (3)} Baht	Unrealized gain on exchange rate Baht	
Bank overdrafts	17,935,905	(597,745)	-	-	17,338,160
Short-term borrowings from financial institutions	307,574,620	54,435,491	-	1,020,968	363,031,079
Short-term borrowing from other company	-	39,500,000	-	-	39,500,000
Long-term debentures	800,000,000	(200,000,000)	-	-	600,000,000
Long-term borrowings from financial institutions	49,480,000	(24,960,000)	-	-	24,520,000
Liabilities under finance lease agreements	17,514,490	(8,229,225)	245,576	-	9,530,841
	<u>1,192,505,015</u>	<u>(139,851,479)</u>	<u>245,576</u>	<u>1,020,968</u>	<u>1,053,920,080</u>

	Separate financial statements				Balance as at December 31, 2019 Baht
	Balance as at January 1, 2019 Baht	Financing cash flows ⁽¹⁾ Baht	Non-cash Change ^{(2) and (3)} Baht	Unrealized loss on exchange rate Baht	
Short-term borrowings from related company	-	30,000,000	-	-	30,000,000
	<u>-</u>	<u>30,000,000</u>	<u>-</u>	<u>-</u>	<u>30,000,000</u>

⁽¹⁾ Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.

⁽²⁾ Non-cash change is asset that acquired under finance lease.

⁽³⁾ Non-cash change for transfer disposal assets group classified as held for sales (Note 15).

10. INVESTMENTS

10.1 Current investments as at December 31, 2019 and 2018 consist of the following:

	Consolidated financial statements			
	2019		2018	
	Cost Baht	Fair value Baht	Cost Baht	Fair value Baht
Trading securities	602,169,670	322,621,320	505,838,271	732,414,708
Held-to-maturity securities				
- fixed deposits	5,629,014	5,629,014	5,639,275	5,639,275
	<u>607,798,684</u>	<u>328,250,334</u>	<u>511,477,546</u>	<u>738,053,983</u>

	Separate financial statements			
	2019		2018	
	Cost Baht	Fair value Baht	Cost Baht	Fair value Baht
Trading securities	324,404,473	183,842,156	309,423,812	469,809,568
	<u>324,404,473</u>	<u>183,842,156</u>	<u>309,423,812</u>	<u>469,809,568</u>

The fair values of the current investments as at December 31, 2019 and 2018 were as follows:

Consolidated financial statements						
	Trade securities	2019 Held-to-maturity securities due within one year	Total	Trade securities	2018 Held-to-maturity securities due within one year	Total
	Baht	Baht	Baht	Baht	Baht	Baht
Cost	602,169,670	5,629,014	607,798,684	505,838,271	5,639,275	511,477,546
Unrealized gain (loss)	(279,548,350)	-	(279,548,350)	226,576,437	-	226,576,437
Fair value	<u>322,621,320</u>	<u>5,629,014</u>	<u>328,250,334</u>	<u>732,414,708</u>	<u>5,639,275</u>	<u>738,053,983</u>

Separate financial statements		
Trading securities		
	2019 Baht	2018 Baht
Cost	324,404,473	309,423,812
Unrealized gain (loss)	(140,562,317)	160,385,756
Fair value	<u>183,842,156</u>	<u>469,809,568</u>

10.2 Available-for-sale investments as at December 31, 2019 and 2018 consist of the following:

Consolidated financial statements				
	2019		2018	
	Cost Baht	Fair value Baht	Cost Baht	Fair value Baht
Available-for-sale securities	86,456,279	86,761,907	179,054,316	178,229,328
	<u>86,456,279</u>	<u>86,761,907</u>	<u>179,054,316</u>	<u>178,229,328</u>

The fair values of the available-for-sale investments as at December 31, 2019 and 2018 were as follows:

Consolidated financial statements		
Available-for-sale securities		
	2019 Baht	2018 Baht
Cost	86,456,279	179,054,316
Unrealized gain (loss)	305,628	(824,988)
Fair value	<u>86,761,907</u>	<u>178,229,328</u>

10.3 Gain (loss) from remeasurement of available-for-sale investments that recognized in shareholders' equity for the years ended December 31, 2019 and 2018 were as follows:

	Consolidated financial statements	
	2019	2018
	Baht	Baht
Beginning balance	433,494	1,315,224
Changes during the year		
- Transferring gains during the year	(1,370,815)	(3,071,880)
- Remeasurement of available-for-sale investments	1,115,491	1,969,718
- Adjust deferred tax	51,064	220,432
Ending balance	<u>229,234</u>	<u>433,494</u>

11. RECEIVABLES

11.1 Trade and other current receivables as at December 31, 2019 and 2018 consist of the following

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Trade receivables - third parties	388,360,164	780,408,952	84,108,921	84,108,921
<u>Less</u> Allowance for doubtful accounts	<u>(117,760,012)</u>	<u>(105,700,264)</u>	<u>(84,108,921)</u>	<u>(84,108,921)</u>
Trade receivables - third parties, net	<u>270,600,152</u>	<u>674,708,688</u>	<u>-</u>	<u>-</u>
Trade receivable - related company (Note 34.5)	12,148,885	15,590,445	-	-
Other receivables - third parties	19,431,537	130,292,664	30,000	590,547
Other receivables - directors (Note 34.5)	2,313,161	2,704,317	-	-
Other receivables - related companies, net (Note 34.5)	1,506,335	777,809	31,827	-
Accrued income - third parties	15,401,025	51,671,471	3,185	63,096
Accrued income - related companies	1,323,626	923,186	29,923,406	24,056,876
<u>Less</u> Allowance for doubtful accounts	<u>-</u>	<u>-</u>	<u>(15,531,436)</u>	<u>-</u>
Accrued income - related companies, net (Note 34.5)	<u>1,323,626</u>	<u>923,186</u>	<u>14,391,970</u>	<u>24,056,876</u>
Prepaid expenses	12,077,379	21,205,485	243,878	350,880
	<u>334,802,100</u>	<u>897,874,065</u>	<u>14,700,860</u>	<u>25,061,399</u>

Aging of outstanding trade accounts receivables as at December 31, 2019 and 2018 can be analyzed as following:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Third parties				
Within credit terms	183,251,487	367,027,487	-	-
Overdue:				
Less than 3 months	47,329,158	248,008,593	-	-
3 - 6 months	36,256,109	52,785,132	-	-
6 - 12 months	5,031,716	6,632,513	-	-
Over 12 months	116,491,694	105,955,227	84,108,921	84,108,921
	<u>388,360,164</u>	<u>780,408,952</u>	<u>84,108,921</u>	<u>84,108,921</u>
<u>Less</u> Allowance for doubtful accounts	<u>(117,760,012)</u>	<u>(105,700,264)</u>	<u>(84,108,921)</u>	<u>(84,108,921)</u>
	<u>270,600,152</u>	<u>674,708,688</u>	<u>-</u>	<u>-</u>
Related parties (Note 34.5)				
Within credit terms	12,148,885	15,590,445	-	-
	<u>12,148,885</u>	<u>15,590,445</u>	<u>-</u>	<u>-</u>

11.2 Receivables under finance lease agreements

Receivables under finance lease agreements as at December 31, 2019 and 2018 can be analyzed as following:

	Consolidated financial statements	
	2019	2018
	Baht	Baht
Due within 1 year	49,494,577	52,995,047
Due within 2 - 5 years	124,644,454	135,670,417
Due after 5 years	60,271,874	75,339,842
	<u>234,410,905</u>	<u>264,005,306</u>
<u>Less</u> Future financial costs of finance leases	<u>(47,574,701)</u>	<u>(60,174,662)</u>
	186,836,204	203,830,644
<u>Less</u> Allowance for doubtful accounts	<u>-</u>	<u>(6,000,000)</u>
	<u>186,836,204</u>	<u>197,830,644</u>

Presented in the statement of financial position as following:

	Consolidated financial statements	
	2019	2018
	Baht	Baht
Current portion of receivables under finance lease agreements	35,940,668	38,064,192
Receivables under finance lease agreements	150,895,536	159,766,452
	<u>186,836,204</u>	<u>197,830,644</u>

12. SHORT-TERM LOANS

Short-term loans as at December 31, 2019 and 2018 consist of the following:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Third parties				
- short-term loans	8,850,000	8,850,000	8,850,000	8,850,000
<u>Less</u> Allowance for doubtful accounts	(8,850,000)	(8,850,000)	(8,850,000)	(8,850,000)
	-	-	-	-
Related parties (Note 34.6)				
- promissory notes ⁽¹⁾	-	-	154,546,000	208,286,000
- short-term loans ⁽²⁾	8,060,119	8,682,290	-	-
<u>Less</u> Allowance for doubtful accounts	-	-	(44,546,000)	(39,900,000)
	8,060,119	8,682,290	110,000,000	168,386,000
	8,060,119	8,682,290	110,000,000	168,386,000

(1) Short-term loan to related companies in the form of promissory notes in Thai Baht. The loans are carrying interest rate of 4.20% - 4.43% per annum and repayment at call without collaterals.

(2) Short-term loan to a related company in the form of loan agreement in US Dollar. The loan is carrying interest rate of 6.00% per annum and repayment at call without collaterals.

13. INVENTORIES

Inventories as at December 31, 2019 and 2018 consist of the following:

	Consolidated financial statements	
	2019	2018
	Baht	"Restated" Baht
Raw material	235,893,890	361,584,093
Factory supplies	30,115,743	24,590,589
Work in progress	136,717,816	204,152,070
Finished goods	70,082,359	95,872,057
Good in transit	237,994	33,805,433
	473,047,802	720,004,242
<u>Less</u> Provision of reduction of inventory value	(89,239,460)	(53,730,017)
	383,808,342	666,274,225

The amounts of inventories recognized as an expense and included in the cost of sales of goods and cost of rendering services for the years ended December 31, 2019 and 2018 were as follows:

	Consolidated financial statements	
	2019	2018
	Baht	“Restated” Baht
Inventories recognized as an expense and include in cost of sales		
Cost of sale of goods and cost of rendering services	2,275,372,405	2,812,490,013
Loss on reduction of inventory value	35,509,443	34,073,161
	<u>2,310,881,848</u>	<u>2,846,563,174</u>

14. OTHER CURRENT ASSETS

Other current assets as at December 31, 2019 and 2018 consist of the following:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Withholding tax receivable	34,041,685	10,058,451	675,126	178,672
Undued input vat	2,634,624	5,036,781	28,628	23,634
Refundable value-added tax	17,989,370	17,875,151	4,148,005	4,496,444
Others	2,224,950	464,090	-	-
	<u>56,890,629</u>	<u>33,434,473</u>	<u>4,851,759</u>	<u>4,698,750</u>

15. DISPOSAL ASSET GROUP CLASSIFIED AS HELD FOR SALES AND LIABILITIES INCLUDED IN DISPOSAL ASSET GROUP CLASSIFIED AS HELD FOR SALES

15.1 In October 2018, Paradise Green Energy Company Limited (Ua Withya Public Company Limited's subsidiary) entered into an agreement to sell a part of land, building and machinery with the book value of Baht 173.37 million to a company at the price of Baht 152.17 million, therefore, as at December 31, 2018, the Group reclassified to be non-current assets classified as held for sale and recognized as a loss from impairment of those assets amounting to Baht 21.20 million in the statement of profit or loss and other comprehensive income for the year ended December 31, 2018. During 2019, the subsidiary has transferred ownership of such assets and full payment has been received.

- 15.2 On December 24, 2019, Board of Directors' Meeting of Ua Withya Public Company Limited has passed a resolution to approve the sale of power plant business units by disposal of investment in UWC Komen Biomass Co., Ltd. by 23,999,998 shares or equivalent to 99.99% of paid-up share capital, Satuek Biomass Co., Ltd. by 1,662,498 shares or equivalent to 99.99% of paid-up share capital and UWC Amphan Biomass Company Limited by 1,593,748 shares or equivalent to 99.99% of paid-up share capital to probable interested company. Therefore, as at December 31, 2019, the Group classified related assets and liabilities of such companies in the consolidated financial statements as disposal asset group classified as held for sales.

Disposal asset group classified as held for sales as at December 31, 2019 were as follows:

	Consolidated financial statements Baht
Cash and cash equivalents	102,056,626
Trade and other current receivables	85,621,260
Inventories	45,412,332
Other current assets	17,327,158
Property, plant and equipment	808,124,733
Intangible assets	46,707,795
Other assets	31,558,981
Disposal asset group classified as held for sales	<u>1,136,808,885</u>
Short-term borrowing from a financial institution	34,226,475
Trade payable and other current payables	29,944,003
Current portion of long-term borrowing from a financial institution	29,356,243
Current portion of liabilities under finance lease agreements	759,831
Other current liabilities	10,226,603
Long-term borrowing from a financial institution	277,274,149
Liabilities under finance lease agreements	353,531
Provision for employee benefit	3,102,253
Other liabilities	40,008,217
Liabilities included in disposal asset group classified as held for sales	<u>425,251,305</u>
Net disposal asset group classified as held for sales	<u>711,557,580</u>

16. INVESTMENTS IN SUBSIDIARIES, ASSOCIATE AND INTEREST IN JOINT VENTURE

16.1 Investment in subsidiaries

The details of investment in subsidiaries as follows:

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2019	2018	2019	2018	2019	2018	2019	2018
	Million Baht	Million Baht	%	%	Million Baht	Million Baht	Million Baht	Million Baht
Direct Shareholding								
1. Rayong Wire Industries Public Company Limited	318.18	318.18	70.00	69.83	159.77	158.08	-	46.37
2. Ua Withya Public Company Limited	1,316.25	1,316.25	37.61	39.76	467.94	494.60	-	-
3. Enesol Company Limited	302.50	302.50	100.00	100.00	272.33	272.33	-	-
4. Pipe Line Engineering Company Limited	144.00	144.00	99.99	99.99	144.00	144.00	-	-
5. Evergreen Biomass Company Limited	50.00	50.00	99.00	99.00	49.44	49.44	-	-
6. WJC Enterprise Company Limited	150.00	97.50	94.25	94.25	120.63	68.13	-	-
					1,214.11	1,186.58	-	46.37
<u>Less Allowance for impairment</u>					(297.88)	(187.43)		
					<u>916.23</u>	<u>999.15</u>		

The details of investment in subsidiaries indirect shareholding by Ua Withya Public Company Limited as follows:

Name of the entity	Country of incorporation		Issued and paid-up share capital		Shareholding percentage		
			2019	2018	2019	2018	
			Amount	Amount	%	%	
Indirect shareholding by Ua Withya Public Company Limited							
1. Paradise Green Energy Company Limited	Thailand	Million Baht	250.00	250.00	24.45	25.84	
2. UWC Komen Biomass Co., Ltd. ⁽¹⁾	Thailand	Million Baht	240.00	240.00	37.61	39.76	
3. Ultra Asia Company Limited (formerly “UWC Solar Company Limited”)	Thailand	Million Baht	18.25	18.25	37.61	39.76	
4. Satuek Biomass Co., Ltd. ⁽¹⁾	Thailand	Million Baht	166.25	16.25	37.61	39.76	
5. UWC Amphan Biomass Company Limited ⁽¹⁾	Thailand	Million Baht	159.38	9.38	37.61	39.76	
6. UWCC (Cambodia) Company Limited	Cambodia	US Dollar	US\$ 25,000	US\$ 25,000	26.33	27.83	
7. Ultra Asia Singapore Company Limited	Singapore	US Dollar	US\$ 1,000	-	37.61	-	

(1) Such investments were classified as disposal asset group classified as held for sale (Note 15.2).

Movement in book value of investments in subsidiaries for the years then ended December 31, 2019 and 2018 are as follows:

	Separate financial statements	
	2019 Baht	2018 Baht
Beginning balance	999,151,365	975,248,195
Additions	54,188,956	25,804,464
Disposals	(26,666,531)	(1,901,294)
Impairment loss on investments	(110,446,067)	-
Ending balance	<u>916,227,723</u>	<u>999,151,365</u>

Transactions incurred during 2019

Rayong Wire Industries Public Company Limited

In January 2019, the Company acquired investments in Rayong Wire Industries Public Company Limited of 1,021,600 shares in the amount of Baht 1.69 million from the non-controlling interest. As a result of acquired investments, the Company's shareholding proportion in Rayong Wire Industries Public Company Limited increased to 70.00%.

Ua Withya Public Company Limited

In January - February 2019, the Company disposed 282,164,600 shares of Ua Withya Public Company Limited and received proceed amounting to Baht 26.67 million. The Company recognized loss on sale of investment amounting to Baht 8.89 million in the separate statement of profit or loss and other comprehensive income. As a result of disposed investments, the Company's shareholding proportion in Ua Withya Public Company Limited decreased to 37.61%. Even though the Company has investment in Ua Withya Public Company Limited at 37.61%; however, the Company has control and power to govern the financial and operating policies of Ua Withya Public Company Limited. Therefore, Ua Withya Public Company Limited and its subsidiaries are classified as subsidiaries of the Company.

WJC Enterprise Company Limited

In April 2019, the Company paid the remaining shares in the amount of Baht 75 per share, for 700,000 shares, in the amount of Baht 52.50 million.

For the year ended December 31, 2019, the Company assessed the impairment of investment in WJC Enterprise Company Limited and recognized impairment loss amounting to Baht 52.50 million under "Other expenses" in the separate financial statements.

Pipe Line Engineering Company Limited

For the year ended December 31, 2019, the Company assessed the impairment of investment in Pipe Line Engineering Company Limited and recognized impairment loss amounting to Baht 57.95 million under “Other expenses” in the separate financial statements.

Satuek Biomass Company Limited

On April 9, 2019, the Company invested in the increased share capital of Satuek Biomass Company Limited of 1,500,000 shares at Baht 100 per share, in the amount of Baht 150 million.

UWC Amphan Biomass Company Limited

On April 9, 2019, the Company invested in the increased share capital of UWC Amphan Biomass Company Limited of 1,500,000 shares at Baht 100 per share, in the amount of Baht 150 million.

Ultra Asia Company Limited

On October 10, 2019, Ultra Asia Company Limited invested in ordinary shares of Ultra Asia Singapore Private Company Limited which was registered as a limited company in Singapore of 100 shares at US Dollar 10 per share, totaling US Dollar 1,000, as a result, Ultra Asia Singapore Private Company Limited is the Company’s subsidiary since such date.

Transactions incurred during 2018

Rayong Wire Industries Public Company Limited

During March 2018, the non-controlling interest of Rayong Wire Industries Public Company Limited exercised the warrant (RWI-W1) of 10,280,300 units and paid all subscriptions amounting to Baht 16,448,480. The Group recognised gain, net of tax on change in controlling interest in subsidiary amounting to Baht 172 directly in equity attributed to the shareholders’ equity of the parent company in the consolidated financial statements.

During July 2018, the non-controlling interest of Rayong Wire Industries Public Company Limited exercised the warrant (RWI-W1) of 20,050,447 units and paid all subscriptions amounting to Baht 10,025,224. The Group recognised gain, net of tax on change in controlling interest in subsidiary amounting to Baht 24.10 million directly in equity attributed to the shareholders’ equity of the parent company in the consolidated financial statements.

During the year of 2018, the Company acquired investments in Rayong Wire Industries Public Company Limited of 12,824,100 shares in the amount of Baht 21.66 million from the non-controlling interest.

During the year of 2018, the Company disposed 5,833,300 shares of Rayong Wire Industries Public Company Limited and received proceed amounting to Baht 9.33 million. The Company recognised gain on sale of investment amounting to Baht 7.43 million in the separate financial statements. The Group recognised loss, net of tax amounting to Baht 0.19 million directly in equity attributed to the owners of the parent in the consolidated financial statements.

As a result of exercising warrants from non-controlling interests and sale of investment, the Company's shareholding proportion in Rayong Wire Industries Public Company Limited decreased to 69.83%.

Ua Withya Public Company Limited

During the year of 2018, the Company acquired investments in Ua Withya Public Company Limited of 69,000,000 shares in the amount of Baht 4.14 million from the non-controlling interest, the Company's shareholding proportion in Ua Withya Public Company Limited remains 39.76%. Even though the Company has investment in Ua Withya Public Company Limited at 39.76%; however, the Company has control and power to govern the financial and operating policies of Ua Withya Public Company Limited. Therefore, Ua Withya Public Company Limited is classified as subsidiary of the Company.

Investments in a subsidiary were guaranteed for issuing debentures of Ua Withya Public Company Limited (Notes 22 and 37.6).

Details of non-wholly owned subsidiaries that have material non-controlling interests as at December 31, 2019 and 2018 were as follows:

Name of the companies	Incorporation	Proportion of ownership interests and voting rights held by non-controlling interests		Comprehensive income (loss) allocated to non-controlling interests for the years ended December 31,		Accumulated non-controlling interests as at December 31,	
		2019	2018	2019	2018	2019	2018
					"Restated"		"Restated"
		(%)	(%)	Baht	Baht	Baht	Baht
Rayong Wire Industries							
Public Company Limited	Thailand	70	69.83	(84,623,177)	15,591,325	255,554,838	342,043,903
Ua Withya Public Company							
Limited	Thailand	37.61	39.76	(515,481,271)	(340,311,197)	298,277,830	776,317,168
Total						<u>553,832,668</u>	<u>1,118,361,071</u>

The summarized financial information prepared by the Group's management account before intragroup eliminations of each non-wholly owned subsidiary that has material non-controlling interests for the years ended December 31, 2019 and 2018 were as follows:

	Rayong Wire Industries Public Company Limited		Ua Withya Public Company Limited	
	2019	2018	2019	2018
				"Restated"
	Baht	Baht	Baht	Baht
Condensed statements of financial position				
as at December 31,				
Current assets	523,074,367	879,977,596	1,879,092,851	1,371,588,303
Non-current assets	488,507,566	605,114,060	421,261,927	1,704,762,985
Current liabilities	(215,749,055)	(400,840,269)	(1,440,088,058)	(926,467,090)
Non-current liabilities	(13,768,980)	(18,648,833)	(376,716,551)	(714,402,125)
Condensed statements of profit or loss and other comprehensive income				
for the years ended December 31,				
Revenue	683,970,673	1,106,632,411	1,123,313,063	1,512,268,815
Expenses	(966,047,929)	(1,053,760,934)	(1,936,832,267)	(2,110,296,506)
Profit (loss) for the year	(282,077,256)	52,871,477	(813,519,204)	(598,027,691)
Other comprehensive income (loss)	(1,461,400)	(666,890)	(3,942,454)	460,696
Total comprehensive income (loss) for the year	<u>(283,538,656)</u>	<u>52,204,587</u>	<u>(817,461,658)</u>	<u>(597,566,995)</u>
Condensed statements of cash flows				
for the years ended December 31,				
Net cash provided by (used in) operating activities	88,032,656	(26,437,705)	(93,762,166)	218,650,122
Net cash provided by (used in) investing activities	(386,698)	22,035,938	142,883,997	(153,592,534)
Net cash provided by (used in) financing activities	(123,834,938)	38,628,292	296,372,042	(99,109,050)
Net cash of disposal asset group classified as held for sales	-	-	(102,056,626)	-
Effect of exchange rate changes	478,175	(1,953,441)	-	7,278
Net increase (decrease) in cash flows	<u>(35,710,805)</u>	<u>32,273,084</u>	<u>243,437,247</u>	<u>(34,044,184)</u>

16.2 Investment in associates

The details of interest in associates as follows:

Name of the entity	Country of incorporation		Issued and paid-up share capital		Ownership interest		Equity method	
			2019 Amount	2018 Amount	2019 %	2018 %	2019 Baht '000	2018 Baht '000
1. Dimet (Siam) Public Company Limited	Thailand	Million Baht	268.95	268.95	24.98	24.98	18,668	119,170
2. Saraburi Energy Systems 2 Company Limited	Thailand	Million Baht	21.75	21.75	30.00	30.00	6,307	6,307
3. Panova Company Limited	Thailand	Million Baht	22.22	22.22	30.00	30.00	6,954	6,954
4. Interglob Investment Company Limited	Cambodia	US Dollar	25,000	25,000	48.00	48.00	756	756
							<u>32,685</u>	<u>133,187</u>

Movements of investment in associates for the years ended December 31, 2019 and 2018 consist of the following:

	Consolidated financial statements	
	2019 Baht	2018 Baht
Beginning balance	133,187,199	122,076,045
Increase in investments	-	105,989,568
Disposal of investments	(950,330)	(42,101,960)
Adjustment of allowance for impairment of investment	(69,865,996)	(27,860,932)
Loss from disposal investments	(755,366)	(15,556,076)
Share of loss for the year	(28,930,040)	(9,359,446)
Ending balance	<u>32,685,467</u>	<u>133,187,199</u>

Transactions incurred during 2019

Dimet (Siam) Public Company Limited

During January 2019, Ua Withya Public Company Limited sold warrants of Dimet (Siam) Public Company Limited of 10,660,600 units, totaling Baht 0.95 million. Ua Withya Public Company Limited recognized loss on sales of investment in associate amounting to Baht 0.76 million in the statement of profit or loss and other comprehensive income for the year ended December 31, 2019.

Share of loss on investment in Dimet (Siam) Public Company Limited for the year ended December 31, 2019 of Baht 28.93 million, were calculated from such associate's unaudited financial statements for the year ended December 31, 2019, prepared by the associate's management and has not been audited. This is because such associate has its fiscal year beginning on July 1 and ending on June 30.

Transactions incurred during 2018

Ayutthaya Power Systems Company Limited

On January 17, 2018, the Board of Directors' meeting of Ayutthaya Power Systems Company Limited passed a resolution to call up the capital additionally of Baht 10 per share (which was called up of Baht 25 per share in prior period). Ua Withya Public Company Limited paid the subscription of Baht 1.65 million on January 19, 2018. Subsequently, on July 12, 2018, Ua Withya Public Company Limited exchanged the shares of Ayutthaya Power Systems Company Limited of 165,000 shares, totaling Baht 5.78 million with the shares of Panova Company Limited of 231,000 shares, totaling Baht 5.78 million and invested to acquire shares of Panova Company Limited of 47,144 shares, totaling Baht 1.18 million, totaling 278,144 shares and Baht 6.95 million. The proportion of shareholding is 30% of issued shares and paid up of such company.

Dimet (Siam) Public Company Limited

During the year of 2018, Ua Withya Public Company Limited invested to acquire shares of Dimet (Siam) Public Company Limited of 4,410,000 shares, totaling Baht 9.46 million, and on July 5, 2018, the Company invested to acquire shares of Dimet (Siam) Public Company Limited together with warrants of 93,700,000 shares, totaling Baht 93.70 million.

During the year of 2018, the Company sold shares and warrants of Dimet (Siam) Public Company Limited of 26,569,900 shares, totaling Baht 44.37 million and of 83,039,400 rights totaling Baht 13.29 million, respectively. Ua Withya Public Company Limited recognized loss on sales of investment in associate amounting to Baht 15.56 million in the statement of profit or loss and other comprehensive income for the year ended December 31, 2018.

Details of material associate

The summarized financial information of the material associate represents amounts shown in the associate's financial statements prepared in accordance with TFRSs and adjusted by the Group for equity accounting purposes for the year ended December 31, as follows:

Dimet (Siam) Public Company Limited

	2019 Baht	2018 Baht
Assets	<u>397,467,726</u>	<u>428,112,655</u>
Liabilities	<u>(174,164,888)</u>	<u>(88,997,817)</u>
Revenue	<u>326,057,416</u>	<u>295,590,138</u>
Loss for the year	<u>(115,812,811)</u>	<u>(37,784,846)</u>

Reconciliation of the above summarized financial information to the carrying amount of the interest in an associated company recognized in the consolidated financial statements, is as follows:

	2019 Baht	2018 Baht
Net assets of the associate	223,302,838	339,114,838
Proportion of the Group's ownership interest in Dimet (Siam) Public Company Limited (%)	<u>24.98</u>	<u>24.98</u>
Carrying amount of the Group's interest in Dimet (Siam) Public Company Limited	<u>55,781,049</u>	<u>84,710,887</u>

Aggregate information of an associate that is not individually material

	2019 Baht	2018 Baht
The Group's share of loss for the years ended December 31,	<u>-</u>	<u>(637,539)</u>

16.3 Interest in joint venture

The detail of interest in joint venture as follows:

Name of the entity	Country of incorporation		Issued and paid-up share capital		Ownership interest	
			2019 Amount	2018 Amount	2019 %	2018 %
Sunflowergreen Co., Ltd.	Thailand	Million Baht	180.00	180.00	20.83	20.83

The Group indirectly holds this investment through Evergreen Biomass Company Limited

Movements of interest in joint venture can be analyzed as follows:

	Consolidated financial statements	
	2019 Baht	2018 Baht
Beginning Balance	59,471,525	59,471,525
Less payable for subsidiary acquisition	(4,525,000)	(4,525,000)
Adjustment of allowance for impairment of investment	<u>(54,946,525)</u>	<u>(54,946,525)</u>
Ending balance	<u>-</u>	<u>-</u>

Transaction incurred during 2019

During the year of 2019, a criminal case that Evergreen Biomass Company Limited filed a lawsuit against Sunflower Green Company Limited is still in the process of appointing prosecution witnesses and defendants.

Transaction incurred during 2018

During the year of 2018, a criminal case that Evergreen Biomass Company Limited filed a lawsuit against Sunflower Green Company Limited is still in the process of appointing prosecution witnesses and defendants. For civil cases, the court of first instance ruled that Sunflower Green Company Limited returned the Company's shares in shareholder list (Bor Or Jor 5) of Sunflower Green Company Limited.

During the year of 2018, Sunflower Green Company Limited has registered the capital increase from the Baht 150 million to Baht 180 million without informing the Group, causing the investment proportion decrease to 20.83%. Evergreen Biomass Company Limited then filed a lawsuit against Sunflower Green Company Limited and the director because of committing an offense under the Act on Offenses relating to Registered Partnerships.

17. INVESTMENT PROPERTY

Investment property consist of the following:

As at December 31, 2019

	Consolidated and separate financial statements			
	Balance as at	Addition	(Disposal)	Balance as at
	January 1,			December 31,
	2019			2019
	Baht	Baht	Baht	Baht
Cost				
Land	413,813,922	-	-	413,813,922
Building	940,000	-	-	940,000
Total cost	414,753,922	-	-	414,753,922
Accumulated depreciation				
Building	(914,890)	(25,108)	-	(939,998)
Total accumulated depreciation	(914,890)	(25,108)	-	(939,998)
<u>Less</u> Allowance for impairment - land	(10,857,206)	(51,728,762)	-	(62,585,968)
Investment Property	402,981,826			351,227,956

As at December 31, 2018

	Consolidated and separate financial statements			
	Balance as at	Addition	(Disposal)	Balance as at
	January 1,			December 31,
	2018			2018
	Baht	Baht	Baht	Baht
Cost				
Land	415,473,522	-	(1,659,600)	413,813,922
Building	940,000	-	-	940,000
Total cost	416,413,522	-	(1,659,600)	414,753,922
Accumulated depreciation				
Building	(867,890)	(47,000)	-	(914,890)
Total accumulated depreciation	(867,890)	(47,000)	-	(914,890)
<u>Less</u> Allowance for impairment - land	(10,857,206)	-	-	(10,857,206)
Investment Property	404,688,426			402,981,826

Depreciation for the years ended December 31,

2019	Baht	25,108
2018	Baht	47,000

The fair value is determined by an external independent value. Valuations were made on the basis of recent market transactions on arm's length terms. The fair value is within level 2 of the fair value hierarchy and amount as at December 31, 2019 was Baht 374.58 million (December 31, 2018: Baht 416.81 million).

The Group's management is currently considering to use the land and building as investment with another entity or developing such land to its maximum benefits.

As at December 31, 2019 and 2018, certain investment properties are pledged as collateral for Enesol Company Limited's borrowings from the financial institutions (Notes 22 and 37.4).

18. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following:

As at December 31, 2019

	Consolidated financial statements					Balance as at December 31, 2019
	Balance as at January 1, 2019	Additions	(Disposals)	Transfers in/ (out)	Transfer to disposal assets group classified as held for sale (see Note 15)	
	Baht	Baht	Baht	Baht	Baht	Baht
Cost						
Land and Land improvement						
Original cost	30,146,676	-	-	-	(25,268,968)	4,877,708
Appraised value	295,649,459	-	-	-	(46,823,264)	248,826,195
Buildings and building improvement	972,009,535	8,614,064	-	3,312,855	(596,438,143)	387,498,311
Leasehold right	-	1,503,720	-	-	-	1,503,720
Machinery and equipment	1,385,097,836	10,781,556	(23,930,465)	1,868,577	(536,014,591)	837,802,913
Tunnel boring machines	131,568,725	-	-	-	-	131,568,725
Furniture, fixtures and office equipment	70,483,536	2,578,414	(1,502,404)	-	(13,307,659)	58,251,887
Vehicles	49,231,725	2,015,559	(1,935,333)	-	(6,163,706)	43,148,245
Total cost	<u>2,934,187,492</u>	<u>25,493,313</u>	<u>(27,368,202)</u>	<u>5,181,432</u>	<u>(1,224,016,331)</u>	<u>1,713,477,704</u>
Accumulated depreciation						
Land improvement						
Original cost	(1,243,978)	(785,210)	-	-	2,029,188	-
Buildings and building improvement	(456,705,505)	(19,654,917)	-	-	178,483,741	(297,876,681)
Leasehold right	-	(1,055,717)	-	-	-	(1,055,717)
Machinery and equipment	(675,947,636)	(39,343,737)	17,013,881	-	121,927,986	(576,349,506)
Tunnel boring machines	(54,963,432)	(7,311,297)	-	-	-	(62,274,729)
Furniture, fixtures and office equipment	(51,011,660)	(6,311,935)	1,469,415	-	8,661,572	(47,192,608)
Vehicles	(29,235,246)	(6,565,445)	1,717,862	-	6,054,890	(28,027,939)
Total Accumulated depreciation	<u>(1,269,107,457)</u>	<u>(81,028,258)</u>	<u>20,201,158</u>	<u>-</u>	<u>317,157,377</u>	<u>(1,012,777,180)</u>
Assets under construction and installation	<u>22,050,227</u>	<u>7,136,041</u>	<u>(338,231)</u>	<u>(5,181,432)</u>	<u>(15,829,664)</u>	<u>7,836,941</u>
Less Allowance for impairment	<u>(62,116,715)</u>	<u>(190,556,465)</u>	<u>93,085</u>	<u>-</u>	<u>114,563,885</u>	<u>(138,016,210)</u>
Property, plant and equipment	<u><u>1,625,013,547</u></u>					<u><u>570,521,255</u></u>

As at December 31, 2018

	Consolidated financial statements					Balance as at December 31, 2018
	Balance as at January 1, 2018	Additions	(Disposals)	Transfers in/ (out)	Transfer to disposal assets group classified as held for sale (see Note 15)	
	Baht	Baht	Baht	Baht	Baht	Baht
Cost						
Land and Land improvement						
Original cost	105,482,833	940,939	-	423,646	(76,700,742)	30,146,676
Appraised value	295,649,459	-	-	-	-	295,649,459
Buildings and building improvement	1,000,993,068	6,310,455	-	472,689	(35,766,677)	972,009,535
Machinery and equipment	1,434,148,705	32,904,850	(3,844,747)	20,051,225	(98,162,197)	1,385,097,836
Tunnel boring machines	131,568,725	-	-	-	-	131,568,725
Furniture, fixtures and						
office equipment	68,944,966	11,146,456	(9,493,959)	17,121	(131,048)	70,483,536
Vehicles	48,343,291	903,517	(15,083)	-	-	49,231,725
Total cost	<u>3,085,131,047</u>	<u>52,206,217</u>	<u>(13,353,789)</u>	<u>20,964,681</u>	<u>(210,760,664)</u>	<u>2,934,187,492</u>
Accumulated depreciation						
Land improvement						
Original cost	(438,169)	(805,809)	-	-	-	(1,243,978)
Buildings and building improvement	(423,359,085)	(39,108,596)	-	-	5,762,176	(456,705,505)
Machinery and equipment	(626,801,548)	(84,609,148)	3,634,508	-	31,828,552	(675,947,636)
Tunnel boring machines	(47,620,594)	(7,342,838)	-	-	-	(54,963,432)
Furniture, fixtures and						
office equipment	(54,123,535)	(6,304,374)	9,338,130	-	78,119	(51,011,660)
Vehicles	(23,905,349)	(5,344,975)	15,078	-	-	(29,235,246)
Total Accumulated depreciation	<u>(1,176,248,280)</u>	<u>(143,515,740)</u>	<u>12,987,716</u>	<u>-</u>	<u>37,668,847</u>	<u>(1,269,107,457)</u>
Assets under construction and						
installation	10,993,728	32,114,017	(92,837)	(20,964,681)	-	22,050,227
Less Allowance for impairment	<u>(33,937,844)</u>	<u>(49,377,727)</u>	<u>-</u>	<u>-</u>	<u>21,198,856</u>	<u>(62,116,715)</u>
Property, plant and equipment	<u><u>1,885,938,651</u></u>					<u><u>1,625,013,547</u></u>
Depreciation for the years ended December 31,						
2019					Baht	<u>81,028,258</u>
2018					Baht	<u><u>143,515,740</u></u>

As at December 31, 2019, Ua Withya Public Company Limited's land and buildings of Baht 271.16 million (December 31, 2018 : Baht 273.10 million) and rights under the insurance policy have been pledged for bank overdraft credit line and short-term borrowings from financial institutions (Notes 22 and 37.5).

As at December 31, 2019, the Group had certain items of plant and equipment that were fully depreciated but are still in use. The gross carrying amounts before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 732.56 million (December 31, 2018 : Baht 730.81 million)

As at December 31, 2019, Land, building and machine which are owned by UWC Komen Biomass Company Limited (Ua Withya Public Company Limited's subsidiary), at carrying amount of Baht 398.28 million (December 31, 2018 : nil), were collateralized for long-term loan with a financial institution of UWC Komen Biomass Company Limited (Notes 22 and 37.9).

In October 2018, a subsidiary entered into an agreement to sell a part of land, building and machinery with the book value of Baht 173.37 million to a company, therefore, as at December 31, 2018, the Group reclassified to be non-current assets classified as held for sale. (Note 15).

Paradise Green Energy Company Limited has the plan to sell all of its machinery and equipment, therefore, the subsidiary hired an independent appraiser to assess the fair value of such machinery and equipment. The fair value of machinery and equipment is lower than the book value of Baht 8.95 million. Therefore, the Group recorded loss on impairment of machinery and equipment in the statement of profit or loss and other comprehensive income for the year ended December 31, 2019 in the amount Baht 8.95 million (December 31, 2018: Baht 28.18 million).

UWC Amphan Biomass Company Limited and Satuek Biomass Company Limited engaged an independent appraiser to determine the fair value of property, plant and equipment and noted that the fair value of property, plant and equipment were lower than its carrying values by Baht 114.65 million. The Group considered and recognized loss on impairment in value of property, plant and equipment in the statement of profit or loss and other comprehensive income for the year ended December 31, 2019 of Baht 114.65 million (December 31, 2018: nil).

Leased assets included above, where the Group is a lessee under finance lease, comprise office appliance and vehicles are as follows:

	Consolidated financial statements	
	2019	2018
	Baht	Baht
Cost of assets under finance lease agreement	9,705,104	30,207,233
<u>Less</u> accumulated depreciation	<u>(3,155,895)</u>	<u>(13,146,784)</u>
Net book value	<u>6,549,209</u>	<u>17,060,449</u>

As at December 31, 2019

	Balance as at January 1, 2019 Baht	Separate financial statements Addition Baht	(Disposal) Baht	Balance as at December 31, 2019 Baht
Cost				
Leasehold right	-	300,000	-	300,000
Office equipment, furniture and fixtures	16,510,764	62,643	(48,300)	16,525,107
Vehicles	1,079,007	-	-	1,079,007
Total cost	17,589,771	362,643	(48,300)	17,904,114
Accumulated depreciation				
Leasehold right	-	(183,668)	-	(183,668)
Office equipment, furniture and fixtures	(11,366,313)	(758,521)	38,204	(12,086,630)
Vehicles	(600,054)	-	-	(600,054)
Total accumulated depreciation	(11,966,367)	(942,189)	38,204	(12,870,352)
<u>Less</u> Allowance for impairment	(478,952)	-	-	(478,952)
Property, plant and equipment	5,144,452			4,554,810

As at December 31, 2018

	Balance as at January 1, 2018 Baht	Separate financial statements Addition Baht	(Disposal) Baht	Balance as at December 31, 2018 Baht
Cost				
Office equipment, furniture and fixtures	19,992,152	5,055,113	(8,536,501)	16,510,764
Vehicles	1,079,007	-	-	1,079,007
Total cost	21,071,159	5,055,113	(8,536,501)	17,589,771
Accumulated depreciation				
Office equipment, furniture and fixtures	(18,896,052)	(1,006,691)	8,536,430	(11,366,313)
Vehicles	(600,054)	-	-	(600,054)
Total accumulated depreciation	(19,496,106)	(1,006,691)	8,536,430	(11,966,367)
<u>Less</u> Allowance for impairment	(478,952)	-	-	(478,952)
Property, plant and equipment	1,096,101			5,144,452

Depreciation for the years ended December 31,

2019	Baht	942,189
2018	Baht	1,006,691

As at December 31, 2019 and 2018, the Company had certain items of plant and equipment that were fully depreciated but are still in use. The gross carrying amounts before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 12.17 million and Baht 10.90 million, respectively,

19. GOODWILL

Goodwill as at December 31, 2019 and 2018 consist of the following:

	Consolidated financial statements	
	2019 Baht	2018 Baht
Cost	98,604,170	98,604,170
<u>Less</u> provision for impairment	<u>(98,604,170)</u>	<u>(98,604,170)</u>
Net book amount	-	-

During the year of 2018, the Group recognized loss on impairment of goodwill of UWC Amphan Biomass Company Limited and Satuek Biomass Company Limited amounting to Baht 46.29 million presented under “Other expenses” in the consolidated financial statements.

The recoverable amount of the CGUs is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the 5 year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGUs operates.

20. INTANGIBLE ASSET

Intangible asset consist of the following:

As at December 31, 2019

	Balance as at January 1, 2019	Addition	(Disposal)/ (Transfer out)	Transfer to disposal assets group classified as held for sale (see Note 15)	Balance as at December 31, 2019
	Baht	Baht	Baht	Baht	Baht
Cost					
Right to use gas branch piping system	6,288,111	-	-	-	6,288,111
Right to sale under power purchase agreements	468,578,412	-	-	(468,578,412)	-
Software License	10,098,232	739,861	(18,380)	(250,990)	10,568,723
Total cost	484,964,755	739,861	(18,380)	(468,829,402)	16,856,834
Accumulated amortization					
Right to use gas branch piping system	(5,087,914)	(419,207)	-	-	(5,507,121)
Right to sale under power purchase agreements	(143,676,836)	(24,400,001)	-	168,076,837	-
Software License	(7,769,143)	(777,808)	15,297	153,246	(8,378,408)
Total accumulated amortization	(156,533,893)	(25,597,016)	15,297	168,230,083	(13,885,529)
<u>Less</u> Allowance for impairment	<u>(154,205,810)</u>	<u>(99,685,714)</u>	<u>-</u>	<u>253,891,524</u>	<u>-</u>
Intangible asset	174,225,052				2,971,305

As at December 31, 2018

	Consolidated financial statements		
	Balance as at January 1, 2018 Baht	Addition Baht	(Disposal) Baht
Cost			
Right to use gas branch piping system	6,288,111	-	-
Right to sale under power purchase agreements	468,578,412	-	-
Software License	10,590,577	152,330	(644,675)
Total cost	485,457,100	152,330	(644,675)
Accumulated amortization			
Right to use gas branch piping system	(4,668,707)	(419,207)	-
Right to sale under power purchase agreements	(95,628,844)	(48,047,992)	-
Software License	(7,472,504)	(683,788)	387,149
Total accumulated amortization	(107,770,055)	(49,150,987)	387,149
Less Allowance for impairment	-	(154,205,810)	-
Intangible asset	377,687,045		174,225,052

Amortization for the years ended December 31,

2019	Baht	25,597,016
2018	Baht	49,150,987

For the year ended December 31, 2019, the Group recognized loss on impairment of the right to sale under power purchase agreements amounting to Baht 99.69 million presented under “Other expenses” in the consolidated financial statements. This resulted from the operating results did not meet the expectation (December 31, 2018 : Baht 154.21 million).

As at December 31, 2019

	Separate financial statements		
	Balance as at January 1, 2019 Baht	Addition Baht	(Disposal) Baht
Cost			
Software License	36,800	-	-
Total cost	36,800	-	-
Accumulated amortization			
Software License	(25,795)	(4,960)	-
Total accumulated amortization	(25,795)	(4,960)	-
Intangible asset	11,005		6,045

As at December 31, 2018

	Separate financial statements		
	Balance as at	Addition	(Disposal)
	January 1, 2018		
	Baht	Baht	Baht
Cost			
Software License	36,800	-	-
Total cost	36,800	-	-
Accumulated amortization			
Software License	(20,835)	(4,960)	-
Total accumulated amortization	(20,835)	(4,960)	-
Intangible asset	15,965		
Amortization for the years ended December 31,			
2019		Baht	4,960
2018		Baht	4,960

21. DEFERRED TAX

Deferred tax assets and liabilities as at December 31, 2019 and 2018 consist of the following:

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Deferred tax assets	31,604,691	49,068,985	35,013,953	2,936,803
Deferred tax liabilities	(188,393,680)	(241,903,419)	-	-
	<u>(156,788,989)</u>	<u>(192,834,434)</u>	<u>35,013,953</u>	<u>2,936,803</u>

Movements of deferred tax assets and liabilities for the years ended December 31, 2019 and 2018 are as follows:

As at December 31, 2019

	Consolidated financial statements					Balances as at December 31, 2019
	Balances as at January 1, 2019	Recognized profit or loss	Recognized in Other Comprehensive Income (loss)	Recognized in shareholders' equity directly	Transfer to Disposal assets group classified as held for sale (See Note 15)	
	Baht	Baht	Baht	Baht		Baht
Deferred tax assets						
Allowance for doubtful accounts	18,153,844	-	-	-	-	18,153,844
Allowance for obsolete of inventory	10,092,532	-	-	-	-	10,092,532
Property, plant and equipment fair value adjustment	30,257,317	(3,836,762)	-	-	(26,420,555)	-
Non-current provision for Employee benefit obligations	10,687,838	(149,060)	205,885	-	(285,175)	10,459,488
Loss carried forward	68,640,768	(49,718,015)	-	-	(18,922,753)	-
Others	26,355,162	(33,733)	-	-	-	26,321,429
Total	<u>164,187,461</u>	<u>(53,737,570)</u>	<u>205,885</u>	<u>-</u>	<u>(45,628,483)</u>	<u>65,027,293</u>
Deferred tax liabilities						
Investment in subsidiaries	(136,881,203)	-	-	1,778,446	-	(135,102,757)
Power purchase agreement	(78,690,622)	69,347,765	-	-	9,342,857	-
Revaluation surplus on land	(55,980,219)	-	-	-	6,214,980	(49,765,239)
Others	(85,469,851)	48,431,961	89,604	-	-	(36,948,286)
Total	<u>(357,021,895)</u>	<u>117,779,726</u>	<u>89,604</u>	<u>1,778,446</u>	<u>15,557,837</u>	<u>(221,816,282)</u>
Net	<u>(192,834,434)</u>	<u>64,042,156</u>	<u>295,489</u>	<u>1,778,446</u>	<u>(30,070,646)</u>	<u>(156,788,989)</u>

As at December 31, 2018

	Consolidated financial statements				Balances as at December 31, 2018 Baht
	Balances as at January 1, 2018 Baht	Recognized profit or loss Baht	Recognized in Other Comprehensive Income (loss) Baht	Recognized in shareholders' equity directly Baht	
Deferred tax assets					
Allowance for doubtful accounts	18,107,932	45,912	-	-	18,153,844
Allowance for obsolete of inventory	3,062,645	7,029,887	-	-	10,092,532
Property, plant and equipment fair value adjustment	34,094,079	(3,836,762)	-	-	30,257,317
Non-current provision for employee benefit obligations	10,948,869	(261,031)	-	-	10,687,838
Loss carried forward	72,134,956	(3,494,188)	-	-	68,640,768
Others	67,976,355	(41,621,193)	-	-	26,355,162
Total	<u>206,324,836</u>	<u>(42,137,375)</u>	<u>-</u>	<u>-</u>	<u>164,187,461</u>
Deferred tax liabilities					
Investment in subsidiaries	(138,460,909)	(240,606)	-	1,820,312	(136,881,203)
Power purchase agreement	(88,300,221)	9,609,599	-	-	(78,690,622)
Revaluation surplus on land	(55,980,219)	-	-	-	(55,980,219)
Others	(47,338,488)	(38,235,373)	104,010	-	(85,469,851)
Total	<u>(330,079,837)</u>	<u>(28,866,380)</u>	<u>104,010</u>	<u>1,820,312</u>	<u>(357,021,895)</u>
Net	<u>(123,755,001)</u>	<u>(71,003,755)</u>	<u>104,010</u>	<u>1,820,312</u>	<u>(192,834,434)</u>

As at December 31, 2019

	Separate financial statements			Balances as at December 31, 2019 Baht
	Balances as at January 1, 2019 Baht	Recognized profit or loss Baht	Recognized in Other Comprehensive Income (loss) Baht	
Deferred tax assets				
Allowance for doubtful accounts	16,821,784	-	-	16,821,784
Non-current provision for employee benefit obligations	1,201,120	-	-	1,201,120
Others	16,991,049	-	-	16,991,049
Total	<u>35,013,953</u>	<u>-</u>	<u>-</u>	<u>35,013,953</u>
Deferred tax liabilities				
Unrealized gain from trading securities	(32,077,150)	32,077,150	-	-
Total	<u>(32,007,150)</u>	<u>32,077,150</u>	<u>-</u>	<u>-</u>
Net	<u>2,936,803</u>	<u>32,077,150</u>	<u>-</u>	<u>35,013,953</u>

As at December 31, 2018

	Balances as at January 1, 2018 Baht	Separate financial statements Recognized profit or loss Baht	Recognized in Other Comprehensive Income (loss) Baht	Balances as at December 31, 2018 Baht
Deferred tax assets				
Allowance for doubtful accounts	16,826,784	(5,000)	-	16,821,784
Non-current provision for employee benefit obligations	1,071,356	129,764	-	1,201,120
Others	54,498,814	(37,507,765)	-	16,991,049
Total	72,396,954	(37,383,001)	-	35,013,953
Deferred tax liabilities				
Unrealized gain from trading securities	(12,057)	(32,065,093)	-	(32,077,150)
Total	(12,057)	(32,065,093)	-	(32,077,150)
Net	72,384,897	(69,448,094)	-	2,936,803

The Company has used tax rate of 20% for the corporate income tax calculation for the years ended December 31, 2019 and 2018 and the deferred tax calculation as at December 31, 2019 and 2018.

The income tax (income) expense for the years ended December 31, 2019 and 2018 consist of the following:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Current income tax	1,746,842	-	-	-
Adjustments of income tax of prior year	-	(3,073,938)	-	3,333
Write-downs of deferred tax assets	(64,224,949)	-	-	-
Deferred tax	64,042,156	71,003,755	(32,077,150)	69,448,094
Income tax (income) expense	1,564,049	67,929,817	(32,077,150)	69,451,427

The income tax expense (income) for the years ended December 31, 2019 and 2018 can be reconciled to the accounting profit as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Profit (loss) before income tax expense				
- For income tax exemption business	(48,927,032)	(415,957,414)	-	-
- For non-income tax exemption business	(1,488,226,455)	363,565,515	(519,784,932)	382,020,563
Total profit (loss) before income tax expense	<u>(1,537,153,487)</u>	<u>(52,391,899)</u>	<u>(519,784,932)</u>	<u>382,020,563</u>
Income tax calculated at 20% (for non-income tax exemption business)	(297,645,291)	72,713,103	(103,956,986)	76,404,113
Effect of income and expenses that are not income and expenses in determine taxable profit (loss)	300,398,815	7,742,869	71,881,450	(6,956,019)
Effect of expenses that are deducted as taxable expenses more than accounting expenses	(923,517)	(6,575,368)	(1,614)	-
Utilization of unused loss carried forward for non-income tax exemption business	(265,958)	(5,954,120)	-	-
Adjustments of income tax of prior year	-	3,333	-	3,333
Income tax expense (income)	<u>1,564,049</u>	<u>67,929,817</u>	<u>(32,077,150)</u>	<u>69,451,427</u>

22. BANK OVERDRAFT, BORROWINGS AND DEBENTURES

Bank overdraft, borrowings and debentures as at December 31, 2019 and 2018 consist of the following:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Current				
Bank overdrafts	-	17,338,160	-	-
Short-term borrowings from financial institutions	192,327,589	363,031,079	-	-
Total bank overdrafts and short-term loans from financial institutions	192,327,589	380,369,239	-	-
Short-term borrowing from related company (Note 34.7)	-	-	30,000,000	-
Short-term borrowing from other company	49,000,000	39,500,000	-	-
Current portion of debentures	300,000,000	-	-	-
Current portion of long-term borrowings from financial institution	-	24,520,000	-	-
Total current borrowings	<u>541,327,589</u>	<u>444,389,239</u>	<u>30,000,000</u>	<u>-</u>
Non-current				
Debentures	300,000,000	600,000,000	-	-
Total long-term borrowings	<u>300,000,000</u>	<u>600,000,000</u>	<u>-</u>	<u>-</u>
	<u>841,327,589</u>	<u>1,044,389,239</u>	<u>30,000,000</u>	<u>-</u>

- (1) As at December 31, 2019, short-term borrowings from financial institution of Rayong Wire Industries Public Company Limited amounting to Baht 192.33 million (December 31,

2018 : Baht 317.63 million) are in US dollar currency and Baht currency. The principal due within 6 months from transaction date and interest payment period settled by the financial institution. Short-term borrowings carried interest at the rates between 2.67% to 2.85% per annum (December 31, 2018 : between 2.40% to 3.20% per annum). The borrowings are liability under trust receipts for purchasing raw material from oversea.

- (2) As at December 31, 2018, short-term borrowings from financial institutions of Ua Withya Public Company Limited amounting to Baht 45.40 million (December 31, 2019 : Nil) are secured by the land, buildings and cash deposits of Ua Withya Public Company Limited (Notes 18 and 37.5).
- (3) As at December 31, 2019 and 2018, short-term borrowing from other company has maturity in December 2019 and January 2020, respectively, and carries fixed interest rate at 6.25% per annum. Such borrowing was unsecured.
- (4) As at December 31, 2018, borrowing from a financial institution of Enesol Company Limited of Baht 24.52 million (December 31, 2019: Nil) represents loan to construct a Hydroelectric power plant and purchase machinery. Interest is charged at MLR minus 1.00% per annum. The repayment of monthly installment will be amounting to Baht 2.08 million. The remaining will be repaid fully within December 31, 2019. The borrowing is guaranteed by the machinery of the project and deposit at bank of Enesol Company Limited, investment properties of the parent company and director of the parent company (Notes 17, 37.2, 37.3 and 37.4).
- (5) As at December 31, 2018, the debentures of Baht 600 million are due within January 2020 and carry interest at the rate of 6.25% per annum which guarantee by investments in subsidiary (Note 37.6). Moreover, under the terms of issued debentures, Ua Withya Public Company Limited must comply with certain conditions, including compliance with certain financial ratios.

As at April 17, 2019, the Company had a redemption of debentures before maturity for Baht 300 million.

As at December 20, 2019, the Company issued new debentures amounting to Baht 300 million, they were matured in March 2021 with a fixed interest rate at 6.50% per annum that secured by securities of the parent (Note 37.6). Moreover, under the terms of issued debentures, the Company must comply with certain conditions, including compliance with certain financial ratios.

As at January 15, 2020, the Company redeemed the matured debentures, total amount of Baht 300 million.

Movement of debentures for the years ended December 31, 2019 and 2018 can be analyzed as follows:

	Consolidated financial statements	
	2019 Baht	2018 Baht
Beginning balance	600,000,000	800,000,000
Issued new debentures	300,000,000	600,000,000
Redeemed debentures	(300,000,000)	(800,000,000)
Classified current portion	(300,000,000)	-
Ending balance	<u>300,000,000</u>	<u>600,000,000</u>

23. TRADE AND OTHER CURRENT PAYABLES

Trade and other payables as at December 31, 2019 and 2018 consist of the following:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Trade payable - other companies	246,582,679	470,533,948	-	-
Accrued expenses - other companies	51,643,612	54,928,192	3,697,126	3,614,544
Accrued expenses - related companies (Note 34.8)	-	-	89,863	-
Unearned income - other companies	52,920,844	32,246,573	-	-
Other payable - other companies	16,714,284	64,303,683	5,963,274	5,989,893
Other payable - related companies (Note 34.8)	-	22,203	-	-
Other payables - directors (Note 34.8)	197,420	169,356	6,220	36,906
Payable for subsidiary acquisition	21,095,112	41,745,112	-	-
	<u>389,153,951</u>	<u>663,949,067</u>	<u>9,756,483</u>	<u>9,641,343</u>

24. LIABILITIES UNDER FINANCE LEASE AGREEMENTS

Liabilities under finance lease agreements represent liabilities from the lease of vehicles. As at December 31, 2019 and 2018, the future lease payments are summarized as follows:

	Consolidated financial statements			
	Minimum lease payments		Present value of minimum lease payments	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Not later than 1 year	1,697,052	8,574,469	1,548,516	7,032,987
Later than 1 year but not later than 5 years	1,468,722	1,402,819	1,395,415	2,497,854
	<u>3,165,774</u>	<u>9,977,288</u>	<u>2,943,931</u>	<u>9,530,841</u>
<u>Less</u> future finance charges on finance lease agreement	<u>(221,843)</u>	<u>(446,447)</u>	<u>-</u>	<u>-</u>
Present value of liabilities under finance lease agreement	<u>2,943,931</u>	<u>9,530,841</u>	<u>2,943,931</u>	<u>9,530,841</u>

25. PROVISION OF CURRENT LIABILITY

As at December 31, 2019, a subsidiary recognized provision from onerous project contract of steel tower manufacturing of Baht 64.69 million and recognized an expense in the consolidated statements of profit or loss and other comprehensive income for the year ended December 31, 2019, because related cost of the project has been significantly increased.

26. NON-CURRENT PROVISION FOR EMPLOYEE BENEFIT OBLIGATIONS

The Group operate non-current provision for employee benefit obligations due upon retirement under the Thai Labor Protection Act, which are considered as unfunded defined benefit plans.

Movements of non-current provision for employee benefit obligations for the years ended December 31, 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Non-current provision for employee benefits				
at beginning of year	56,700,722	56,484,592	6,005,605	5,356,785
Included in profit or loss:				
Current service cost	3,950,874	4,576,638	503,651	490,362
Interest cost	1,592,806	1,230,966	176,401	158,458
Past service cost	11,220,723	-	1,292,575	-
Included in other comprehensive income:				
Actuarial loss	5,562,735	-	1,144,020	-
Reverse for a restructuring	(3,719,829)			
Transferred to assets held for sale	(3,102,253)			
Benefit paid during the year	(6,598,812)	(5,591,474)	-	-
Non-current provision for employee benefits				
at ending of year	<u>65,606,966</u>	<u>56,700,722</u>	<u>9,122,252</u>	<u>6,005,605</u>

The amounts are recognized in statement of profit or loss and other comprehensive income for non-current provision for employee benefit obligations for the years ended December 31, 2019 and 2018 as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Cost of sale	2,095,490	1,665,544	-	-
Distribution costs	504,506	1,103,502	-	-
Administrative expenses	14,164,407	3,038,558	1,972,627	648,820
	<u>16,764,403</u>	<u>5,807,604</u>	<u>1,972,627</u>	<u>648,820</u>

Principal actuarial assumptions for non-current provision for employee benefit obligations as at December 31, 2019 and 2018 as follows:

	Consolidated financial statements		Separate financial statements	
	2019 % p.a.	2018 % p.a.	2019 % p.a.	2018 % p.a.
Discount rate	2.12 - 2.48	2.39 - 3.40	2.12	2.71
Future salary increase rate	3.29 - 7.84	3.73 - 8.39	5.24	5.09
Turnover rate	0 - 40	0 - 31	0 - 40	0 - 29
Mortality rate	100 of TMO17	100 of TMO17	100 of TMO17	100 of TMO17
Disable rate	10 of TMO17	10 of TMO17	10 of TMO17	10 of TMO17

The result of sensitivity analysis for significant assumptions that affect the present value of the non-current provision for employee benefit obligations as at December 31, 2019 and 2018 are summarized as follows:

	Consolidated financial statements		Separate financial statements	
	Increase 0.50% % p.a.	Decrease 0.50% % p.a.	Increase 0.50% % p.a.	Decrease 0.50% % p.a.
As at December 31, 2019				
Discount rate	(3.39)	3.97	(3.77)	3.97
Salary increase rate	3.77	(3.62)	3.77	(3.62)
Turnover rate	(7.71)	0.77	(7.71)	0.77
As at December 31, 2018				
Discount rate	(3.48)	3.70	(4.04)	4.26
Salary increase rate	3.98	(3.78)	4.57	(4.37)
Turnover rate	(8.63)	7.88	(9.28)	1.40

The above sensitivity analyzes are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognized within the statement of financial position.

Expected maturity analysis of undiscounted retirement benefits:

	Consolidated financial statements				
	Less than a year Baht	Between 2 - 5 years Baht	Between 6 - 10 years Baht	Over 10 years Baht	Total Baht
As at December 31, 2019					
Retirement benefits	9,932,941	41,123,068	28,576,694	76,301,740	155,934,443
As at December 31, 2018					
Retirement benefits	6,508,699	23,404,382	38,355,909	64,438,963	132,707,953

	Separate financial statements				
	Less than a year Baht	Between 2 - 5 years Baht	Between 6 - 10 years Baht	Over 10 years Baht	Total Baht
As at December 31, 2019					
Retirement benefits	-	6,377,733	5,993,087	5,560,055	17,930,875
As at December 31, 2018					
Retirement benefits	-	-	8,829,368	4,286,425	13,115,793

The Labor Protection Act (No. 7) B.E. 2562 has been announced in the Royal Gazette on April 5, 2019, which will be effective after 30 days from the date announced in Royal Gazette. This Labor Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation of not less than 400 days at the employees' latest wage rate. This change is considered an amendment to post-employment benefits plan. The Company and its subsidiaries recorded the effect of such change by recognizing past service cost of Baht 11.22 million and Baht 1.29 million as an expense in the consolidated and separate statements of profit or loss and other comprehensive income, respectively, for the year ended December 31, 2019.

27. SHARE CAPITAL

Share capital as at December 31, 2019 and 2018 consist of the following:

	Consolidated and Separate financial statements		
	Number of shares Shares	Ordinary shares Baht	Amount Baht
Authorised share capital			
At January 1, 2019	1,117,712,067	1,117,712,067	1,117,712,067
Decrease	(149,027,561)	(149,027,561)	(149,027,561)
At December 31, 2019	<u>968,684,506</u>	<u>968,684,506</u>	<u>968,684,506</u>
Issued and paid-up share capital			
At January 1, 2019	<u>745,141,929</u>	<u>745,141,929</u>	<u>745,141,929</u>
At December 31, 2019	<u>745,141,929</u>	<u>745,141,929</u>	<u>745,141,929</u>

On April 30, 2019, the Annual General Meeting of Capital Engineering Network Public Company Limited passed the resolutions to decrease in the authorized share capital by Baht 149,027,561 from the existing authorized share capital of Baht 1,117,712,067 to Baht 968,684,506 by cancelling 149,027,561 unissued shares at the par value of Baht 1.00 per share and registered the decreased share capital with the Department of Business Development on May 16, 2019.

28. WARRANTS

Warrants No.4 (CEN-W4)

On November 14, 2017, the Board of Director Meeting No. 6/2018 has approved issuance of warrants to existing shareholders. The meeting have also approved capital increase from Baht 745,141,378 to Baht 1,117,712,067 by issuing new ordinary shares of 372,570,689 shares, at par value of Baht 1.00, to support exercise of warrants CEN-W4.

Type of warrants	: Issued in the names of respective holder and negotiable.
Term of warrants	: 2 years from the issuance date (Date of issuance is on December 23, 2017 and Maturity date is on December 22, 2018).
Number of warrants:	372,366,551 units
Ratio	: 2 ordinary shares per 1 warrant
Offering price	: Baht 0 per unit
Exercise ratio	: 1 warrant per 1 ordinary share (which will be changeable)
Exercise price	: Baht 2.00 per share
Exercise date	: Last business day of March, June, September and December of year 2018. (Provided that the first exercise date shall be on March 30, 2018)
Last exercise date	: December 21, 2018

First trading date is on January 19, 2018.

Movements of warrants to purchase ordinary shares for the years ended December 31, 2019 and 2018 as follows:

	Consolidated and separate financial statements	
	2019 Shares	2018 Shares
Beginning balance	-	372,366,551
<u>Less</u> Exercised warrants during the year	-	(551)
End of exercise warrant	-	(372,366,000)
Ending balance	-	-

On warrant exercise date in December 2018, there are 551 CEN-W4 warrants indicated to be exercised. Exercise price of these warrants amounting to Baht 1,102 were already received and share issuance process were completed in December 2018.

29. LEGAL RESERVE

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a legal reserve at least 5 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The legal reserve is not available for dividend distribution. At present, the legal reserve has fully been set aside. For the years ended December 31, 2019 and 2018, the Company appropriate the legal reserve as follows:

	Consolidated and separate financial statements	
	2019	2018
	Baht	Baht
Beginning balance	45,397,932	29,769,475
Appropriation during the year	-	15,628,457
Ending balance	<u>45,397,932</u>	<u>45,397,932</u>

30. OTHER INCOME

Other income for the years ended December 31, 2019 and 2018 consist of the following:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Sale of scrap from raw materials	6,955,859	53,326,501	-	-
Interest income	16,138,853	39,683,424	7,089,031	8,272,229
Dividend income	84,024	344,076	84,024	46,709,912
Gain on sale of assets	-	1,293,650	-	1,282,400
Other	9,797,416	39,349,053	13,352,498	8,785,697
	<u>32,976,152</u>	<u>133,996,704</u>	<u>20,525,553</u>	<u>65,050,238</u>

Dividend income amounting to Baht 46.37 million for the year ended December 31, 2018 is the dividend received from Rayong Wire Industries Public Company Limited (“subsidiary”) which on April 26, 2018, at the subsidiary’s Annual General Meeting of Shareholder, the meeting approved payment of dividends for the operation results of 2017 in the rate of Baht 0.106 per share for the share of 606.03 million shares total amounting to Baht 64.23 million. The dividend was paid to shareholders on May 25, 2018.

31. OTHER EXPENSES

Other expenses for the years ended December 31, 2019 and 2018 consist of the following:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Loss on impairment of investment properties (Note 17)	51,728,762	-	51,728,762	-
Loss on impairment of property, plant and equipment (Note 18)	190,556,465	49,377,727	-	-
Loss on impairment of intangible assets (Note 20)	99,685,714	154,205,810	-	-
Loss on impairment of other assets	14,061,749	-	-	-
Loss from write-off of fixed assets	1,838,617	-	10,096	-
Loss on impairment of investments in subsidiaries (Note 16.1)	-	-	110,446,067	-
Loss on impairment of investments in associate (Note 16.2)	69,865,996	27,860,932	-	-
Loss on impairment of investments in joint venture (Note 16.3)	-	-	-	-
Loss on impairment of goodwill (Note 19)	-	46,288,517	-	-
Loss on disposal of investments in associate (Note 16.2)	755,366	15,556,076	-	-
Loss from onerous contract (Note 25)	64,686,730	-	-	-
Total	493,179,399	293,289,062	162,184,925	-

32. EXPENSE BY NATURE

Expense by nature for the years ended December 31, 2019 and 2018 consist of the following:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	"Restated" Baht	Baht	Baht
Raw material and consumables used	1,699,278,788	2,152,799,565	-	-
Change in finished goods and work in progress decreased	93,223,952	65,316,521	-	-
Staff costs	302,121,348	310,869,674	11,012,712	9,424,272
Repair and maintenance expenses	7,793,140	10,829,342	-	-
Depreciation and amortization	106,650,382	192,713,727	972,257	1,058,651
Finance costs	62,228,667	64,436,470	733,699	-
Doubtful accounts (reversal)	10,708,902	(13,971,087)	15,994,611	(3,886,111)
Allowance for declining in value of inventories	35,509,443	34,073,161	-	-
Utility expenses	41,487,896	62,792,756	420,112	466,689
Director remunerations (Note 34.3)	30,885,499	36,114,733	7,830,449	10,450,042
Subcontract expense	76,176,357	133,920,371	-	-
Rental Expenses	7,638,442	12,980,564	7,510,210	7,389,130
Loss on investment	526,322,259	-	322,301,242	-
Transportation expenses	21,235,505	31,638,080	105,192	764,409
Other expense (Note 31)	493,179,399	293,289,062	162,184,925	-
Others	101,327,994	98,816,364	11,245,076	7,891,758
Total	3,615,767,973	3,486,619,303	540,310,485	33,558,840

33. EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share is calculated by dividing the profit (loss) attributable to ordinary shareholders by the weighted average number of issued ordinary shares during the period.

The diluted earnings (loss) per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Group has dilutive potential ordinary shares that are warrants (Note 28).

33.1 Basic earnings (loss) per share

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
For the year ended December 31,				
Profit (loss) attributable to the parent company (Baht)	(929,802,321)	63,570,059	(487,707,782)	312,569,136
Weighted average number of ordinary shares (Shares)	745,141,929	745,141,395	745,141,929	745,141,395
Basic earnings (loss) per share (Baht)	(1.2478)	0.0853	(0.6545)	0.4195

33.2 Diluted earnings (loss) per share

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
For the year ended December 31,				
Profit (loss) attributable to the parent company (Baht)	(929,802,321)	63,570,059	(487,707,782)	312,569,136
Adjustment for:				
Effect of profit (loss) from warrants issued by subsidiaries (Baht)	-	-	-	-
Profit (loss) used to determine diluted earnings (loss) per share (Baht)	<u>(929,802,321)</u>	<u>63,570,059</u>	<u>(487,707,782)</u>	<u>312,569,136</u>
Weighted average number of ordinary shares for diluted earnings (loss) per share (Shares)	745,141,929	745,141,395	745,141,929	745,141,395
Diluted earnings (loss) per share (Baht)	(1.2478)	0.0853	(0.6545)	0.4195

34. RELATED PARTY TRANSACTIONS

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The Company is incorporated in Thailand and listed on the Stock Exchange of Thailand. Key shareholder is Leenabanchong family holding shares in the Company totalling 44.03% of issued and paid-up share capital.

Relationship with related parties that control or jointly control the Company or are being controlled or jointly controlled by the Company or have transactions with the Company were as follows:

Name of entities	Country of incorporation	Natures of relationship
Subsidiaries		
1. Rayong Wire Industries Public Company Limited	Thailand	70.00% shareholding and some common directors
2. Ua Withya Public Company Limited	Thailand	37.61% shareholding and some common directors
3. Enesol Company Limited	Thailand	100.00% shareholding and some common directors
4. Pipe Line Engineering Company Limited	Thailand	99.99% shareholding and some common directors
5. Evergreen Biomass Company Limited	Thailand	99.00% shareholding and some common directors
6. WJC Enterprise Company Limited	Thailand	94.25% shareholding and some common directors
7. Paradise Green Energy Company Limited	Thailand	24.45% indirectly owned subsidiary through Ua Withaya Public Company Limited
8. UWC Komen Biomass Company Limited	Thailand	37.61% indirectly owned subsidiary through Ua Withaya Public Company Limited
9. Ultra Asia Company Limited (from "UWC Solar Company Limited")	Thailand	37.61% indirectly owned subsidiary through Ua Withaya Public Company Limited
10. Satuek Biomass Company Limited	Thailand	37.61% indirectly owned subsidiary through Ua Withaya Public Company Limited
11. UWC Amphan Biomass Company Limited	Thailand	37.61% indirectly owned subsidiary through Ua Withaya Public Company Limited
12. UWCC (Cambodia) Company Limited	Cambodia	26.33% indirectly owned subsidiary through Ua Withaya Public Company Limited
13. Ultra Asia Singapore Private Company Limited	Singapore	37.61% indirectly owned subsidiary through Ua Withaya Public Company Limited

Name of entities	Country of incorporation	Natures of relationship
Joint venture		
14. Sunflowergreen Company Limited	Thailand	A joint venture of Evergreen Biomass Company Limited at 20.83%
Associate		
15. Dimet (Siam) Public Company Limited	Thailand	An associate company of Ua Withaya Public Company Limited at 24.98%
16. Saraburi Energy Systems 2 Company Limited	Thailand	An associate Company of Ua Withaya Public Company Limited at 30.00%
17. Panova Company Limited	Thailand	An associate Company of Ua Withaya Public Company Limited at 30.00% ⁽¹⁾
18. Interglob Investment Company Limited	Cambodia	An associate Company of Ua Withaya Public Company Limited at 48.00%
Other related companies		
19. EMC Public Company Limited	Thailand	Related company by shareholding
20. Directors	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the Company (whether executive or otherwise)

The Group has investment in EMC Public Company Limited at 20.82%; however, the Group has no significant influence to EMC Public Company Limited and has no representatives on the Board of Directors of such company. Therefore, EMC Public Company Limited is classified as trading investment.

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Sales of goods	Cost plus margin of the rate of around 10.00% - 30.00%
Revenue from services	Contract price
Internal audit fee	The amount approved by the Company's directors
Rental income	Contract price (Cost plus margin at the rate of around 10.00% - 25.00%)
Fee income from use of assets as collateral for credit facilities	0.50 - 2.00% per annum of mortgaged value
Interest income	The amount approved by the Company's directors, based on borrowing cost of the Company
Purchase and sale of equity securities	Market price
Dividends income	The amount approved by the shareholders of the Company
Director and management benefit expenses representing salary, meeting allowance, per-diam and bonus	The amount approved by the Company's directors and shareholders
Interest paid	The amount approved by the Company's directors meeting, based on borrowing cost of the Company

The following transactions were carried out with related parties:

34.1 Revenues

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Subsidiaries				
Rental income	-	-	7,106,400	2,578,320
Internal audit fee	-	-	2,400,000	2,670,000
Fee income	-	-	3,635,518	3,137,260
Interest income	-	-	7,038,400	7,996,383
Dividend income	-	-	-	46,365,836
Related companies				
Project income	35,204,087	28,931,340	-	-
Interest income	503,786	518,630	-	-

34.2 Expenses

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Related companies				
Purchase of goods/services	-	2,160,120	-	-

34.3 Director remuneration

(include in “Distribution costs” and “Administrative expenses”)

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Director remuneration				
Short-term benefit	29,131,300	33,449,148	7,340,856	9,983,039
Post-employment benefits	1,754,199	2,665,585	489,593	467,003
	<u>30,885,499</u>	<u>36,114,733</u>	<u>7,830,449</u>	<u>10,450,042</u>

34.4 Temporary investments

(included in “Trading securities”)

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Related company				
Equity securities	<u>320,330,024</u>	<u>453,722,360</u>	<u>181,550,860</u>	<u>463,859,153</u>

Movement of temporary investments for the years ended December 31, 2019 and 2018 consist of the following:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Beginning Balance - Net	453,722,360	99,157,804	463,859,153	117,924,127
Additions	111,551,851	14,189,839	33,286,689	14,189,839
Disposal	(7,873,653)	-	(7,772,923)	(8,629,529)
Write-off	-	-	(10,136,793)	-
Fair value adjustment	(237,070,534)	340,374,717	(297,685,266)	340,374,716
Ending Balance - Net	<u>320,330,024</u>	<u>453,722,360</u>	<u>181,550,860</u>	<u>463,859,153</u>

34.5 Trade and other current receivables (Note 11.1)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Trade accounts receivable				
Related companies	12,148,885	15,590,445	-	-
	<u>12,148,885</u>	<u>15,590,445</u>	<u>-</u>	<u>-</u>
Other receivables				
Directors	2,313,161	2,704,317	-	-
Related companies	1,506,335	777,809	31,827	-
	<u>3,819,496</u>	<u>3,482,126</u>	<u>31,827</u>	<u>-</u>
Accrued income				
Subsidiaries	-	-	14,391,970	24,056,876
Related companies	1,323,626	923,186	-	-
	<u>1,323,626</u>	<u>923,186</u>	<u>14,391,970</u>	<u>24,056,876</u>

34.6 Short-term loans to related parties (Note 12)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Subsidiaries	-	-	154,546,000	208,286,000
<u>Less</u> Allowance for doubtful accounts	<u>-</u>	<u>-</u>	<u>(44,546,000)</u>	<u>(39,900,000)</u>
Subsidiaries - Net	-	-	110,000,000	168,386,000
Related companies	8,060,119	8,682,290	-	-
	<u>8,060,119</u>	<u>8,682,290</u>	<u>110,000,000</u>	<u>168,386,000</u>

The movements of short-term loans for the years ended December 31, are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Beginning Balance	8,682,290	8,858,890	168,386,000	124,040,000
Additions	-	-	68,760,000	45,746,000
Repayment	-	-	(122,500,000)	(1,400,000)
Doubtful debt in loan	-	-	(4,646,000)	-
Unrealised loss on exchange rate	(622,171)	(176,000)	-	-
Ending balance	<u>8,060,119</u>	<u>8,682,890</u>	<u>110,000,000</u>	<u>168,386,000</u>

Transaction incurred during 2019

During the year of 2019, the Company had the short-term loan amounting to Baht 60.00 million to Ua Withya Public Company Limited. The loan is dominated in Thai Baht and is due at call and carries interest rate 4.20% per annum, to WJC Enterprise Company limited amounting to Baht 8.30 million. The loan is dominated in Thai Baht and is due at call and carries interest rate 4.43% per annum and to Evergreen Biomass Company Limited amounting to Baht 0.46 million. The loan is dominated in Thai Baht and carries interest rate 4.43% per annum.

During the year of 2019, the company received the repayment of the principal of loan from Ua Withya Public Company Limited amounting to Baht 70 million and from WJC Enterprise Company Limited amounting to Baht 52.50 million and reversal the allowance doubtful debt amounting to Baht 4.11 million.

During the year of 2019, the Company assessed the recoverability for loan to WJC Enterprise Company Limited and recognized doubtful debt amounting to Baht 8.30 million and Evergreen Biomass Company Limited amount to Baht 0.46 million under “Other expenses” in the separate financial statements.

Transaction incurred during 2018

During the year of 2018, the Company had the short-term loan amounting to Baht 40.00 million to Ua Withya Public Company Limited. The loan is dominated in Thai Baht and is due at call and carries interest rate 4.00% per annum, to WJC Enterprise Company limited amounting to Baht 4.55 million. The loan is dominated in Thai Baht and is due at call and carries interest rate 4.00% per annum and to Pipe Line Engineering Company Limited amounting to Baht 1.20 million. The loan is dominated in Thai Baht and carries interest rate 4.00% per annum.

During the year of 2019, the company received the repayment of the principal of loan from Pipe Line Engineering Company Limited full amounting to Baht 1.20 million and from WJC Enterprise Company Limited amounting to Baht 0.20 million.

34.7 Short-term loan from related company (Note 22)

	Consolidated financial statements		Separate financial statements	
	September 30, 2019 Baht	December 31, 2018 Baht	September 30, 2019 Baht	December 31, 2018 Baht
Subsidiaries	-	-	30,000,000	-

Short-term borrowings from related companies are unsecured loans in Thai Baht. The borrowings are due within 1 year and carry interest rate of 4.00% per annum.

34.8 Trade and other current payable (Note 23)

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Accrued expense				
- related companies	-	-	89,863	-
Other payable				
- related companies	-	22,203	-	-
Other payable - directors	197,420	169,356	6,220	36,906
	<u>197,420</u>	<u>191,559</u>	<u>96,803</u>	<u>36,906</u>

34.9 Commitments with related parties

As at December 31, 2019 and 2018, the Company had commitment related to the guarantee and pledge its assets as collateral for credit facilities of subsidiaries with financial institutions.

35. PROMOTIONAL PRIVILEGES

Rayong Wire Industries Public Company Limited

Rayong Wire Industries Public Company Limited received promotional privileges from the Board of Investment on June 29, 2012 for manufacturing of steel wire and steel wire mesh. Under the promotional privileges, Rayong Wire Industries Public Company Limited received the exemption from corporate income tax from the promoted activities for the period of 8 years from the date income is first derived, which is February 13, 2013 and the reduction of 50% from regular corporate income tax including the deduction of annual net losses arising during the privilege period from net profit for a period of 5 years from the end of the privilege period. Rayong Wire Industries Public Company Limited must comply with the conditions and restrictions provided in the promotional certificates.

Enesol Company Limited

Enesol Company Limited received promotional privileges from the Board of Investment on June 7, 2011 for manufacturing electricity. Under the promotional privileges, Enesol Company Limited received the exemption from corporate income tax from the promoted activities for the period of 8 years from the date income is first derived, which is June 30, 2012 and the reduction of 50% from regular corporate income tax including the deduction of annual net losses arising during the privilege period from net profit for a period of 5 years from the end of the privilege period of 8 years (expired on June 29, 2025). Enesol Company Limited must comply with the conditions and restrictions provided in the promotional certificates.

UWC Komen Biomass Company Limited (Formerly : TRC Clean Energy Company Limited)

UWC Komen Biomass Company Limited received promotional privileges from the Board of Investment on May 21, 2008 for generating electricity from biomass. Under the promotional privileges, UWC Komen Biomass Company Limited received the exemption from corporate income tax from the promoted activities for the period of 8 years from the date income is first derived, which is October 11, 2011 including the deduction of annual net losses arising during the privilege period from net profit for a period of 5 years from the end of the privilege period. UWC Komen Biomass Company Limited must comply with the conditions and restrictions provided in the promotional certificates. However, on September 21, 2016, the Board of Investment had the resolution to revoke its promotional privileges of the exemption from corporate income tax for 1 year (expire on October 10, 2023).

Satuek Biomass Company Limited

Satuek Biomass Company Limited received promotional privileges from the Board of Investment on November 18, 2003 for generating electricity. Under the promotional privileges, Satuek Biomass Company Limited received the exemption from corporate income tax from the promoted activities for the period of 8 years from the date income is first derived, which is January 21, 2006 and the reduction of 50% from regular corporate income tax including the deduction of annual net losses arising during the privilege period from net profit for a period of 5 years from the end of the privilege period. Satuek Biomass Company Limited must comply with the conditions and restrictions provided in the promotional certificates.

UWC Amphan Biomass Company Limited

UWC Amphan Biomass Company Limited received promotional privileges from the Board of Investment on November 28, 2005 for generating electricity. Under the promotional privileges, UWC Amphan Biomass Company Limited received the exemption from corporate income tax from the promoted activities for the period of 8 years from the date income is first derived, which is January 31, 2008 and the reduction of 50% from regular corporate income tax including the deduction of annual net losses arising during the privilege period from net profit for a period of 5 years from the end of the privilege period. UWC Amphan Biomass Company Limited must comply with the conditions and restrictions provided in the promotional certificates.

Income from promoted and non-promoted activities for the Company comprises the following:

Consolidated financial statements			
For the year ended December 31, 2019			
	Promoted activity	Non-promoted activity	Total
	Baht	Baht	Baht
Revenue from sales	785,158,110	642,409,788	1,427,567,898
Revenue from rendering service of project	-	647,000,476	647,000,476
Other income	8,066,074	24,910,078	32,976,152
Total	<u>793,224,184</u>	<u>1,314,320,342</u>	<u>2,107,544,526</u>

Consolidated financial statements			
For the year ended December 31, 2018			
	Promoted activity	Non-promoted activity	Total
	Baht	Baht	Baht
Revenue from sales	774,193,404	914,278,795	1,688,472,199
Revenue from services	-	1,029,540,267	1,029,540,267
Profit from investment	-	416,775,787	416,775,787
Other income	19,746,706	114,249,998	133,996,704
Total	<u>793,940,110</u>	<u>2,474,844,847</u>	<u>3,268,784,957</u>

36. COMMITMENTS

36.1 The future aggregate minimum lease payment under non-cancellable operating leases as at December 31, 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Million Baht	Million Baht	Million Baht	Million Baht
Within 1 year	9.05	11.60	6.93	7.51
Later than 1 year but not later than 5 years	6.70	14.40	1.15	8.08
Later than 5 years	1.94	2.97	-	-
	<u>17.69</u>	<u>28.97</u>	<u>8.08</u>	<u>15.59</u>

- 36.2 The future aggregate payment for other commitments as at December 31, 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Million Baht	Million Baht	Million Baht	Million Baht
Bank guarantees	43.18	36.43	-	-
Repair and maintenance agreements	171.59	196.73	-	-
Unused letters of credit for goods and raw materials	8.87	118.78	-	-
	<u>223.64</u>	<u>351.94</u>	<u>-</u>	<u>-</u>

As at December 31, 2019, the Group has available unused letters of credit for purchase of goods and raw materials amounting to Baht 548.80 million (December 31, 2018 : Baht 313.59 million).

37. PLEDGED ASSETS

- 37.1 As at December 31, 2019, bank deposits of Rayong Wire Industries Public Company Limited amounting to Baht 194.90 million (December 31, 2018: Baht 194.90 million) are pledged as collateral for credit facilities of Rayong Wire Industries Public Company Limited:
- a) short-term and long-term borrowings
 - b) letters of guarantee
 - c) credit facilities and liability under trust receipt for purchasing raw material.
- 37.2 As at December 31, 2018, the machinery for a production project for electricity and heat energy of Enesol Company Limited according to the agreement with Thai-German Ceramic Industry Public Company Limited, is used as collateral for a long-term borrowing from a domestic financial institution pursuant to the mortgage agreements (Note 22).
- 37.3 As at December 31, 2018, bank deposits of Enesol Company Limited amounting to Baht 7.50 million (December 31, 2019: Nil) was pledged as collateral for the Enesol Company Limited's borrowings from a domestic financial institution (Note 22).
- 37.4 As at December 31, 2018, certain investment properties of the Company are pledged as collaterals for credit facilities of Enesol Company Limited (Notes 17 and 22).

- 37.5 As at December 31, 2019, land and buildings of Ua Withya Public Company Limited amounting to Baht 271.16 million (December 31, 2018: Baht 273.10 million), together with an indemnity right from related insurance of such plant are mortgaged as collateral for bank overdrafts and short-term borrowings from a domestic financial institution. Bank deposits of Ua Withya Public Company Limited amounting to Baht 22.75 million (December 31, 2018: Baht 52.42 million) are pledged as collateral for bidding projects. (Notes 18 and 22)
- 37.6 On January 2018, Ua Withya Public Company Limited issued debentures which are non-subordinated, unsecured with a debenture holder's representative in the name-registered certificate totalling Baht 600 million. The company offered these debentures to the general public. The debentures bear interest rate at the fixed rate of 6.25% per annum, and redemption date on January 2020. As at issue date, Ua Withya Public Company Limited guaranteed debentures with pledges are The shares of 330 million shares of Rayong Wire Industries Public Company Limited owned by the Company with a par value of Baht 2 per share, totalling Baht 660 million (Note 22).

On April 17, 2019, the company had a redemption of debentures before maturity for Baht 300 million.

On December 2019, Ua Withya Public Company Limited issued debentures which are non-subordinated, unsecured with a debenture holder's representative in the name-registered certificate totalling Baht 300 million. The Company offered these debentures to the general public. The debentures bear interest rate at the fixed rate of 6.50% per annum, and redemption date on March 2021. As at issue date, Ua Withya Public Company Limited guaranteed debentures with pledges are the share of 782 million shares of EMC Public Company Limited owned by the Company with a par value of Baht 0.14 per share, totalling Baht 109.50 million (Note 22).

As at January 15, 2020, Ua Withya Public Company Limited redeemed the matured debentures, total amount of Baht 300 million and guaranteed debentures with pledges are the share of 78 million shares of Rayong Wire Industries Public Company Limited owned by the Company with a par value of Baht 1.41 per share, totalling Baht 109.50 million instead of share of EMC Public Company Limited.

- 37.7 As at December 31, 2019, bank deposit of Pipe Line Engineering Company Limited amounting to Baht 0.50 million (December 31, 2018 : Baht 0.50 million) was pledged for receivable collateral as tunnel service agreement with a company.
- 37.8 As at December 31, 2019, bank deposit of Satuek Biomass Company Limited (Ua Withya Public Company Limited's subsidiary) amounting to Baht 0.62 million (December 31, 2018 : Baht 0.62 million) and cash of UWC Komen Biomass Company Limited (Ua Withya Public Company Limited's subsidiary) amounting to Baht 1 million was pledged for electrical usage.

37.9 As at March 12, 2019, UWC Komen Biomass Company Limited (Ua Withya Public Company Limited's subsidiary) entered into borrowing agreement with a financial institution amounting to Baht 330 million. The borrowing is guaranteed by the securities of the Company are as follows:

- 1.) Land and building owned by UWC Komen Biomass Company Limited (Ua Withya Public Company Limited's subsidiary) has an appraisal value of Baht 123 million (Notes 18 and 22).
- 2.) Machine which owned by UWC Komen Biomass Company Limited (Ua Withya Public Company Limited's subsidiary) has an appraisal value of Baht 241 million (Notes 18 and 22).
- 3.) The shares of 24 million shares of UWC Komen Biomass Company Limited (Ua Withya Public Company Limited's subsidiary) owned by Ua Withaya Public Company Limited with a par value of Baht 10 per share, totalling Baht 240 million (Note 22).
- 4.) Deposit at bank in amount of Baht 17.15 million of UWC Komen Biomass Company Limited (Ua Withya Public Company Limited's subsidiary).

38. EVENTS AFTER THE REPORTING PERIOD

38.1 On February 7, 2020, the Board of Directors' meeting of a subsidiary passed resolution approving sell a part of machinery with the book value of Baht 37.93 million to a company at the price of Baht 6.97 million. Therefore as at December 31, 2019, the Group recognized a loss from impairment of those assets amounting to Baht 30.96 million in the statement of profit or loss and other comprehensive income for the year ended December 31, 2019.

38.2 On February 24, 2020, the Board of Directors' meeting passed resolution approving dividend payment and shall be proposed for the final approval with shareholders' meeting on March 26, 2020, for declaration of dividend payment to shareholder for fully paid share capital and 25% paid-up share capital at Baht 6.61 per share and 1.65 per share, respectively, totaling Baht 20 million and set aside a legal reserve.

39. RECLASSIFICATIONS

Certain reclassifications have been made to the consolidated statement for the year ended December 31, 2018 to conform to the classification used in current period's consolidated statement for the year ended December 31, 2019 as follows:

			Unit : Baht
Account name	Total	Previous classification	Current classification
Consolidated Statement of financial position			
Available-for-sale investments	178,229,328	Current investments	Available-for-sale investment
Deferred tax assets	40,330,845	Deferred tax liabilities	Deferred tax assets
Consolidated Statement of profit or loss and other comprehensive income			
Other expenses	49,794,539	Administrative expenses	Other expenses

40. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved by an authorized director of the Company for issuing on March 2, 2020

Remuneration Fee of Auditor

Year 2019, DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT COMPANY LIMITED (“DELOITTE”) as company and its subsidiaries auditor by following details

No.	Company	Amount (Baht)
1.	Capital Engineering Network Public Company Limited	2,020,000.-
2.	Ua Withya Public Company Limited	1,800,000.-
3.	Rayong Wire Industries Public Company Limited	1,700,000.-
4.	Enesol Company Limited	795,000.-
5.	WJC Enterprise Company Limited	800,000.-
6.	Pipe Line Engineering Company Limited	310,000.-
7.	Evergreen Biomass Company Limited	160,000.-
8.	UWC KOMEN BIOMASS Company Limited	810,000.-
9.	UWC AMPHAN BIOMASS Company Limited	630,000.-
10.	Satuek Biomass Company Limited	620,000.-
11.	Paradise Green Energy Company Limited	275,000.-
12.	Ultra Asia Company Limited	115,000.-
TOTAL		10,035,000.-

By this, Deloitte Touche Tohmatsu Jaiyos Audit Company Limited and auditors as non-directors, employees or any other position in accordance to section 112 of PUBLIC COMPANY LIMITED ACT BE.2535 which includes no relationship and no interest among company, subsidiaries, executives, major shareholders or related person thus auditors are independence and get approval from Securities and Exchange Commission. Apart from this, company does not use any other professional services from Deloitte Touche Tohmatsu Jaiyos Audit Company Limited

Incidentally, Directors and Executives never be employees or partners or any other related to Deloitte Touche Tohmatsu Jaiyos Audit Company Limited during the past 2 years

Non-Audit Fee

The company and its subsidiaries has no other fees

General Information and other importance information

1. Company Information

Name of Company	: Capital Engineering Network Public Company Limited
Nature of Business	: Holding Company
Office address	: 1011 Supalai Grand Tower, 17 th Floor Rama III Road, Kwaeng Chongnonsi, Khet Yannawa, Bangkok 10120
Registered Capital	: Baht 968,684,506
Paid Up Capital	: Baht 745,141,929
Share Value	: Baht 1 per share
Registered Number	: 0107536000935
Telephone	: 0-2049-1041
Fax	: 0-2049-1045
Website	: www.cenplc.com

2. Investment in other companies which holds more than 10 percent

(1) Ua Withya Public Company Limited

Nature of Business	: Produces and Services (1) High Voltage Transmission Tower (2) Telecommunication Tower (3) Substation Steel Structure (4) General Fabrication (5) Hot Dip Galvanizing Service (6) Selling industrial products (7) Production and Distribution of renewable energy
Head Office Address	: 247 Romklow Road Kwang Saensaeb Khet Minburi Bangkok 10510
Telephone	: 0-2543-9020-8
Fax	: 0-2543-9189, 0-2543-9029
Website	: www.uwc.co.th
Number of Shares Sold	: Registered capital of Baht 1,907,119,713 and Paid up Capital of Baht 1,316,252,588 as consists of 13,162,517,864 ordinary shares (par value of Baht 0.10)
Number of Shares Company holds	: Amount of 4,950,839,150 shares or 37.61 percent

(2) Rayong Wire Industries Public Company Limited

Name of Company	: Rayong Wire Industries Pubic Company Limited
Nature of Business	: Production and Distribution (1) Steel Wires for Pre-stressed Concrete Wire or "PC-Wire" "PCW" (2) Steel Wires Strand for Pre-stressed Concrete or "PC-Strand" "PCS" (3) Gas Metal Arc Welding Wire or "GMAW" (4) Hard Drawn or "HDW" (5) Ordinary Low Carbon Steel Wire or "OLC" (6) Wire Mesh
Office Address	: 1011 Supalai Grand Tower, 17 th Floor Rama III Road, Kwaeng Chongnonsi, Khet Yannawa, Bangkok 10120
Factory Address	: Mabtapud Industrial Estate No.5 I-5 Road, Tambon Mabtapud, Amphur Muang, Rayong 21150
Telephone	: 0-2049-1001
Fax	: 0-2049-1005-6
Website	: www.rwi.co.th

Number of Shares Sold : Registered of capital of Baht 318,182,593 and Paid up capital of Baht 318,182,593 which consists of 636,365,186 ordinary shares as par value of 0.50 Baht

Number of Shares Company holds : Amounting of 445,425,950 shares or 70.00 percent

(3) Enesol Company Limited

Name of company : Enesol Company Limited

Nature of Business : Manufacturer and distributor of electrical and heat energy to SCG Ceramic Public Company Limited and Susoko Ceramic Company Limited

Office Address : 1011 Supalai Grand Tower, 17th Floor Rama III Road, Kwaeng Chongnonsi, Khet Yannawa, Bangkok 10120

Telephone : 0-2049-1041

Fax : 0-2049-1045

Factory Address (Siam Ceramic Group Industries) : 40 Moo 2 Rimklongrapeephat Road Tambon Nong Ping Amphur Nong Kae Saraburi 18140

Factory Address (Thai-German Ceramic Industries) : 61 Moo 1 Nong Kae Industrial Estate Tambon Korkyae Amphur Nong Kae Saraburi 18230

Number of Shares sold : Registered capital of Baht 484,000,000 and Paid up capital of Baht 302,500,000 consists of 4,840,000 ordinary shares (par value of Baht 100)

Number of Shares Company holds : Amount of 4,839,991 shares or 100.00 percent

(4) WJC Enterprise Company Limited

Name of Company : WJC Enterprise Company Limited

Nature of Business : Steel Structure, design and Metal forming service which has factory in Lamchabang as has work both local and oversea of Petrochemical Industry, Energy Industry and Construction Industry and other industries

Office Address : 543/4 Moo 1, Tambon Nong Klam, Amphur Sriracha, Chonburi

Telephone : 038-340-104

Fax : 038-340-105

Number of Shares sold : Registered capital of Baht 150,000,000 and Paid up capital of Baht 1,500,000 as consists of 1,500,000 ordinary shares (par value of Baht 100)

Number of Shares Company holds : 1,413,800 shares or 94.25 percent

(5) Pipe Line Engineering Company Limited

Name of Company : Pipe Line Engineering Company Limited

Nature of Business : Contractors and Tunneling

Office Address : 1011 Supalai Grand Tower, 17th Floor Rama III Road, Kwaeng Chongnonsi, Khet Yannawa, Bangkok 10120

Telephone : 0-2049-1041

Fax : 0-2049-1045

Number of Shares sold : Issued of common shares as 150,000,000 shares and paid up capital of Baht 144,000,000 consists of 1,500,000 ordinary shares as par value of Baht 100 Baht

Number of Shares Company holds : 1,439,996 shares or 99.99 percent

(6) Evergreen Biomass Company Limited

Name of Company : Evergreen Biomass Company Limited

Nature of Business : Production and Distribution of raw materials for biomass fuel

Office Address : 1011 Supalai Grand Tower, 17th Floor Rama III Road, Kwaeng Chongnonsi, Khet Yannawa, Bangkok 10120

Telephone : 0-2049-1041

Fax : 0-2049-1045

Number of Shares sold : Registered capital of Baht 50,000,000 as consists of 5,000,000 ordinary shares (par value of Baht 10)

Number of Shares Company holds : Amount of 4,950,000 shares or 99.00 percent

3. Other References

Securities Registrar : Securities Depository Center (Thailand) Co., Ltd.
The Stock Exchange of Thailand
93 Ratchadaphisek Road, Kwaeng Dindaeng, Khet Dindaeng, Bangkok 10400
Tel: 0-2009-9000 Fax: 0-2009-9991

Authorized Auditor : Dr.Suwatchai Meakhaamnouychai
Certified Public Accountant No. 6638
Dr. Kiatniyom Kuntisook
Certified Public Accountant No.4800
Deloitte Touche Tohmatsu Jaiyo Audit Company Limited
11/1 AIA Sathorn Tower, 23-27 Floor, South Sathorn Road,
Kwang Yannawa, Khet Sathorn, Bangkok 10120
TEL: 0-2034-0000 FAX: 0-2034-0100

4. Other importance information

-none-

Corporate Social Responsibility

Year 2019



CSR

***Corporate
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Message of Executive Chairman and Chief Executive Officer

The company and subsidiaries has committed to creating sustainable development in society through business activities of the company and its subsidiaries. By leading the sufficiency economy philosophy of His Majesty King Bhumibol Adulyadej as guideline to conduct the business operation by pay attention to management system and production process as use of resources most effectively and less effect to environmental, communicate with relevant people in order to understand in the same direction, to build strength and immunity for the company and its subsidiaries (taking stakeholders into account) with regard to stakeholders in all aspects, create value and benefits for both business and society at the same time

Year 2019, company and subsidiaries has continue to build sustainable in organization therefore producing safe product for consumers and environmentally friendly, maintain good corporate governance as having Anti-Corruption and Corruption policy in order to connect with organization strategy as well as creating organization to be sustainable

On behalf of the company Thank you to all stakeholders, relevant agencies and all employees as well as communities and societies. Contribute to and lead the company forward in a sustainable way.



(Mr. Wutichai Leenabanchong)
Executive Chairman and
Acting of Chief Executive Officer

Report Information

Capital Engineering Network Public Company Limited: CEN Limited has prepare report on Corporate Social Responsibility (CSR Report) by clearly separated as the second year thus Boards has focus on providing information with reliable and high quality by the company will sets key for sustainability issues and evaluating significance of issue which related to company goals and operations to be one of communication channels for interested parties to know determination along with conducting business with morality and ethics

Reporting Guideline

The company determines content by considering both internal and external factors based on operations of company and its subsidiaries as important issues affecting economy Society and Environment From; perspective of both internal and external stakeholders which based on guidelines for international sustainability reporting. GRI Sustainability Reporting Standards (GRI Standards) is a framework for reporting. The company offers overall sustainability performance covering the economic, social and environmental dimensions of the company. Between 1 January and 31 December 2019

Reporting Scopes

Scopes of report covers performance of company and its subsidiaries which a part of supervision which encourage disclosure according to international guidelines in order to meet expectation of stakeholders. By this, that information was disclosed in this report

The company has plans to produce CSR report on yearly basic as well as develop system and method of storage the information regularly for clearly, collection of data and completed information thus communicates on business operation with social responsibility to stakeholders continuously

Channel

This report is beneficial to all stakeholder to acknowledge right information for consideration interesting issues therefore the company has do this report in both Thai and English version in the form of publication also published on the website for variety and easy to access data.

By this, report can be downloaded from company's website which enclosed in Annual Report and for more information please contact bellows:

➤ **Corporate Secretary**

TEL : 02-049-1041
E-mail : kenika@cenplc.com


➤ **Capital Engineering Network Public Company Limited**



1011 Supalai Grand Tower, 17th Floor, Rama 3 Road,
Chongnonsi, Yannawa, Bangkok 10120
TEL : 02-049-1041 FAX : 02-049-1045
Website : <http://www.cenplc.com>






The importance and participation with stakeholders


The company and its subsidiaries recognize that stakeholder have important roles in determining direction of business are importance of care and consideration by organize discussion activities with stakeholder participation for role-playing of each section appropriately. Moreover, it includes need of stakeholders which could respond properly thus can be classified into 9 groups and consider mission is to meet needs of stakeholders in each group.



Stakeholders	Communication Channels	Responding of Expectation
 Shareholders and Investors	<ul style="list-style-type: none"> • Shareholders' meeting • Annual Report • Report on business operation quarterly, disclose information through SET system and company's website • Publish suggestion and complain through "Investor Relation" on company website or contact directly to corporate secretary 	<ul style="list-style-type: none"> • The supervision of the rights of all shareholders and all groups shall be treated with equality and shall not act in violation of or depriving of rights in accordance with principles of good corporate governance, fair treatment • Disseminate important information that is accurate and transparent and able to inspect both Thai and English version completely, correctly in time through the specified channels • Clearly policies on dividend • Corporate business in accordance to corporate governance

Stakeholders	Communication Channels	Responding of Expectation
 <p>Employees</p>	<ul style="list-style-type: none"> • Training and Development of employee • Organize various activities that allow employees to participate • Internal communication between employees electronically, such as the Internet • Public relations news via voice calls and post announcement board • Accepting suggestions and complaints via Posts Box or line supervisors. 	<ul style="list-style-type: none"> • Set the code of ethics for employees to adhere to in their work • Supervise and promote the quality and job security of employees • Treat employees equally. Without discrimination On human rights principles • Appropriate and fair compensation and welfare • Continuously develop capabilities and promote employee education. Including promoting progress in the field of work • Provide communication channels for employees to be able to make suggestions or make complaints in various matters • Provide systems and safety control equipment that are standard, arrange workplaces to be suitable and allow for efficiency Work efficiency regard to safety and hygiene
 <p>Community And Social</p>	<ul style="list-style-type: none"> • Educational activities for the public • Community Projects both careers, education and environmental care • Social activities that contribute to community participation • Energy conservation campaign activities, preserve the environment and efficient use of resources • Accepting suggestions and complaints through company's website 	<ul style="list-style-type: none"> • Practice in accordance to corporate social responsibilities • Support development of communities and society as a whole • Share knowledge as organizational skills to the community professionally • Community Projects both careers, education and environmental care • Training staff on anti-corruption and corruption and disseminate policy on company website and internal communication channels • Consideration of environmental standards in the operation

Stakeholders	Communication Channels	Responding of Expectation
 <p>Partnership</p>	<ul style="list-style-type: none"> • Explain and support partnership to acknowledge policies and code of conduct in order to operate the business • To visit partnership in order the exchange knowledge, experiences and expertise and listen to problems/suggestion • Fair and Equal • Accept suggestion and company through company's website 	<ul style="list-style-type: none"> • Complying with trade conditions and agreements • Take fair competition rules into consideration • Communicate and inform partners about policies and business ethics • Exchange knowledge, experiences and expertise • Not asking for accepting or other benefits aside from trade agreements • Consider appropriate procurement in accordance with regulation
 <p>Customer</p>	<ul style="list-style-type: none"> • Meeting with customers • Communication channel through website/ Electronic Media / Visiting customers / Attend the expo • Survey of needs and satisfaction • Provide channel for customers to complain or suggest in order to improve operation 	<ul style="list-style-type: none"> • Improvement on quality of product to be safe to customers • Innovate to add value on products and service continuously • Maintain customers confidentiality • Provide communication channel to customers to ask, suggest, comment and complaint • Bring any complaints or suggestion to adjust and develop on products in order to meet needs of customer
 <p>Competitor</p>	<ul style="list-style-type: none"> • Receive information from public 	<ul style="list-style-type: none"> • Operate the business transparently under fairly trade and competition • Not seeking confidential information of competitor through dishonest • Not destroying reputation by accuse against competitors
 <p>Trade Payable</p>	<ul style="list-style-type: none"> • Annual Report / Responsibilities toward social, community and environment • Through relevant agencies and company's website • Open up for suggestion and complaint through company's website 	<ul style="list-style-type: none"> • Practice in accordance to inter-trade strictly • On time payment to creditor and as agreement as company use bank transfer method "media clearing" which facilitate creditors
 <p>Government Agencies</p>	<ul style="list-style-type: none"> • Request legal advice and taxation via phone And the website of the Revenue Department • Legal advice and practices related to operations from relevant government agencies, such as the Ministry of Labor Department of Business Development etc. 	<ul style="list-style-type: none"> • Comply with various laws and regulations related to business operation correctly, transparently • Environmental quality control is better than the standard prescribed by law • Clarification of information with government agencies Fast and accurate supervision

Stakeholders	Communication Channels	Responding of Expectation
 Media	<ul style="list-style-type: none"> • Interviewing and give information 	<ul style="list-style-type: none"> • Promote good corporate image • Communicate accurate information, completely ignore false communications Distort the truth or immoral good

Sustainable Business

The company and its subsidiaries operate their business in a continuous competitive capability as based on morality and ethics as well as confidence, trust of all stakeholders along with determining Corporate Governance policies, Code of Conduct and Employees Ethics in written which includes clear policies and guidelines for all groups of stakeholders as for the Directors, Executives and employees at all levels adhere to guidelines. Avoid actions that may cause conflicts of interest by considering most benefit or respecting rights of all stakeholders

Management Approach

The Company is engaged in investment in other companies, including construction, energy and environment groups and other groups. The vision “is a company that investing in other companies with potential and growth by focusing on specialize, technology and management in order to improve business efficiency and create return to shareholders in variety of ways for long term” therefore company and its subsidiaries prioritize roles on every stakeholders to business of company.

By this, subsidiaries have entered into projects which empowering industrial enterprise toward environment sustainability and social responsibility (CSR-DIW for beginner) by describe company's business policies with social, environmental and stakeholder responsibilities as well as implementation and reporting also impact on corporate social responsibility of company

The company and its subsidiaries doing their business in accordance with sustainable development by creating awareness for executives and employees throughout organization for highest beneficial of using energy and resources thus continuously developing environmental friendly products to achieve goal of reducing greenhouse gas emissions and contributing to reduce impact on global warming. There are developments on management, working process, production process, code of conduct including anti-corruption and social responsibility in order to create company growth along with value added to social and environment

The company and its subsidiaries have appointed subcommittees and other committees to manage specific tasks in term of economic, social and environmental issues as well as consider various issues to be accurate, appropriate and effective.

Economic

Executive consists of 5 people; Chief Executive Officer is Executive Chairman as responsible for supervising implementation of mission to comply with company's business policies in order to achieve company goals and objectives in accordance to resolution from shareholders meeting

Risk Management Committee consists of 3 Directors (2 Independent Directors and 1 non-executive director) as responsible for ensuring company has appropriate and effective risk management by focusing on our core business in investment thus send alarms in advance and any other unusual transaction may occur.

Social

Sub-Committee on safety, occupational health and working environment of subsidiaries as the duty to set up SHE's guideline and plans as well as monitor and evaluate company's performance in order to continuously improve and develop its operations

Sub-Committee on welfare in workplace of subsidiaries to mediate on welfare assistance to employee together with ensures employees to have good quality of life. It also has duty to promote social and community development for defining and guiding company's social and community development thus perform such activities as well as monitor and evaluate operation of continuous improvement and development of work regularly.

Environment

Sub-Committee on energy conservation of subsidiaries has duty to manage energy in accordance to policies of energy conservation including controls how to manage energy efficiently and coordinate with all related department to meet to goals set.

Policy and implementation of social responsibility

1. Corporate Governance

Board of Capital Engineering Network Public Company Limited has prioritize roles on business operation, good corporate governance by using good corporate governance of The Stock Exchange of Thailand, regulation of Securities and Exchange Commission and Capital Market Supervisory Board for factor to strengthen organization to have powerful management system with honest, transparent and fair. Accountability right of all stakeholders completely and in accordance with circumstances and ready to live based on sufficiency economy

Corporate Governance Policies

Board of Directors prioritize role on determining direction of company's operation and monitoring management.

Overview of participation with stakeholders

Board of Directors, Executives and employee has practices according to good corporate governance and follow up performance relevant to operation plans regularly

Year 2019, no situation was found that not relevant to policies and no any complaints from stakeholders

2. Fair Business

The company and its subsidiaries has focusing on business ethics and transparency in line with business ethic under fair competition, fairness and equality within framework of law. The management approaches are as follow

1. Create business partnerships with partner for growth and jointly development in long run under fair competition framework according to procurement regulations and ISO 9001 starting from selection, evaluation of partners and price comparison.
2. Do not ruin reputation of your competitors, not seek information in dishonest way, not copy violate intellectual property of other for personal gain
3. Do not call or accept to receive property or any other benefits beyond trade agreement
4. Conducting business with both public and private sector agencies including competitors which should not be dishonest reputation of company or contrary to law

Customers

- (1) Deliver quality products and services as meet or exceed customer expectations at reasonable price
- (2) Provide accurate, adequate and up-to-date information to customers to know about products and services without any exaggeration on quality, volume or any conditions of products or services.
- (3) Comply with conditions to customer strictly in case any conditions cannot follow then be sure to notify the customer in order to find the solutions
- (4) Communicate with customers politely in order to meet customers' trust
- (5) Provide system and process for compliant about quality, quantity, safety of products and services including speed of response or delivery to customers
- (6) Maintain confidentiality of customers and not use them for their own benefit or any wrong thing
- (7) To provide advice on how to use company's products and services effectively and highest beneficial

Competitor and/or creditor

The company has a policy to promote trade freely and no policy to complete in any way in order to obtain information illegally and unethical following guidelines apply

- (1) Conduct under the rules of good competition
- (2) Do not seek and confidential information from your competitor in dishonest or inappropriate manner
- (3) Not destroy any reputation of competitor by making false allegation

Government:

Pay attention to transparency and consideration with honesty in dealing with government agencies which may affect offending action and contradictory of principles, good management including anti-bribery to state official for making convenient or benefit to company

By this, company and its subsidiaries has provide channels to communicates and facilities partnership, customers and stakeholders can complaint and those complaints with fairness

2.1 Receiving and giving gifts or any other benefit

The company and its subsidiaries has operate their business with fairly competition however, reception, receive or giving gift or acceptance of traditional practice in order to maintain good relationship among customers with following guidelines:

1. Staff can give / receive gifts to/from any person in all following condition apply
 - (1) Not intentional act overwhelm, induce or reward any person to gain any advantage or exchange explicitly or covertly to obtain help or benefits
 - (2) Gifts in name of company not from employee
 - (3) Gifts not in term of cash or equivalent to cash (e.g. gifts card or vouchers)
 - (4) Suitable for situation e.g. small gives during the festival such Songkran, Chinese New Year or New Year which is considered as normal tradition
 - (5) To disclose / surreptitious
 2. Business receptions and other expenses related to compliance with business contracts as can be done but spend with reasonable and could check and follow up procedures in accordance with requirement of work
 3. Employee could receive gift as amount not exceed Baht 5,000 if cannot refuse then if amount of gift exceed Baht 5,000 then need to report to head by using Gift Certificate Form and send it to Human Resources in order to bring these gifts as reward to employees or donate for charity as appropriate
- In year 2019, executives and employees has not receive any gifts from trade partner

2.2 Non-infringement of intellectual property

Intellectual property of company and its subsidiaries such as copyrights, patent, trademarks, trade secret as important to competitive advantage therefore directors, executives, and every employees has a duty to keep and all right reserve and all those right with responsibility

Apart from this, directors, executives and every employees respect legitimate right of other intellectual property as well

In year 2019 executives and employees has no process related intellectual property

2.3 Promoting social responsibility in business chain

The company has adopted a process and technology that care about potential environmental impacts starting from selection of raw materials, choosing appropriate energy and technology to ensure that production process has uses energy from resources for highest benefits

Environmentally friendly sourcing

Purchasing process is importance to manage the value of products by choosing quality products and services together with reduce impact on environment. We do not only consider on the price – to encourage change and instill consciousness on environmental to any stakeholders, employees and deliverable have been modified by choosing products and services by taking into account on impact of environment. The company has environmentally friendly sourcing of company and its subsidiaries which consists of compliance with law, control production process to be environmental friendly, energy, water and waste management

The environmentally friendly procurement of the company and its subsidiaries consists of Legal compliance Control of the production process to be environmentally friendly Energy management, water management, waste management, etc.

The subsidiary has monitoring system, asses, select partners and follow up the operation by taking quality, quantity and delivery into account as well as minimum requirement under labor law, quality management system such as ISO 9001, ISO 14001 as following criteria

ISO 9001	ISO 14001
Partner evaluation standards	Partner evaluation standards
<ol style="list-style-type: none">1. Quality control of raw material in accordance with standards2. Deliver raw materials on time3. Quality of raw material as required	<ol style="list-style-type: none">1. Efficient use of resources2. Waste separation/dumping accurate by type and location3. There are protection system, contamination control waste to environment4. Ways to control chemical, materials, raw material and hazardous materials5. The delivery system uses vehicles that are in good condition and not pollute6. Prepare for emergencies7. Safety Health and workplace environment8. Compliance with environmental regulation9. Corporate in solving environmental problem10. No complaints from stakeholders / related Person

Suppliers, Service Providers and Distributors

Subsidiaries has work assessment and visit trade partner, service providers and distributors regularly to ensure compliance with ISO 14001 of environmental management system and energy conservation policy and environment. The company has systematically selection its partners to ensure we comprised of partners who are legally operating and practice according to safety and occupational of health standards, environmental friendly thus supporting environmentally friendly procurement as consider from products and services of entrepreneur who comply with environmental standards or compliance with company's standards such as compliance with law, uses of resources and control of production, waste management. By this, for enhance capacity and efficiency to joint business.

Consumers and Users

The company and its subsidiaries have recognized that business will sustainable must understand need of customers. At the present, there is no limit to extent direct impact of business but it has expansion in support sustainable development for society and environment in order to increase competitiveness and value added to business.

2.4 Responsibilities to customers

The company and its subsidiaries have recognized satisfaction and confidence of customer as importance key for company and its subsidiaries success by set policies and practices as follows:

- (1) Deliver quality goods and services with match or higher than expectation from customers related to goods and services
- (2) Give correct information, enough and up to date situation and acknowledge to customers about products and services without any exaggeration for customer to misled about quality, quantity or condition of products and services
- (3) Practice in accordance with condition to customer strictly if any of conditions cannot be met then customer must inform in order to find the solution
- (4) Communicate with client politely, effective and meet customer's trust
- (5) Provide system and process for complaints about quality, quantity and safety of products and services including rapid in response and deliver
- (6) Keep customer's information confidentially and do not use it for their own benefit
- (7) To provide advice on how to use company's products and services effectively, beneficial to customer

Standard and Customer Safety

The company and its subsidiaries have process the activities in order to maintain standard of quality which includes prioritize roles on reduce impact to environmental. The subsidiaries has announce policies and carrying out ISO 9001 : 2015 of quality management system certification, ISO 14001 : 2015 environmental management system and WRAP compliance

In year 2019, subsidiaries undertake environmental management in order to reduce impact on any field continuously by examination of Environmental Management System Assessment ISO 14001: 2015. In addition, company has complied with requirement on Code of Conduct in term of health, environmental and labor to ensure that subsidiaries have developed in accordance with system and standard that are acceptable.

3. Anti-Corruption

The company and its subsidiaries against all forms of corruption with realization that bribery and corruption are a serious threat to free and fair competition including cause damage to economic and social development. There are no policies to offer bribes or compensations in any form either directly or indirectly to business associate in order to obtain or retain advantage in business including no payment policy or any other payment to expedite the process or facilitate

The company and its subsidiaries doing their business transparency, hold on to accuracy by provides guidelines for combating corruption including raising awareness, values, and attitudes by supporting activities that promote instill management and staff to compliance with applicable laws and regulation, not encourage achievement of fraudulent work



The company and its subsidiaries has prioritize roles on anti-corruption and cultivate a corporate culture by encourage orientation of new employees to prepare before commencement. In addition, company also requires manager and supervisor to receive training on “Corruption Risk Assessment” to communicate level of work force to be awareness and implementation to be in practice thus company has set measurement of anti-corruption as follows:

Board of Director

- Show commitment to anti-corruption
- Chairman has commit to accreditation for measure of anti-corruption

Risk Management Committee

- Supervise and assess risk throughout organization
- Support on anti-corruption

Audit Committee

- is a self-assessor on anti-corruption measures
- Review internal control system, risk management system and anti-corruption

Department of Internal Audit

Have efficient and effective internal control system which has audit and evaluation report to Audit Committee and Board of Director

Directors, Executives, Employees and representation in term of business

Practice in accordance to anti-corruption policies and regulation by not involved in either directly or indirectly

By this, Board of Directors have policies on anti-corruption in written for practices which has approved from Board of Directors Meeting No.4-2017 held on November 13, 2017 so has been prepared “Anti-Corruption and Corruption Policy” and published on company website <http://www.cenplc.com> under the topic of “Good Corporate Governance”

The company has been certified by the Private Sector Collective Action Coalition Against Corruption Council (CAC) in the fight against corruption on February 4, 2019.

Throughout time company; Board of Directors and Executives have been committed to manage and strict in accordance with principle of Good Corporate Governance together with having employees perform their duties with diligence, honesty, fairness as well as being aware of importance and following practice guidelines and risk management regarding anti-corruption.

In year 2019, no any complaints in title of Anti-corruption or take any bribe for beneficial

4. Respect of Human Rights

The company and its subsidiaries respect to law in accordance to Human Rights by not discriminate on employment no matter the person’s nationality, race, ethnicity, color, religion, language and disability terrorism is a factor in determining and judging employment. Employees are volunteering to work, no child labor as respect rights and employee freedoms thus employees are encouraged to develop their skills and maximize their potential by giving employees opportunity to learn more thoroughly and consistently

In case, employees has unfair treatment on any issues – there are communication channel for complain and report any clues which may be illegal together with correction process, protection on complainant. Meanwhile, we focus on developing employees to train their skills and maximize their potential by give opportunity to learn in case there are unfair treatments in any respect then could complaint or give any clues together with give correction process and fair treatment to complainant as well

Protecting and respecting employee privacy

The company and its subsidiaries has respects privacy of employees by protecting and not using personal information of employees such as salary, family history Medical history, etc. to disclose to outsiders or unrelated persons except that information must be disclosed to relevant third parties in accordance with the provisions of the law

5. Fair Practice in Labors

The company and its subsidiaries has policies to treat employees with fairness due to company has recognizes that employees and important and valuable asset for company and important factor for enhancing company's image to its customers, partners, shareholders and other stakeholders. The company has a policy to promote a strong corporate culture by increasing value of work to be done, knowledge and ability to continuously develop potential of employees in line

Policies and Practices among employees to operate the business as follows:

- (1) Treat employees with courtesy and respect for individuality and dignity of humanity
- (2) Provide fair compensation to employees
- (3) To maintain safe working environment for life and property of employees
- (4) Appointment and relocation which includes rewards and punishment for employees which based on good faith, knowledge, ability and suitability of employees?
- (5) Prioritize role on knowledge development of employee by providing opportunity thoroughly and consistently
- (6) Listen to comments and suggestion based on professional knowledge of employees
- (7) Comply with laws and regulation strictly related with employees
- (8) Avoid any action that may affect security of employee or threatening and putting pressure on mental state of employees
- (9) The employee shall file a complaint in event of non-compliance with prescribed system and procedures

The company and its subsidiaries has enter into the process to deal with complaints that employee consider as misconduct thus it defined as policies and guideline for protecting employee or clerk in "Employees Ethics"

Board of Director gives employees and stakeholders to complaint or makes a complaint when found illegal, corruption or misconduct in the company which includes complaints if employees and stakeholders are violated or unfair treatment through channel or process as set by company.

The company will listen and do any related process equally, fairly and transparently by systematic and fair system of protection against complaints thus information of complainant will be kept confidential

Protection of complaints

- (1) The company will keep information and conceal the name, address or any information which can be identified the complainant or data provider by restricted only who responsible for investigating as can access such information
- (2) The person who receiving information from officiate has duties to keep complaint information and other relevant secretly, do not disclose information to anyone who is not involved except as disclose under statutory duty
- (3) The company will only disclose information as necessary by taking into account on safety and damage of reporter and source of information or any person involved.
- (4) Damage will be mitigated by appropriate and fair procedures.

(Details of complaint channel will be disclosed in our website <http://www.cenplc.com> under the title of "Corporate Governance")

Recruiting and employment

Capital Engineering Network Public Company Limited Have a policy of recruiting and employment by adhering to the principles of knowledge, ability, fairness, equality, non-discrimination In terms of gender, race, religion, therefore giving importance to care and treatment of employees fairly and on basis of respect for human rights by promoting participation and developing creative thinking to create additional value for employees is an inspiration and a positive attitude towards work Resulting in the development of work to its full potential. The employment policy and labor management of the company Determined in accordance with the guidelines and standards of human rights including job law International standard criteria Company management policy and customer requirements

Year 2019, company has employees as at December 31, 2019 in totaling of 18 and continues to work out a plan in order to match with the business under fluctuation economic situation by play attention to resource allocate in term of value added or need for investment as well as adjusting work process to be more effective

Employment of people with disabilities

The company and its subsidiaries are aware of potential and capabilities of disabled. Therefore providing opportunities for disabled people who are ready to join the organization will makes people with disabilities proud and can reduce their dependence on society in another way. The rate of employment of the disabled person of subsidiary is in accordance with the law.

Management of wages, salary and benefits

The company and its subsidiaries has policies in term of remuneration management with fairness as appropriate living conditions as well as standard of competition for business which based on success of job consistent with capacity of equal treatment for male – female, sexual deviation, people with disabilities to attract talented people to work with company and motivate employee to develop the results for continuous operation. In addition, company provides welfare services which care about quality of life of employees beyond law to establish good relationship between employees and company

- Benefits that promote future security such as welfare, providence fund, cooperative, saving account, gratuity
- Benefit of living expenses such as uniform, arrangement for shuttle bus, transportation fee, fuel surcharge, lunch and rent

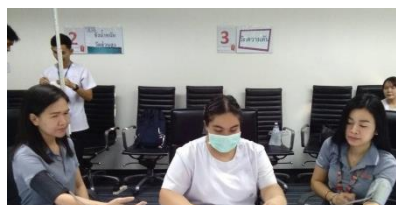
Welfare and other benefits

The company and its subsidiaries comply with laws related to labor and welfare, aims to encourage employees to have a good quality of life by providing welfare for employees at all levels appropriately In accordance with the job characteristics and social status, support, promote and play a role in organizing various activities as follows

Enhancing the quality of life and working happily

1. Happy Body

- Annual health checkup
- Substance abuse detection
- Arrange a nursing room and have a doctor



2. Happy Heart

Encourage employee to be
Generous to each other

- Blood Donation activities
- Activities supporting the product of the Koh Kok community
- Supporting the activities of Somdej Day Taksin the Great and the Red Cross



3. Happy Society

Encourage love and unity Generous to
the community that they work and live
to have a good social and environment

- Support Charity Activity
"THE BRIDGE OF HOPE" as at CAMILLIAN
SOCIAL CENTER"
- Children's day activities
- Support activities such as Water
pouring ceremony for the elderly
as at Maptaphut Industrial Estate
- Supporting the Serm Kwan Share
Project Smiles of disadvantaged
children and families
Social at Rayong Hospital
- Join to leave a robe ceremony
At Nong Phae Temple
- Join to leave a robe ceremony
At Noen Krai Prok Temple
- Join activities of "BIG CLEANING DAY"
As at I 5 Road jointly with Maptaphut
Industrial Estate



4. Happy Family

- Watering and blessing
activities from adults



5. Happy Relax

- Color Sports Event



Security Management occupational health and working environment

The Company and its subsidiaries pay attention to compliance with laws, safety and environment clearly and concretely. Including having a safety committee Occupational health and working environment (Kor.Por.Or) Is representative of employees in reporting and recommending measures or guidelines for correcting according to the law and working safety standards in order to ensure the safety of work of the recipient Mao and outsiders who come to work or come to use services in subsidiaries with the following actions

Safety, occupational health and working environment committee						
Subsidiaries	SET BY LAW		AMOUNT			
	Number of Employee	Number Director	Employee	Board of Director		
				Male	Female	Total
UWC	100 but not exceed 500	7	400	15	2	17
RWI	100 but not exceed 500	7	159	10	1	11

Safety Officers	UWC			RWI		
	Amount			Amount		
	Male	Female	Total	Male	Female	Total
1. Jor.Por as Executive Level	11	3	14	5	2	7
2. Jor.Por as Supervisor Level	18	7	25	31	6	37
3. Jor.Por as Professional Level	1	1	2	1	-	1
TOTAL	30	11	41	37	8	45

Details	UWC	RWI
Statistic of Accidents	20	11
Statistic of leave due to sickness		
- Less than 3 days	11	7
- More than 3 days	9	4

Practice in accordance to law on safety and environment

The Company and its subsidiaries strictly adhere to laws, regulations, and safety and environmental standards. By prescribing a practical guideline through the security policy occupational health and working environment and environmental policy of subsidiaries. There are follow-up checks to comply with laws, rules, regulations and safety standards that are relevant to business operations.

In 2019, there were no cases of violations of the safety and environmental laws and regulations.

Creating safety awareness

Subsidiaries cultivate safety awareness for employees at all levels by reviewing the roles of safety in the work safety officers, management levels and supervisors. Use of personal safety protection equipment Basic fire-fighting and fire evacuation

Measurement of work environment

The subsidiary has measured the work environment including heat, light, noise, dust, concentration, chemicals or vapors in the work area. To control environmental quality to meet safety standards and held KYT activities every day before entering work



Inspection of various devices To be safe

The subsidiary has checked the safety of various work systems. By expert technicians to maintain these devices to meet safety standards such as the boiler and boiler systems that use liquid as a heat medium Overhaul crane



Chemical management in accordance with the law

The subsidiary has controlled on use of chemicals in accordance with the law. To prevent harmful to workers' health and environmental impact by creating a safety data sheet (SDS) and informing the list of hazardous chemical names and details of the safety information of hazardous chemicals according to law Clearly label the chemical container. With training on the correct and safe use of chemicals for workers. There are appropriate and sufficient personal safety protection devices for employees. Prepare control equipment for chemical spills. To reduce the impact on the environment including emergency drills in case of chemical spills continuously every year



Emergency Training

Company and its Subsidiary has prioritize on preparing and response for emergency in case of fire, chemical and boiler leak or explosion by regularly training provided to employees at least once a year for safety in workplace, reduce impact on lives and assets of employees and companies. This also creates confidence among stakeholder to organization and communities nearby.



6. Development in social and community

The company and its subsidiaries has jointly develop in social and communities which seem as guideline for operation of company and its subsidiaries as show spirit for process of sustainable in social and community development. It may reduce impact in social and environment. The company also conducts activities that can meet need of society and community along with business operation of organization. By this, subsidiaries has support knowledge to children and beneficial to career

Promoting and Development in term of Communities and Social

Educational	Internship Program
	<ul style="list-style-type: none">- Chiangmai University- Kasembundit University- Kanchanaphisek Technical College Mahanakorn- Rayong Technical College- Rambhai Burni Rajabhat University- King Mongkut University of Technology North Bangkok (Rayong Campus)- Rajamangala University of Technology Isan- Suranaree University of Technology
Society	<ul style="list-style-type: none">- Blood Donation- Pour water of revered elders- Children's Day activities projects- Project to build kindness to society at Rayong Panyanukul School, Rayong- "Waste can create more value" project at Ban Nong Muang School, Rayong- Support Charity Activity- "THE BRIDGE OF HOPE" as at CAMILLIAN SOCIAL CENTER"- Supporting the Serm Kwan project to share smiles and children and underprivileged families at Rayong Hospital- Join to leave a robe ceremony At Nong Phae Temple- Join to leave a robe ceremony At Noen Krai Prok Temple- Join activities of "BIG CLEANING DAY"
	As at I 5 Road jointly with Maptaphut Industrial Estate

Encourage employee to participate and create value in society

Company and its subsidiaries encourage employees to contribute communities and society to employee to understand scarification, cooperation, unity which creates good relationship between employee and communities. Moreover, company and its subsidiaries also organize activities to be one in term of thought, decision making in order to achieve business goals

CSR Project share spirit to society

Company and its subsidiaries has main purpose to support education to student in community where company's factory located or communities in wilderness by provide solar power transmission towers and other equipment for long distance learning, scholarships, sport equipment, outdoor equipment through other necessary to student and school which company has continue doing this project

In year 2019, the company has jointly with Mega Steel (customer) Company Limited organized a project to share kindness to society at Rayong Panyanukun School, Rayong Province



Co-Sponsored Local Children's Day Program

Year 2019 subsidiary has prepared activities National Children's Day activity at Wat Noen Krapok Child Development Center. And Map Ta Phut Industrial Estate, Rayong Province



Project to support waste separation

Year 2019 subsidiary jointly activities namely "Waste can create more value and more separation" in order to promote environmental and raising awareness about waste separation at Ban Nong Muang School, Rayong Province



Complaint from community

Company and its subsidiaries are beware of instillation and development of consciousness of Board of Directors, Executives and employees throughout organization to participate in responsible of society and community which may have impact on business operation. In addition, company joined CSR-DIW project and has been certified by Ministry of Industry as participant in society, participation in continuous and sustainable (CSR – DIW Beginner) throughout past business period. As a result, not appear that subsidiaries have received any complaint from communities around the areas.

By this, subsidiaries are committed to maintain quality and standards of its operation and develop for better to avoid negative impacts on society and community

7. Environmental Management

The company and its subsidiaries are doing their business which based on principle management of environment throughout organization for better manages and develop the environment. The ISO 14001 Environmental Management System happened for manage environment including all employees within organization and trade partner are joined and practice according to standard ISO 14001.

The company and its subsidiaries has promote energy conservation, environmental management systematically with standards in order to control, monitor operation in every process related to business operations of subsidiary company in order to have the most efficient use of energy and have minimum impact on environment thus recognizing environmental responsibility for all groups of stakeholders of the company and its subsidiaries both in strict compliance with laws, rules, regulations relating to energy and environmental conservation management; create organizational culture and awareness among employees for cooperation and responsibility in energy and environmental conservation. Prevent environmental pollution by considering the impact on energy and the environment at every step of production including sustainable and worthwhile use of resources. Follow 5R (REDUCE REUSE RECYCLE REPAIR REJECT) principle, reduce reuse, repaired and used avoid use and promotion of treatment and rehabilitation, replacement, constant surveillance and prevention, promote continuous development of energy and environmental conservation management systems All environmental operations are in accordance with the international standard system ISO14001: 2015.

Management in Environmental

Subsidiaries has focusing on proactive business in term of conservation of environment as aim for long lasting use of resource in accordance to ISO 14001 on controlling waste and pollution which may occur. Moreover, considering on reduce pollution and greenhouse gas emission thus all internal processes are planned, monitored, evaluate and review for continuous improvement.

Energy and Environmental Conservation Management Policy

1. Commitment to comply with the law Important regulations related to energy conservation and the environment of the organization
2. Create corporate culture and awareness among employees at all levels to cooperate and take responsibility in management. Energy and environment conservation
3. Promote development of energy and environmental conservation management regard to energy impacts and Environment in every production process from product design process, production, sales, usage, waste management including sustainable and worthwhile use of resources
4. Promote energy and environmental conservation activities by allowing all activities of company as focusing on the improvement and development of efficient use of energy and natural resources To reduce the impact on climate change and ecosystems
5. Promote energy and environmental conservation management systems since economical use of resources, reduce reuse, reuse, repair and then use, avoid using

and promote treatment and rehabilitation of substitution, constant surveillance and prevention. In order to maintain the natural ecosystem and everyone's well-being

Management in term of Energy

Subsidiaries undertakes energy management and controls its office and factory by having Energy Management Team by taking attention reducing energy consumption as for energy efficiency by managing use of work areas appropriately, set up an energy management working group by focusing on reducing energy consumption, reduce greenhouse gas emission (carbon dioxide) in the meantime, through activities such as management for using electricity consumption for device, production process in order to achieve goals set.

Management in Environmental

Subsidiaries has focusing on proactive business in term of conservation of environment as aim for long lasting use of resource in accordance to ISO 14001 on controlling waste and pollution which may occur. Moreover, considering on reduce pollution and greenhouse gas emission thus all internal processes are planned, monitored, evaluate and review for continuous improvement.

Sustainable use of resources

Company and its subsidiaries has follow clean technology guideline as monitored to ensure to follow guidelines for continuous development of resources these can reduce use of resources as raw material for production continuously. At the same time, company also take into account on cost-effective use of resources by using recycle paper as environmental friendly to reduce natural resources in term of production and administration of company

Management in Quality of Air

Subsidiaries give priority to management in quality of air which recognize that air pollution affect climate change by subsidiaries has reduce and control waste from production process yearly to prevent from pollution and impact on environment for controlling air quality will not affect environment and surrounding communities.

Year 2019 subsidiaries has monitoring on quality of air and chemical in atmosphere – not exceed standard according to Ministry of Industry as follow

UWC Air Pollution

Analyze amount of airborne contaminants from chimney

Measure Index	Unit	Results	Standard
TSP	Mg/M	22	400

RWI Air Pollution

Control by scrubber every point of air pollution and measurement

	Parameter	Treatment System	Measure Unit	Standard	Measurement
1. Air Emission Quality Monitoring	1) Hydrogen Chloride (HCL)	Scrubber	mg/m ³	≤200	9.458
	2) Phosphate	Scrubber	mg/m ³	-	0.021
	3) Sulfur Dioxide (SO ₂)	-	ppm	≤60	≤1.3
	4) Carbon monoxide (CO)	-	ppm	≤690	91.34
2. Working Area Air Quality Monitoring	1) Hydrogen Chloride	Scrubber	mg/m ³	≤2	0.021
	2) Benzene	-	mg/m ³	≤0.5	<0.010
	3) Lead (Pb)	-	mg/m ³	≤0.05	No Production
3. Sound Level Monitoring (8 Hour working)	8 hrs. (Working hours)	-			
	- 1 st Drawing		dB(A)	≤85	80
	- PCW1		dB(A)	≤85	No Production
	- PCW2		dB(A)	≤85	80
	- PCS1		dB(A)	≤85	82
	- PCS2		dB(A)	≤85	81
	- Wire Rod		dB(A)	≤85	71
	- Wire Mesh		dB(A)	≤85	No Production
	- Hard Draw Wire		dB(A)	≤85	81
	- Pickling		dB(A)	≤85	75
4. Heat Stress Monitoring	- 1 st Drawing	-	Degree Celsius	Not more than 32 °C	29.9
	- PCW1				No Production
	- PCW2				29.3
	- PCS1				30.1
	- PCS2				29.7
	- Wire Rod				29.2
	- Wire Mesh				No Production
	- Hard Draw Wire				29.5
	- Pickling				30.3

Chemicals in the atmosphere of UWC

The amount of chemical concentration in the working atmosphere

Measure Index	Unit	Results	Standard
Sodium Hydroxide	mg/m ³	<0.61	2
Hydrogen Chloride	Ppm	0.02	C 5
Inhalable Dust	mg/m ³	<0.10	15
Zinc Oxide : Inhalable Dust	mg/m ³	019	15

Remark: C = maximum hazardous chemical concentration limit at any time during work process

Emission of waste air from ENS power plant

Air quality monitoring from the vent chimney According to the announcement of the Ministry of Natural Resources and Environment. The value does not exceed the standard as follows

Sources	Parameter	Unit	Measureable Quantity	Standard
SGI Chimney Fuel Natural Gas	Ø of the chimney	m	2.1	-
	Chimney Temperature	°C	400	-
	Speed of wind in chimney	m/s	12.9	-
	Air volume out from chimney	m ³ /min	18.23	-
	Content of Oxygen (O ₂)	%	8.6	-
	Content of Dust (TSP)	mg/m ³	1.76	60
	Sulfur Dioxide (SO ₂)	ppm	1.08	20
	Nitrogen Oxides in form of Nitrogen Oxides Gas (NO as NO ₂)	ppm	10.12	120

Management in Waste Water

Subsidiaries have controlling system in water quality that released from production process to be used for chemical treatment in order to meet standard as set by Ministry of Industry. The waste water from production process will not leave from factory but will have cesspool to be re-use in the production process or for water plants.

In year 2019 subsidiaries have monitoring on waste water treatment from production process which not exceed standard in accordance with Ministry of Industry

UWC Wastewater Production System

Parameter	Standard	Measureable Quantity
1. PH	8.3	5.5 – 9.0
2. Total Suspended Solids (TSS)	<5.0	50 mg / l
3. Total Dissolved Solid (TDS)	1,110	3,000 mg / l
4. Chemical Oxygen Demand (COD)	<40	120 mg / l
5. Zinc	0.2	5 mg / l

RWI Wastewater Production System

Parameter	Wastewater Treatment	Standard Measurement from Industrial	Measureable Quantity
1. pH	Through chemical treatment system of chemical and waste water	5.5 – 9.0	6.9
2. Total Suspended Solids		<50 mg/l	0.8
3. Total Dissolved Solids		<3,000 mg/l	1,935
4. Oil & Grease		<5 mg/l	3.5
5. Chemical Oxygen Demand		<120 mg/l	<10
6. Biology Oxygen Demand		<20 mg/l	<2
7. Dissolved Oxygen		-	5.76
8. Color @ Original pH		≤ 300 ADMI	17
9. Color @ pH 7.0		≤ 300 ADMI	16

Waste Treatment

The subsidiary divides waste into 4 types which are general waste, biodegradable waste, recyclable waste and hazardous waste caused by production process or chemicals which subsidiary has general waste management Recyclable waste in compostable way according to law of Ministry Industry and environmental management system standards ISO 14001: 2015 with disposal practices from waste separation, storage and condition checking to be ready for transportation as select the waste disposal contractor that is licensed legally which will not cause environmental impact on the subsidiary and society as follows

Waste Management of UWC

Waste	Removal Method	Company Eliminated
1. Rubbish	Taken to separate the landfill	Min Buri District Office
2. Scrap wire and metal	Bring Back	Yuthapong Pellet Mill Company Limited 4 Nor. Chokpattana Company Limited Siam Yamato Steel Company Limited
3. Sediment from waste water treatment	Stabilize and landfill	Professional West Public Company Limited
4. Zinc dust and granules	Reuse	Sam Phran Foundry Limited Partnership Nawaphattakrit Company Limited Nattawut Phanit Limited Partnership
5. Old hydraulic oil	Reuse	Sand Source Company Limited
6. Deteriorated hydrochloric acid	Reuse	Unching Industry Company Limited

Waste Management of RWI

Waste Water	Removal Method	Company Eliminated	Remark
1. Garbage from office	Sorted and Burned	Mabthaphut District	
2. Wire and Metal Scrap	- Reuse - Brought back to re-melting - Separating for selling	S-Chokechai Company Limited PP Lucky Recycle Company Limited	
3. Sludge from wastewater treatment	Stabilize and landfill	Better World Green Public Company Limited	Reference by Department of Industrial Works
4. Garbage from industries (phosphates, soap powder, light bulbs, scraps of oil, wastewater sludge)			
5. HCL Depletion		S.Kanok Environmental Management Company Limited	
6. Lead gravel	Bring back into new benefit	SC & Sons Engineering Company Limited	

8. Business operations that affect social responsibility

1. The company is being investigated by agency as having authority and duties of the company to violate law in relation to the 8 principles of significance.
-None-
2. The business of the company is part or alleged that is a negative effect on the society, the environment or does not comply with the 8 principles, especially in the case of appearing to the public. Moreover is a case that may affect the business, reputation or trust of the company significantly
-None-

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